



**Sumedha Fiscal Services Ltd.**

**CIN: L70101WB1989PLC047465**

Registered & Corporate Office :

6A Geetanjali, 8B Middleton Street, Kolkata - 700071.

T - 91 33 2229 8936 / 6758 / 3237 / 4473

F - 91 33 2226 4140 / 2265 5830

E - [secretarial@sumedhafiscal.com](mailto:secretarial@sumedhafiscal.com)

W - [www.sumedhafiscal.com](http://www.sumedhafiscal.com)

**August 18, 2022**

**Ref: CS-4/34/**

**BSE Ltd.**

The Corporate Relationship Department  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building, P.J. Towers,  
Dalal Street, Fort,  
Mumbai - 400 001.

Email : [corp.relations@bseindia.com](mailto:corp.relations@bseindia.com)

**Code No. 530419**

The Secretary

**The Calcutta Stock Exchange Ltd.**

7, Lyons Range,  
Kolkata - 700 001.

Email : [listing@cse-india.com](mailto:listing@cse-india.com)

**Company Code No. 029093**

Dear Sirs/Madam,

**Sub: Annual Report for the financial year 2021-22 including Notice of Annual General Meeting**

The Annual Report for the financial year 2021-22, including the Notice convening Annual General Meeting, along with communication for TDS on Dividend being sent to the members through electronic mode, are attached.

The Annual Report including Notice is also uploaded on the Company's website and can be accessed at <http://www.sumedhafiscal.com/ar2022.pdf>.

This is for your information and records.

Thanking you,

Yours faithfully,

For Sumedha fiscal Services Ltd.

Dhwani Fatehpuria  
Company Secretary and Compliance Officer

Encl: As above.



Clients / Partners



Organization / Leadership



Enduring Solutions



**SUMEDHA**  
adding values to value



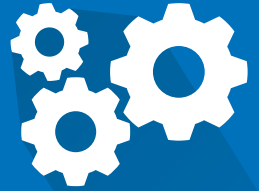
Ownership



People



First Principles



Processes



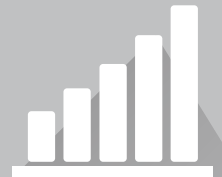
Communities



Focus



Shaping Future



Financial Growth

# ADDING VALUES TO VALUE

ANNUAL REPORT 2021-22  
SUMEDHA FISCAL SERVICES LIMITED



**SUMEDHA**  
adding values to value

**SUMEDHA FISCAL SERVICES LIMITED**

(CIN : L70101WB1989PLC047465)

REGISTERED and CORPORATE OFFICE

6A Geetanjali, 8B Middleton Street, Kolkata – 700 071

Tel: +91 33 2229 8936/6758/3237/4473 Fax: +91 33 2226 4140

Website: [www.sumedhafiscal.com](http://www.sumedhafiscal.com) Email: [kolkata@sumedhafiscal.com](mailto:kolkata@sumedhafiscal.com)

**BRANCH OFFICES**

**MUMBAI**

C-703 “Marathon Innova”,  
Off Ganapatrao Kadam Marg,  
Opp. Peninsula Corporate Park,  
Lower Parel (W) , Mumbai - 400 013  
Tel: +91 22 4033 2400  
Fax: +91 22 2498 2878  
Email: [mumbai@sumedhafiscal.com](mailto:mumbai@sumedhafiscal.com)

**NEW DELHI**

B1/12, Safdarjung Enclave, 2nd Floor  
New Delhi – 110 029  
Tel: +91 11 4165 4481/4482  
Fax: +91 11 4165 4483  
Email: [delhi@sumedhafiscal.com](mailto:delhi@sumedhafiscal.com)

**AHMEDABAD**

A/82, Pariseema Complex, Opp. IFCI Bhawan  
C.G. Road, Ahmedabad – 380 009  
Tel: +91 79 3002 3337 / 6605 2957  
Fax: +91 79 2646 0394  
Email: [ahmedabad@sumedhafiscal.com](mailto:ahmedabad@sumedhafiscal.com)

**BANGALORE**

“Park Plaza”, 1st Floor, No. 1 Park Road  
(Off. Infantry Road), Tasker Town  
Bangalore – 560 051  
Tel: +91 80 4124 2545 / 2546  
Fax: +91 80 4124 2547  
Email: [bangalore@sumedhafiscal.com](mailto:bangalore@sumedhafiscal.com)

# BOARD OF DIRECTORS

**Dr. Basudeb Sen**  
Independent Director



**Mr. Ratan Lal Gagar**

Chairman,  
Independent  
Director

**Mr. S. A. Ramesh  
Rangan**  
Independent  
Director



**Mr. Santanu Mukherjee**  
Independent Director

**Mr. Vijay Maheshwari**  
Non-Executive Director



**Mr. Prashant Shekhar Panda**  
Independent Director

**Mr. Anil Kumar Birla**  
Non-Executive Director



**Mr. Bijay Murmuria**  
Non-Executive Director

**Mr. Bhawani Shankar Rathi**  
Wholetime Director



**Mrs. Garima Maheshwari**  
Non-Executive Director



# Sumedha Fiscal Services Ltd.

## (Composition of Committees of Directors)

### Audit Committee

Sl. No.	Name of the Member	Category
1.	Mr. Prashant Shekhar Panda, Chairman	Independent Director
2.	Mr. S. A. Ramesh Rangan	Independent Director
3.	Mr. Santanu Mukherjee	Independent Director
4.	Mr. Bijay Murmuria	Non-Executive Director/Promoter

### Stakeholders Relationship Committee

Sl. No.	Name of the Member	Category
1.	Mr. Prashant Shekhar Panda, Chairman	Independent Director
2.	Mr. Anil Kumar Birla	Non-Executive Director
3.	Mr. Bijay Murmuria	Non-Executive Director/Promoter

### Nomination & Remuneration Committee / Compensation Committee

Sl. No.	Name of the Member	Category
1.	Mr. Prashant Shekhar Panda, Chairman	Independent Director
2.	Mr. S. A. Ramesh Rangan	Independent Director
3.	Mr. Santanu Mukherjee	Independent Director
4.	Mr. Bijay Murmuria	Non-Executive Director/Promoter

### Corporate Social Responsibility Committee

Sl. No.	Name of the Member	Category
1.	Mr. S. A. Ramesh Rangan, Chairman	Independent Director
2.	Mr. Anil Kumar Birla	Non-Executive Director
3.	Mr. Bijay Murmuria	Non-Executive Director/Promoter

### Investment Committee

Sl. No.	Name of the Member	Category
1.	Mr. Vijay Maheshwari, Chairman	Non-Executive Director/Promoter
2.	Mr. Bhawani Shankar Rathi	Executive Director /Promoter
3.	Mr. Bijay Murmuria	Non-Executive Director/Promoter

### Management Committee

Sl. No.	Name of the Member	Category
1.	Mr. Bijay Murmuria, Chairman	Non-Executive Director/Promoter
2.	Mr. Anil Kumar Birla	Non-Executive Director
3.	Mr. Vijay Maheshwari	Non-Executive Director/Promoter

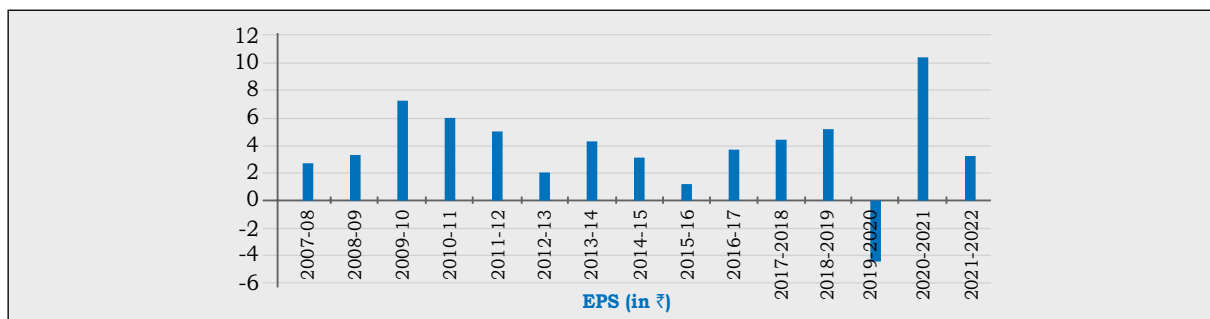
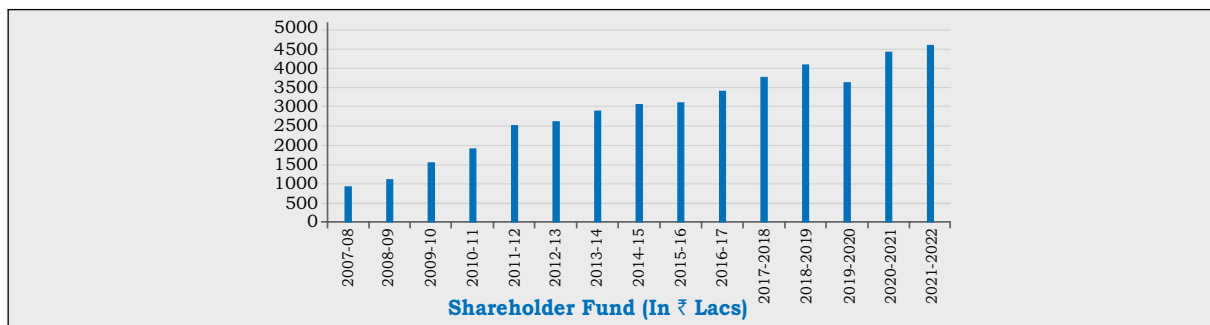
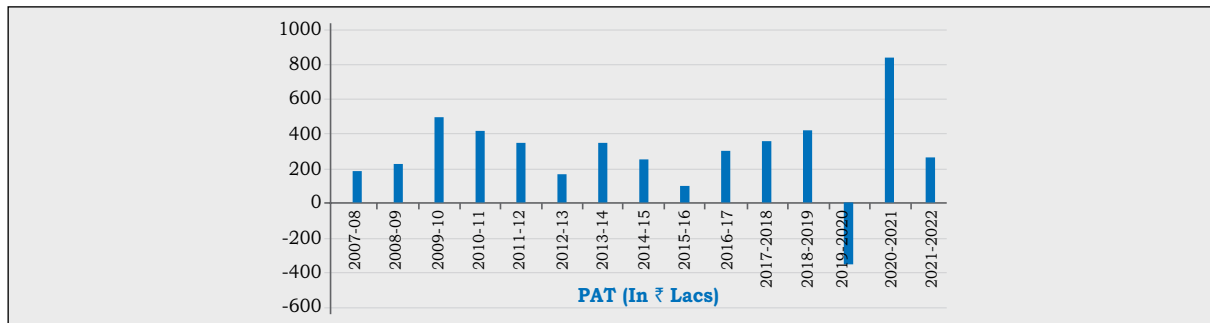
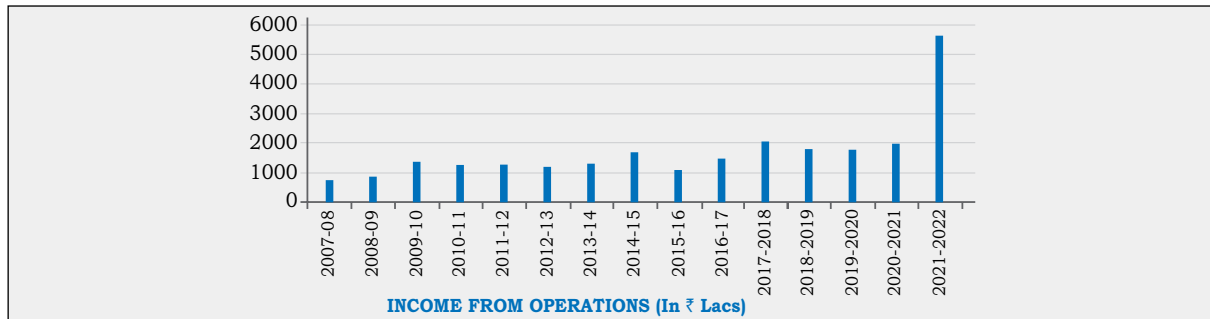


## KEY BUSINESS HIGHLIGHTS IN 2021-22

- Income from Operations ₹ 5659.43 Lacs.
- PAT stood at ₹ 259.87 Lacs.
- Shareholders' Fund ₹ 4618.56 Lacs.
- EPS ₹ 3.25.

The Investment Banking Segment continues to remain the major earning business vertical.

## PERFORMANCE HIGHLIGHTS



## CHAIRMAN'S ADDRESS



Dear Shareholders,

The overall Indian economic activity and output have recovered gradually since initiation of COVID-19 and surpassed the prepandemic levels. As per projections from the International Monetary

Fund, the Indian economy is expected to deliver a growth of 8.2% in FY2023 and 6.9% in FY2024. These estimates have pegged India as one of the fastest growing major economies in the world.

It is the prospect of realising possibilities that keeps one invested in the path to progress. The strong, long-term outlook, structural changes within the financial services landscape and policy framework have set the stage for sustainable growth. Our efforts in FY 2021-22 were channelled towards building resilience, scale and creating lasting value for our stakeholders.

Investment Banking continues to be the focus area for the Company as a one –stop solution for major value added services. The services covered include merchant banking, loan syndication, financial restructuring, resolution of stressed assets, merger amalgamation, and placement of securities. During the year under review, your Company's Total Income stood at Rs. 5663.63 Lacs as against Rs. 1993.17 Lacs in the previous year. While Net Profit for the year under review stood at Rs. 259.86 Lacs as against Net Profit of Rs. 833.02 Lacs in the previous year, the Earnings Per Share for the Financial Year 2021-22 was Rs. 3.25 as against Rs. 10.43 in the previous year.

With our resilient operating model, experienced and strengthened leadership team, strong capital adequacy, comfortable liquidity position,

and robust risk management processes, we are confident of pacing ahead to a better future. We remain well-equipped to leverage the growing opportunities in the Indian financial services sector and can stay ahead of the changing industry dynamics. We aim to deliver for our customers and clients, create a great place to work for colleagues, support society and provide consistent returns to shareholders. As we target sustainable growth for our Company, our stakeholders will be able to grow with us.

We believe that good corporate governance is a product of culture and conscience and for us, profitability and growth cannot come at the cost of these. Our focus on compliance and assurance functions is unwavering and every aspect of compliance is adhered to with all sincerity, completeness and within requisite timelines. We ensure that every commitment given to our regulators is done on time, in its full form and substance.

I would end by thanking my colleagues, who have given their utmost to the Company in two of the most trying years in human history, and all our stakeholders who have kept their faith in us. Yes, business and professional goals are essential. However, it is even more essential to not lose the human touch at the workplace and in our personal lives. Compassion, care and understanding enrich both the giver and the receiver. Thank you all once again.

Warm Regards



**R.L. Gaggar**

Chairman

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## Corporate Information

### Board of Directors

Mr. Ratan Lal Gaggar, *Chairman*  
Dr. Basudeb Sen  
Mr. S. A. Ramesh Rangan  
Mr. Santanu Mukherjee  
Mr. Prashant Shekhar Panda  
Mr. Vijay Maheshwari  
Mr. Anil Kumar Birla  
Mr. Bijay Murmuria  
Mr. Bhawani Shankar Rathi, *Wholetime Director*  
Mrs. Garima Maheshwari

### Company Secretary

Ms. Dhvani Fatehpuria

### Registered & Corporate Office

6A, Geetanjali, 8B, Middleton Street,  
Kolkata – 700071.

### Corporate Identity No.: L70101WB1989PLC047465

Tel: + 91 33 2229 8936/6758/3237/4473

Fax: + 91 33 2226 4140/2265 5830

Web: [www.sumedhafiscal.com](http://www.sumedhafiscal.com)

Email: [investors@sumedhafiscal.com](mailto:investors@sumedhafiscal.com)

### Bankers

HDFC Bank, State Bank of India

### Auditors

V. Singhi & Associates,  
Chartered Accountants, Kolkata

### Registrar & Share Transfer Agents

Maheshwari Datamatics Private Limited

23 R. N. Mukherjee Road, 5th Floor,  
Kolkata - 700 001

Tel. No.: 033-2243-5029, 2248-2248

Fax No.: 033-2248-4787

Email: [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com)

### Annual General Meeting

Day: Saturday

Date: 17th September, 2022

Time: 10.30 A.M.

Venue: Annual General Meeting through Video  
Conferencing/other Audio Visual Means facility.

[Deemed venue for the meeting: Registered Office: 6A  
Geetanjali, 8B Middleton Street, Kolkata – 700 071.]

## **Sumedha Fiscal Services Ltd.**

Corporate Identification Number: L70101WB1989PLC047465

**Registered Office: 6A, Geetanjali, 8B, Middleton Street, Kolkata – 700071**

Tel: 033-2229-8936/6758 Fax: 033-2226-4140/033-2265-5830

Email: [investors@sumedhafiscal.com](mailto:investors@sumedhafiscal.com) Website: [www.sumedhafiscal.com](http://www.sumedhafiscal.com)

### **NOTICE OF 33rd ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN that the 33rd Annual General Meeting of the Members of Sumedha Fiscal Services Limited will be held on **Saturday, the 17th day of September, 2022, at 10.30 a.m. (IST)** through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”) to transact the following businesses:

#### **ORDINARY BUSINESS**

##### **1. Adoption of Audited Standalone Financial Statements**

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2022 together with the Reports of the Board of Directors and Auditors thereon.

##### **2. Adoption of Audited Consolidated Financial Statements**

To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022, together with the Report of the Auditors thereon.

##### **3. Declaration of Dividend**

To declare a dividend of Re.1/- per equity share of the face value of Rs. 10/- each (10%), of the Company for the financial year ended March 31, 2022.

##### **4. Appointment of Mr. Anil Kumar Birla (DIN: 00015948) as Director, liable to retire by rotation**

To appoint a Director in place of Mr. Anil Kumar Birla (DIN: 00015948), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

##### **5. Re-appointment of Statutory Auditors for the second term of 5 years**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s. V. Singhi & Associates, Chartered Accountants (ICAI Firm Registration No. 311017E) be and are hereby re-appointed as Statutory Auditors of the Company to hold office for a term of five consecutive years from the conclusion of thirty third Annual General Meeting till the conclusion of thirty eighth Annual General Meeting of the Company to be held in the year 2027, at such remuneration, as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors from time to time.”

Registered Office:  
6A, Geetanjali,  
8B, Middleton Street,  
Kolkata – 700 071.

By Order of the Board  
**Dhwani Fatehpuria**  
Company Secretary & Compliance Officer  
ICSI Membership No.A23072

Date: 23rd May, 2022

## Notes:

1. In view of the COVID-19 pandemic and social distancing norms, the Ministry of Corporate Affairs (“MCA”) vide its circular dated April 8, 2020, April 13, 2020, May 05, 2020, January 13, 2021, May 05, 2022 and such other related circulars issued from time to time (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide circular dated May 12, 2020, January 15, 2021 and May 13, 2022 (collectively referred to as “SEBI Circulars”) permitted the holding of the Annual General Meeting (“the AGM”) through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members (also referred to as “Shareholders”) at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), MCA Circulars and SEBI Circulars (amended from time to time), the AGM of the Company is being held through VC / OAVM and Members can attend and participate in the ensuing AGM through VC/OAVM.

For this purpose, necessary arrangements have been made by the Company with Central Depository Services (India) Limited (“CDSL”) and instructions for the process to be followed for attending and participating in the ensuing AGM through VC/OAVM is forming part of this Notice.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning the business under Item No. 5 of the Notice are annexed hereto. The relevant details pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM are also annexed.
3. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the Listing Regulations and MCA Circulars, the Company is providing facility of Remote e-Voting (e-Voting from a place other than venue of the Meeting) and e-Voting during AGM, to its Members in respect of the businesses to be transacted at the AGM. Necessary arrangements have been made by the Company with CDSL to facilitate Remote e-Voting and e-Voting during AGM. The instructions for the process to be followed for Remote e-Voting and e-Voting during AGM is forming part of this Notice.
4. Pursuant to Section 105 of the Act and Rule 19 of the Companies (Management and Administration) Rules, 2014 (as amended from time to time), a member entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and vote on a poll instead of himself/herself and the proxy need not be a Member of the Company. However, pursuant to MCA Circulars and SEBI Circulars, since the AGM will be held through VC/OAVM, the physical attendance of Members in any case has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence, the Proxy Form is not annexed to this Notice.
5. Pursuant to Section 113 of the Act, representatives of Corporate Members may be appointed for the purpose of voting through Remote e-Voting or for participation and voting in the AGM to be conducted through VC / OAVM. Corporate Members intending to attend the AGM through their authorised representatives are requested to send a Certified True Copy of the Board Resolution and Power of Attorney, (PDF / JPG Format), authorizing its representative to attend and vote on their behalf at the AGM. The said Resolution/Authorisation shall be sent to the Company by e-mail through its registered e-mail address at [investors@sumedhafiscal.com](mailto:investors@sumedhafiscal.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) latest by Friday, 16th September 2022 (upto 5 p.m.). Corporate Members/ Institutional shareholders (i.e. other than individuals, HUF’s, NRI’s etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. when they login.
6. In compliance with the aforesaid MCA and SEBI Circulars, this Notice of the AGM along with the Annual Report for FY 2021-22 is being sent only through electronic mode to those Members whose name appear in the Register of Members / Beneficial Owners maintained by the Depositories before as on the benpos date before

the dispatch and whose email addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report for FY 2021-22 will also be available on website of the Company, i.e. [www.sumedhafiscal.com](http://www.sumedhafiscal.com), website of the Stock Exchange- BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of the CDSL at [www.evotingindia.com](http://www.evotingindia.com).

7. Process for registration of email id for obtaining Annual Report in electronic mode and User ID / password for e-Voting is annexed to this Notice.
8. The Relevant documents referred to in the accompanying Notice and the Explanatory Statement, Registers and all other documents will be available for inspection in electronic mode. Members can inspect the same up to the date of AGM, by sending an e-mail to the Company at [investors@sumedhafiscal.com](mailto:investors@sumedhafiscal.com).
9. The Board of Directors has appointed Mr. Asit Kumar Labh, Company Secretary in Practice (Membership No. 32891; C.P. No. 14664), to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner.
10. The Member whose name appears on the Register of Members / Beneficial Owners maintained by the Depositories as on **cut-off date** i.e. **Saturday, September 10, 2022** will only be considered for the purpose of e-Voting.
11. The Register of Members and Share Transfer Books of the Company **will remain closed** from **Monday, September 12, 2022** to **Saturday, September 17, 2022** (both days inclusive).
12. Voting rights shall be reckoned on the paid-up value of shares registered in the name of Members / Beneficial Owners maintained by the Depositories as on the cut-off date i.e. **Saturday, September 10, 2022**.
13. The Remote e-Voting period commences on **Wednesday, September 14, 2022 at IST 9.00 a.m. and ends on Friday, September 16, 2022 at IST 5.00 p.m.** During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. **Saturday, September 10, 2022** may cast their vote electronically. The Remote e-Voting module shall be disabled by CDSL for voting thereafter.
14. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
15. The Members attending the AGM should note that those who are entitled to vote but have not exercised their right to vote by Remote e-Voting, may vote during the AGM through e-Voting for all businesses specified in the accompanying Notice. The Members who have exercised their right to vote by Remote e-Voting may attend the AGM but shall not vote at the AGM.
16. A person who is not a Member as on the cut-off date i.e. **Saturday, September 10, 2022** should treat this Notice for information purpose only. However, the Members who are holding shares in physical form or who have not registered their e-mail address with the Company / Depositories or any person who acquires shares of the Company and becomes a Member of the Company after the Notice has been sent electronically by the Company, and holds shares as of the cut-off date, i.e. **Saturday, September 10, 2022** may obtain the User ID and password by following the instructions as mentioned in the Notice of the AGM.
17. Members can avail the facility of nomination in respect of the Equity Shares held by them in physical form pursuant to the provisions of Section 72 of the Act read with rules thereunder. Members desiring to avail this facility may send their **nomination** in **Form SH-13** duly filled in to the **Registrar & Share Transfer Agent** ("RTA") of the Company i.e. **Maheshwari Datamatics Private Limited**, 23 R. N. Mukherjee Road, 5th Floor, Kolkata- 700001. Tel No.- 033-2243-5029, 2248-2248. Fax No.- 033-2248-4787. E-mail- [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com). Further, Members desirous of cancelling / varying nomination pursuant to the provisions of the Act are requested to send their requests in Form ISR – 3 or SH-14 to RTA of the Company. These forms will be made available on request.



18. In case the final dividend as recommended by the Board is declared at the AGM, payment of such dividend will be made on or from **Thursday, September 22, 2022** to those Members whose name appear in the Register of Members/Beneficial Owners as on the **Record Date** i.e. **Saturday, September 10, 2022**.
19. As per the Listing Regulations and pursuant to SEBI Circular dated April 20, 2018, the Company shall use any electronic mode of payment approved by the Reserve Bank of India for making payment to the Members. Accordingly, the dividend, if declared, will be paid through electronic mode, where the bank account details of the shareholders are available. In case, where the dividend cannot be paid through electronic mode, the same will be paid through physical instrument such as banker's cheque or demand draft incorporating bank account details of such Members.
20. The Members holding shares in dematerialized form are requested to update with their respective Depository Participant, their bank account details (account number, 9 digit MICR code and 11 digit IFSC), e-mail IDs and mobile number. Members holding shares in physical form may communicate details to the Company / RTA before Saturday, September 10, 2022 by quoting the Folio No. and attaching a photocopy of the cancelled cheque leaf of their bank account and a self-attested copy of their PAN card. Further, the Members holding shares in physical form may avail investor services to register PAN, email address, bank details and other KYC details or changes/update thereof by sending requests in Form ISR – 1/ISR-2, as applicable to the RTA.
21. The Members who still hold share certificate(s) in physical form are advised to dematerialise their shareholding to avail the benefits of dematerialization, which include easy liquidity, since trading is permitted in dematerialized form only, electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries. Further, effective from April 01, 2019, requests for effecting transfer of securities shall not be processed unless the securities are held in a dematerialized form with a depository except in case of transmission or transposition of securities as per the Listing Regulations. Therefore, the Members who still hold share certificate(s) in physical form are advised to dematerialize their shareholding at the earliest.
22. The Finance Act, 2020 has abolished the Dividend Distribution Tax (DDT) and has introduced the system of dividend taxation in the hands of the shareholders with effect from April 1, 2020. Accordingly, the Company would be required to deduct Tax at Source ('TDS') in respect of payment of dividend, if declared, to its shareholders (resident as well as non-resident).

### 23. Unclaimed Dividend

Pursuant to the provisions of Section 124 and 125 of the Act read with the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends which remain unclaimed / unpaid for a period of 7 years are required to be transferred to Investor Education and Protection Fund ("IEPF").

The Company requests the Members to claim the unclaimed dividends within the prescribed period. The details of the unclaimed dividends are available on the website of the Company at [www.sumedhafiscal.com](http://www.sumedhafiscal.com) and Ministry of Corporate Affairs at [www.iepf.gov.in](http://www.iepf.gov.in). The Members can contact Maheshwari Datamatics Private Limited for claiming the unclaimed dividends standing to the credit in their account.

### 24. Shares transferred to IEPF:

The Equity shares in respect to which dividend has not been encashed for seven consecutive years or more are required to transfer to IEPF pursuant to Section 124(6) of the Act. Relevant details in this respect are posted on the website of the Company at [www.sumedhafiscal.com](http://www.sumedhafiscal.com).

In this regard, the Company has sent intimations to the Members from time to time. The Members are requested to contact Company or RTA to claim their dividend and in case of any pending legal disputes, provide certified copy of order from Court / Authority restraining transfer, payment of dividend etc. During the financial year 2021-22, the Company has transferred 2,720 equity shares on November 17, 2021 to IEPF.



**25.** Members are hereby informed that SEBI vide its Circular SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021 has mandated:

- a. Furnishing of PAN, email address, mobile number, bank account details, signature and nomination by holders of physical securities.
- b. Freezing of folios in cases where PAN is not linked with Aadhaar by the last date as may be specified by the Central Board of Direct Taxes.
- c. Folios wherein any one of the said document(s)/detail(s) are not available on or after April 1, 2023, shall be frozen. Such shareholders shall not be eligible to lodge grievance(s) or avail service request(s) from the RTA and shall not be eligible for receipt of dividend in physical mode.
- d. After December 31, 2025, the frozen folios shall be referred by RTA/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and or Prevention of Money Laundering Act, 2002.

Further, in compliance to the SEBI Circular SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022, if the service requests are received by RTA (like Issue of duplicate securities certificate, Claim from Unclaimed Suspense Account, Renewal/Exchange, Endorsement, Sub-division/Splitting, Consolidation of securities certificates/folios, Transmission and Transposition of securities) from those shareholders whose details, as mentioned in SEBI Circular dated November 3, 2021, are duly updated in the system, the RTA/Company shall verify and process the service requests and issue a "Letter of confirmation" in lieu of physical securities certificate(s), to the securities holder/claimant within 30 days of its receipt of such request after removing objections, if any, which shall be valid for a period of 120 days from the date of its issuance, within which the securities holder/claimant shall make a request to the Depository Participant for dematerializing the said securities.

**26.** Since the AGM will be held through VC / OAVM, the Route Map of the venue and Attendance Slip are not annexed to this Notice.

#### **Voting Results:**

1. The Scrutinizer shall, after the conclusion of the AGM, electronically submit the Consolidated Scrutinizer's Report (i.e. votes cast through Remote e-Voting and e-Voting during AGM) of the total votes cast in favour or against the resolution and invalid votes, to the Chairman of the AGM or to any other person authorised by the Chairman of the Company.
2. Based on the Scrutinizer's Report, the Company will submit within two working days of the conclusion of the AGM, to the Stock Exchanges, details of the voting results as required under Regulation 44(3) of the Listing Regulations.
3. The result declared along with Scrutinizer's Report will be placed on the website of the Company at [www.sumedhafiscal.com](http://www.sumedhafiscal.com) and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com)

#### **THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on **Wednesday, September 14, 2022 at IST 9.00 a.m. and ends on Friday, September 16, 2022 at IST 5.00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **Saturday 10, 2022** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.**

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 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.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing 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 visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.
	2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.
	3) 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>
	4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	1) If you are already registered for NSDL IDeAS facility, 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 “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ 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 company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	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 “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>
	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 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 hold 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 company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful 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 company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**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. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	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 toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	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

**Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.**

- (v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on “Shareholders” module.
  - 3) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  - 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  - 6) If you are a first-time user follow the steps given below:

<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>● Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>● If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [investors@sumedhafiscal.com](mailto:investors@sumedhafiscal.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

#### **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. The Members who would like to express their views / ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail Id mentioning their name, demat account number / folio number, email id, mobile number at [investors@sumedhafiscal.com](mailto:investors@sumedhafiscal.com) up to Wednesday, September 14, 2022 (upto 5.00 p.m.). Those Members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the AGM.

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. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.

The Members who do not wish to speak during the AGM but have queries may send their queries from their registered e-mail Id mentioning their name, demat account number / folio number, email id, mobile number at [investors@sumedhafiscal.com](mailto:investors@sumedhafiscal.com) up to Wednesday, September 14, 2022 (upto 5.00 p.m.). Alternatively, Members can also put question on the Q&A box available at the time of the AGM.

8. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
9. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.

## **EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013 AND REGULATION 36(5) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

The statement sets out all material facts concerning ordinary business mentioned under resolution no. 5, of the accompanying Notice.

### **Resolution no. 5: Ordinary Resolution**

#### **Re-appointment of Statutory Auditors for the second term of 5 years**

M/s. V. Singhi & Associates, Chartered Accountants (Firm Registration No. 311017E) were appointed as statutory auditors of the company at the 28th AGM held in the year 2017, for a period of five years commencing from the conclusion of 28th AGM till the conclusion of the 33rd AGM, subject to ratification by members every year. However, MCA vide its notification dated May 7, 2018, has omitted the requirement under the first proviso to Section 139 of the Act, and Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014, regarding ratification of appointment of statutory auditors by members at every subsequent AGM.

Accordingly, the present term of M/s. V. Singhi & Associates expires on conclusion of the ensuing 33rd AGM. M/s. V. Singhi & Associates are eligible for re-appointment for a second term of five years in terms of the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014. The Company has received eligibility letter from M/s. V. Singhi & Associates confirming that their appointment will be in accordance with the provisions of Section 139 read with Section 141 of the Act.

Considering their performance for the last 5 years, the Audit Committee of Directors has recommended the re-appointment of M/s. V. Singhi & Associates to the Board of Directors of the Company, which the Board has accepted and approved, subject to the approval of the Members.



The recommendation is based on various factors like People, Audit Methodology, Quality Control, Reputation of the Firm and Knowledge. M/s. V. Singhi & Associates is a firm of Chartered Accountants registered with The Institute of Chartered Accountants of India. It has its registered office in Kolkata. M/s. V. Singhi & Associates has also confirmed that they have subjected themselves to the peer-review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the 'Peer Review Board of ICAI'.

The Board of Directors has approved remuneration of ₹ 5.00 Lacs plus applicable taxes and out of pocket expenses for the Financial Year 2022-23, subject to their re-appointment by the Members. Besides the audit services, the Company would also obtain certifications which are to be mandatorily received from the statutory auditors under various regulations. The remuneration to be paid to the Statutory Auditors for the remaining period during their second term would be decided in line with the existing remuneration and shall be commensurate with the services to be rendered by them during the said tenure. The Board of Directors, in consultation with the Audit Committee, may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

None of the Directors, Key Managerial Personnel (KMP) and their relatives are, in any way, concerned or interested in the resolution at Item No.5 of the accompanying Notice.

The Board recommends the Resolution at Item No.5 of the accompanying Notice for approval by the Members of the Company.

Registered Office:

6A, Geetanjali,  
8B, Middleton Street,  
Kolkata – 700 071.

Date: 23rd May, 2022

By Order of the Board  
**Dhwani Fatehpuria**  
Company Secretary & Compliance Officer  
ICSI Membership No.A23072

**DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE LISTING REGULATIONS:**

As regards Re-appointment of Mr. Anil Kumar Birla (DIN: 00015948) as a Director (Item No. 4), the following necessary disclosures are made for the information of members

<b>Name</b>	<b>Mr. Anil Kumar Birla</b>
Date of Birth	12-Oct-1965 (Age : 56.5 years)
Date of Appointment	30-Nov-2005 (Appointed as Non-Executive Director, liable to retire on rotation)
Qualification	B.Com, FCA
Expertise/Experience	Mr. Birla, is a practicing Chartered Accountant with wide ranging experience in Audit, Strategy Formulation and Financial Planning. He has proven leadership skills for motivating teams to achieve Company objectives. He has 35 years of experience in the area.
No. of Board Meeting attended during the year	4 out of 4 (he was entitled to attend all the 4 Board Meetings held during the year under review)
Chairman/Member of the Committee of the Company	Stakeholders Relationship Committee, Member Corporate Social Responsibility Committee, Member Management Committee, Member
Other Directorships/Membership or Chairmanship of Board or Committees of other companies	Span Healthcare Pvt. Ltd., Director Edtech Illuminate India Pvt. Ltd., Director Vardaan Advisors Private Limited, Director Span Healthcare Consulting Pvt. Ltd., Director Sumedha Management Solutions Pvt. Ltd., Wholetime Director
Name of listed entities from which the person has resigned in the past three years	Nil
Details of remuneration sought to be paid	He shall be paid a fee for attending meetings of the Board or Committees thereof.
Shareholding in the Company (as on 31.03.2022) including shareholding as a beneficial owner	6,000 equity shares
Relationship with other Directors, Managers, and other Key Managerial Personnel of the Company	None
Terms and conditions of appointment/re-appointment	Appointment as Non-Executive Director, liable to retire on rotation
In the case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	NA

None of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the accompanying Notice of 33rd AGM. Accordingly, the Board recommends his re-appointment.

Registered Office:

6A, Geetanjali,  
8B, Middleton Street,  
Kolkata – 700 071.

By Order of the Board  
**Dhwani Fatehpuria**

Company Secretary & Compliance Officer  
ICSI Membership No.A23072

Date: 23rd May, 2022



## **CERTIFICATION BY WHOLE-TIME DIRECTOR AND CFO OF THE COMPANY**

- A.** We have reviewed Financial Statements and the Cash Flow statement for the year ended 31-Mar-22 and that to the best of our knowledge and belief;
- B.** these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- C.** These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- D.** There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the company's Code of Conduct.
- E.** We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- F.** We have indicated to the Auditors and the Audit Committee:
- (1) Significant changes in internal control over financial reporting during the year;
  - (2) Significant changes in accounting policies during the year and that the same have been disclosed in the Notes to the Financial Statements; and
  - (3) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.
- G.** We further declare that all Board members and Senior Management personnel have affirmed compliance with the Code of Conduct of the Company during the year under review.

Place: Kolkata  
Date: 23 May, 2022

**Bhawani Shankar Rathi**  
Wholetime Director  
DIN: 00028499

**Girdhari Lal Dadhich**  
Chief Financial Officer

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Note: the Company is not having a Chief Executive Officer or Managing Director

## DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Members,

Your Directors are pleased to present the Thirty Third Annual Report together with the Audited Financial Statements for the year ended March 31, 2022.

### Financial Highlights

(Rs. in lakhs, except equity share data)

Particulars	Consolidated		Standalone	
	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021
Total Income	5672.60	2002.00	5663.63	1993.17
Cash Profit	524.34	1047.21	516.94	1010.34
Less: Depreciation	55.30	51.61	62.12	51.12
Profit before Tax	469.04	995.60	454.82	959.22
Less: Provision for Taxation	134.56	122.26	132.00	119.50
Add / (Less): Deferred Tax	60.62	7.45	54.41	(6.33)
Profit after Tax (Net of adjustment for earlier years)	306.11	865.52	259.87	833.02
Other Comprehensive Income	112.25	33.16	1.58	4.86
Add : Retained Earning brought forward	3626.15	2775.37	3372.07	2582.09
Balance available for appropriation	4044.51	3674.05	3633.52	3419.97
<b>APPROPRIATION</b>				
Less: Dividend Paid (Including Dividend Tax)	79.84	47.90	79.84	47.90
Balance carried to Balance Sheet	3965.07	3626.15	3553.68	3372.07
Earnings per Share (Rs.10/- each)				
Basic (in Rs.)	3.83	10.84	3.25	10.43
Diluted (in Rs.)	3.83	10.84	3.25	10.43

### OPERATIONAL REVIEW:

On standalone basis, Total Income for the financial year under review was Rs. 5663.63 Lacs as against Rs. 1993.17 Lacs for the previous financial year registering an increase of 184.15%. The Profit Before Tax was Rs. 454.82 Lacs and the Profit After Tax was Rs. 259.87 Lacs for the financial year under review as against Rs. 959.22 Lacs and Rs. 833.02 Lacs, respectively for the previous financial year.

On consolidated basis, Total Income for the financial year under review was Rs. 5672.60 Lacs as against Rs. 2002.00 Lacs for the previous financial year registering increase of 183.35%. The Profit Before Tax was Rs. 469.04 Lacs and the Profit After Tax was Rs. 306.11 Lacs for the financial year under review as against Rs. 995.60 Lacs and Rs. 865.52 Lacs, respectively for the previous financial year.

### Material Changes and Commitments

No material changes and commitments have occurred after the close of the year till the close of this Report, which affects the financial position of the Company.

## Indian Accounting Standards

Pursuant to the notification dated February 16, 2015 issued by the Ministry of Corporate Affairs, the Company has adopted the Indian Accounting Standards (“Ind AS”) notified under the Companies (Indian Accounting Standard) Rules, 2015. Accordingly, the Financial Statements have been prepared in compliance with Ind AS. Consequently, the subsidiary and associate companies also have adopted Ind AS (irrespective of their net worth).

## Dividend & Transfer to Reserves

The Board of Directors is pleased to recommend a dividend of Re. 1/- per share (10%) for the year ended March 31, 2022, subject to the approval of the Members at the 33rd Annual General Meeting.

During the year under review, there was no transfer to General Reserve (Previous year Rs. Nil).

## Unpaid/Unclaimed Dividend

In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016/Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001 (including amendments and modifications, thereof), Rs. 1,68,600/- of unpaid/ unclaimed dividends were transferred during the year 2021-22 to the Investor Education and Protection Fund.

## Employee Stock Option Scheme

No shares have been issued or allotted under any Employee Stock Option Scheme during the FY 2021-22.

## Share Capital

The Paid-up Equity Share Capital as at March 31, 2022 stood at Rs. 7,98,44,240/-. During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2022, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

## Management Discussion and Analysis Report

In terms of requirements of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR), a Management Discussion and Analysis Report is attached **Annexure – I** forming part of this Report.

## Report on Corporate Governance

In terms of requirements of Regulation 34 of the SEBI LODR, a Report on Corporate Governance together with Auditors’ Certificate regarding compliance of Conditions of Corporate Governance are attached as **Annexure - II** and **Annexure - III**, forming part of this Report.

## Consolidated Financial Statement

In accordance with Section 136 of the Companies Act, 2013 and Regulation 34 of the Listing Regulations read with other applicable provisions, your Directors have attached the Consolidated Financial Statements of the Company for the financial year ended March 31, 2022, prepared in accordance with applicable Ind AS, which form a part of the Annual Report. The financial statements including consolidated financial statements and the audited accounts of the subsidiary are available on the Company’s website <http://www.sumedhafiscal.com/financials.asp>.

Accordingly a statement in **Form AOC-1** is attached to the Financial Statements of the Company for your information.

## Performance of Subsidiary:

### SFSL Commodity Trading Pvt. Ltd. - Subsidiary

During the year the Company recorded Total Revenue of Rs. 17,97,128/- (Previous Year Rs. 17,83,528/-) and Net Profit of Rs. 10,99,658/- for the year ended 31st March, 2022 (Previous Year: Rs. 12,69,782/-).

The subsidiary has formally discontinued commodity trading activities and surrendered its Membership with MCX from April 1, 2019, considering overall profitability and risks associated with commodity trading.

### Performance of Associate Companies

#### US Infotech Pvt. Ltd.

During the year the Company recorded Total Revenue of Rs. 1,59,97,876/- (Previous Year Rs. 21,04,863/-) and Net Profit of Rs. 1,09,66,369/- for the year ended 31st March, 2022 (Previous Year Loss: Rs. 95,565/-).

The Company continues to explore growth opportunities.

#### Brandshoots Ventures Pvt. Ltd.

No revenue is earned during the year by the Company (Previous Year: Rs. 5,34,884/-) and incurred Net loss of Rs. 5,08,558/- for the year ended 31st March, 2022 (Previous Year Profit: Rs. 1,75,946/-).

The Company is facing difficulties in building the requisite eco-system to support start-up entities in the Eastern Region of India.

#### Sumedha Management Solutions Pvt. Ltd. (IPE)

During the year the Company recorded a revenue of Rs. 4,46,25,576/- (Previous Year: Rs. 5,96,53,587/-) and Net Profit of Rs. 39,47,163/- for the year ended 31st March, 2022 (Previous Year: Rs. 58,57,648/-).

The Company continues to expand its activities as an insolvency professional entity and rationalise its cost in these challenging times.

### Material Subsidiary

In accordance with the Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ('Listing Regulations'), the unlisted subsidiary of this Company is not a material subsidiary. The Company has formulated a policy for determining material subsidiary. The policy can be accessed at the Company's website at [http://www.sumedhafiscal.com/policies\\_feb2022/MaterialSubsidiaryPolicy\\_09022022.pdf](http://www.sumedhafiscal.com/policies_feb2022/MaterialSubsidiaryPolicy_09022022.pdf).

### Corporate Social Responsibility

Your Company strives to be a socially responsible Company and strongly believes in development, which is beneficial for the society at large, as a part of its Corporate Social Responsibility ("CSR") initiatives. Through the CSR programme, your Company sets the goal of reaching a balance that integrates human, environmental and community resources. By means of integrating and embedding CSR into its business operations and participating proactively in CSR initiatives, your Company intends to contribute continuously to global sustainable development efforts.

As per the Companies Act, 2013, as prescribed companies are required to spend at least 2% of their average net profits for three immediately preceding financial years. Accordingly, your Company has spent Rs. 7.42 Lacs towards the CSR activities during FY 2021-22.

Details about the CSR policy are available on our website [http://www.sumedhafiscal.com/CSR\\_policy\\_07-Aug-21.pdf](http://www.sumedhafiscal.com/CSR_policy_07-Aug-21.pdf). The report on the CSR activities of your Company is appended as "Annexure - IV" to the Directors' Report.

### Business Responsibility Report

The Company is not required to comply with the requirements associated with Regulation 34(2)(f) of the Listing Regulations, 2015.

### Secretarial Standards

The applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

## Directors' Responsibility Statement

The Board of Directors acknowledge the responsibility for ensuring compliance with the provisions of Section 134(3) (c) read with Section 134(5) of the Companies Act, 2013 in preparation of the Annual Accounts for the year under review and state that:

- (i) in the preparation of the Annual Accounts, the applicable accounting standards have been followed and there are no material departure;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and profits of the Company for the year ended on that date;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts have been prepared on a going concern basis;
- (v) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) 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.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2021-22.

## Directors

Members of the Company at its 32nd Annual General Meeting held on 17th September, 2021, approved reappointment of Mrs. Garima Maheshwari (DIN: 07001628) as a Director liable to retire by rotation.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Mr. Anil Kumar Birla (DIN: 00015948), Director, retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. The Board of Directors on recommendation of the Nomination and Remuneration Committee has recommended his re-appointment.

Further, the Board reappointed Mr. Bhawani Shankar Rathi as the Wholetime Director of the Company w.e.f. April 1, 2022 subject to the approval of shareholders to be obtained through Postal Ballot within three months from the date of his reappointment.

## Board Evaluation

The Company had annual evaluation of its Board, Committees and individual Directors pursuant to the provisions of Companies Act, 2013 and Listing Regulations. The Nomination and Remuneration Committee (NRC) specified the methodology for effective evaluation of performance of Board and Committees and individual Directors and also finalised the evaluation criteria (containing required particulars as per Guidance Note issued by the SEBI) and authorized the Board to undertake the evaluation process. The Evaluation Statement was reviewed by the Independent Directors.

The performance of individual directors was evaluated on parameters, such as, number of meetings attended, contribution made in the discussions, contribution towards formulation of the growth strategy of the Company, independence of judgement, safeguarding the interest of the Company and minority shareholders etc. The Board then evaluated the performance of the Board, Committees and the individual Directors in the prescribed manner.

## DECLARATION BY INDEPENDENT DIRECTORS:

Necessary declarations have been obtained from all the Independent Directors that they meet the criteria of independence under sub-section (6) of Section 149 of the Companies Act, 2013 and as per Regulation 25 read with Regulation 16 of SEBI LODR Regulations. In the opinion of the Board there has been no change in the circumstances which may affect in the status of independent directors of the Company and the Board is satisfied of the integrity, expertise and experience (including proficiency in terms of Section 150(1) of the Companies Act, 2013 and applicable rules thereunder) of all Independent Directors on the Board. In terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have undertaken requisite steps towards the inclusion of their names in the databank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

## Meetings of the Board

During the year under review, 4 (Four) Board Meetings were convened and held. The details thereof are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

## Key Managerial Personnel (KMP)

The Company is having the following Key Managerial Personnel during the year

Name	Designation
Mr. Bhawani Shankar Rathi	Wholetime Director
Ms. Dhvani Fatehpuria	Company Secretary
Mr. Girdhari Lal Dadhich	Chief Financial Officer

## Committees of the Board

The Board of Directors has the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee

The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

## Loans, Guarantees or Investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are provided in the Notes to Financial Statements.

## Vigil Mechanism/Whistle Blower Policy

The Company has a Whistle Blower Policy to report genuine concerns or grievances. The Whistle Blower Policy has been posted on the website of the Company [http://www.sumedhafiscal.com/policies\\_feb2022/whistleblowerpolicy09022022.pdf](http://www.sumedhafiscal.com/policies_feb2022/whistleblowerpolicy09022022.pdf).

## Nomination and Remuneration Policy

The Company has updated its Nomination and Remuneration Policy for determining remuneration of its Directors, Key Managerial Personnel and Senior Management and other matters provided under Section 178(3) of the Companies Act, 2013 and Listing Regulations, adopted by the Board. The details of this policy have been posted on the website of the Company [http://www.sumedhafiscal.com/policies\\_feb2022/N\\_R\\_Policy\\_wef09022022.pdf](http://www.sumedhafiscal.com/policies_feb2022/N_R_Policy_wef09022022.pdf).

The Remuneration Policy has also been outlined in the Corporate Governance Report forming part of this Annual Report.

### **Particulars of Contract or Arrangements made with Related Parties**

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, is appended as **Annexure V** to the Board's Report. There have been no materially significant related party transactions, monetary transactions or relationships between the Company and its directors, the Management, subsidiaries or relatives during the year.

The Company has formulated a policy on materiality of related party transactions and also on dealing with related party transactions. The policy is available on the Company's website - [http://www.sumedhafiscal.com/policies\\_feb2022/policy\\_on\\_rpt\\_09022022.pdf](http://www.sumedhafiscal.com/policies_feb2022/policy_on_rpt_09022022.pdf). The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All Related Party Transactions are placed before the Audit Committee (for approval) as well as the Board of Directors, on a quarterly basis.

### **Risk Management Policy and Internal Financial Control**

The Company has a risk management policy, the objective of which is to lay down a structured framework for identifying potential threats to the organisation on a regular basis, assessing likelihood of their occurrence, designate risk owners to continually evaluate the emergent risks and plan measures to mitigate the impact on the Company, to the extent possible. The framework and the system are reviewed from time to time to enhance their usefulness and effectiveness. The policy recognizes that all risks in the business cannot be eliminated but these could be controlled or minimised through effective mitigation measures, effective internal controls and by defining risk limits.

A comprehensive Risk Management Framework has been put in place for each of the businesses segments of the Company which is stringently followed for the management of risks, including categorisation thereof based on their impact on the organisation. Such categorisation gives highest weightage to the risks which have the potential to threaten the existence of the Company. The risks with higher severity receive more attention and management time and it is the endeavour of the Company to strengthen internal controls and other mitigation measures on a continuous basis to improve the risk profile of the Company.

Risk Management System has been integrated with the requirements of internal controls as referred to in Section 134(5)(e) of the Companies Act, 2013 to evolve risk related controls.

A detailed note on risk management is given in Management Discussion & Analysis/ Integrated Report section forming part of this Annual Report.

### **Deposits**

The Company has neither accepted nor renewed any deposits during the year. No deposit has remained unpaid or unclaimed at the end of the year under review.

### **Going Concern Status**

No significant and material orders have been passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operation in the future.

### **Compliance System**

Based on quarterly reports on the status of statutory compliance from Departmental Heads/ Responsibility Centres, the Company Secretary issues Certificate under Section 205 of the Companies Act, 2013 (Act) and Rules made thereunder. The Certificate is also endorsed by the Wholetime Director of the Company and placed before the Audit Committee and Board of Directors for review.



The status of Statutory Compliance is verified by the Internal Auditors and Secretarial Auditors pursuant to Sections 138 and 204 of the Companies Act, 2013 as well as Annual Secretarial Compliance Report pursuant to Reg. 24A of Listing Regulations.

### Annual Return

The copy of Annual Return is available on the Company's website: [http://www.sumedhafiscal.com/annual\\_return.asp](http://www.sumedhafiscal.com/annual_return.asp)

## AUDITORS

### Statutory Auditors

M/s. V. Singhi & Associates, Chartered Accountants, 4, Mangoe Lane, Ground Floor, Kolkata – 700001 (Firm Registration No. 311017E) were appointed as Statutory Auditors of your Company to hold office from the conclusion of the 28th AGM held in the year 2017, until the conclusion of the 33rd AGM to be held in the year 2022.

Subject to the approval of members at the AGM, the Audit Committee at its meeting held on 23rd May 2022 and the Board at its meeting held on 23rd May 2022, recommended re-appointment of M/s. V. Singhi & Associates, Chartered Accountants, 4, Mangoe Lane, Ground Floor, Kolkata – 700001 (Firm Registration No. 311017E) for a further period of 5 years until the conclusion of the 38th AGM to be held in 2027. The Company has received written consent and certificate of eligibility in accordance with Sections 139, 141 and other applicable provisions of the Act and Rules issued thereunder, from of M/s. V. Singhi & Associates, Chartered Accountants. They have confirmed to hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI) as required under the Listing Regulations.

The Audit Committee and the Board is of the opinion that continuation of M/s. V. Singhi & Associates, Chartered Accountants as Statutory Auditors will be in the best interests of the Company and therefore, the members are requested to consider their re-appointment as Statutory Auditors of the Company, for a term of five years, from the conclusion of the ensuing Annual General Meeting, till the Annual General Meeting to be held in the year 2027, at such remuneration mutually agreed and approved by the Board. The resolution seeking re-appointment of M/s. V. Singhi & Associates, Chartered Accountants as Statutory Auditors for a period of 5 years until the conclusion of the 38th AGM to be held in the year 2027 has been included in the Notice of the 33rd Annual General Meeting for approval of the members.

The Statutory Auditors have issued an unqualified audit report on the annual accounts of the Company for the year ended 31st March, 2022.

### Auditors' Report

The Auditors' Report to the Shareholders does not contain any reservation, qualification, or adverse remark. During the year under review, neither the statutory auditors nor secretarial auditors have reported to the Audit Committee of the Board under Section 143(12) of the Act, any instances of fraud committed against the Company by its officers and employees, the details of which need to be mentioned in this Report.

### Secretarial Audit

Based on the consent received from M/s. A. K. Labh & Co. and recommendation of the Audit Committee, in terms of the requirements of Section 204 of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, M/s. A. K. Labh & Co., Practicing Company Secretaries has been re-appointed to conduct the Secretarial Audit of the Company for FY 2022-23.

The Secretarial Audit Report for FY 2021-22 (attached as **Annexure – VI**) does not contain any qualification.

### Cost Audit

The Company is not engaged in production of goods or providing services pursuant to Section 148 of the Act and therefore not required to comply with the requirements thereunder.



## **Board's Response on Auditors' Qualification, Reservation or Adverse Remark or Disclaimer Made**

There are no qualifications, reservations or adverse remarks made by the Statutory Auditors in their report or by the Practicing Company Secretary in their Secretarial Audit for FY 2021-22. During the year, there has been no instances of frauds reported by Auditors under section 143(12) of the Companies Act, 2013.

## **Significant and Material Orders Passed by the Courts/ Regulators**

During the year under review, no significant and material order has been passed by any regulator or by any Court which has a material impact on the financial position of the Company.

## **Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has a Prevention of Sexual Harassment Policy in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the period under review, no complaint was received by the Internal Complaint Committee.

## **Conservation of Energy and Technology Absorption**

Since the Company does not own any manufacturing facility, the other particulars relating to conservation of energy and technology absorption stipulated in the Companies (Accounts) Rules, 2014 are not applicable.

## **Foreign Exchange Earning and Outgo**

Foreign Exchange earnings and outgo during the year under review were Rs. 141.96 Lacs and Rs. Nil, respectively (Previous Year Rs. 34.88 Lacs and Rs. Nil, respectively).

## **Particulars of Employees**

The ratio of the remuneration of each Director to the median employee's remuneration and other particulars or details of employees pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached to this Report as **Annexure VII**.

None of the employees of the Company is in receipt of remuneration coming under purview of the said Section/Rule.

A Statement comprising of top 10 employees in terms of remuneration drawn is annexed **Annexure VIII**. The said Annexure is not being sent along with this Annual Report to the Members of the Company in line with the provisions of Section 136 of the Act. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company.

## **Key Financial Ratio**

Key financial Ratios for the financial year ended March 31, 2022, are provided in the Management Discussion and Analysis Report.

## **Green Initiative**

Electronic copy of the Annual Report for FY 2021-22 and the Notice of the ensuing AGM is being sent to all shareholders whose email addresses are available in demat account and registered with Company's Registrar and Share Transfer Agent. Shareholders holding shares in demat form are requested to update their email addresses with their Depository Participant(s) and for shareholders holding shares in physical form, should get their email registered/ updated with Company's Registrar and Share Transfer Agent.

## **Other Disclosures:**

1. The Company has not entered into any one time settlement proposal with any Bank or financial institution during the year under report.

2. As per available information, no application has been filed against the Company under the Insolvency and Bankruptcy Code, 2016 nor any proceedings thereunder is pending as on 31.03.2022

### **Appreciation**

The Directors thank the Company's customers, vendors, banks, financial and academic institutions, employees, regulatory authorities, stock exchanges and all other stakeholders for their continued co-operation and support. The Directors also acknowledge the support and co-operation from the Government of India and overseas, its agencies and other regulatory authorities. The Directors also wish to place on record their appreciation towards employees of the Company for their commendable efforts, teamwork and professionalism.

Place: Kolkata  
Date: 23rd May, 2022

On Behalf of the Board  
**Ratan Lal Gagar**  
Chairman  
DIN: 00066068

## Annexure – I

### MANAGEMENT DISCUSSION & ANALYSIS

#### GLOBAL ECONOMY

The global economy grew at a strong 5.9% in FY21, after a degrowth of 3.1% in the pandemic infested FY20. This remarkable rebound was helped by easing of pandemic-related restrictions and lockdowns and the accelerated vaccination drive across countries. Robust consumer spending and an uptick in investments also boosted this recovery.

Global trade saw a sequential recovery all through 2021, not merely with respect to goods but also services, with the latter reaching pre-pandemic levels during Q4 FY21. Overall, the value of global trade reached a record \$28.5 trillion in FY21, registering a 25% increase vis-à-vis FY20 and 13% increase vis-à-vis the pre-pandemic level of FY19.

The outbreak of the Delta variant and the more contagious Omicron variant did temper the growth somewhat. However, world economic output is slated to grow by a further 4.4% in FY22. The ongoing Russia-Ukraine conflict may further put pressure on global recovery metrics.

Source: WEO January 2022, UNCTAD February 2022

#### INDIAN ECONOMY

The Economic Survey 2021-22 has projected the economy to grow at 8.0-8.5 per cent in 2022-23, thereby moderating the growth forecast from 9.2 per cent expansion for 2021-22 outlined by the National Statistical Office (NSO) in its first advance estimates of Gross Domestic Product (GDP). Last year's Survey had projected real GDP to record an 11 per cent growth in 2021-22, post a 7.3 per cent contraction in 2020-21. While this year's growth comes on a low base year economic output, the expansion next year has to be seen from the recovery levels in economic output.

The Survey flags inflation as a concern while assessing the macroeconomic stability indicators and suggests that the Indian economy is "well-placed" to take on the challenges of 2022-23. Growth in 2022-23 will be supported by widespread vaccine coverage, gains from supply-side reforms and easing of regulations, robust export growth, and availability of fiscal space to ramp up capital spending. The year ahead is also well poised for a pick-up in private sector investment with the financial system in a good position to provide support to the revival of the economy.

The growth projection for the next year based on the assumption that there will be no further debilitating pandemic related economic disruption, monsoon will be normal, withdrawal of global liquidity by major central banks will be broadly orderly and oil prices will be in the range of \$70-\$75/bbl. The Survey projection is comparable with the World Bank's and Asian Development Bank's latest forecasts of real GDP growth of 8.7 per cent and 7.5 per cent respectively for 2022-23. As per the IMF's latest World Economic Outlook (WEO) growth projections released on 25th January, 2022, India's real GDP is projected to grow at 9 per cent in both 2021-22 and 2022-23 and at 7.1 per cent in 2023-24.

#### GLOBAL CAPITAL MARKETS

The year 2021 started on an optimistic note for the global capital markets, with the successful rollout of vaccines and release of pent-up demand acting as tailwinds. Further, central banks of all major economies remained accommodative, supporting strong performance at the capital markets. Although unpredictability returned towards the end of November due to the emergence of the new Omicron variant, it was short-lived. Despite persistent inflationary pressures and prospects of tightening monetary policy weighing on investor sentiment, corporate earnings remained robust. Global equities exited 2021 with positive returns.

Developed markets outperformed emerging markets (EMs), with the MSCI World Index rising by 20.1%, on the back of positive returns for the third year in a row. MSCI Emerging Markets Index ended 2021 with a loss of 4.6% as a

result of significant underperformance of Chinese equities, unfavourable regulatory actions and concerns around global policy tightening. Across the globe, asset classes are witnessing unparalleled growth, driven by enhanced liquidity and prospects of a strong post-pandemic economic recovery.

## INDIAN CAPITAL MARKET

After witnessing some of the sharpest rallies in FY21, following the steep decline induced by the pandemic, Indian equity markets performed reasonably well in FY22. It had to grapple with several headwinds, such as the continuous northward movement of crude oil prices coupled with supply side disruptions, which led to inflationary pressure that drove up commodity and food prices. The markets saw relentless selling by foreign investors along with the emergence of new COVID variants, the hawkish stance of the US Fed and geopolitical conflict. Despite these developments, the benchmark stock market indices in India – Sensex and Nifty 50 – surged by 18.3% and 18.9%, respectively. This performance was supported by strong corporate earnings, sharp rise in COVID-19 vaccination, opening up of business establishments across the country and, more importantly, explosive growth in the size of India’s retail investor segment that is increasingly looking at equity investments as a viable and sustainable option to the sublime returns offered by risk free assets.

## BUSINESS OVERVIEW

Highlights of Financial Performance during FY 2021-22

- Total Income from Operation of Rs. 5663.63 Lacs (Rs. 1993.17 Lacs for FY20-21)
- Profit Before Tax of Rs. 454.82 Lacs (Rs. 959.22 Lacs in FY20-21)
- Net Profit of Rs. 259.87 Lacs (Rs. 833.02 Lacs in FY20-21)
- Basic EPS after extra ordinary items stood at Rs. 3.25, compared to Rs. 10.43 in FY20-21

Sumedha Fiscal Services Limited is one of the country’s leading merchant bankers with specialization in debt syndication, financial restructuring and corporate advisory, managing private placement as well as public issues of both equities and debt. The Company has evolved over a period of time to a leading diversified financial services firm and today is acknowledged for its unmatched management consultancy and advisory services. The Company is primarily engaged in providing various fee based services such as fund mobilization through issuance of debt, quasi-equity, structured hybrid instruments etc., corporate restructuring, trading and loan syndications. Its vast clientele includes India’s premier public and private corporates. The Company continually fulfills its objective of serving clients in an integrated manner and relentlessly strives to accomplish its vision of **‘adding values to value’** in each of its deliverables.

## INVESTMENT BANKING BUSINESS

One of the businesses of the Company, Investment Banking remains a prime focus of the Company. The business segment has contributed Rs. 741.23 lacs, for the year under review which is approx. 13.61% increase when compared with Financial Year 2020-21.

The year 2022 has begun with volatile public markets; major global markets are witnessing a sell-off amidst concerns of rising interest rates and geopolitical instability. The Company faces significant challenges driven by COVID-19 impacts, evolving financial regulations, market democratization, increased client sophistication, a shift to remote working arrangements, and rapid technology advances. Despite the lurking shadow of the omicron variant and the possibility of a third wave, the year 2022 shall hopefully be more eventful and create new business avenues for the Company in the wake of consistent turnaround and revival of the affected sectors and a higher growth trajectory expected.

The key to a successful year will be to remain in the position of preparedness. The Company shall continually evaluate strategy to grow the investment banking division as a sustainable franchise.

## RISK MANAGEMENT

In a rapidly changing political, economic, regulatory and financial environment, the Company continued to leverage on its strong risk management capabilities during FY 2021-22. The approach to risk management is to proactively look at emerging risks in the context of the overall economic environment.

The Company is having a system of risk management commensurate with its size and nature of activities to address the consequent vulnerability. Quarterly reports on relevant areas are placed before the Audit Committee and the Board of Directors of the Company. All major risks are identified, monitored and acted upon within the internal framework. However the Company is not yet required to constitute a Risk Management Committee pursuant to Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Against the backdrop of this credit environment and general macro factors playing out across sectors, we remain confident of our integrated risk and governance approach, which has demonstrated the capability to withstand economic and credit cycles, as well as dynamically adopt new scenarios and learnings into the risk and governance framework. We are well positioned to accelerate our growth across all lines of business, given to our strong risk architecture, coupled with our strong management capability, robust capital and liquidity management and high governance standards with pan India presence.

## RISKS AND CONCERNS

The company is subject to following broad risks -

### ● Operational Risk

The Company's business is largely dependent upon people and processes. Any shortcomings in internal processes and system shall result into material adverse impacts on the operation and financial position of the Company.

The Company regularly conducts audits of internal processes and system and has well defined internal control firmly in place. Its workforce in terms of key management team consists of professionals having high level of commitment and expertise and is equipped in handling the affairs of the Company thereby mitigating such risks arising out of operational mismanagements.

### ● Market Risk

The Company is exposed to potential changes in value of financial instruments. Any decline in the price of investment in quoted securities may affect the financial performance and position. Market Risks may pertain to interest bearing securities (interest rate risk), equities (equity price risk) and foreign exchange ratio risk (currency risk).

The Company continually monitors its portfolio and securities and the usage of derivatives to minimize such risks.

### ● Liquidity Risk

Any lack of liquidity in the market which adversely impacts the ability of the Company to pay out its short-term financial obligations, to sell its assets quickly in a market without loss, to access funds at competitive rates, shall inevitably bear material impact on its financials. Severe liquidity crunch in the market and associated market disruptions shall also withhold the clients from honoring their commitment towards the Company which would indirectly lead to the Company's inability to perform its financial obligations.

The Company has got strong business strategies in place to maintain a long-term orientation despite rocky short term performances. Its businesses are adequately capitalized. Further, the Company also maintains a portion of Capital in liquid assets to address any unforeseen liquidity crisis. Its main focus remains upon planning well in advance and building financial buffers which shall go a long way towards mitigating the effects of a coordinated economic downturn.

● **Regulatory and Compliance Risk**

While the ostensible purpose of the legislation was to reduce systemic financial risk and protect consumers, it also strained the business/revenues/ profitability of corporates. New laws or regulations or changes in the enforcement of existing laws and regulations could invite inadvertent non compliances with the regulations leading to strictures/penalties and even punitive action from the Regulators.

The Company operates in a strict regulatory compliant environment. It has dedicated teams of professionals looking after the compliance with applicable laws, rules, regulations and guidelines involving the businesses of the Company. External advises and professional services are sought when needed to remove any iota of non-compliance. Internal Audit is also carried out regularly to monitor the compliances with the Company’s policies and the applicable statutory regulations.

● **Reputation Risk**

Company’s reputation is a vital ingredient to business success, whether in regards to customer trust or employee loyalty. While key ingredients for acquiring a good corporate reputation, such as high quality, outstanding service, and competitive prices, are relatively well understood, there are seemingly countless ways in which a brand might be damaged. Reputation Risk is a very high risk factor and cause long term or irreparable loss to the business or profitability.

The Company takes pride in the enormous goodwill and brand value that it has built due to decades of providing exemplary services guided by the sole principle of customer centricity. It has built a truly dedicated workforce which share the same responsibility of delivering utmost good services whilst safeguarding the interest of the stakeholder and the reputation of the Company.

**INTERNAL CONTROL SYSTEMS**

The Company currently operates in areas related to Investment Banking and is having all the required regulatory approvals with clear demarcation of operational and compliance responsibilities. Quarterly status thereof are reviewed by the Internal Auditors (external) and placed before the Audit Committee and the Board for remedial measures, if any.

There has been no material developments in the area of Human Resources.

The Company had 38 permanent employees during the year under review.

**DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS THEREFOR:**

<b>Ratio Analysis</b>	<b>2022</b>		<b>2021</b>		<b>Remarks</b>
Debtor Turnover	226222/5659431	0.04	480666/1993168	0.24	Decreased by 83.33% (a)
Inventory Turnover	1305477/5659431	0.23	1101441/1993168	0.55	Decreased by 58.19% (b)
Operating Profit Ratio%	314674/5659431	0.05	884141/1993168	0.44	Decreased by 88.64% (c)
Net Profit Ratio%	259867/5659431	0.04	833019/1993168	0.42	Decreased by 90.47% (c)
Debts Equity Ratio %	3002/798442	0.01	8640/798442	0.01	No Change (d)
Interest Coverage Ratio %	427.41 Times		144.62 Times		Increased by 195.54% (c)
Current Ratio %	3048032/44033	69.22	2839692/32398	87.65	Decreased by 21.03% (c)
Return on Networth %	5.63%		18.77%		Decreased by 70.00% (c)

**NOTE :**

- (a) Majorly due to decrease in overall debtors at the year and increase in Turnover.
- (b) Majorly due to rise in Turnover.
- (c) Majorly due to low consultancy fee earned by the Company and operating cost remaining same.
- (d) Due to timely payment made by the Company towards its outstanding.

Details of change in return on Net Worth as compared to the immediately previous Financial Year along with a detailed explanation thereof :

There has been low return on Networth in the current year due to losses arising primarily due to volatile secondary market situations.

### ***Cautionary Statement***

This Management Discussion and Analysis provides the details of the Company objectives. Statements detailed here are not exhaustive but are for information purposes only. The actual performance of the Company in future may vary substantially from those outlined herein. Some of the statements written herein are forward looking and should not be construed as a guarantee of performance. The readers must exercise their due diligence before forming any opinion based on this statement.

For and on behalf of the Board

**Ratan Lal Gaggar**

Chairman

DIN: 00066068



## Annexure – II

### CORPORATE GOVERNANCE REPORT

A report on Corporate Governance is set out in compliance with the Corporate Governance requirements as stipulated in Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance has been developed with a tradition of fair and transparent governance even before they were mandated by the legislation. Transparency, integrity, professionalism and accountability - based values form the basis of the Company's philosophy for Corporate Governance. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations. Your company has fulfilled all the existing guidelines prescribed by the Securities and Exchange Board of India (SEBI) in chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015.

Corporate Governance is a reflection of a company's value system, encompassing its culture, policies and its relationship with various stakeholders. It encompasses laws, procedures, practices and implicit rules that determine the management's ability to take sound and informed decisions. Your Company is of the belief that good governance helps in conducting the affairs of the Company in an ethical manner, bringing transparency and fairness in the widest sense and is vital to enhance and retain stakeholders' trust.

Efficient, transparent and impeccable Corporate Governance is vital for stability, profitability and desired growth of the business of the Company. Good Governance underpins the success and integrity of the organisation, institutions and markets. It is basically an approach of managing efficiently and prudently all the activities of a company, in order to make the business stable and secure, growth oriented, maximally profitable to its shareholders and highly reputed and reliable among its clients.

Your Company is committed to adopt the best governance practices and their adherence in the true spirit at all times in the right way which is not limited to compliance with its applicable statutory requirements but also includes a strict application of best management practices amid the contemporary and continually changing business environment.

#### THE COMPANY'S CORPORATE GOVERNANCE PRINCIPLES AND SYSTEM:

1. The Board of Directors of the Company periodically reviews its corporate strategies, annual budgets and sets, implements and monitors corporate objectives. It effectively monitors the Company's governance practices and ensures transparent Board processes. Further it appoints and compensates the key executives and monitors their performance. It strives to maintain overall integrity of the accounting and financial reporting system. As on the date of this report, the Independent & Non-Executive Directors form more than 50% of the Board of Directors.
2. The Board has constituted several Committees viz. Audit Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, as required statutorily. The Board is empowered to constitute additional functional Committees depending upon the business needs. Accordingly, Management Committee of Directors has been formed to address routine decision-making in ordinary course of its business and Investment Committee to undertake investment activities of the Company viz. trading and investment shares and securities, etc.
3. The Company has established a Code of Conduct for Directors and Senior Management of the Company.
4. Whistle Blower Policy wherein the Employees and Directors may have the direct access to the Chairperson of the Audit Committee.



5. Risk Management framework to identify the risk for its businesses, to assess the probability of its occurrence and its mitigation plans. The information about the updated status of risks is placed before the Board of Directors and the Audit Committee, on quarterly basis for taking suitable steps.

## BOARD OF DIRECTORS

### SIZE AND COMPOSITION OF THE BOARD

In order to maintain independence of the Board, the Company has a judicious mix of Executive, Non-Executive and Independent Directors on the Board which is essential to separate the two main Board's function viz. governance and management. Out of the total strength of ten Directors as on date of this Report, five are Independent Directors, four are Non-Executive Directors (including a Woman Director) and one is Executive Director. Mr. Vijay Maheshwari- Non Executive Director is a relative (father-in-law) of Mrs. Garima Maheshwari - Non Executive (Woman) Director. Save and except this, none of the Directors of the Company is related to other Directors. All the members of the Board are persons with professional expertise and valuable experience in their respective areas of specialisation and bring a wide range of skills and experience to the Board.

### INDEPENDENT DIRECTORS

The Board has received confirmation from the Independent Directors that they satisfy the conditions of their independence as laid down under Section 149(6) of the Companies Act, 2013 read with rule 5 and rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the regulation 16(1)(b) and regulation 25(8) of the Listing Regulations. Further, the Independent Directors have included their names in the data bank of independent directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the said Act and rules thereto.

Based on the confirmations received as above, the Board is of the opinion that all the Independent Directors of the Company fulfil the conditions specified under the said Act and Listing Regulations and are independent of the management.

### DETAILED REASONS FOR THE RESIGNATION OF AN INDEPENDENT DIRECTOR WHO RESIGNS BEFORE THE EXPIRY OF HIS TENURE ALONG WITH A CONFIRMATION BY SUCH DIRECTOR THAT THERE ARE NO OTHER MATERIAL REASONS OTHER THAN THOSE PROVIDED:

No Independent Director has resigned before expiry of his/her tenure.

**The information relating to the number and category of other directorships and committee chairmanships/memberships held by the Directors in other public companies including the names of the listed entities as on March 31, 2022 is as follows:**

Name of the Director	Category in the Company	No. of Directorship in other public companies* (excluding the Company)				No. of Committee positions held in other public companies** (excluding the Company)		No. of Shares held in the Company
		Listed	Name of the Listed Company	Category of Directorship	Unlisted	Chairman	Member#	
Mr. Ratan Lal Gaggar DIN: 00066068	Chairman & Independent Director	4	Duroply Industries Limited	Independent Director	4 @	3	6	NIL
			TIL Ltd.	Independent Director				
			International Combustion (India) Ltd.	Independent Director				
			Shree Cement Ltd.	Independent Director				
Dr. Basudeb Sen DIN: 00056861	Independent Director	1	Dhunseri Ventures Ltd.	Independent Director	NIL	-	2	4,000

Name of the Director	Category in the Company	No. of Directorship in other public companies* (excluding the Company)				No. of Committee positions held in other public companies** (excluding the Company)		No. of Shares held in the Company
		Listed	Name of the Listed Company	Category of Directorship	Unlisted	Chairman	Member#	
Mr. S. A. Ramesh Rangan DIN: 07586413	Independent Director	1	Equitas Small Finance Bank Ltd.	Independent Director	1	-	2	NIL
Mr. Santanu Mukherjee DIN: 07716452	Independent Director	2	Bandhan Bank Limited	Independent Director	2	2	2	NIL
			Suven Life Sciences Limited	Independent Director				
Mr. Vijay Maheshwari DIN: 00216687	Promoter & Non-Executive Director	1	Paramount Communications Limited	Independent Director	1	1	-	16,69,220
Mr. Prashant Shekhar Panda DIN: 00596554	Independent Director	NIL	-	-	1	-	-	NIL
Mr. Anil Kumar Birla DIN: 00015948	Non-Executive Director	NIL	-	-	-	-	-	6,000
Mr. Bijay Murmuria DIN: 00216534	Promoter & Non-Executive Director	NIL	-	-	1	-	-	3,69,920
Mrs. Garima Maheshwari DIN: 07001628	Non-Executive (Woman) Director	NIL	-	-	NIL	-	-	25,000
Mr. Bhawani Shankar Rathi, DIN: 00028499	Promoter & Wholetime Director	NIL	-	-	NIL	-	-	1,19,270

\*excluding directorships in Private Companies, Foreign Companies and Section 8 Companies.

\*\* includes only Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies.

# Membership of the Committees excludes the chairman position.

@ including directorship of Mayfair Hotels & Resorts Ltd. ceased on 14-Apr-22.

All the conditions as prescribed under the SEBI (LODR) Regulations, 2015 with respect to directorships, committee memberships and chairmanship, are being complied with by the Directors of the Company. Further, they have made the necessary disclosures regarding the same as on March 31, 2022.

### SKILLS, EXPERTISE AND COMPETENCE OF THE BOARD

The Directors of the Company comprise qualified and well experienced members who bring in the required skills, experience, competence and expertise effectively contributing to the Board and Committee proceedings. The Board members are committed to ensuring that the Board is in compliance with the highest standards of corporate governance.

The individual members of the Board of Directors has been identified with the key skills, expertise, competence and attributes in various functional spheres which are required in the context of the Company's business including effective functioning of the Company under overall superintendence of relevant collective body.

Sl. No.	Nature of key skills, expertise, and competence and attributes	Whether such key skills, expertise, and competence and attributes are available with the Company's Board
1.	Domain expertise in Investment/ Merchant Banking	Yes
2.	Sound knowledge and expertise in Financial Service matters	Yes
3.	Expertise in Legal, Governance and Risk management	Yes
4.	Business development, Sales and marketing	Yes
5.	Leadership qualities and management expertise	Yes

## FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

All the Directors including Independent Directors are provided with the necessary documents / brochures, reports and internal policies, codes of conduct to enable them to familiarise with the Company's procedure and practices. Directors are regularly updated on performance of each line of business of the Company, business strategy going forward and new initiatives being taken / proposed to be taken by the Company through presentation. The details of the familiarisation programme of the Independent Directors are available on the Company's website at [http://www.sumedhafiscal.com/familiarization\\_programe.pdf](http://www.sumedhafiscal.com/familiarization_programe.pdf).

## CODE OF CONDUCT FOR DIRECTORS AND SENIOR EXECUTIVES

The Company has adopted the Code of Conduct which applied to all the Board members and the senior management personnel and same is available on the website of the Company at [http://www.sumedhafiscal.com/policies\\_feb2022/codeofconduct\\_09022022.pdf](http://www.sumedhafiscal.com/policies_feb2022/codeofconduct_09022022.pdf). It is the responsibility of all Board members and senior management personnel to familiarise themselves with the Code of Conduct and comply with its provisions. All the Board members and senior management personnel have affirmed compliance with the Code.

In absence of Managing Director, a declaration to this effect duly signed by the Wholetime Director is given below:

To the Shareholders of Sumedha Fiscal Services Ltd.

**Sub.: Compliance with Code of Conduct**

I hereby declare that all the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct as adopted by the Board of Directors and applicable to them for the financial year ended March 31, 2022.

Date: May 23, 2022

Place: Kolkata

**Bhawani Shankar Rathi**

Wholetime Director

## MEETINGS OF THE BOARD

The Board Meetings are held at the Registered Office of the Company. However, due to the extraordinary circumstances arising out of the ongoing pandemic, considering the well-being of all the Board Members and consequent to the relaxations granted by the MCA and SEBI in this regard, all the Board Meetings and Committee Meetings, during the Financial Year 2021-22, were held through video conferencing mode whilst complying with all the statutory and safety norms.

The Board of Directors met four times during the FY 2021-22 ended on March 31, 2022. The required quorum was present at all the Meetings. During the year under review, the Board Meetings were held on June 24, 2021, August 7, 2021, November 12, 2021 and February 9, 2022.

Name of the Director	Category	No. of Board Meetings		Attendance at last AGM held on September 17, 2021
		Held	Attended	
Mr. Ratan Lal Gaggar, Chairman DIN: 00066068	Independent Non-Executive Director	4	3	Yes
Dr. Basudeb Sen DIN: 00056861	Independent Non-Executive Director	4	4	No
Mr. S. A. Ramesh Rangan DIN: 07586413	Independent Non-Executive Director	4	4	Yes
Mr. Santanu Mukherjee DIN: 07716452	Independent Non-Executive Director	4	4	Yes
Mr. Vijay Maheshwari DIN: 00216687	Promoter & Non-Executive Director	4	4	Yes
Mr. Prashant Shekhar Panda DIN: 00596554	Independent Non-Executive Director	4	4	Yes
Mr. Anil Kumar Birla DIN: 00015948	Non-Executive Director	4	4	Yes
Mr. Bijay Murmura DIN: 00216534	Promoter & Non-Executive Director	4	4	Yes
Mrs. Garima Maheshwari DIN: 07001628	Non-Executive Director	4	4	No
Mr. Bhawani Shankar Rathi, Wholetime Director DIN: 00028499	Promoter & Executive Director	4	4	No

## SEPARATE MEETING OF INDEPENDENT DIRECTORS

During the Financial Year 2021-22, a separate meeting of the Independent Directors of the Company was held on 9th February, 2022, without the presence of the non-executive directors, executive directors and the management team of the Company. All the Independent Directors of the Company attended the meeting except Mr. Ratan Lal Gaggar- Independent Director and Chairman of the Company. The matters considered and discussed thereat, inter alia, included those prescribed under Schedule IV of the Companies Act, 2013 and Regulation 25 of the Listing Regulations, among others.

## BOARD FUNCTIONING AND PROCEDURE

### Board Meeting Frequency and Circulation of Agenda Papers

The Board Meetings are pre-scheduled and tentative dates of the Board and Committee Meetings are informed well in advance to facilitate the Directors to plan their schedule.

The Board and its Committees meet at regular intervals for discussion on agenda circulated well in advance by the Company. All material information are incorporated in the Notes on Agenda for facilitating meaningful and focused discussion at the meeting. Where it is not practical to attach or send the relevant information as a part of agenda papers, the same are tabled at the Meeting.

The Board/ Committee agenda is circulated in electronic mode maintaining the highest standards for safeguarding the data security and integrity. The agenda also includes information as stipulated in part A of Schedule II of the Listing Regulations.

The Company has proper systems to review the status of compliance of all applicable laws as well as to suggest remedies for compliance deficiencies, if any. The status of compliance is reviewed quarterly by the Board and the Audit Committee.

### **Presentation by the Management**

The senior executives/management of the Company and its subsidiaries are also invited to attend the meetings of the Board, Committee, to make representations on plans, business performance, operations, financial performance, risk management, regulatory environment of the Company and for other issues and matters which the Board wants to be apprised of periodically and to provide clarifications as and when necessary.

### **Access to Employees**

The Directors bring an independent perspective on the issues deliberated by the Board. They have complete and unfettered access to any information of the Company and to any employee of the Company.

### **Availability of Information to the Board Member Includes**

- Performance of each line of business, business strategy going forward, new initiatives being taken / proposed to be taken and business plans of the Company.
- Annual operating plans and budgets including capital expenditure budgets and any updates.
- Quarterly results of the Company including results of the business segments.
- Minutes of the meetings of Committees of the Board.
- The information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and the Company Secretary.
- Show cause, demand, prosecution notices and penalty notices which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in the financial obligations to and by the Company, or substantial non-payment for goods sold / services provided by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature.
- Judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development in Human Resources / Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business.
- Quarterly details of derivatives exposures and the steps taken by the management to limit the risks of adverse movement, if material.
- Non-compliance of any regulatory, statutory nature or listing requirements and shareholders servicing issues, such as non-payment of dividend, delay in share transfer etc.
- Unforeseen circumstance affecting business/normal function.
- Statutory compliance report of all laws applicable to the Company.
- Details of the transactions with the related parties.
- General notices of interest of directors.
- Appointment, remuneration and resignation of Directors.

### **Post Meeting follow up Mechanism**

The important decisions taken at the Board / Committee meetings are promptly communicated to the respective units/departments. Action taken report on the decisions of the previous meeting(s) is placed at the immediately succeeding meeting of the Board/ Committee for information and review by the Board.

### **Minutes of the Meetings**

The draft minutes of the Board/Committee meetings are circulated amongst the Directors/Members for their perusal and comments within 15(fifteen) days from the date of conclusion of the meeting in accordance with Secretarial Standard-1 (the “SS-1”) issued by the Institute of Company Secretaries of India. Suggestions, if any, received from the Directors/Members are suitably incorporated in the draft minutes, in consultation with the Chairman of the Board/ Committee.

### **BOARD COMMITTEES**

The Board of Directors has constituted following statutory Committees to function according to applicable statutory guidelines under Companies Act, 2013 and Listing Regulations and to take informed decisions in the best interest of the Company -

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders’ Relationship Committee
4. Corporate Social Responsibility Committee

Details on the role and composition of these committees, including the number of meetings held during the financial year and the related attendance are provided below:

#### **(I) Audit Committee**

##### **Composition, Meetings & Attendance**

The Committee is headed by an Independent Director and consists of the members as stated below. The Audit Committee met four times during the FY 2021-22 ended on March 31, 2022 i.e. on June 24, 2021, August 7, 2021, November 12, 2021 and February 9, 2022. The composition of the Committee and attendance of each Audit Committee Member is as under:-

Name of the Member	Category	No. of Audit Committee Meetings	
		Held	Attended
Mr. Prashant Shekhar Panda, Chairman	Independent Non-Executive Director	4	4
Mr. S. A. Ramesh Rangan	Independent Non-Executive Director	4	4
Mr. Santanu Mukherjee	Independent Non-Executive Director	4	4
Mr. Bijay Murmura	Promoter & Non-Executive Director	4	4

The constitution and terms of reference of the Audit Committee meet the requirements of Regulation 18 of the Listing Regulations read with the relevant provisions of Section 177 of the Companies Act, 2013.

The Company Secretary acts as the Secretary to the Committee. The Meetings of the Audit Committee are also attended by the Chief Financial Officer, Internal Auditors and the Statutory Auditors as invitees. The Audit Committee had reviewed the information stipulated in part C of the Schedule II of the Listing Regulations during above Meetings.

**The terms of reference of the Committee inter-alia include:-**

- (i) Reviewing the Company's financial reporting process and its financial statements.
- (ii) Reviewing the accounting and financial policies and practices and compliance with applicable accounting standards.
- (iii) Reviewing the efficacy of the internal control mechanism, monitor risk management policies adopted by the Company and to ensure compliance with regulatory guidelines.
- (iv) Reviewing reports furnished by the Internal and Statutory Auditors, and to ensure that suitable follow-up action is taken.
- (v) Examining accountancy and disclosure aspects of all significant transactions.
- (vi) Reviewing with management the quarterly, half yearly & annual financial statements including review of qualifications, if any, in the Audit Report before submission to the Board for approval.
- (vii) Recommending appointment of External and Internal Auditors and fixation of audit fees.
- (viii) Seeking legal or professional advice, if required.
- (ix) Approval or any subsequent modifications of transactions of the Company with related parties.
- (x) Scrutiny of Inter-Corporate loans and investments.
- (xi) Valuation of undertakings or assets of the Company, wherever required.
- (xii) Review policy vigil mechanism of the Company from time to time.

**(II) Nomination and Remuneration Committee (NRC)**

**Composition, Meetings & Attendance**

The NRC is headed by an Independent Director and consists of the following members as stated below. The NRC met twice during the FY 2021-22, on June 24, 2021 and February 9, 2022.

The composition and attendance of each NRC Member is as under:-

Name of the Member	Category	No. of NRC Meetings	
		Held	Attended
Mr. Prashant Shekhar Panda, Chairman	Independent Non-Executive Director	2	2
Mr. S. A. Ramesh Rangan	Independent Non-Executive Director	2	2
Mr. Santanu Mukherjee	Independent Non-Executive Director	2	2
Mr. Vijay Maheshwari*	Promoter & Non-Executive Director	2	1
Mr. Bijay Murmuria	Promoter & Non-Executive Director	2	2

\*The Nomination and Remuneration Committee was reconstituted as per Notification No. SEBI/LAD-NRO/GN/2021/35 and to that effect, Mr. Vijay Maheshwari was removed from the Membership of the Nomination and Remuneration Committee as per the Board Meeting held on August 7, 2021.

**The broad terms of reference of the NRC include:**

- To identify persons who are qualified to become Directors (Executive, Non-Executive and Independent Directors) and who may be appointed in senior management in accordance with the criteria laid down,
- To recommend to the Board for their appointment and removal.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the directors (Executive, Non-Executive and Independent Directors), key managerial personnel and other employees.
- To specify the manner of effective evaluation of performance of the Board of Directors, its committees and individual directors and review implementation and thereof.
- Plan for succession of Board members and Key Managerial Personnel;
- Devising a policy on Board diversity;
- Recommend to the Board, all remuneration, in whatever form, payable to senior management.



The constitution and term of reference of the NRC meet the requirements of Regulation 19 of the Listing Regulations and Section 178 (1) & (2) of the Companies Act, 2013.

### Remuneration Policy

In terms of the provisions of the Companies Act, 2013 and the Listing Regulations, the Board of Directors of the Company has adopted Remuneration Policy for remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management, which forms part of this Annual Report. The Nomination and Remuneration Committee inter-alia identifies persons qualified for appointment as Directors and in senior management positions and recommends their remunerations. Remuneration of the Wholetime Director is recommended by the Board of Directors, subject to approval of the shareholders. The details of the Remuneration Policy has been posted on the website of the Company - [http://www.sumedhafiscal.com/policies\\_feb2022/N\\_R\\_Policy\\_wef09022022.pdf](http://www.sumedhafiscal.com/policies_feb2022/N_R_Policy_wef09022022.pdf).

The Policy, inter alia, provides the criteria for performance evaluation such as board effectiveness, quality of discussion and contribution at the meetings, business acumen, strategic thinking, time commitment, relationship with the stakeholders, corporate governance practices, contribution of the committees to the Board in discharging its functions etc.

### Remuneration of Wholetime Director

The remuneration of the Wholetime Director is recommended by the Nomination and Remuneration Committee to the Board of Directors and after approval by the Board the same is approved by the shareholders. Wholetime Director does not receive any sitting fee for attending the Board and Committee meetings. He has not been issued any stock option during the Financial Year 2021-22. The details of remuneration paid/payable to Mr. Bhawani Shankar Rathi, Wholetime Director for the year ended March 31, 2022 are as under:

<b>Mr. Bhawani Shankar Rathi, Wholetime Director (FY 2021-22)</b>	<b>(In Rs.)</b>
Salary	21,00,000
Bonus	2,62,500
House Rent Allowance	3,00,000
Other allowances	5,21,766
Employer's Contribution to PF	2,52,000
<b>Total</b>	<b>34,36,266</b>

### Remuneration of Directors

Details of remuneration paid to Directors during the financial year 2021-22

<b>Name of Directors</b>	<b>Meetings Fees</b>	<b>Salary &amp; Perks</b>	<b>Total</b>	<b>No. of Shares held as on 31-Mar-21</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>	<b>(Rs.)</b>	
Mr. Ratan Lal Gaggar, Chairman	30,000	-	30,000	-
Dr. Basudeb Sen	50,000	-	50,000	4,000
Mr. S. A. Ramesh Rangan	1,40,000	-	1,40,000	-
Mr. Santanu Mukherjee	1,10,000	-	1,10,000	-
Mr. Prashant Shekhar Panda	1,20,000	-	1,20,000	-
Mr. Vijay Maheshwari	50,000	-	50,000	16,69,220
Mr. Anil Kumar Birla	80,000	-	80,000	6,000
Mr. Bijay Murmuria	1,40,000	-	1,40,000	3,69,920
Mr. Bhawani Shankar Rathi, Wholetime Director	-	34,36,266	34,36,266	1,19,270
Mrs. Garima Maheshwari	40,000	-	40,000	25,000
<b>Total</b>	<b>7,60,000</b>	<b>34,36,266</b>	<b>41,96,266</b>	

### (III) Stakeholders' Relationship Committee

#### Composition, Meetings & Attendance

The Stakeholders' Relationship Committee (the "SRC") is headed by an Independent Director and consists of the following members. The Committee met once during the FY 2021-22 on February 9, 2022. The composition and attendance of each Committee Member is as under:-

Name of the Member	Category	No. of SRC Meetings	
		Held	Attended
Mr. Prashant Shekhar Panda, Chairman	Independent Non-Executive Director	1	1
Mr. Anil Kumar Birla	Non-Executive Director	1	1
Mr. Bijay Murmuria	Promoter & Non-Executive Director	1	1

#### Function and term of reference

The Committee has the mandate to look into and review the actions for redressal of security holders grievances, such as non-receipt of transferred / transmitted share certificates/annual report / declared dividend etc. as also to review the reports submitted by the Company Secretary relating to approval / confirmation of requests for share transfer/transmission / transposition/ consolidation/ issue of duplicate share certificates/ sub-division, remat, demat of shares etc. from time to time.

The constitution and term of reference of the Stakeholders Relationship Committee meet the requirements of Regulation 20 of the Listing Regulations and Section 178(5), (6) & (7) of the Companies Act, 2013. The Chairman of the Committee was present in the last Annual General Meeting to address the queries, if any, of the shareholders. Ms. Dhvani Fatehpuria, Company Secretary is the Compliance Officer of the Company.

#### Details of Investor Complaints/Requests

The Company received the following service requests (not amounting to complaint) from various shareholders / investors directly and/or through the Share Transfer Agent (STA) during the FY 2021-22. The Company has addressed all the requests during the year -

#### Status of requests received from shareholders during FY 2021-22

Type of Requests	Pending at the beginning of the year (01.04.2021)	Received during the year	Disposed of during the year	Unresolved at the end of the year (31.03.2022)
Bank A/C Details	0	2	2	0
Change of Address	0	2	2	0
Duplicate Dividend Warrant	0	1	1	0
Name Deletion/Name Correction	0	1	1	0
Issue of Duplicate Certificate	0	6	6	0
Exchange of old Share Certificate	0	0	0	0
Revalidation of Dividend Warrant	0	3	3	0
Stop Transfer	0	0	0	0
Transmission	0	0	0	0
Annual Report	0	0	0	0
IEPF	0	1	1	0
Miscellaneous	0	6	6	0
<b>TOTAL</b>	<b>0</b>	<b>22</b>	<b>22</b>	<b>0</b>

Details of investor complaints received and resolved during the FY 2021-22 are as follows:-

<b>Pending at the beginning of the year</b>	<b>Received during the year</b>	<b>Redressed/Replied during the year</b>	<b>Pending at the year end</b>
Nil	1	1	Nil

#### **(IV) Corporate Social Responsibility Committee**

##### **Composition, Meetings & Attendance**

The Corporate Social Responsibility (the “CSR”) Committee is headed by an Independent Director and consists of the following members. The Committee met thrice during the FY 2021-22 on August 7, 2021, September 8, 2021 and March 22, 2022. The composition and attendance of each Committee Member is as under:-

<b>Name of the Member</b>	<b>Category</b>	<b>No. of CSR Meetings</b>	
		<b>Held</b>	<b>Attended</b>
Mr. S. A. Ramesh Rangan, Chairman	Independent Non-Executive Director	3	3
Mr. Anil Kumar Birla	Non-Executive Director	3	3
Mr. Bijay Murmuria	Promoter & Non-Executive Director	3	3

The CSR Committee has been constituted to identify, execute and monitor CSR projects and assist the Board and the Company in fulfilling its CSR Objectives.

The broad terms of reference of the CSR Committee is as follows:

- Formulate and recommend to the Board, the CSR Policy which shall include the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and Rules thereto;
- Make recommendations on the amount of expenditure to be incurred on CSR activities;
- Institute a transparent monitoring mechanism for implementation of the CSR activities to be undertaken by the Company;
- Such other tasks as may be entrusted to it by the Board of Directors, from time to time.

#### **Other Committees**

##### **Management Committee of Directors**

Apart from the above statutory committees, the Board of Directors has constituted Management Committee of Directors comprising of three (3) Directors to oversee routine matters that are in the normal course of the business. The Board of Directors has delegated certain powers to this Committee to facilitate the smooth working of the Company.

##### **Investment Committee of Directors**

Apart from the above statutory committees, the Board of Directors has also constituted Investment Committee of Directors comprising of three (3) Directors to undertake investment activities of the Company viz. trading and investment shares and securities etc. The Board of Directors has delegated certain powers to this Committee to facilitate the smooth working of the Company.

## GENERAL BODY MEETINGS

Particulars of the last three Annual General Meetings are as follows:-

Details of last three Annual General Meetings and particulars of Special Resolutions and Postal Ballot:

Financial Year ended	Date and time	Venue	Special Resolutions Passed
March 31, 2019	September 14, 2019 at 10.30 a.m.	Merchants' Chamber of Commerce & Industry, 15B Hemanta Basu Sarani, Kolkata – 700 001.	Re-appointment of Mr. Bhawani Shankar Rathi as Wholetime Director & terms and Remuneration related thereto.
March 31, 2020	September 19, 2020 at 10.30 a.m.	Through Video Conferencing / Other Audio Visual Means (deemed venue for the Meeting: Registered Office of the Company at 6A Geetanjali Apartments, 8B Middleton Street, Kolkata – 700 071.)	No Special Resolution was transacted at the Meeting.
March 31, 2021	September 17, 2021 at 10.30 a.m.	Through Video Conferencing / Other Audio Visual Means (deemed venue for the Meeting: Registered Office of the Company at 6A Geetanjali Apartments, 8B Middleton Street, Kolkata – 700 071.)	No Special Resolution was transacted at the Meeting.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the Financial Year 2021-22, prepared in accordance with the Listing Regulations, forms a part of this Annual Report.

## ACCOUNTING STANDARDS FOLLOWED BY THE COMPANY

The financial statements of the Company have been prepared in accordance with Ind AS, as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013.

## MEANS OF COMMUNICATION

### a) Quarterly Results in newspapers & websites:

Quarterly, half-yearly and annual financial results are uploaded/submitted to designated website/email-id of BSE & CSE, in the prescribed manner followed by publication in prominent dailies [Financial Express (English) and Aajkal (Bengali)] in the form and manner prescribed by Regulation 33 and 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The same are also made available at the Company's website, as required.

### b) Website [www.sumedhafiscal.com](http://www.sumedhafiscal.com):

Detailed information on the Company's business and services offered; quarterly / half yearly / nine months and annual financial results and quarterly distribution of Shareholding as well as other regulatory information are displayed on the Company's website.

### c) Exclusive email-id for investors:

The Company has designated the email id [investors@sumedhafiscal.com](mailto:investors@sumedhafiscal.com) exclusively for investor servicing, and

the same is prominently displayed on the Company's website www.sumedhafiscal.com. The Company strives to reply to the complaints within a period of 6 working days.

**d) Annual Report:**

Annual Report contains, inter-alia, Audited Annual Standalone Financial Statement, Consolidated Financial Statement, Directors' Report and Auditors' Report. The Management Perspective, Business Review and Financial Highlights are also part of the annual report.

**e) Intimation to Stock Exchanges:**

The Company periodically intimates stock exchanges all regulatory and price sensitive information and other information are material and of relevance to the shareholders.

**GENERAL SHAREHOLDER INFORMATION**

**a) Annual General Meeting**

Date : September 17, 2022 (Saturday)

Time : 10:30 a.m.

Venue : Through Video Conferencing/ Other Audio Video Means (deemed venue at Registered Office of the Company at Geetanjali Apartments, 8B Middleton Street, Kolkata – 700 071)

**b) Financial Year: April to March**

Financial calendar for the financial year 2022-23 (tentative)

The tentative dates of meeting of the Board of Directors for consideration of quarterly financial results for the financial year ending on 31st March, 2023 are as follow:

First Quarter Results : By middle of August, 2022

Second Quarter and Half yearly Results : By middle of November, 2022

Third Quarter Results : By middle of February, 2023

Fourth Quarter and Annual Results : By end of May, 2023

**c) Dates of Book Closure:**

Monday, 12th September, 2022 to Saturday, 17th September, 2022 (Both days inclusive).

**d) Dividend**

Dividend on Equity Shares will be made payable from Thursday, 22nd September, 2022, once approved. In respect of shares held in physical form, the dividend will be paid to such shareholders whose name appear in the Register of Members as on Saturday, 10th September, 2022. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership position as per the data to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.

**e) Listing on Stock Exchanges**

**Name and Address of Stock Exchange**

**Stock Code**

**BSE Limited (BSE)**

Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.

530419

**The Calcutta Stock Exchange Ltd. (CSE)**

7, Lyons Range, Kolkata - 700 001.

029093

**ISIN**

INE886B01012

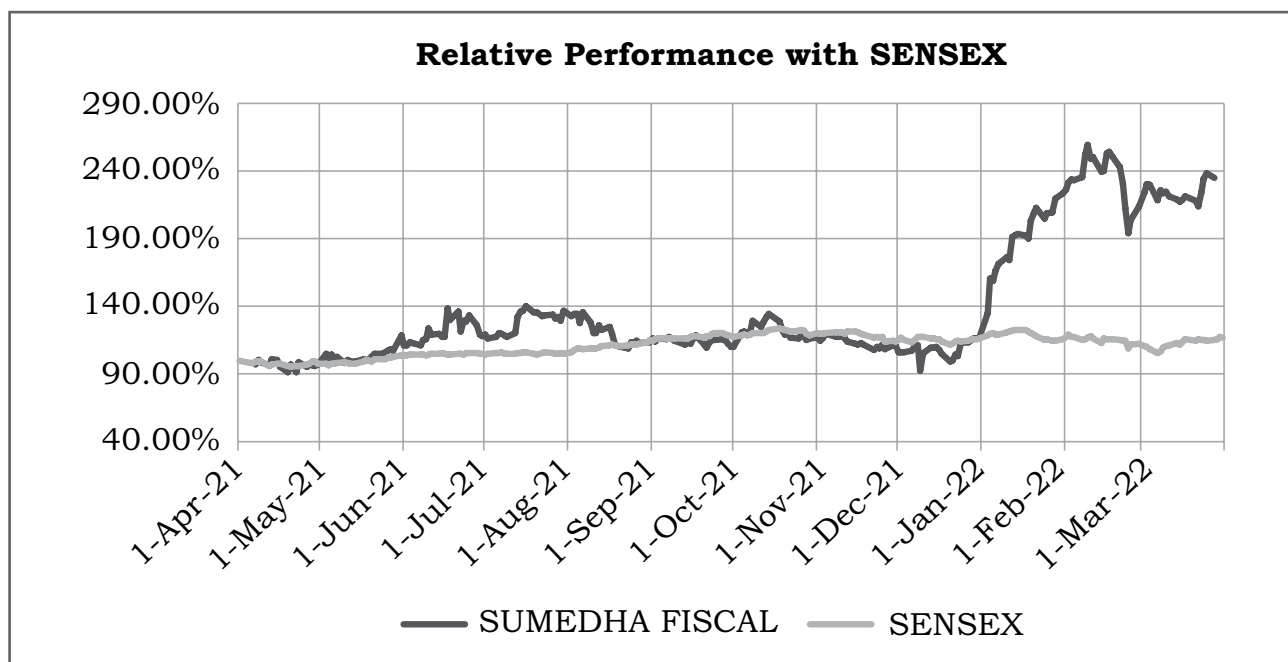
The listing fees for the financial year 2021-22 has been duly paid to the above Stock Exchanges.

## f) Market Price Data

Period	The Calcutta Stock Exchange Ltd.		BSE Ltd.			
	High	Low	High	Low	Closing	Sensex (Closing)
April, 2021	-	-	25.95	21.60	24.00	48782.36
May, 2021	-	-	31.80	23.00	29.35	51937.44
June, 2021	-	-	37.95	27.00	29.20	52482.71
July, 2021	-	-	36.80	27.05	33.90	52586.84
August, 2021	-	-	35.00	26.25	28.05	57552.39
September, 2021	-	-	30.80	26.55	27.25	59126.36
October, 2021	-	-	34.00	26.00	28.80	59306.93
November, 2021	-	-	30.65	26.10	27.45	57064.87
December, 2021	-	-	29.75	22.00	28.95	58253.82
January, 2022	-	-	56.00	28.95	55.30	58014.17
February, 2022	-	-	67.50	47.45	52.90	56247.28
March, 2022	-	-	61.40	52.00	60.20	58568.51

## g) Stock Performance: FY 2021-22 ended on March 31, 2022

Performance in comparison to BSE Sensex: Share Price Performance (April 2021 to March 2022)



h) Securities of the Company (Equity Shares) has never been suspended from trading.

## i) Registrar & Share Transfer Agent

Maheshwari Datamatics Pvt. Ltd.

[Unit: Sumedha Fiscal Services Ltd.]

23 R. N. Mukherjee Road, 5th Floor, Kolkata – 700001. Phone: (033) 2243-5029; 2248-2248; 2231-6839

Fax: (033) 2248-4787; E-mail ID: [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com)

### j) Share Transfer System

Effective April 1, 2019, requests for effecting the transfer of listed securities were required to be processed only in dematerialised form with a Depository. The Company had stopped accepting any fresh transfer requests for securities held in physical form with effect from the said date.

Dematerialisation of holdings will, inter alia, curb fraud in physical transfer of securities by unscrupulous entities and improve ease, convenience and safety of transactions for investors. In view of the aforesaid, Members who are holding shares in physical form are hereby requested to dematerialise their holdings.

### k) Distribution of Equity Shareholding as on March 31, 2022

No. of Shares	No. of Shareholders	% of Shareholders	Shares held	% of Shareholding
1-500	2881	82.0097	358182	4.4860
501-1000	282	8.0273	230505	2.8869
1001-2000	147	4.1845	225757	2.8275
2001-3000	43	1.2240	112214	1.4054
3001-4000	27	0.7686	99585	1.2472
4001-5000	23	0.6547	106535	1.3343
5001-10000	36	1.0248	262315	3.2853
10001 and above	74	2.1065	6589331	82.5273
	<b>3513</b>	<b>100.0000</b>	<b>7984424</b>	<b>100.0000</b>

### l) Shareholding Pattern as on 31st March, 2022

Category	No. of Shares	% of holding
Promoters (Individual & Bodies Corporate)	3957709	49.57
Mutual Funds/Government(s)	7300	0.09
Bodies Corporate (Non-promoter)	626214	7.84
Indian Public (Individual)	3164037	39.64
NRIs/OCBs	80760	1.01
Clearing Member	16356	0.20
Investor Education and Protection Fund Authority	132048	1.65
<b>Total</b>	<b>7984424</b>	<b>100.00</b>

### m) Dematerialisation of Shares & Liquidity

The Company's Equity Shares are compulsorily traded in the electronic form. The Company has entered into an Agreement with NSDL and CDSL to establish electronic connectivity of its equity shares for scrip less trading. Both NSDL & CDSL have admitted the Company's Equity Shares on their system.

#### The system for getting the shares dematerialised is as under:

- Share Certificate(s) along with Demat Request Form (DRF) will be submitted by the shareholder(s) to the Depository Participant (DP) with whom he/she has opened a Depository Account.
- DP will process the DRF and generates a unique number DRN.
- DP will forward the DRF and Share Certificates to the Company's Registrar and Share Transfer Agent.
- The Company's Registrar and Share Transfer Agent after processing the DRF will confirm or reject the request to the Depositories.
- Upon confirmation, the Depository will give the credit to shareholder in his / her depository account maintained with DP.



As on March 31, 2022, 98.60% of total Equity Share Capital of the Company was held in dematerialised form (including 100% of the promoters' holding). The ISIN allotted by NSDL / CDSL is INE886B01012. Confirmation in respect of the requests for dematerialisation of shares is sent to NSDL and CDSL within the stipulated period.

**n) Outstanding GDR / ADR or Warrants**

As on date there are no Global Depository Receipts (GDR), American Depository Receipt (ADR), Warrants or any other convertible instrument.

**o) Commodity price risk/foreign exchange risk and hedging activities**

The Commodity Broking activities of SFSL Commodity Trading Pvt. Ltd. (subsidiary) has been discontinued since April, 2019.

The Company does not have any exposure in foreign currency transactions.

**p) Branch Locations:**

**Mumbai**

C-703 "Marathon Innova",  
Off Ganapatrao Kadam Marg  
Opp Peninsula Corporate Park, Lower  
Parel (W), Mumbai - 400 013.

**New Delhi**

B1/12 Safdarjung Enclave,  
2nd Floor, New Delhi – 110 029.

**Bangalore**

First Floor, Park Plaza,  
No. 1 Park Road,  
(Off. Infantry Road), Tasker Town,  
Bangalore – 560 051.

**Ahmedabad**

A/82, Pariseema Complex,  
Opp. IFCI Bhavan, C. G. Road,  
Ahmedabad – 380 009.

**q) Address for Correspondence**

All shareholders' correspondence should be forwarded to Maheshwari Datamatics Pvt. Ltd., the Registrar and Transfer Agent of the Company or to the Investor Service Department at the Registered Office of the Company at the addresses mentioned below –

<b>Maheshwari Datamatics Pvt. Ltd.</b>	<b>Investor Service Department</b>	<b>Compliance Officer</b>
[Unit: Sumedha Fiscal Services Ltd.] 23 R. N. Mukherjee Road, 5th Floor, Kolkata – 700001. Phone: (033) 2243-5029; 2248-2248; 2231-6839, Fax: (033) 2248-4787 E-mail: <a href="mailto:mdpldc@yahoo.com">mdpldc@yahoo.com</a>	Sumedha Fiscal Services Ltd. 6A, Geetanjali, 8B, Middleton Street, Kolkata – 700071. Phone: (033) 2229-8936/3237 Fax: 033) 2229-4140 E-mail: <a href="mailto:investors@sumedhafiscal.com">investors@sumedhafiscal.com</a>	Ms. Dhvani Fatehpuria Company Secretary & Compliance Officer E-mail – <a href="mailto:compliance@sumedhafiscal.com">compliance@sumedhafiscal.com</a> Phone: 2229-8936/3237

**r) Credit Rating**

The Company has not issued any debt instrument and therefore not liable to credit rating requirement.

**s) Plant Location**

The Company is engaged in investment banking and other corporate services, hence it does not have any plant.

**OTHER DISCLOSURES**

● **Related Party Transactions**

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, is appended as **Annexure V** to the Board's Report and have also

been provided in Note No. 39 to the financial statements. There have been no other materially significant related party transactions, monetary transactions or relationships between the Company and its directors, the Management, subsidiaries or relatives during the year.

The Company has formulated a policy on materiality of related party transactions and also on dealing with related party transactions. The policy is available on the Company's website - [http://www.sumedhafiscal.com/policies\\_feb2022/policy\\_on\\_rpt\\_09022022.pdf](http://www.sumedhafiscal.com/policies_feb2022/policy_on_rpt_09022022.pdf). The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All Related Party Transactions are placed before the Audit Committee (for approval) as well as the Board of Directors, on a quarterly basis.

- **Details of Non-Compliance by the Company, penalties, stricture imposed on the Company by the Stock Exchanges, SEBI or any statutory authorities or any matter related to capital markets**

The Company has complied with all the requirements of the Stock Exchanges / the Regulations and guidelines of SEBI and other Statutory Authorities on all matters relating to capital markets. No penalties or strictures have been imposed by SEBI, Stock Exchanges or any statutory authorities on matters relating to capital markets during the last three years.

- **Whistle Blower Policy and Affirmation that no personnel has been denied access to the Audit Committee**

The Company has established a vigil mechanism through a Whistle Blower Policy for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Policy is available on the Company's website [http://www.sumedhafiscal.com/Code\\_of\\_Business\\_Conduct.pdf](http://www.sumedhafiscal.com/Code_of_Business_Conduct.pdf). The mechanism provides for adequate safeguards against victimisation of director(s) / employee(s) who express their concerns and also provides for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. During the year under review, no personnel was denied access to the Audit Committee. Further, no complaint of sexual harassment was received from any women employee.

- **Code for prevention of Insider Trading**

The Company has formulated comprehensive Code of Conduct to regulate, monitor and report trading by Insiders in line with the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code of conduct is available on the Company's website [http://www.sumedhafiscal.com/policies\\_feb2022/Code\\_for\\_PIT\\_09022022.pdf](http://www.sumedhafiscal.com/policies_feb2022/Code_for_PIT_09022022.pdf). The Code lays down the guidelines which advise on procedures to be followed and disclosures to be made, while dealing in shares of the Company and the consequences of non-compliances.

- **CEO / CFO Certification**

As required under the Listing Regulations, the Wholtime Director and the CFO of the Company have certified the accuracy of financial statements for the Financial Year 2021-22 and adequacy of internal control systems for the financial reporting for the said year, which is appended to the Annual Report. The Company is not having CEO.

- **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements**

The details of mandatory requirements are mentioned in this Report. The Company is in compliance with the requirements specified under regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations, as applicable, with regard to corporate governance.

- **Subsidiary Company**

The only unlisted Indian subsidiary company viz. SFSL Commodity Trading Pvt. Ltd. is a 99.98% subsidiary. The subsidiary is not a "Material Non-listed Subsidiary" in terms of Regulation 16(1)(c) of the Listing Regulations.

The Company has a policy for determining Material Subsidiary which has been uploaded on its website at [http://www.sumedhafiscal.com/policies\\_feb2022/MaterialSubsidiaryPolicy\\_09022022.pdf](http://www.sumedhafiscal.com/policies_feb2022/MaterialSubsidiaryPolicy_09022022.pdf).

In accordance with the regulation 24 of the Listing Regulations, one Independent Director of the Board is also Director of the aforesaid subsidiary. The minutes of the board meetings of the subsidiary is also placed before the Board of Directors of the Company. The management of the Company periodically brings to the attention of the Board of Directors of the Company, a statement of significant transactions and arrangements entered into by the aforesaid subsidiary company. The Audit Committee of the Company also reviews the financial statements, in particular, the investments made by the subsidiary.

- **Utilisation of Funds**

The Company has not raised any funds through preferential allotment or otherwise.

- **Certification about Directors**

The Company has obtained a certificate from Mr. A. K. Labh, Practising Company Secretary certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such statutory authority and such certificate forms part of this report.

- **Recommendation of Committee of the Board**

The Board of Directors of the Company has accepted all the mandatory recommendations of the Statutory Committees of the Company.

- **Fees paid to the Statutory Auditors and network firms for all services**

During the year ended 31st March, 2022, the Company has availed the services of the Statutory Auditors and made the following payments:

Services availed	Payment (Rs.)	
	Standalone	Consolidated
Statutory Audit for the FY 2021-22	2,25,000	2,55,000
Tax Audit for the FY 2021-22	1,00,000	1,00,000
Limited Review	75,000	75,000
Certifications	52,500	52,500
Total	4,52,500	4,82,500

Except as provided above, no other services were availed and/or payments made by the Company to Statutory Auditors and/or to their network firms.

- **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for the year ended 31st March, 2022:**

No. of complaints filed during the financial year : Nil

No. of complaints disposed of during the financial year : Nil

No. of complaints pending as on end of the financial year : Nil

## DISCRETIONARY REQUIREMENTS

- **The Board**

An office for the use of the Chairman is made available whenever required.

- **Shareholders' Rights**

Half yearly financial results including summary of the significant events in last six months are presently not being sent to shareholders of the Company.

- **Modified opinion(s) in audit report**

There are no qualifications in the Auditor's report on the financial statements to the Shareholders of the Company.

- **Reporting of Internal Auditor**

Internal Auditors are invited to the meetings of Audit Committee wherein they report directly to the Committee.

### **AUDITOR'S CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE**

The Certificate dated May 23, 2022 from Statutory Auditor of the Company, M/s. V. Singhi & Associates, Chartered Accountants, confirming compliance with the Corporate Governance requirements as stipulated under the Listing Regulations is annexed hereto.

The above report has been adopted by the Board of Directors of the Company at their meeting held on May 23, 2022.

### **RECONCILIATION OF SHARE CAPITAL AUDIT**

As stipulated by the Securities and Exchange Board of India (SEBI), a qualified practicing Company Secretary carries out Reconciliation of Share Capital Audit. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors.

### **DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT**

The Company does not have any share lying in the Demat Suspense Account/ Unclaimed Suspense Account.

Place: Kolkata

Date: 23rd May, 2022

For and on behalf of the Board

**Ratan Lal Gaggar**

Chairman

DIN: 00066068

## **Annexure – III**

### **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE COMPLIANCE**

To the Members,

#### **SUMEDHA FISCAL SERVICES LIMITED**

1. We have examined the compliance of conditions of Corporate Governance by Sumedha Fiscal Services Limited ("the Company"), for the year ended March 31, 2022, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and part C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended ("SEBI LODR") and the guidelines on Corporate Governance for Central Public Sector Enterprises, as enunciated by the Department of Public Enterprises (DPE).

#### **Management's Responsibility**

2. The compliance of conditions of corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the SEBI LODR, issued by the Securities and Exchange Board of India as well as guidelines issued by the DPE.

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

4. We have conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on 'Reports or Certificates for Special Purposes' and the Guidance Note on 'Certification of Corporate Governance', both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on 'Reports or Certificates for Special Purposes' requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
6. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria.
7. The procedures include but are not limited to verification of secretarial records and financial information of the Company. We have obtained necessary representations and declarations from directors including independent directors of the Company.
8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

#### **Opinion**

9. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has, in all material respects, complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46 (2) and part C and D of Schedule V to the SEBI LODR for the year ended March 31, 2022 as well as guidelines issued by the DPE.

**Other Matters and Restrictions on use**

10. We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.
11. The certificate is addressed and provided to the members of the Company solely for the purpose to comply with the requirement of the its obligations under SEBI LODR and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom it is shown or into whose hands it may come without our prior consent in writing.

For **V. Singhi & Associates**  
Chartered Accountants  
Firm registration Number: 311017E

**(SUNIL SINGHI)**  
Partner

Place: Kolkata  
Date: 23rd May, 2022

Membership No.: 060854  
UDIN: 22060854AJPRHC3745

## Annexure – IV

### ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

**1. Brief outline on CSR Policy of the Company:**

The Company's CSR Policy is in adherence to the provisions of Section 135 of the Act read with rules framed thereunder and provides for carrying out CSR activities in the area of Education, Healthcare including preventive healthcare, Rural Development, Sanitation, etc. either directly by the Company or through 'Non-Profit Organisations' or by way of contribution to Central / State Government Relief Funds.

**2. Composition of CSR Committee:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. S. A. Ramesh Rangan - Independent Director	Chairperson	3	3
2	Mr. Anil Kumar Birla - Non-Executive & Non-Independent Director	Member	3	3
3	Mr. Bijay Murmuria- Non-Executive & Non-Independent Director-	Member	3	3

**3. Web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:**

[http://www.sumedhafiscal.com/CSR\\_policy\\_07-Aug-21.pdf](http://www.sumedhafiscal.com/CSR_policy_07-Aug-21.pdf)

<http://www.sumedhafiscal.com/committees.asp>

**4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):**

In accordance with the provisions of Rule 8(3) of the Companies (Corporate Social responsibility Policy) Rules, 2014 notified w.e.f. 22nd January, 2021, the Company is not required to carry out impact assessment for its CSR projects.

**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Not Applicable**

**6. Average net profit of the Company as per section 135(5): Rs. 371. 49 Lacs**

**7. (a) Two percent of average net profit of the Company as per section 135(5): Rs. 7.42 Lacs**

**(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL**

**(c) Amount required to be set off for the financial year, if any: Nil**

**(d) Total CSR obligation for the financial year (7a+7b- 7c): Rs. 7.42 Lacs**



## 8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (Rs. in Lakhs)	Amount Unspent (₹ in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
7.42 Lacs	NIL	-	-	NIL	-

(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project Rs.	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration No.
1.	Free Covid19 Vaccination Camp	promoting health care including preventive health care	Yes	West Bengal	Kolkata	1,98,000	Yes	Nil	Nil
2.	Setting up park and outdoor sport infrastructure at Jibanande Sevashram, (A center for differently abled children)	promoting education, including special education and employment enhancing vocation skills especially among the differently abled	Yes	West Bengal	Purba Medinipur	1,00,000	No	Voice of the World	CSR00003390
3.	Donation of Block Cabinets	promoting health care including preventive health care	Yes	West Bengal	Kolkata	1,54,000	No	Tata Medical Centre Trust	CSR00002920
4.	Comprehensive Education to under-privileged street children	promoting education, including special education and employment enhancing vocation skills especially among children	Yes	West Bengal	Kolkata	2,90,000	No	Loreto Rainbow Homes Foundation	CSR00019553
<b>Total</b>						<b>7,42,000</b>			

- (d) **Amount spent in Administrative Overheads:** Nil
- (e) **Amount spent on Impact Assessment, if applicable:** Nil
- (f) **Total amount spent for the Financial Year (8b+8c+8d+8e):** Rs. 7.42 Lacs
- (g) **Excess amount for set off, if any:** Nil
9. (a) **Details of Unspent CSR amount for the preceding three financial years:** Nil
- (b) **Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):** Nil
10. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).**
- (a) **Date of creation or acquisition of the capital asset(s):** Not Applicable
- (b) **Amount of CSR spent for creation or acquisition of capital asset:** Not Applicable
- (c) **Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.:** Not Applicable
- (d) **Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):** Not Applicable
11. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):** Not Applicable
- For and on behalf of the Committee and the Board of Directors,**

Place: Kolkata  
Date: 12th May, 2022

**S. A. Ramesh Rangan**  
Independent Director and  
Chairperson - CSR Committee  
DIN: 07586413

**Bijay Murmuria**  
Director and  
Member - CSR Committee  
DIN: 00216534

## Annexure – V

### FORM AOC – 2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

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

**1. Details of contracts or arrangements or transactions not at arm's length basis:** (During the year ended March 31, 2022)

Sl. No.	Name of the related party and nature of relationship	Nature of contracts / arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient features of contracts / arrangements/ transactions, including value, if any	Justification for entering into such contracts/ arrangements/ transactions	Date of approval by the Board	Amount paid as advance, if any	Date on which special resolution was passed in General meeting u/s. 188
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Nil								

**2. Details of contracts or arrangements or transactions at arm's length basis:** (During the year ended March 31, 2022)

Sl. No.	Name of the related party and nature of relationship	Nature of contracts / arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date of approval by the Board	Any other Remarks
	(a)	(b)	(c)	(d)	(e)	(f)
1	Sumedha Management Solutions Pvt. Ltd. (Associate Company)	Lease of Office Space to the Related Party on Rental basis	One time settlement	Leasing out the Office Space of the Company at Flat No 2B, 8B Middleton Street, Kolkata - 700 071 admeasuring about 1558 sq.ft. at monthly rental of Rs. 1,50,000/- p.m. plus GST, as applicable, presently at 18% and License Fee per month which shall be on mutual consent. Transaction value of Rs. 18,00,000/-	12-Nov-22	-

Place: Kolkata  
Date : 23rd May, 2022

On behalf of the Board  
**Ratan Lal Gagar**  
Chairman  
DIN: 00066068

## Annexure – VI

### **SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2022**

**[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,  
**Sumedha Fiscal Services Limited**  
6A Geetanjali, 8B Middleton Street  
Kolkata – 700 071  
West Bengal

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sumedha Fiscal Services Limited** having its Registered Office at 6A Geetanjali, 8B Middleton Street, Kolkata – 700 071, West Bengal (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31.03.2022 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.

#### **Auditors' Responsibility**

Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on existence of adequate Board process and compliance management system, commensurate to the size of the Company, based on these secretarial records as shown to us during the said audit and also based on the information furnished to us by the officers' and the agents of the Company during the said audit.

We have followed the audit practices and processes as were appropriate to the best of our understanding to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.

We have not verified the correctness, appropriateness and bases of financial records, books of accounts and decisions taken by the Board and by various committees of the Company during the period under scrutiny. We have checked the Board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of respective committees of the Board, of the Board, of the members of the Company and of other authorities as per the provisions of various statutes as mentioned hereinafter.

Wherever required we have obtained the management representation about the compliance of the laws, rules and regulations and happening of events, etc.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of compliance procedures on test basis.

Our report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

**We report that,** we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31.03.2022 according to the provisions of (*as amended*):

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) Secretarial Standards as issued by The Institute of Company Secretaries of India;
- (iii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

**We further report that,** having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has specifically complied with the provisions of the following Act:

1. The Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992;

to the extent of its applicability to the Company during the financial year ended 31.03.2022 and our examination and reporting is based on the documents, records and files as produced and shown to and the information and explanations as provided to us by the Company and its management and to the best of our judgment and understanding of the applicability of the different enactments upon the Company. Further, to the best of our knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws including general laws, labour laws, competition law, environmental laws, etc.

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

During the period under review, provisions of the following regulations/guidelines/standards were not applicable to the Company:

- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (ii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018;
- (iv) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (v) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (vi) The Securities and Exchange Board of India (Depositories & Participants) Regulations, 1996;
- (vii) The Securities and Exchange Board of India (Stock Brokers & Sub Brokers) Regulations, 1992; and
- (viii) The Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993.

**We further report that:**

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- (b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (c) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
- (d) There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that:**

- (a) The status of the Company at Calcutta Stock Exchange ("CSE") is being displayed as Active Non-compliant. However, as informed, the Company is pursuing the matter with CSE for updation of the status to Active Compliant.
- (b) The Company had not published Notice in the newspaper prior to despatch of Notice of Annual General Meeting (AGM) and Annual Report for F.Y. 2020-21 to the shareholders of the Company in accordance with MCA General Circular No. 20/2020 dated 5th May, 2020. However, the Company had published a composite AGM Notice with adequate disclosures and information post despatch to the shareholders.

For **A. K. LABH & Co.**

Company Secretaries

**(CS A. K. LABH)**

Practicing Company Secretary

FCS – 4848 / CP No.- 3238

UIN: S1999WB026800

PRCN: 1038/2020

UDIN: F004848D000367100

Place: Kolkata

Dated: 23rd May, 2022

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
**(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI**  
**(Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To  
The Members of  
**Sumedha Fiscal Services Limited**  
6A Geetanjali, 8B Middleton Street  
Kolkata – 700 071, West Bengal

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Sumedha Fiscal Services Limited** having CIN : L70101WB1989PLC047465 and having registered office at 6A Geetanjali, 8B Middleton Street, Kolkata – 700 071, West Bengal (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Anil Kumar Birla	00015948	30.11.2005
2.	Bhawani Shankar Rathi	00028499	01.03.1994
3.	Basudeb Sen	00056861	28.12.2005
4.	Ratan Lal Gaggar	00066068	30.03.1993
5.	Bijay Murmuria	00216534	04.07.1992
6.	Vijay Maheshwari	00216687	04.07.1992
7.	Prashant Shekhar Panda	00596554	24.01.2009
8.	Garima Maheshwari	07001628	08.11.2014
9.	Asuri Ramesh Rangan Sholinghur	07586413	10.11.2018
10.	Santanu Mukherjee	07716452	18.05.2019

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This Certificate has been issued relying on the documents and information as mentioned herein above and as were made available to us or as came to our knowledge for verification without taking any cognizance of any legal dispute(s) or sub-judice matters which may have effect otherwise, if ordered so, by any concerned authority(ies). This certificate is also neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**CS Atul Kumar Labh**

Membership No.: FCS 4848

CP No.: 3238

PRCN: 1038/2020

UIN: S1999WB026800

UDIN: F004848D000367133

Place : Kolkata

Date : 23rd May, 2022



## Annexure – VII

### RATIO OF REMUNERATIONS

**[Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

**A. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year (2021 – 2022):**

Sl. No.	Name of the Director	Ratio to median remuneration
1	Mr. Bhawani Shankar Rathi	8.93

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

Sl. No.	Name of the Directors	Salary for FY 2020 - 2021 (₹)	Salary for FY 2021 - 2022 (₹)	% increase in remuneration in the financial year
1	MR. BHAWANI SHANKAR RATHI, Wholtime Director	26,42,100	34,36,266	30.06
2	MS. DHWANI FATEHPURIA, Company Secretary	-	10,82,302	-
3	MR. GIRDHARI LAL DADHICH, Chief Financial Officer	4,58,028	6,16,196	34.53

**C. The percentage increase in the median remuneration of employees in the financial year:**

Sl. No.	Median	FY 2020 - 2021 (₹)	FY 2021 - 2022 (₹)	% increase in median remuneration in the financial year
1	Median Remuneration of employees	3,70,000	3,85,000	4.05

**D. The number of permanent employees on the rolls of Company: 38 employees as on 31st March, 2022.**

**E. Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The average annual increase in the salary of employees other than the managerial personnel was around 10%. Average increase in the managerial remuneration for the year was 21.53%.

The lower remuneration was accepted by the Director and employees to support conservation of resources amid the ongoing pandemic.

**F. Affirmation that the remuneration is as per Remuneration Policy of the Company:**

The remuneration paid during the financial year ended 31st March, 2022 is in term of the Remuneration Policy of the Company.

On Behalf of the Board

**Ratan Lal Gagar**  
Chairman  
DIN: 00066068

Place: Kolkata

Date: 23rd May, 2022

## INDEPENDENT AUDITOR’S REPORT

To the Members of **Sumedha Fiscal Services Limited**

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

#### Opinion

We have audited the accompanying Standalone Financial Statements of Sumedha Fiscal Services Limited (“the Company”), which comprise the Balance Sheet as at 31st March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the Standalone Financial Statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Standalone 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 (“ICAI”) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the Key Audit Matters to be communicated in our report.

Key Audit Matters	Response to Key Audit Matters
<p><b>Property, Plant and Equipment</b></p> <p>There are areas where management judgement impacts the carrying value of property, plant and equipment, intangible assets, investment property and their respective depreciation rates. We do not consider this management judgement to be of high risk of significant misstatement or to be subject to significant level of judgment. Due to the materiality in the context of the Balance Sheet of the Company, this is considered to be an area which had the significant effect on the overall audit strategy and allocation of resources in planning and completing our audit.</p>	<p>We assessed the controls in place over the Property, Plant and Equipment, evaluated the appropriateness of capitalization process, performed tests of details on costs capitalized, the timeliness of the capitalization of the assets and the de-recognition criteria for assets retired from active use.</p> <p>In performing these procedures, we reviewed the judgements made by management including the nature of underlying costs capitalized; determination of realizable value of the assets retired from active use; the appropriateness of assets’ lives applied in the calculation of depreciation; and the useful lives of assets prescribed in Schedule II to the Act and as per significant accounting policies of the Company.</p>

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

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholders' Information but does not include the standalone financial statements and our Auditor's Report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available, 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, we conclude based on the work we have performed, on the other information obtained prior to the date of this Auditor's Report, 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 Management and those charged with governance for the Standalone Financial Statements**

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

In preparing the standalone financial statements, management and Board of Directors are 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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the standalone 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of more significance in the audit of the standalone 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, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "**Annexure A**", a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
2. A) 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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows 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;
  - e. On the basis of the written representations received from the directors as on 31st March, 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act;

- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in “**Annexure B**”;
- B) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act. The Company has complied with the provisions of Section 197 read with Schedule V to the Act, relating to Managerial Remuneration; and
- C) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a) the Company has no pending litigation on its financial position in its standalone financial statements;
  - b) the Company has made provision, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and
  - c) there has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Act and the Rules made thereunder.
  - d) (i) The management has represented that, to the best of its knowledge and belief, 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 persons or entities, 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;
  - (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any persons or entities, 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;
  - (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.
  - e) The final dividend paid by the Company during the current year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend. As stated in note no. 47 to the financial statements, the Board of Directors of the Company has proposed final dividend for the current year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For **V. SINGHI & ASSOCIATES**

Chartered Accountants

Firm Registration No.:311017E

**(SUNIL SINGHI)**

Partner

Membership No. 060854

UDIN: 22060854AJLRXA5783

Place: Kolkata

Date: 23rd May, 2022

## ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph-1 under 'Report on other Legal and Regulatory Requirements' section of our Report of even date to the members of Sumedha Fiscal Services Limited on the Standalone Financial Statements for the year ended 31st March, 2022)

To the best of our information and according to the explanations provided to us by the Company and as per 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 has maintained proper records showing full particulars of intangible assets;
- b. As explained to us, Property Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- c. According to the information and explanations given to us and on the basis of our examination of the records provided to us, we report that, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
- d. As informed to us, the Company has not revalued its Property Plant and Equipment or intangible assets or both during the year.
- e. As informed to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 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, physical verification of inventory has been conducted at reasonable intervals by the management and, in our opinion and to the best of our knowledge, the coverage and procedure of such verification by the management is appropriate. According to the information and explanations given to us, no material discrepancies were noticed on such 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) The Company has made investments in companies, during the year, in respect of which:**

- a) The Company has not provided any loans or advances in the nature of loans or stood guarantor, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.
- b) In our opinion, the investments during the year are, prima facie, not prejudicial to the Company's interest; and the Company has not granted any loans, during the year.
- c) No loans have been granted by the Company, so there is no schedule of repayment of principal and no payment of interest. Hence, reporting under Clause 3(iii)(c) is not applicable.
- d) Since no loans have been granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date. Hence, reporting under Clause 3(iii)(d) is not applicable.
- e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties. Hence, reporting under clause 3(iii)(e) is not applicable.



- f) 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. Hence, reporting under clause 3(iii)(f) is not applicable.

The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act with respect to the investments made, as applicable.
- (v) According to the information and explanations given to us, the company has not accepted any deposits from the public or amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules framed thereunder to the extent notified. Accordingly, reporting under clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause 3(vi) of the Order is not applicable to the Company.

**(vii) In respect of statutory dues:**

- a) According to the information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Advance Tax, sales-tax, service tax, duty of customs, duty of excise, VAT, cess and any other statutory dues to the appropriate authorities. Further, there are no undisputed amount payable in respect of the arrears of outstanding statutory dues as on 31st March, 2022 for a period of more than six months from the date they became payable.
- b) As explained to us, there are no dues outstanding on account of any disputes.

- (viii) According to the information and explanation given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961. Accordingly, clause 3(viii) of the Order is not applicable.

- (ix) a) According to the information and explanation given to us, during the course of our audit, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender.
- b) According to the information and explanation given to us, and based on our examination, we report that the Company is not declared as wilful defaulter by any bank or financial institution or other lender.
- c) According to the information and explanation given to us, and based on our examination, the Company has taken term loans from NBFC which were applied for the purpose for which the loans were obtained.
- d) According to the information and explanation given to us, and based on our examination, the Company has not raised any funds on short term basis which have been utilised for long term purposes.
- e) According to the information and explanation given to us, and based on our examination, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Hence, reporting under Clause 3(ix)(f) of the order is not applicable.
- f) According to the information and explanation given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

- (x) a) According to the information and explanations given to us and based on our examination of the books and records, we report that the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3 (x)(a) of the order is not applicable.



- b) According to the information and explanations given to us and based on our examination of the books and records, we report that the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under clause 3 (x)(b) of the order is not applicable.
- (xi)** a) According to the information and explanations given to us and as represented by management and based on our examination of books and records of the company and in accordance with generally accepted auditing practices, no fraud by the Company or on the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies 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 during the year.
- c) According to the information and explanation given to us no whistle blower complaint has been received during the year by the company.
- (xii)** According to the information and explanations given to us and based on our examination, the Company is not a Nidhi Company, and hence reporting under clause 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 books and records, transactions with the 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 Standalone Financial Statements as required by the applicable Accounting Standards.
- (xiv)** a) According to the information and explanations given to us and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- b) The reports of the Internal Auditors for the period under audit were considered by us in determining the nature, timing and extent of our audit procedures.
- (xv)** According to the information and explanations given to us and based on our examination of the books and records, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year. Hence, reporting under clause 3 (xv) of the Order is not applicable.
- (xvi)** a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3 (xvi)(a) of the Order is not applicable.
- b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Hence, reporting under clause 3 (xvi)(b) of the Order is not applicable.
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, reporting under clause 3 (xvi)(c) of the Order is not applicable.
- d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii)** According to the information and explanations given to us and based on our examination, the Company has not incurred cash losses in the financial year and in 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 that 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) a) According to the information and explanations given to us, there is no unspent amount towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- b) There is no amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project. Hence, reporting under clause 3(xx)(b) is not applicable.

For **V. SINGHI & ASSOCIATES**

Chartered Accountants

Firm Registration No.:311017E

**(SUNIL SINGHI)**

Partner

Membership No. 060854

UDIN: 22060854AJLRXA5783

Place: Kolkata

Date: 23rd May, 2022

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## **ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph-2(A)(f) on Other Legal and Regulatory Requirements of our Report of even date to the members of Sumedha Fiscal Services Limited on the Standalone Financial Statements for the year ended 31st March, 2022)

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

We have audited the internal financial controls with reference to financial statements of Sumedha Fiscal Services Limited ("the Company") as of 31st March, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

#### **Management's and Board of Directors' Responsibility for Internal Financial Controls**

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls 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 (ICAI). These responsibilities include the design, implementation, and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **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") and the Standards on Auditing, issued by ICAI

and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were 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 such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone 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 controls 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 controls with reference to financial statements include 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 standalone financial statements in accordance with generally accepted accounting principles including the Ind AS, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

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 Standalone financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2022, based on the internal financial controls 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.

Place: Kolkata  
Date: 23rd May, 2022

For **V. SINGHI & ASSOCIATES**  
Chartered Accountants  
Firm Registration No.:311017E  
**(SUNIL SINGHI)**  
Partner  
Membership No. 060854  
UDIN: 22060854AJLRXA5783

## Balance Sheet as at 31st March, 2022

(₹ in '00)

Particulars	Notes	As at 31st March, 2022	As at 31st March, 2021
<b>I. ASSETS</b>			
<b>(1) Financial Assets</b>			
a) Cash and Cash Equivalents	2	1,40,530.51	43,998.01
b) Bank Balance other than (a) above	3	6,25,930.12	4,11,850.71
c) Trade Receivables	4	2,26,222.31	4,80,666.84
d) Investments	5	8,51,800.43	8,81,819.58
e) Other Financial Assets	6	1,65,509.74	1,15,924.90
<b>(2) Non financial Assets</b>			
a) Inventories	7	13,05,477.54	11,01,441.47
b) Current tax Assets (Net)	8	58,206.06	1,38,631.54
c) Investment Property	9	2,13,619.16	4,018.43
d) Property, Plant and Equipment	10	11,50,623.92	13,16,756.05
e) Other Intangible Assets	11	2,144.36	3,376.53
f) Other Non-Financial Assets	12	81,505.79	74,954.43
<b>Total Assets</b>		<b>48,21,569.94</b>	<b>45,73,438.49</b>
<b>II. LIABILITIES AND EQUITY</b>			
<b>(1) Financial Liabilities</b>			
a) Borrowings (other than Debt Securities)	13	3,002.72	8,639.74
b) Other Financial Liabilities	14	34,688.94	23,123.39
<b>(2) Non-Financial Liabilities</b>			
a) Provisions	15	16,398.33	12,846.27
b) Deferred Tax Liabilities (Net)	16	1,42,526.51	87,586.89
c) Other Non-Financial Liabilities	17	6,390.25	4,285.01
<b>(3) EQUITY</b>			
a) Equity Share Capital	18	7,98,442.40	7,98,442.40
b) Other Equity	19	38,20,120.79	36,38,514.79
<b>Total Liabilities and Equity</b>		<b>48,21,569.94</b>	<b>45,73,438.49</b>
Significant Accounting Policies	1		

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board of Directors

For **V. SINGHI & ASSOCIATES**

Chartered Accountants

Firm Registration No.: 311017E

**(SUNIL SINGHI)**

Partner

Membership No. 060854

Place : Kolkata

Date : 23rd May, 2022

**Bhawani Shankar Rathi**

Wholetime Director

DIN : 00028499

**Dhwani Fatehpuria**

Company Secretary

**Bijay Murmuria**

Director

DIN: 00216534

**Girdhari Lal Dadhich**

Chief Financial Officer

## Statement of Profit and Loss for the year ended 31st March, 2022

(₹ in '00)

Particulars	Notes	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>Revenue from operations</b>			
(i) Interest Income	20	35,195.90	23,113.94
(ii) Dividend Income	21	8,010.82	2,957.27
(iii) Rental Income	22	9,150.00	4,200.00
(iv) Fees and commission Income	23	7,41,231.34	6,52,433.74
(v) Net gain on fair value changes	24	60,648.70	5,07,823.49
(vi) Sales of Stock-in-Trade - Shares and Securities		47,86,999.52	7,80,732.45
(vii) Sale of services		18,195.23	19,907.40
<b>(I) Total Revenue from operations</b>		<b>56,59,431.51</b>	<b>19,91,168.29</b>
(II) Other Income	25	4,203.08	2,000.03
<b>(III) Total Income (I + II)</b>		<b>56,63,634.59</b>	<b>19,93,168.32</b>
<b>Expenses</b>			
(i) Finance Costs	26	608.55	5,760.68
(ii) Fees and commission expense		48,656.89	50,971.80
(iii) Impairment on financial instruments		-	84.52
(iv) Purchase of Stock-in-Trade (Shares and Securities)		47,45,648.84	11,16,029.22
(v) Changes in Inventories of Stock-in-Trade (Shares and Securities)	27	(2,04,036.07)	(7,22,169.00)
(vi) Employee Benefits Expenses	28	2,91,588.41	2,88,384.22
(vii) Depreciation, amortization and impairment on-			
- Investment Property		930.85	109.32
- Property, Plant and Equipment		52,644.73	49,143.48
- Other Intangible Assets		1,232.17	1,869.68
(viii) Others expenses	29	2,71,537.52	2,43,764.03
<b>(IV) Total Expenses (IV)</b>		<b>52,08,811.89</b>	<b>10,33,947.95</b>
<b>(V) Profit/(loss) before tax (III - IV)</b>		<b>4,54,822.70</b>	<b>9,59,220.37</b>
(VI) Tax Expense:			
(1) Current Tax		1,32,000.00	1,19,500.00
(2) Deferred Tax		54,407.35	6,328.52
(3) Short / (Excess) Provision for Tax relating to earlier Years		8,547.52	372.89
<b>(VII) Profit/(loss) for the period (V - VI)</b>		<b>2,59,867.83</b>	<b>8,33,018.96</b>
(VIII) Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss (specify items and amounts)			
- Remeasurement of post-employment benefit obligations		2,114.67	6,495.65
(ii) Income tax relating to items that will not be reclassified to profit or loss		(532.26)	(1,634.96)
<b>(IX) Total Comprehensive Income for the period</b>		<b>1,582.41</b>	<b>4,860.69</b>
<b>Total Comprehensive Income for the year (VII + IX)</b>		<b>2,61,450.24</b>	<b>8,37,879.65</b>
<b>(Comprising Profit/ (Loss) and Other Comprehensive Income for the year)</b>			
Earnings per equity share			
Basic (₹)		3.25	10.43
Diluted (₹)		3.25	10.43
Significant Accounting Policies	1		

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board of Directors

For **V. SINGHI & ASSOCIATES**

Chartered Accountants

Firm Registration No.: 311017E

**(SUNIL SINGHI)**

Partner

Membership No. 060854

Place : Kolkata

Date : 23rd May, 2022

**Bhawani Shankar Rathi**

Wholetime Director

DIN : 00028499

**Dhwani Fatehpuria**

Company Secretary

**Bijay Murmura**

Director

DIN: 00216534

**Girdhari Lal Dadhich**

Chief Financial Officer

## Statement of Cash Flow for the year ended 31st March, 2022

(₹ in '00)

Particulars	For the year ended 31st March	
	2022	2021
<b>A. Cash flows from operating activities</b>		
Profit/(Loss) before taxation	4,54,822.70	9,59,220.37
Adjustments for:		
Depreciation	54,807.74	51,122.48
Interest income	(35,195.90)	(23,113.94)
Dividend income	(119.50)	(172.04)
Interest expense	495.07	5,639.65
Rental Income	(9,150.00)	(4,200.00)
(Profit)/Loss on sale of Fixed Assets (net)	(4,171.93)	-
(Profit)/Loss on sale of Investments	(9,660.22)	(23,477.79)
Impairment Loss on Investments	-	84.52
Unrealised Loss/(Gain) on Financial Assets	(11,285.62)	(44,488.16)
Bad Debts and Sundry Balances Written Off	74,031.28	79,712.90
Remeasurement of post-employment benefit obligations	2,114.67	6,495.65
<b>Operating profit before working capital changes</b>	<b>5,16,688.29</b>	<b>10,06,823.64</b>
Adjustments for:		
(Increase) / Decrease in Trade Receivables and other Assets	1,35,824.11	2,45,982.73
(Increase) / Decrease in Inventories	(2,04,036.07)	(7,22,169.00)
Increase / (Decrease) in Trade and Other Payables	18,148.38	(1,41,577.80)
<b>Cash generated from Operations</b>	<b>4,66,624.71</b>	<b>3,89,059.57</b>
Tax Paid	(51,574.53)	(1,24,763.50)
<b>Cash Flow from operating Activities</b>	<b>4,15,050.18</b>	<b>2,64,296.06</b>
<b>B. Cash flows from investing activities</b>		
Purchase of Property, Plant & Equipment and Intangible Assets	(1,00,454.71)	(2,71,227.54)
Sale of Property, Plant & Equipment	7,581.45	-
Purchase of Investments	(5,84,149.10)	(8,45,974.80)
Sale of Investments	6,25,453.86	8,98,119.91
Investment in Term Deposits	(2,15,048.81)	(2,08,992.01)
Rent Received	9,150.00	4,200.00
Interest received	25,763.51	19,670.08
Dividend received	119.50	172.04
<b>Net cash (used in) / from investing activities</b>	<b>(2,31,584.30)</b>	<b>(4,04,032.32)</b>
<b>C. Cash flows from financing activities</b>		
Repayment of long term borrowings	(5,637.02)	(5,179.11)
Dividend and Dividend Distribution Tax	(79,844.24)	(46,978.36)
Amount transferred to IEPF	(969.40)	(1,068.22)
Interest paid	(482.72)	(5,639.65)
<b>Net cash (used in) / from financing activities</b>	<b>(86,933.38)</b>	<b>(58,865.34)</b>
<b>Net increase in cash and cash equivalents</b>	<b>96,532.50</b>	<b>(1,98,601.59)</b>
Cash and cash equivalents at the beginning of the year	43,998.01	2,42,599.60
<b>Cash and cash equivalents at the end of the year</b>	<b>1,40,530.51</b>	<b>43,998.01</b>

### Notes:

- Components of cash and cash equivalents include cash, bank balances in current and deposit accounts as disclosed under note no. 2 of the Financial Statements.
- The above Statement of Cash Flows has been prepared under the indirect method as set out in Indian Accounting Standard 7 (Ind AS 7) on "Statement of Cash Flow."

This is the Standalone Financial Statements of Cash Flows referred to in our report of even date attached.

As per our report of even date attached

For and on behalf of the Board of Directors

For **V. SINGHI & ASSOCIATES**

Chartered Accountants

Firm Registration No.: 311017E

**(SUNIL SINGHI)**

Partner

Membership No. 060854

Place : Kolkata

Date : 23rd May, 2022

**Bhawani Shankar Rathi**

Wholetime Director

DIN : 00028499

**Dhwani Fatehpuria**

Company Secretary

**Bijay Murmuria**

Director

DIN: 00216534

**Girdhari Lal Dadhich**

Chief Financial Officer



## Statement of Changes in Equity for the year ended 31st March, 2022

### A. Equity Share Capital

(₹ in '00)

Particulars	Balance at the beginning of the reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the reporting period	Changes in equity share capital during the period	Balance at the end of the reporting period
1) Current Reporting Period	7,98,442.40	-	-	-	7,98,442.40
2) Previous Reporting Period	7,98,442.40	-	-	-	7,98,442.40

### B. Other Equity

#### 1) Current Reporting Period As at 31st March, 2022

(₹ in '00)

Particular	Reserves and Surplus			Other items of Other Comprehensive Income - Remeasurement of post-employment benefit obligations	Total
	Securities Premium Reserve	General Reserve	Retained Earnings		
Balance at the beginning of the current reporting period i.e. 1st April, 2021	2,57,201.64	9,265.45	33,68,387.71	3,659.98	36,38,514.78
Changes in accounting policy/prior period errors	-	-	-	-	-
Restated balance at the beginning of the current reporting period	2,57,201.64	9,265.45	33,68,387.71	3,659.98	36,38,514.78
Total Comprehensive Income for the current year	-	-	-	1,582.41	1,582.41
Dividends	-	-	(79,844.24)	-	(79,844.24)
Transfer to Retained Earnings	-	-	2,59,867.83	-	2,59,867.83
Balance at period end of the current reporting year i.e. 31st March, 2022	2,57,201.64	9,265.45	35,48,411.30	5,242.39	38,20,120.78

#### 2) Previous Reporting Period As at 31st March, 2021

(₹ in '00)

Particular	Reserves and Surplus			Other items of Other Comprehensive Income - Remeasurement of post-employment benefit obligations	Total
	Securities Premium Reserve	General Reserve	Retained Earnings		
Balance at the beginning of the previous reporting year i.e. 1st April, 2020	2,57,201.64	9,265.45	25,83,275.29	(1,200.71)	28,48,541.67
Changes in accounting policy/ prior period errors	-	-	-	-	-
Restated balance at the beginning of the current reporting period	2,57,201.64	9,265.45	25,83,275.29	(1,200.71)	28,48,541.67
Total Comprehensive Income for the previous year	-	-	-	4,860.69	4,860.69
Dividends	-	-	(47,906.54)	-	(47,906.54)
Transfer to Retained Earnings	-	-	8,33,018.96	-	8,33,018.96
Balance at the end of the previous reporting period i.e. 31st March, 2021	2,57,201.64	9,265.45	33,68,387.71	3,659.98	36,38,514.78

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For **V. SINGHI & ASSOCIATES**

Chartered Accountants

Firm Registration No.: 311017E

**(SUNIL SINGHI)**

Partner

Membership No. 060854

Place : Kolkata

Date : 23rd May, 2022

For and on behalf of the Board of Directors

**Bhawani Shankar Rathi**

Wholetime Director

DIN : 00028499

**Dhwani Fatehpuria**

Company Secretary

**Bijay Murmuria**

Director

DIN: 00216534

**Girdhari Lal Dadhich**

Chief Financial Officer



## Notes forming part of the Financial Statement for the year ended 31st March, 2022

### Corporate Information

The Company was incorporated in the year 1989 as a Public Limited Company under the provisions of the Companies Act, 1956 and domiciled in India. The Company is Category -I Merchant Banker registered with Securities and Exchange Board of India (SEBI) with PAN India presence. The Equity Shares of the Company are listed on two Stock Exchanges of India i.e. Bombay Stock Exchange and The Calcutta Stock Exchange Limited. The registered office of the Company is situated at 6A, Geetanjali Apartment, 8B Middleton Street, Kolkata – 700071, West Bengal, India.

### 1. SIGNIFICANT ACCOUNTING POLICIES

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

#### 1.1 Basis of Preparation

##### 1.1.1 Compliance with Ind AS

The financial statements have been prepared in accordance with the applicable Indian Accounting Standards (Ind AS) under Section 133 of the Companies Act, 2013 (“the Act”) read with the Companies (Indian Accounting Standards) Rules and other relevant provisions of the Act and Rules thereunder, as amended from time to time.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

These Financial Statements are prepared in Indian Rupees (INR) which is also the Company’s functional currency.

The financial statements for the year ended 31st March, 2022 have been approved by the Board of Directors of the Company in their meeting held on 23rd May, 2022.

##### 1.1.2 Historical Cost Convention

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention, except for the following:

- i) certain financial assets and liabilities (including derivative instruments) and contingent consideration that is measured at fair value through the Statement of Profit and Loss and amortized cost;
- ii) defined benefits plan – plan assets measured at fair value;

##### 1.1.3 Classification of Current and Non-Current

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the Ind AS 1 – Presentation of Financial Statements and Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

### 1.2 Foreign Currency Translation

Foreign currency transactions are translated into Indian Rupee (INR) which is the functional currency (i.e. the currency of the primary economic environment in which the entity operates) using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the Statement of Profit and Loss.

### 1.3 Use of Estimates

The Preparation of the financial statements in conformity with the generally accepted accounting principles in India requires the management to make estimates and assumptions that affects the reported amount of

## Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

assets and liabilities as at the Balance Sheet date, the reported amount of revenue and expenses for the periods and disclosure of contingent liabilities at the Balance Sheet date. The estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the financial statements. Actual results could differ from estimates.

### 1.4 Fair Value measurement

The Company measures financial instruments at fair value at each reporting date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

### 1.5 Property, Plant and Equipment

Freehold Land is carried at historical cost. All other items of property, plant and equipment are stated at carrying value less accumulated depreciation. The carrying value includes expenditure that is directly attributable to the acquisition of the assets.

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

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values on the basis of useful lives prescribed in Schedule II to the Act which are also supported by technical evaluation. Item of Property, Plant and Equipment for which related actual cost do not exceed ₹ 5,000 are fully depreciated in the year of purchase. In respect of the following assets, useful lives as per Schedule II to the Act have been considered, as under:

- Non-factory Buildings : 60 years
- Electrical Installations : 10 years
- Computers : 3 years
- Office Equipment : 5 years
- Furniture & Fixtures : 10 years
- Motor Vehicles : 8 years
- Server & Network : 6 years

The assets' residual values and useful lives are reviewed, and adjusted if necessary, at the end of each reporting period.

## Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

### 1.6 Investment Property

Property that is held for long term rentals yields or for capital appreciation or both and that is not occupied by the company, is classified as investment property. Investment property is measured at Cost Model, including related transaction costs and where applicable, borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance cost are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight line method over their estimated useful lives. Investment properties generally have a useful life of 60 years.

### 1.7 Intangible Assets

#### 1.7.1 Computer Software

Costs associated with maintaining of software programmes are recognised as an expense as incurred. Costs of purchased software are recorded as intangible assets and amortised from the point at which the asset is available for use.

#### 1.7.2 Amortisation methods and periods

The Company amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Computer Software : 3 years

### 1.8 Investments and other Financial Assets

#### 1.8.1 Classification

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

- those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
- those measured at amortised cost

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

#### 1.8.2 Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Statement of Profit and Loss are expensed as profit or loss.

##### Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into the following categories:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

##### Equity Instruments

Statement of Profit and Loss. However where the Company's management makes an irrevocable choice on initial recognition to present fair value gains or losses on specific equity investments in other comprehensive

## Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

income, there is no subsequent reclassification of fair value gains and losses through the Statement of Profit and Loss.

### 1.8.3 Impairment of Financial Assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

### 1.8.4 De-recognition of Financial Assets

A financial asset is derecognised only when

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

Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

## 1.9 Derivatives and Hedging Activities

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through the profit or loss and are included in other income/expenses.

## 1.10 Cash and Cash Equivalents

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

## 1.11 Basic Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to Equity Shareholders by the weighted average number of Equity Shares.

The number of Equity Shares is adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

## 1.12 Trade Receivables

Trade Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment, if any.

## 1.13 Inventories

The Company makes trading in Equity Shares of companies in India. Inventories of Equity Shares and securities are valued at fair value and the gain/ loss is recognised through the Statement of Profit and Loss.

### 1.13.1 Financial Liabilities

#### 1.13.1.1 Initial recognition and measurement

The Company recognises all the financial liabilities on initial recognition at fair value minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial liability.

## Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

### **1.13.1.2 Subsequent measurement**

All the financial liabilities are classified as subsequently measured at amortised cost, except for those mentioned below.

### **1.13.1.3 Financial Liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

For liabilities designated as Fair Value through profit or loss, fair value gains/losses attributable to changes in own credit risks are recognized in Other Comprehensive Income. These gains/losses are not subsequently transferred to the Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

### **1.13.2 Financial Guarantee Contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.

### **1.13.3 Trade and Other Payables:**

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

### **1.13.4 Borrowings**

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transactions cost) and the redemption amount is recognized in the Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that sum or all of the facility will be drawn down. In the case, the fees is deferred until the draw down occurs. To the extent there is no evidence that it is probable that sum or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in the Statement of Profit and Loss as other gains/(losses).

## Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability of at least 12 months after the reporting period. Where there is a breach of a material provisions for a long-term loan agreement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

### 1.14 Provisions, Contingent Liabilities and Contingent Assets, legal or constructive

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for contingent liabilities is made 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 a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

Contingent Assets are not recognised but are disclosed when an inflow of economic benefits is probable.

### 1.15 Employee Benefits

#### 1.15.1 Short-term Employee Benefits

These are recognised at the undiscounted amount as expense for the year in which the related service is rendered.

#### 1.15.2 Other Long-term Employee Benefits (Unfunded)

The cost of providing long-term employee benefits is determined using Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses and past service cost are recognised immediately in the Statement of Profit and Loss for the period in which they occur. Long term employee benefit obligation recognised in the Balance Sheet represents the present value of related obligation.

#### 1.15.3 Post-employment Benefit & Plans

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenditure for the year.

In case of Defined Benefit Plans, the cost of providing the benefit is determined using the Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in full in the Other Comprehensive Income for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, if any, and as reduced by the fair value of plan assets, where funded. Any asset resulting from this calculation is limited to the present value of any economic benefit available in the form of refunds from the plan or reductions in future contributions to the plan.

## Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

### 1.15.4 Bonus Plans

The Company recognizes a liability and an expense for bonuses. The Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

### 1.16 Equity Index/Stock- Futures

Initial margin and additional margin paid, for entering into contracts for equity index/stock futures, which are released on final settlement/squaring-up of underlying contracts, are disclosed under Current Assets, Loans and Advances.

Equity index/stock futures are marked-to-market on a daily basis. Debit or credit balance disclosed under Current Assets, Loans and Advances or Current Liabilities, respectively represents the net amount paid or received on the basis of movement in the prices of index/stock futures till the Balance Sheet date.

As on the Balance Sheet date, Gain/Loss on open positions in index/stock futures are accounted for as follow:

- Profit and loss on hedged transactions are recognized on net basis. In respect of other transactions, credit balance being anticipated profit is ignored and no credit for the same is taken in the Statement of Profit and Loss. Debit balance being anticipated loss is adjusted in the Statement of Profit and Loss.
- On final settlement or squaring-up of contracts for equity index/stock futures, the profit or loss is calculated as the difference between settlement/squaring - up price and contract price. Accordingly, debit or credit balance pertaining to the settled/squared - up contract is recognised in the Statement of Profit and Loss.

### 1.17 Equity Index/Stock – Options

Initial margin and additional margin paid for entering into contracts for equity index/stock options, which are released on final settlement/squaring-up of underlying contracts, are disclosed under Current Assets, Loans and Advances.

As at the Balance Sheet date, the Statement of Profit and Loss on hedged transactions is recognized on net basis. In case of other transactions, in the case of long positions, provision is made for the amount by which the premium paid for those options exceeds the premium prevailing on the Balance Sheet date, and in the case of short positions, for the amount by which premium prevailing on the Balance Sheet date exceeds the premium received for those options. The premium paid or received as the case may be, after the aforesaid provision, is disclosed in Current Assets or Current Liabilities.

### 1.18 Impairment of Non-Financial Assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher on an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash flows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### 1.19 Segment Reporting

#### 1.19.1 Identification of segment

The Company has identified that its operating segments are the primary segments. The Company's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit and offering different products and serving different markets.

#### 1.19.2 Allocation of common costs

Common allocable costs are inter-se allocated to segments based on the basis most relevant to the nature of the cost concerned. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, are included under the head unallocated expense / income.



## Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

### 1.20 Borrowing Costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to the Statement of Profit and Loss.

### 1.21 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

### 1.22 Revenue Recognition

Revenue is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

The specific recognition criteria followed by the Company are described below:

#### 1.22.1 Sale of Services

**Timing of recognition:** Revenue is recognised when no significant uncertainty as to its determination exists. The primary business of the Company is financial consultancy as Merchant banker and brokerage at NSE and BSE. The revenue in consultancy is recognised in terms of mandate and on completion of the assignment. The brokerage income is recognised when contract of sale/purchase of equity is completed.

**Measurement of revenue:** Estimates of revenues, costs or extent of progress towards completion are revised if circumstances change. Any resultant increases or decreases in estimated revenues or costs are reflected in the Statement of Profit and Loss in the period in which the circumstances that give rise to the revision become known by management.

#### 1.22.2 Sale of Goods

Revenue is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods.

#### 1.22.3 Insurance and other Claims / refunds

Insurance and Other claims are recognized when there is a reasonable certainty of recovery.

#### 1.22.4 Interest

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

#### 1.22.5 Dividend

Dividend is recognised when the right to receive the payment is established.

### 1.23 Income Tax

Provision for current tax is made as per the provisions of the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

## Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)**

**2. CASH AND CASH EQUIVALENTS**

(₹ in '00)

Description	As at 31st March, 2022	As at 31st March, 2021
Cash on Hand	14,231.57	12,033.45
Balances with Banks	1,26,298.94	31,964.56
<b>Total</b>	<b>1,40,530.51</b>	<b>43,998.01</b>

**3. BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENT**

(₹ in '00)

Description	As at 31st March, 2022	As at 31st March, 2021
Unclaimed Dividend	10,689.30	11,658.70
Fixed Deposits with Banks	6,15,240.82	4,00,192.01
– with maturity for more than 3 months and less than 12 months ₹ 1,90,790.82 as on 31.03.2022 and ₹ 91,750.00 as on 31.03.2021		
<b>Total</b>	<b>6,25,930.12</b>	<b>4,11,850.71</b>

**4. TRADE RECEIVABLES ( Refer Note 4.1)**

(₹ in '00)

Description	As at 31st March, 2022	As at 31st March, 2021
– Considered Good - Unsecured	2,26,222.31	4,80,666.84
<b>Total</b>	<b>2,26,222.31</b>	<b>4,80,666.84</b>

**4.1 TRADE RECEIVABLES**

**As at 31st March, 2022**

(₹ in '00)

Sl. No.	Particulars	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade receivables — considered good	1,69,742.81	12,856.00	30,813.90	9,200.00	3,609.60	<b>2,26,222.31</b>
(ii)	Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-
(iv)	Disputed Trade Receivables — considered good	-	-	-	-	-	-
(v)	Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi)	Disputed Trade Receivables — credit impaired	-	-	-	-	-	-

## Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

### 4.1 TRADE RECEIVABLES (Contd.)

As at 31st March, 2021

(₹ in '00)

Sl. No.	Particulars	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade receivables — considered good	3,77,570.79	60.00	43,424.75	11,434.00	48,177.30	<b>4,80,666.84</b>
(ii)	Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-
(iv)	Disputed Trade Receivables — considered good	-	-	-	-	-	-
(v)	Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi)	Disputed Trade Receivables — credit impaired	-	-	-	-	-	-

### 5. INVESTMENTS (Refer Note 5.1)

(₹ in '00)

Description	As at 31st March, 2022	As at 31st March, 2021
In Mutual Funds (Refer Note 5.1)	5,11,158.26	5,32,180.96
In Debt Securities (Refer Note 5.1(2))	15,000.01	15,000.01
In Equity Instruments (Refer Note 5.1(2))	3,25,642.16	3,34,638.61
<b>Total</b>	<b>8,51,800.43</b>	<b>8,81,819.58</b>

### 5.1 INVESTMENTS

(₹ in '00)

Sl. No.	Description	As at 31st March, 2022		As at 31st March, 2021	
		Units	Amount	Units	Amount
	<b>Investments measured at Fair Value Through Statement of Profit &amp; Loss</b>				
<b>A</b>	<b>In Mutual Fund</b>				
1	ICICI Prudential Flexible Income Growth	16,205	70,932.08	16,205	68,011.20
2	HDFC Liquid Fund - Direct Plan Growth	8,902	3,72,532.41	6,025	2,43,738.12
3	HDFC Liquid Fund - Regular Plan Growth	-	-	3,849	1,54,616.25
4	Edelweiss Mutual Fund Liquid Fund Retail Group Open Ended	8	194.87	8	188.68
5	Mirae Asset Short Tem Fund - Direct Growth	50,000	6,646.35	50,000	6,351.30
6	ICICI Prudential Short Term Fund-Growth	21,382	10,914.32	21,382	10,395.58
7	Canara Robeco Capital Protection Oriented Fund - Series 9 - REG - Growth	-	-	30,000	3,738.60
8	Canara Robeco Capital Protection Oriented Fund-Series 10-Reg.- Growth	30,000	3,903.90	30,000	3,685.62
9	Franklin India Ultra Short Bond Fund Super Inst Plan-Dir. Growth	4,844	1,627.52	99,067	29,630.73
10	Baroda Dynamic Equity Fund-Growth	79,990	12,982.86	79,990	11,526.56
11	UTI Equity Fund	200	333.26	200	298.32
12	SBI International Access - US Equity FOF Regular Plan Growth	1,84,183	31,090.69	-	-
	<b>Total (A)</b>		<b>5,11,158.26</b>		<b>5,32,180.96</b>

**Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)**

**5.1 INVESTMENTS (Contd.)**

(₹ in '00)

Description	Face Value	As at 31st March, 2022		As at 31st March, 2021	
		No. of Shares/ Debentures/Units	Amount	No. of Shares/ Debentures/Units	Amount
<b>(Fully Paid up- unless otherwise stated)</b>					
<b>Investments measured at Amortized Cost</b>					
<b>B. In Debentures of Others</b>					
<b>Quoted</b>					
Dar Credit and Capital Limited	500000	3	15,000.00	3	15,000.00
<b>Unquoted</b>					
I Care Learning Pvt. Ltd	100	50,700	0.01	50,700	0.01
<b>Total (B)</b>			<b>15,000.01</b>		<b>15,000.01</b>
<b>C. In Equity Shares</b>					
<b>Unquoted</b>					
<b>- of Subsidiary Company (measured at cost)</b>					
SFSL Commodity Trading Pvt Ltd.	10	8,68,065	1,45,219.50	8,68,065	1,45,219.50
<b>- of Associates Company (measured at cost)</b>					
US Infotech Pvt. Ltd.	10	5,12,949	77,976.88	5,12,949	77,976.88
Brandshoots Ventures Pvt. Ltd.	10	5,44,400	54,440.00	5,44,400	54,440.00
Sumedha Management Solutions Pvt. Ltd	10	2,30,000	28,400.00	2,30,000	28,400.00
<b>- of Others [measured at Fair Value through Statement of Profit and Loss (FVTPL)]</b>					
I Care Learning Pvt. Ltd	10	65,000	0.01	65,000	0.01
Assambrook Limited	10	3,625	362.50	-	-
M C C Investment & Leasing Company Ltd	10	400	10.00	-	-
<b>Total of Unquoted Investments</b>			<b>3,06,408.89</b>		<b>3,06,036.39</b>
<b>Quoted</b>					
Aravali Securities And Finance Limited	10	200	13.50	200	3.04
Assambrook Limited	10	-	-	3,625	362.50
APS-Star Industries Ltd.	10	600	6.00	600	6.00
CDR Health Care Ltd.	10	2,200	166.76	2,200	166.76
Gujrat Inject Kerala Ltd	10	900	9.00	900	9.00
Leafin India Ltd	10	500	5.00	500	5.00
Maruti Cottex Ltd	10	17,000	170.00	17,000	170.00
Madhya Bharat Papers Limited	10	500	5.00	500	5.00
M C C Investment & Leasing Company Ltd	10	-	-	400	10.00
Modern Denim Limited	10	700	7.00	700	7.00
Orkay Industries Limited	10	1,100	11.00	1,100	11.00
Opal Luxury Time Products Limited	10	1,000	430.00	1,000	430.00
Pioneer Financial & Management Services Ltd.	10	1,000	10.00	1,000	10.00
Primax Fiscal Services Ltd	10	800	17.60	800	17.60
Sanderson Industries Ltd	10	2,65,850	0.01	2,65,850	0.01
Sen Pet (India) Limited	10	29,300	293.00	29,300	293.00
Skipper Limited	1	33,000	17952.00	33,000	20,146.50
State Bank of India	1	-	-	1,870	6,812.41
Timbor Home Limited	10	1,374	137.40	1,374	137.40
<b>Total of Quoted Investments</b>			<b>19,233.27</b>		<b>28,602.22</b>
<b>TOTAL (A+B+C)</b>			<b>8,51,800.43</b>		<b>8,81,819.58</b>
Aggregate amount of quoted Investments and market value there of			5,45,391.53		5,75,783.18
Aggregate amount of unquoted Investments			3,06,408.90		3,06,036.40

## Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

### 5.1 INVESTMENTS (Contd.)

Note:-

(₹ in '00)

Details of Investments	As at 31st March, 2022		As at 31st March, 2021	
	Book Value	Market Value	Book Value	Market Value
Quoted Mutual Funds	4,63,910.66	5,11,158.26	4,82,399.47	5,32,180.96
Quoted Equity	63,464.25	19,233.27	66,437.55	28,602.22
Quoted Debentures	15,000.00	15,000.00	15,000.00	15,000.00
Unquoted Equity	3,06,408.89	-	3,06,036.39	-
Unquoted Debentures	0.01	-	0.01	-

### 6. OTHER FINANCIAL ASSETS

(₹ in '00)

Description	As at 31st March, 2022	As at 31st March, 2021
<b>(Unsecured, Considered Good)</b>		
Security Deposits		
- Security Deposits with Stock Exchange/ Clearing Member	78,350.00	89,600.00
- Security Deposits with Others	8,957.86	9,880.21
Accrued Interest	25,030.18	15,597.78
Advance to Others	53,171.70	846.91
<b>Total</b>	<b>1,65,509.74</b>	<b>1,15,924.90</b>

### 7. INVENTORIES

(₹ in '00)

Description	As at 31st March, 2022	As at 31st March, 2021
<b>Stock-in-Trade (At Fair Value) (Refer Note 7.1)</b>		
In Equity Instruments		
- Quoted	13,04,682.65	11,00,731.14
- Unquoted	91.01	91.01
In Preference Instruments (Unquoted)	0.01	0.01
In Mutual Funds (Quoted)	703.87	619.31
<b>Total</b>	<b>13,05,477.54</b>	<b>11,01,441.47</b>

#### 7.1 INVENTORIES

(₹ in '00)

Sr. No.	Name of the body corporate	Face Value (₹)	As at 31st March, 2022		As at 31st March, 2021	
			No. of Shares	Amount	No. of Shares	Amount
<b>A</b>	<b>In Equity Instruments (Unquoted)</b>					
1	Akar Laminators Limited	10	500	4.25	500	4.25
2	Daewoo Motors (India) Limited	10	100	6.71	100	6.71
3	ESL Steel Ltd.	10	800	80.00	800	80.00
4	Maruthi Cotex Limited	10	2,000	0.01	2,000	0.01
5	Parakaram Technofab Limited	10	84,400	0.01	84,400	0.01
6	Sanderson Industries Limited	10	1,83,400	0.01	1,83,400	0.01
7	Vatsa Corporation Limited	1	100	0.01	100	0.01
8	Viniyoga Clothex Limited	10	1,800	0.01	1,800	0.01
	<b>Total</b>			<b>91.01</b>		<b>91.01</b>

## Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

### 7.1 INVENTORIES (Contd.)

(₹ in '00)

Sr. No.	Name of the body corporate	Face Value (₹)	As at 31st March, 2022		As at 31st March, 2021	
			No. of Shares	Amount	No. of Shares	Amount
<b>A</b>	<b>In Equity Instruments (Quoted)</b>					
1	Aditya Birla Capital Limited	10	5,000	5,382.50	5,000	5,965.00
2	Aditya Birla Sunlife AMC Ltd	5	149	795.44	-	-
3	Astra Microwave Products Ltd	2	2,000	4,499.00	-	-
4	Axis Bank Ltd	2	6,000	45,669.00	2,000	13,949.00
5	Bandhan Bank Ltd	10	15,000	46,110.00	10,000	33,890.00
6	Bank of Baroda	10	29,120	32,497.92	14,020	10,388.82
7	Bank of India	10	5,000	2,292.50	5,000	3,392.50
8	Bells Control Limited	10	50	5.00	50	5.00
9	Biocon Ltd	5	5,000	16,780.00	6,000	24,534.00
10	Canara Bank	10	14,000	31,885.00	84,000	1,27,848.00
11	Castrol India Limited	5	4,000	4,038.00	4,000	5,012.00
12	CESC Ltd	1	40,000	30,340.00	-	-
13	Chemcrown India Limited	10	28,000	0.01	28,000	0.01
14	Chemplast Sanmar Ltd	10	659	4,383.34	-	-
15	Core Education & Technologies Limited	2	11,000	220.00	11,000	220.00
16	EIH Limited	1	2,200	3,402.30	2,200	2,044.90
17	Emami Realty Limited (formerly known as Emami Infrastructure Ltd.)	10	1,500	904.50	1,500	595.50
18	Ester Industries Ltd	5	-	-	5,000	5,837.50
19	Glenmark Pharmaceuticals Limited	1	4,000	17,680.00	4,000	18,588.00
20	Goodyear India Ltd	10	1,000	8,854.50	-	-
21	Granules India Ltd.	1	3,000	9,195.00	10,000	30,345.00
22	Grauer & Weil India Ltd	1	10,000	5,855.00	-	-
23	HFCL Limited	1	-	-	20,000	5,030.00
24	Himadri Speciality Chemical Limited (formerly known as Himadri Chemicals and Industries Limited)	1	5,000	3,715.00	5,000	2,082.50
25	Hindustan National Glass Limited	2	29	5.39	29	9.38
26	HUDCO Limited	10	1,000	327.50	1,000	438.50
27	ICICI Bank Ltd	2	17,000	1,24,151.00	8,000	46,568.00
28	IDBI Bank Ltd.	10	-	-	10,000	3,855.00
29	IFB Industries Limited	10	3,900	40,587.30	4,900	54,465.95
30	Indiabulls Housing Finance Limited	2	1,200	1,893.60	1,200	2,358.00
31	Indian Oil Corporation Ltd	10	10,000	11,895.00	-	-
32	IRFC Ltd	10	10,000	2,145.00	10,000	2,290.00
33	ITC Ltd	1	5,000	12,532.50	10,000	21,850.00
34	JSW Steel Ltd	1	15,000	1,09,897.50	-	-
35	Just Dial Ltd	10	3,000	21,342.00	-	-
36	Lords Chloro Alkali Limited (Formerly: Modi Alkalies & Chemicals Limited)	10	10	9.50	10	3.02
37	MW Unitexx Limited	10	195	3.49	195	3.49
38	NACL Industries Limited	1	40,000	32,420.00	14,000	5,271.00
39	Nava Bharat Ventures Ltd.	2	-	-	10,000	6,950.00
40	NBCC Limited	2	15,000	5,445.00	15,000	7,020.00
41	Orient Paper Limited	10	5,000	1,717.50	5,000	1,230.00
42	Padmini Technologies Limited	10	3,200	0.01	3,200	0.01
43	PC Jewellers Limited	10	4,000	836.00	4,000	1,084.00
44	Power Finance Corporation Ltd	10	5,000	5,630.00	-	-
45	Punjab & Sindh Bank Limited	10	20,000	3,090.00	20,000	3,520.00
46	Punjab National Bank	2	58,400	20,469.20	53,400	19,571.10
47	Refex Industries Ltd	10	9,000	10,737.00	-	-
48	Reliance Industries Limited	10	12,000	3,16,170.00	14,000	2,80,434.00
49	Schafeller India Ltd	2	500	9,710.00	200	10,884.10
50	Skipper Limited	1	20,825	11,328.80	20,825	12,713.66
	<b>Total (A)</b>			<b>10,16,847.30</b>		<b>7,70,246.94</b>



## Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

### 7.1 INVENTORIES (Contd.)

(₹ in '00)

Sr. No.	Name of the body corporate	Face Value (₹)	As at 31st March, 2022		As at 31st March, 2021	
			No. of Shares	Amount	No. of Shares	Amount
<b>A</b>	<b>In Equity Instruments (Quoted) (Contd.)</b>					
51	State Bank of India	1	35,000	1,72,742.50	44,500	1,62,113.50
52	Steel Authority of India Ltd	10	15,000	14,782.50	-	-
53	Suditi Industries Limited	10	2,000	941.00	2,000	209.00
54	Sun Pharma Advanced Research Company Ltd	1	-	-	3,000	4,264.50
55	Sun Pharmaceuticals Industries Limited	1	-	-	3,800	22,716.40
56	Suryodaya Allo - Metal Powders Limited	10	6,500	201.50	6,500	201.50
57	Syngene International Ltd	10	-	-	6,000	32,607.00
58	Tamil Nadu Newsprints & Papers Ltd	10	-	-	10,000	14,655.00
59	Telephone Cables Limited	10	100	1.70	100	1.70
60	Texmaco Infrastructure & Holdings Limited.	1	8,000	4,580.00	8,000	5,600.00
61	Texmaco Rail & Engineering Limited.	1	22,000	9,174.00	16,000	4,272.00
62	Uco Bank	10	29,000	3,436.50	29,000	3,190.00
63	Union Bank of India	10	14,000	5,418.00	14,000	4,767.00
64	Vodafone Idea Ltd	10	-	-	1,00,000	9,250.00
65	Windlas Biotech Ltd	5	30	63.02	-	-
66	Wockhardt Limited	5	9,000	23,724.00	6,000	24,843.00
67	YES Bank	10	2,88,371	35,469.63	1,11,600	17,409.60
68	Zee Entertainment Enterprises Limited	1	6,000	17,301.00	12,000	24,384.00
	<b>Total (B)</b>			<b>2,87,835.35</b>		<b>3,30,484.20</b>
	<b>Total Quoted (A+B)</b>			<b>13,04,682.65</b>		<b>11,00,731.14</b>
<b>B</b>	<b>In Preference Shares (Unquoted)</b>					
1	Venkateshwara Hatcheries Limited	10	20	0.01	20	0.01
	<b>Total</b>			<b>0.01</b>		<b>0.01</b>
<b>C</b>	<b>In Mutual Funds</b>					
1	Nippon India ETF Gold Bees	1	1500	661.80	1500	581.40
2	UTI Master Shares - Unit Scheme	10	100	42.07	100	37.91
	<b>Total</b>			<b>703.87</b>		<b>619.31</b>

### 8. CURRENT TAX ASSETS

(₹ in '00)

Description	As at 31st March, 2022	As at 31st March, 2021
Advance Tax (Net of Provisions)	58,206.06	1,38,631.54
(Provision of ₹ 2,51,500.00 as on 31.03.2022 ₹ 1,19,500.00 as on 31.03.2021)		
<b>Total</b>	<b>58,206.06</b>	<b>1,38,631.54</b>

**Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)**

**9. INVESTMENT PROPERTY**

(₹ in '00)

Description	Gross Block			Depreciation and Amortisation			Net Block	
	As at 1st April, 2020	Additions during the year	Disposals/ Discarded during the year	As at 31st March, 2021	Upto 31st March, 2020	Depreciation for the year	Upto 31st March, 2021	As at 31st March, 2021
<b>Tangible Assets</b>								
Buildings	4,565.03	-	-	4,565.03	437.28	109.32	546.60	4,018.43
<b>Total</b>	<b>4,565.03</b>	<b>-</b>	<b>-</b>	<b>4,565.03</b>	<b>437.28</b>	<b>109.32</b>	<b>546.60</b>	<b>4,018.43</b>

Description	Gross Block			Depreciation and Amortisation			Net Block	
	As at 1st April, 2021	Additions during the year	Disposals/ Discarded during the year	As at 31st March, 2022	Upto 31st March, 2021	Depreciation for the year	Upto 31st March, 2022	As at 31st March, 2022
<b>Tangible Assets</b>								
Buildings	4,565.03	2,10,531.58	-	2,15,096.61	546.60	930.85	1,477.45	2,13,619.16
<b>Total</b>	<b>4,565.03</b>	<b>2,10,531.58</b>	<b>-</b>	<b>2,15,096.61</b>	<b>546.60</b>	<b>930.85</b>	<b>1,477.45</b>	<b>2,13,619.16</b>

**Note: The title deeds in respect of Building are held in the name of the Company.**

**(i) Amount recognised in Statement of Profit and Loss for investment property**

Particulars	31st March, 2022	31st March, 2021
Rental Income	9,150.00	4,200.00
Direct operating expenses from property that generated rental income	1,872.43	42.91
Profit from investment properties before depreciation	7,277.57	4,157.09
Depreciation	930.85	109.32
Profit from investment properties	6,346.72	4,047.77

**(ii) Fair value**

The Company's Investment Property consists of a commercial property in India. The management has determined that the investment property in building consists of commercial space - based on nature, characteristics and risks of property.

**Reconciliation of Fair Value**

Particulars	31st March, 2022	31st March, 2021
Market Value of Investment Property	2,89,734.63	74,750.00
	<b>2,89,734.63</b>	<b>74,750.00</b>

## Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

### 10. PROPERTY, PLANT AND EQUIPMENT

(₹ in '00)

Description	Gross Block			Depreciation and Amortisation			Net Block		
	As at 1st April, 2020	Additions during the year	Disposals/ Discarded/ transferred during the year	As at 31st March, 2021	Upto 31st March, 2020	Depreciation for the year	Disposal/ transferred during the year	Upto 31st March, 2021	As at 31st March, 2021
<b>Tangible Assets</b>									
Buildings	10,11,158.67	2,32,199.84	-	12,43,358.51	53,563.38	17,934.38	-	71,497.76	11,71,860.75
Electrical Installation	1,312.25	-	-	1,312.25	651.45	35.09	-	686.54	625.71
Furnitures & Fixtures	42,325.70	22,665.88	-	64,991.58	29,040.25	4,640.60	-	33,680.85	31,310.73
Computers	24,850.95	1,869.41	-	26,720.36	14,579.02	3,113.06	-	17,692.08	9,028.28
Server and Network	-	2,518.46	-	2,518.46	-	7.65	-	7.65	2,510.81
Office Equipment	24,436.29	11,265.05	-	35,701.34	10,920.36	4,332.05	-	15,252.41	20,448.93
Motor Vehicles	1,58,305.30	-	-	1,58,305.30	58,253.81	19,080.65	-	77,334.46	80,970.84
<b>Total</b>	<b>12,62,389.16</b>	<b>2,70,518.64</b>	<b>-</b>	<b>15,32,907.80</b>	<b>1,67,008.27</b>	<b>49,143.48</b>	<b>-</b>	<b>2,16,151.75</b>	<b>13,16,756.05</b>

Description	Gross Block			Depreciation and Amortisation			Net Block		
	As at 1st April, 2021	Additions during the year	Disposals/ Discarded/ transferred during the year	As at 31st March, 2022	Upto 31st March, 2021	Depreciation for the year	Disposal/ transferred during the year	Upto 31st March, 2022	As at 31st March, 2022
<b>Tangible Assets</b>									
Buildings	12,43,358.51	-	2,17,426.17	10,25,932.34	71,497.76	20,225.29	6,894.59	84,828.45	9,41,103.88
Electrical Installation	1,312.25	-	-	1,312.25	686.54	35.09	-	721.63	590.62
Furnitures & Fixtures	64,991.58	52,716.64	839.10	1,16,869.12	33,680.85	3,399.68	526.65	36,553.89	80,315.24
Computers	26,720.36	3,636.65	17,820.51	12,536.50	17,692.09	2,860.80	16,936.80	3,616.09	8,920.41
Server and Network	2,518.46	1,024.50	-	3,542.96	7.65	477.42	-	485.07	3,057.89
Office Equipment	35,701.34	7,958.17	12,494.43	31,165.08	15,252.41	5,970.72	11,833.71	9,389.42	21,775.66
Motor Vehicles	1,58,305.30	35,118.75	31,072.61	1,62,351.44	77,334.46	19,675.73	29,518.97	67,491.22	94,860.22
<b>Total</b>	<b>15,32,907.80</b>	<b>1,00,454.71</b>	<b>2,79,652.82</b>	<b>13,53,709.69</b>	<b>2,16,151.76</b>	<b>52,644.73</b>	<b>65,710.72</b>	<b>2,03,085.77</b>	<b>11,50,623.92</b>

**Note:** The title deeds in respect of Buildings are held in the name of the Company.

Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

11. OTHER INTANGIBLE ASSETS

(₹ in '00)

Description	Gross Block			Depreciation and Amortisation			Net Block		
	As at 1st April, 2020	Additions during the year	Disposals/ Discarded during the year	As at 31st March, 2021	Upto 31st March, 2020	Depreciation for the year	Disposal during the year	Upto 31st March, 2021	As at 31st March, 2021
Computer Software	9,524.84	708.90	-	10,233.74	4,987.53	1,869.68	-	6,857.21	3,376.53
<b>Total</b>	<b>9,524.84</b>	<b>708.90</b>	<b>-</b>	<b>10,233.74</b>	<b>4,987.53</b>	<b>1,869.68</b>	<b>-</b>	<b>6,857.21</b>	<b>3,376.53</b>

Description	Gross Block			Depreciation and Amortisation			Net Block		
	As at 1st April, 2021	Additions during the year	Disposals/ Discarded during the year	As at 31st March, 2022	Upto 31st March, 2021	Depreciation for the year	Disposal during the year	Upto 31st March, 2022	As at 31st March, 2022
Computer Software	10,233.74	-	-	10,233.74	6,857.21	1,232.17	-	8,089.38	2,144.36
<b>Total</b>	<b>10,233.74</b>	<b>-</b>	<b>-</b>	<b>10,233.74</b>	<b>6,857.21</b>	<b>1,232.17</b>	<b>-</b>	<b>8,089.38</b>	<b>2,144.36</b>

12. OTHER NON-FINANCIAL ASSETS

(₹ in '00)

Description	As at 31st March, 2022	As at 31st March, 2021
<b>(Unsecured, Considered Good)</b>		
Capital Advances	62,560.05	62,560.05
Prepaid Expenses	5,582.56	4,131.13
Other Advances	13,363.18	8,263.25
<b>Total</b>	<b>81,505.79</b>	<b>74,954.43</b>

## Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

### 13. BORROWINGS

(₹ in '00)

Description	As at 31st March, 2022	As at 31st March, 2021
Term Loan from Non - Banking Financial Company - Refer Additional Information below	3,002.72	8,639.74
<b>Total</b>	<b>3,002.72</b>	<b>8,639.74</b>
<b>Additional Information</b>		
<b>Loan from Daimler Financial Services Private Limited -</b>		
(i) Secured by hypothecation of the vehicle purchased there against		
(ii) Rate of interest is 8.50%		
Vehicle Loan - Repayable in 30 monthly instalments of ₹ 51,294/- and final instalment would be due on 13th September, 2022	-	3,002.72
Amount due to be paid within one year	3,002.72	5,637.02

### 14. OTHER FINANCIAL LIABILITIES

(₹ in '00)

Description	As at 31st March, 2022	As at 31st March, 2021
Unclaimed Dividend	10,689.30	11,658.70
Payable for Expense	23,999.64	11,464.69
<b>Total</b>	<b>34,688.94</b>	<b>23,123.39</b>

### 15. PROVISIONS

(₹ in '00)

Description	As at 31st March, 2022	As at 31st March, 2021
Provisions for Employee Benefits*	16,398.33	12,846.27
<b>Total</b>	<b>16,398.33</b>	<b>12,846.27</b>

\* The provision for employee benefit includes Leave Encashment

**Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)**

**16. DEFERRED TAX LIABILITIES (NET)**

(₹ in '00)

Description	As at 31st March, 2022	As at 31st March, 2021
<b>Deferred Tax Liabilities</b>		
<b>The balances comprises temporary differences attributable to:</b>		
i) Property, Plant and Equipment and Other Intangible Assets	1,23,110.04	93,140.84
ii) Financial Assets at Fair Value through Profit and Loss	852.98	3,006.61
iii) Changes in Inventories	27,859.30	-
<b>Deferred Tax Liabilities (A)</b>	<b>1,51,822.32</b>	<b>96,147.45</b>
<b>Deferred Tax Assets</b>		
<b>The balances comprises temporary differences attributable to:</b>		
i) Items allowed for tax purpose on payment basis	4,127.13	3,254.42
ii) Long Term Capital Loss	5,168.68	5,306.14
<b>Deferred Tax Assets (B)</b>	<b>9,295.81</b>	<b>8,560.56</b>
<b>Net Deferred Tax Liabilities (A-B)</b>	<b>1,42,526.51</b>	<b>87,586.89</b>

**17. OTHER NON FINANCIAL LIABILITIES**

(₹ in '00)

Description	As at 31st March, 2022	As at 31st March, 2021
Outstanding Liabilities <sup>^</sup>	47.00	647.00
Statutory Dues	6,343.25	3,638.01
<b>Total</b>	<b>6,390.25</b>	<b>4,285.01</b>

<sup>^</sup>Includes advances from customers of ₹ Nil (Previous Year ₹ 600.00)

**18. EQUITY SHARE CAPITAL**

(₹ in '00)

Description	As at 31st March, 2022		As at 31st March, 2021	
	Number	Amount	Number	Amount
<b>Authorised:</b>				
Equity Shares of ₹ 10 each	1,00,00,000	10,00,000.00	1,00,00,000	10,00,000.00
<b>Issued, Subscribed &amp; Paid up:</b>				
Equity Shares of ₹ 10 each fully paid up	79,84,424	7,98,442.40	79,84,424	7,98,442.40
<b>Total</b>	<b>79,84,424</b>	<b>7,98,442.40</b>	<b>79,84,424</b>	<b>7,98,442.40</b>

**18.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period.**

(₹ in '00)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	79,84,424	7,98,442.40	79,84,424	7,98,442.40
Shares outstanding at the end of the year	79,84,424	7,98,442.40	79,84,424	7,98,442.40

## Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

### 18. EQUITY SHARE CAPITAL (Contd.)

#### 18.2 Rights, preferences and restrictions attached to shares

The Company has only one class of issued shares i.e. Equity Shares having face value of ₹ 10 per share. Each holder of Equity Shares is entitled to vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

#### 18.3 The details of Shareholders holding more than 5% shares:

Sl. No.	Name of the Shareholder	As at 31st March, 2022		As at 31st March, 2021	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Mr. Vijay Maheshwari	16,69,220	20.91	16,69,220	20.91
2	M/S US Infotech Pvt. Ltd.	11,15,566	13.97	11,15,566	13.97
<b>Total</b>		<b>27,84,786</b>	<b>34.88</b>	<b>27,84,786</b>	<b>34.88</b>

#### 18.4 Shares held by the promoter at the end of the year

Sl. No.	Name of the Shareholder	As at 31st March, 2022		As at 31st March, 2021	
		No. of Shares	% of total shares	No. of Shares	% of total shares
1	MR. VIJAY MAHESHWARI	16,69,220	20.91%	16,69,220	20.91%
2	MR. BIJAY MURMURIA	3,69,920	4.63%	3,69,920	4.63%
3	MR. BHAWANI SHANKAR RATHI	1,19,270	1.49%	1,19,270	1.49%
4	MRS. SANGEETA MURMURIA	1,10,800	1.39%	1,10,800	1.39%
5	MRS. SAVITA MAHESHWARI	1,06,933	1.34%	1,06,933	1.34%
6	MRS. SANGEETA RATHI	50,600	0.63%	50,600	0.63%
7	MRS. SUMEDHA BANSAL	50,000	0.63%	50,000	0.63%
8	M/S VIJAY MAHESHWARI HUF	37,000	0.46%	37,000	0.46%
9	MRS. GARIMA MAHESHWARI	25,000	0.31%	25,000	0.31%
10	MRS. PUSHPA DEVI MURMURIA	23,200	0.29%	23,200	0.29%
11	MR. KARTICK MAHESHWARI	8,000	0.10%	8,000	0.10%
12	MR. BANWARI LAL MURMURIA	5,200	0.07%	5,200	0.07%
13	MRS. LILA DEVI MURMURIA	5,000	0.06%	5,000	0.06%
14	M/S US INFOTECH PRIVATE LIMITED	11,15,566	13.97%	11,15,566	13.97%
15	M/S SUPERB ESTATE SERVICES PRIVATE LIMITED	2,18,600	2.74%	2,18,600	2.74%
16	M/S RITIK ROADWAYS PRIVATE LIMITED	43,400	0.54%	43,400	0.54%
<b>Total</b>		<b>39,57,709</b>	<b>49.56%</b>	<b>39,57,709</b>	<b>49.56%</b>



**Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)**

**19. OTHER EQUITY**

(₹ in '00)

Sl. No.	Description	As at 31st March, 2022		As at 31st March, 2021	
<b>1</b>	<b>Securities Premium Reserve</b>				
	As per last Financial Statement		2,57,201.64		2,57,201.64
<b>2</b>	<b>General Reserve</b>				
	As per last Financial Statement		9,265.45		9,265.45
<b>3</b>	<b>Retained Earnings</b>				
	As per last Financial Statement	33,68,387.72		25,83,275.32	
	Add: Profit for the year	2,59,867.83		8,33,018.96	
	Less: Appropriations				
	Dividend on Equity Shares [Dividend per Share Re.1/-]	79,844.24	35,48,411.31	47,906.54	33,68,387.72
<b>4</b>	<b>Other Comprehensive Income (OCI)</b>				
	As per last Financial Statement		3,659.98		(1,200.71)
	Add: Movement in OCI (Net) during the year		1,582.41		4,860.69
	Total Other Comprehensive Income		5,242.39		3,659.98
	<b>Total</b>		<b>38,20,120.79</b>		<b>36,38,514.79</b>

**Nature and Purpose of Other Equity**

**a) Securities Premium Reserve**

Securities Premium Reserve is used to record the premium on issue of shares. The reserve is available for utilisation in accordance with the provisions of the Companies Act, 2013.

**b) General Reserve**

General Reserve is created and utilised in compliance with the provisions of the Companies Act, 2013.

**c) Retained Earnings**

Retained Earnings represents accumulated profits earned by the Company and remaining undistributed as on date.

**20. INTEREST INCOME**

(₹ in '00)

Description	For the year ended 31st March, 2022				For the year ended 31st March, 2021			
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss	Total	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss	Total
Interest income from investments	-	1,800.00	-	1,800.00	-	279.72	-	279.72
Interest on deposits with Banks (TDS as on 31.03.2022 is ₹ 2,194.83 and as on 31.03.2021 ₹ 1,678.21)	-	-	24,930.15	24,930.15	-	-	22,834.22	22,834.22
Other interest Income	-	-	8,465.75	8,465.75	-	-	-	-
<b>Total</b>	-	<b>1,800.00</b>	<b>33,395.90</b>	<b>35,195.90</b>	-	<b>279.72</b>	<b>22,834.22</b>	<b>23,113.94</b>

## Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

### 21. DIVIDEND INCOME

(₹ in '00)

Description	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Dividend Income (on Inventories)	7,891.32	2,785.23
(TDS as on 31.03.2022 is ₹ 631.52 and as on 31.03.2021 ₹ 221.31)		
Dividend Income (on Investments)	119.50	172.04
<b>Total</b>	<b>8,010.82</b>	<b>2,957.27</b>

### 22. RENTAL INCOME

(₹ in '00)

Description	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Rent	9,150.00	4,200.00
(TDS as on 31.03.2022 ₹ 915.00 and as on 31.03.2021 ₹ 315.00)		
<b>Total</b>	<b>9,150.00</b>	<b>4,200.00</b>

### 23. FEES AND COMMISSION INCOME

(₹ in '00)

Description	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Fee and Commission Income*	7,41,231.34	6,52,433.74
(TDS as on 31.03.2022 is ₹ 58,415.25 and as on 31.03.2021 ₹ 46,506.70)		
<b>Total</b>	<b>7,41,231.34</b>	<b>6,52,433.74</b>

\*includes fees received from Related Party (Sumedha Management Solutions Pvt. Ltd.) amounting to ₹ 72 Lakhs (P.Y. Amounting to ₹ 114 Lakhs)

### 24. NET GAIN ON FAIR VALUE CHANGES

(₹ in '00)

Description	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>(A) Net gain on financial instruments at fair value through profit or loss</b>		
(i) On trading portfolio		
- Derivatives	3,928.75	4,34,559.31
- Others	35,774.11	5,298.23
(ii) On financial instruments designated at fair value through profit or loss		
- Investments (on Fair Value Changes)	11,285.62	44,488.16
- Investments (Profit on Sale of Investment)	9,660.22	23,477.79
<b>(B) Total Net gain on fair value changes</b>	<b>60,648.70</b>	<b>5,07,823.49</b>
Fair Value changes:		
- Realised	49,363.08	4,63,335.33
- Unrealised	11,285.62	44,488.16
<b>Total Net gain on fair value changes (C) to tally with (B)</b>	<b>60,648.70</b>	<b>5,07,823.49</b>

Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

**25. OTHER INCOME**

(₹ in '00)

Description	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Profit on Sale of Property, Plant and Equipment	4,171.93	-
Miscellaneous Income	31.15	2,000.03
<b>Total</b>	<b>4,203.08</b>	<b>2,000.03</b>

**26. FINANCE COSTS**

(₹ in '00)

Description	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>On Financial Liabilities measured at Amortised Cost</b>		
Interest on Borrowings	495.07	1,011.71
Other interest expense	113.48	4,748.97
<b>Total</b>	<b>608.55</b>	<b>5,760.68</b>

**27. CHANGES IN INVENTORIES OF STOCK-IN-TRADE**

(₹ in '00)

Description	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Stock-in-Trade - Shares and securities (at the end of the year)	13,05,477.54	11,01,441.47
Stock-in-Trade - Shares and securities (at the beginning of the year)	11,01,441.47	3,79,272.47
<b>Total</b>	<b>(2,04,036.07)</b>	<b>(7,22,169.00)</b>

**28. EMPLOYEE BENEFITS EXPENSE**

(₹ in '00)

Description	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Salaries and Wages	2,65,728.89	2,67,573.00
Contribution to Provident Fund and Other Funds	14,442.79	16,375.56
Staff Welfare Expenses	11,416.73	4,435.66
<b>Total</b>	<b>2,91,588.41</b>	<b>2,88,384.22</b>

## Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

### 29. OTHER EXPENSES

(₹ in '00)

Description	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Rent	15,150.00	21,900.00
Rates and Taxes	3,074.86	2,579.44
Repairs & Maintenance	6,465.81	4,907.53
Office Maintenance	13,328.98	13,372.08
Communication Expenses	5,972.68	6,332.56
Printing & Stationery	2,529.00	2,447.37
Advertisement & Business Promotion	16,351.16	13,243.57
Auditor's Remuneration*	4,525.00	5,820.00
Insurance	6,314.88	6,553.47
Bad Debts and Sundry Balances written off	74,031.28	79,712.90
Car Expenses	26,808.83	19,596.77
CSR Expenditure (Refer Note No. 32)	7,420.00	-
Donation	150.00	1,254.33
Computer Expenses	3,510.82	2,437.41
Electricity	6,213.75	4,845.09
Retainership Fees	19,050.00	12,000.00
Travelling & Conveyance	21,796.42	18,366.05
Miscellaneous Expenses	38,844.05	28,395.46
<b>Total</b>	<b>2,71,537.52</b>	<b>2,43,764.03</b>
<b>* AUDITOR'S REMUNERATION</b>		
- Statutory Audit	2,250.00	2,250.00
- Tax Audit	1,000.00	1,000.00
- Limited Review	750.00	750.00
- Certification and Other Services	525.00	1,820.00
<b>Total</b>	<b>4,525.00</b>	<b>5,820.00</b>

**Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)**

**30. EARNINGS PER SHARE**

(₹ in '00)

Sl. No.	Description	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>(i)</b>	<b>Reconciliation of earnings used in calculating earnings per share:</b>		
	<b>Numerator</b>		
	(a) Profit/(Loss) for the year (for basic EPS)	2,59,867.83	8,33,018.96
	(b) Less: Effect of dilutive potential ordinary shares	-	-
	(c) Net Profit/(Loss) for diluted earnings per share	2,59,867.83	8,33,018.96
<b>(ii)</b>	<b>Reconciliation of basic and diluted shares used in computing earnings per share:</b>		
	<b>Denominator</b>		
	(a) Weighted average number of Equity Shares (for basic EPS)	79,84,424	79,84,424
	(b) Less: Effect of dilutive potential ordinary shares	-	-
	(c) Number of weighted average equity shares considered for dilutive earnings per share	79,84,424	79,84,424
<b>(iii)</b>	<b>Earnings Per Share (₹)</b>		
	(a) Basic	3.25	10.43
	(b) Diluted	3.25	10.43

**31. RATIOS**

(₹ in '00)

Particulars	Numerator	Denominator	Current Period	Previous Period	% Variance
			For the year ended 31st March, 2022	For the year ended 31st March, 2021	
a) Capital to risk-weighted assets ratio (CRAR)	46,16,419	39,95,810	1.16		
(Previous Year)	44,33,581	39,78,958		1.11	-0.04
b) Tier I CRAR	46,16,419	39,95,810	1.16		
(Previous Year)	44,33,581	39,78,958		1.11	-0.04
c) Tier II CRAR	-	39,95,810	-		
(Previous Year)	-	39,78,958		-	-
d) Liquidity Coverage Ratio	12,70,47,360	(72,78,000)	(17.46)		
(Previous Year)	8,53,48,698	(5,15,31,000)		(1.66)	15.80

## Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

### 32. CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

(₹ in '00)

Description	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Amount required to be spent by the company during the year	7,418.40	-
Amount of expenditure incurred	7,420.00	-
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	-	-
The nature of CSR activities undertaken by the Company	Healthcare & Education	-
Details of Related Party Transactions , e.g., Contribution to a trust controlled by the company in relation to CSR Expenditure as per relevant accounting standard	-	-
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	NA	NA

### 33. OPEN INTEREST IN EQUITY INDEX/STOCK FUTURES AS AT 31ST MARCH, 2022

The Company has not entered into any equity index/ stock futures contracts for the year ended 31st March, 2022.

#### OPEN INTEREST IN EQUITY INDEX/STOCK FUTURES AS AT 31ST MARCH, 2021

Sl. No.	Name of the future	Series of future	Number of contracts	Number of units per lot
1	Bank of Baroda	27th May, 2021	1	11,700
2	Bank of Baroda	29th April, 2021	2	23,400

### 34. INCOME TAX EXPENSE

Reconciliation of tax expense and the accounting profit multiplied by India's domestic rate:

(₹ in '00)

Sl. No.	Particulars	31st March, 2022	31st March, 2021
	<b>Income tax related to items charged or credited to profit or loss during the year:</b>		
<b>A</b>	<b>Statement of Profit or Loss</b>		
1	Current Income Tax (Including Tax Adjustments of earlier years)	1,40,547.52	1,19,872.89
2	Deferred Tax expenses/ (benefits):		
	Relating to origination and reversal of temporary differences	54,939.61	7,963.48
	<b>Total Income tax Expenses (1+2)</b>	<b>1,95,487.13</b>	<b>1,27,836.37</b>
<b>B</b>	<b>Other Comprehensive Income</b>		
	Deferred Tax related to Other Comprehensive Income	(532.26)	(1,634.96)

## Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

### 34. INCOME TAX EXPENSE (Contd.)

#### C. RECONCILIATION OF CURRENT TAX EXPENSE

(₹ in '00)

Particulars	31st March, 2022	31st March, 2021
Profit /(Loss) from Continuing operations	4,54,822.72	9,59,220.37
Applicable Tax Rate	25.17%	25.17%
Computed tax expenses	1,14,478.88	2,41,435.77
Income not allowed/exempt for tax purposes	(35,448.77)	(76,726.93)
Expenses not allowed for tax purposes	47,689.14	14,630.91
Difference in tax due to income chargeable to tax at special rates	4,738.18	1,593.62
Any other adjustments-Carry forward losses	-	(61,439.97)
<b>Income Tax Expenses</b>	<b>1,31,457.43</b>	<b>1,19,493.40</b>
Rounded off to	<b>1,32,000.00</b>	<b>1,19,500.00</b>
Expenses/income related to prior years	8,547.51	372.89
Current Income Tax (Including Tax Adjustments of earlier years)	<b>1,40,547.51</b>	<b>1,19,872.89</b>
Effective Tax Rate	<b>30.90%</b>	<b>12.50%</b>

### 35. EXPENDITURE/ EARNINGS IN FOREIGN CURRENCY

a) The Company has not incurred any expenditure in Foreign Currency for the year ended 31st March, 2022 and 31st March, 2021.

#### b) Earnings in Foreign currency

(₹ in '00)

Particulars	For the year ended	
	31st March, 2022	31st March, 2021
Consultancy Fees	1,41,958.94	34,878.86
<b>Total</b>	<b>1,41,958.94</b>	<b>34,878.86</b>

### 36. DUES TO MICRO AND SMALL ENTERPRISES

The Company has no dues to Micro and Small Enterprises as at 31st March, 2022 and 31st March, 2021 in the Financial Statements based on the information received and available with the Company.

### 37. BALANCE CONFIRMATION

Outstanding balances of Trade Receivables, Loans and Advances are subject to confirmation from the respective parties and consequential adjustments arising from reconciliation if any. The management, however, is of the view that there will be no material discrepancies in this regard.

### 38. EMPLOYEE BENEFITS

#### A. Defined Benefit Plans

Defined Benefit Plans expose the Company to actuarial risk such as: Interest Rate Risk, Liquidity Risk, Salary Escalation Risk and Demographic Risk.

- i. **Interest Rate Risk:** The Plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liquidity (as shown in financial statements).



## Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

### 38 . EMPLOYEE BENEFITS (Contd.)

#### A. Defined Benefit Plans (Contd.)

- ii. Liquidity Risk:** This is the risk that the Company is not able to meet the short-term benefit payouts. This may arise due to non-availability of enough cash/ cash equivalents to meet the liabilities or holding of illiquid assets not being sold in time.
- iii. Salary Escalation Risk:** The Present Value of the above benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary in future for plan participants from the rate of increase in salary used to determine present value of obligation will have a bearing on the plan's liability.
- iv. Demographic Risk:** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

#### GRATUITY PLANS

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to gratuity on terms not less favorable than the provisions of The Payment of Gratuity Act, 1972. The above Scheme is funded.

#### (a) Charges for Defined Contribution Plans (DCP) for the year ended 31st March, 2022.

(₹ in '00)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Contribution to Employee's Provident Fund	6,613.06	6,786.33
Contribution to Employee's Family Pension Fund	3,414.50	3,728.20
<b>Total</b>	<b>10,027.56</b>	<b>10,514.53</b>

#### (b) Change in Defined Benefit Obligations (DOB) over the year ended 31st March, 2022

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31st March 2022	For the year ended 31st March 2021	For the year ended 31st March 2022	For the year ended 31st March 2021
Present Value of DBO at the Beginning of Year	59,759.92	61,456.51	12,846.27	14,594.35
Current Service Cost	3,579.34	3,588.77	1,789.20	1,265.27
Interest Cost	4,123.43	4,056.13	886.39	963.23
Curtailement Cost/(Credit)	-	-	-	-
Settlement Cost/(Credit)	-	-	-	-
Employee Contribution	-	-	-	-
Past Service Cost	-	-	-	-
Acquisitions	-	-	-	-
Re-measurement (or Actuarial (gains/Losses) arising from:				
- Change in demographic assumptions	-	-	-	-
- Change in financial assumptions	(2,457.11)	(1,789.34)	(650.23)	(353.00)
- Experience variance (i.e. Actual experience vs. assumptions)	(118.90)	(4,956.00)	13,194.94	4,460.32
- Others	-	-	-	-
Benefits paid	(3,750.00)	(2,596.15)	(11,668.24)	(8,083.90)
Present Value of DBO at the end of Year	61,136.68	59,759.92	16,398.33	12,846.27

**Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)**

**38. EMPLOYEE BENEFITS (Contd.)**

**(c) Change in Fair Value of Assets**

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31st March 2022	For the year ended 31st March 2021	For the year ended 31st March 2022	For the year ended 31st March 2021
Plan Assets at beginning of period	67,653.77	64,319.55	-	-
Investment Income	4,668.11	4,245.09	-	-
Return on Plan Assets, Excluding amount recognized in Net Interest Expense	(461.34)	(249.69)	-	-
Actual Company contributions	-	1,934.97	-	8,083.90
Fund Transferred	-	-	-	-
Employee Contributions	-	-	-	-
Benefits paid	(3,750.00)	(2,596.15)	-	(8,083.90)
Plan assets at the end of period	68,110.54	67,653.77	-	-

**(d) Funded Status**

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31st March 2022	For the year ended 31st March 2021	For the year ended 31st March 2022	For the year ended 31st March 2021
Present value of Defined Benefit Obligation	61,136.68	59,759.92	16,398.33	12,846.27
Fair Value of Plan Assets	68,110.54	67,653.77	-	-
Unrecognized Past Service Cost	-	-	-	-
Effects of Asset Ceiling	-	-	-	-
Net Defined Benefit Asset/(Liability)	6,973.86	7,893.85	(16,398.33)	(12,846.27)

**(e) Reconciliation of Net Balance Sheet position**

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31st March 2022	For the year ended 31st March 2021	For the year ended 31st March 2022	For the year ended 31st March 2021
Net asset/(Liability) recognized in balance sheet at the beginning of period	7,893.85	2,863.04	(12,846.27)	(14,594.35)
Expense recognized in Income Statement	3,034.66	3,399.81	15,220.30	6,335.82
Benefits Paid	-	-	11,668.24	-
Expense recognized in Other Comprehensive Income	(2,114.67)	(6,495.65)	-	-
Employer contributions	-	1,934.97	-	8,083.90
Net Acquisitions/Business Combinations	-	-	-	-
Net asset/(Liability) recognized in balance sheet at end of the period	6,973.86	7,893.85	(16,398.33)	(12,846.27)

## Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

### 38. EMPLOYEE BENEFITS (Contd.)

#### (f) Expense recognized during the year 2021-22

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31st March 2022	For the year ended 31st March 2021	For the year ended 31st March 2022	For the year ended 31st March 2021
Current Service Cost	3,579.34	3,588.77	1,789.20	1,265.27
Past Service Cost Plan Amendment	-	-	-	-
Curtailement cost/(credit)	-	-	-	-
Settlement cost/(credit)	-	-	-	-
Expected return on Plan Assets	-	-	-	-
Net Actuarial Losses/(Gains)	-	-	12,544.71	4,107.32
Net Interest (Income)/ cost on Net Defined Benefit Liability/(Asset)	(544.68)	(188.96)	886.39	963.23
Expense recognized in the Statement of Profit and Loss	3,034.66	3,399.81	15,220.30	6,335.82

#### (g) Other Comprehensive Income

(₹ in '00)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Actuarial (gains)/ losses due to:		
- Change in demographic assumptions	-	-
- Change in financial assumptions	(2,457.11)	(1,789.34)
- Experience variance(i.e. Actual experience vs. assumptions)	(118.90)	(4,956.00)
- Others	-	-
Return on Plan Assets, excluding amount recognized in net interest expense	461.34	249.69
Re measurement (or Actuarial (gain)/Loss) arising because of change in effect of asset ceiling	-	-
Components of defined benefit costs recognized in other Comprehensive Income	(2,114.67)	(6,495.65)

#### (h) Principal Actuarial Assumptions

(₹ in '00)

Financial Assumptions	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Discount Rate	7.30% p.a.	6.90% p.a.
Rate of Increase in Salaries	6.50% p.a.	6.50% p.a.

(₹ in '00)

Demographic Assumptions	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Rate of Availment of Leave	0.00% p.a.	0.00% p.a.
Rate of Encashment of Leave	0.00% p.a.	0.00% p.a.
Mortality Rate (% of IALM 2012-2014)	100% p.a.	100% p.a.
Normal Retirement Age	62 Years	62 Years
Attribution Rates, based on age (% p.a.)		
- For all ages	2.00	2.00

## Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

### 38. EMPLOYEE BENEFITS (Contd.)

#### (i) Division of defined Benefit Obligation (Current/Non-Current) at the end of the year.

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31st March 2022	For the year ended 31st March 2021	For the year ended 31st March 2022	For the year ended 31st March 2021
Current Defined Benefit Obligation	5,335.14	8,281.23	2,555.11	3,115.33
Non-Current Defined Benefit Obligation	55,801.54	51,478.69	13,843.22	9,730.94
Total Defined Benefit Obligation	61,136.68	59,759.92	16,398.33	12,846.27

#### (j) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The Sensitivity Analysis below have determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period while holding all other assumptions constant. The result of sensitivity analysis is given below:

(₹ in '00)

Particulars	Gratuity (Funded)				Leave Encashment (Unfunded)			
	For the year ended 31st March 2022		For the year ended 31st March 2021		For the year ended 31st March 2022		For the year ended 31st March 2021	
	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 1%)	67,580.34	55,612.54	66,076.19	54,369.21	18,111.17	14,950.82	14,098.05	11,790.77
Salary Growth Rate (-/+ 1%)	56,698.93	66,201.10	55,557.83	64,549.44	14,834.73	18,224.45	11,712.32	14,173.00
Attrition Rate (-/+ 50%)	60,507.11	61,708.45	59,282.67	60,197.00	16,228.97	16,547.71	12,770.89	12,912.47
Mortality Rate (-/+ 10%)	60,947.77	61,320.87	59,598.47	59,917.35	16,366.11	16,429.78	12,831.93	12,860.12

#### (k) Methodology for Defined Benefit Obligation

The Projected Unit Credit (PUC) actuarial method has been used to assess the Present Value of Defined Benefit Obligations and the related Current Service Cost and where applicable Past Service Cost.

(₹ in '00)

Expected Cash Flows over the next (valued on undiscounted basis)	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31st March 2022	For the year ended 31st March 2021	For the year ended 31st March 2022	For the year ended 31st March 2021
1 Year	5,335.14	8,281.23	2,555.11	3,115.33
2-5 Years	13,419.71	7,005.99	3,876.60	1,204.52
6-10 Years	27,201.67	29,374.82	4,958.56	5,087.04
More Than 10 Years	1,01,053.42	92,550.64	29,259.69	19,601.68

#### (l) Plan Assets Information

Major categories of Plan Assets as percentage of Total Plan Assets.

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31st March 2022	For the year ended 31st March 2021	For the year ended 31st March 2022	For the year ended 31st March 2021
Funds Managed by Insurer	100%	100%	-	-

## Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

### 39 .RELATED PARTY TRANSACTIONS.

**A.** As per Indian Accounting Standard-24- 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India, the names of the related parties are given below:

**B.** List of related parties with whom the Company has transacted during the year

Subsidiary Company	SFSL Commodity Trading Private Limited
Associates	U.S. Infotech Private Limited Brandshoots Ventures Private Limited Sumedha Management Solutions Private Limited
Key Managerial Personnel	Mr. Bhawani Shankar Rathi (Whole Time Director) Mr. Vijay Maheshwari (Director) Mr. Bijay Murmuria (Director) Mrs. Garima Maheshwari (Director) Ms. Dhvani Fatehpuria (Company Secretary) Mr. Girdhari Lal Dadhich (CFO)
Enterprise/ Firm owned or significantly influenced by Key Managerial Personnel	Superb Estate Services Private Limited M/s. Maheshwari & Associates

**C. Transaction with related parties during the year and year end outstanding balance thereof are as follows:**

(₹ in '00)

Sl. No.	Nature of Transactions	Associates	Subsidiary	Enterprise owned or significantly influenced by Key Managerial Personnel	Key Management Personnel	Total
i	Managerial Remuneration	-	-	-	51,435.68	51,435.68
		-	-	-	(38,330.10)	(38,330.10)
ii	Rent paid	-	6,750.00	2,400.00	-	9,150.00
		-	(9,000.00)	(2,400.00)	(4,500.00)	(15,900.00)
iii	Portfolio management fees received	-	-	-	-	-
		-	-	-	(68.31)	(68.31)
iv	Purchase of Property	-	-	-	-	-
		-	-	-	(2,15,000.00)	(2,15,000.00)
v	Dividend Paid	11,155.66	-	2,186.00	21,834.10	35,175.76
		(6,693.39)	-	(1,311.60)	(13,100.76)	(21,105.75)
vi	Rent received	6,000.00	-	3,150.00	-	9,150.00
		-	-	(4,200.00)	-	(4,200.00)
vii	Consultancy Fees Received	72,000.00	-	-	-	72,000.00
		(1,14,000.00)	-	-	-	(1,14,000.00)
viii	Outstanding balances at the end of the Financial Year					
	Investment in Equity shares	1,60,816.88	1,45,219.50	-	-	3,06,036.38
		(1,60,816.88)	(1,45,219.50)	-	-	(3,06,036.38)

**Note:** (i) The above transactions do not include reimbursement of expenses made / received during the year.

(ii) Previous year figures are in the bracket.

## Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

### 39. RELATED PARTY TRANSACTIONS. (Contd.)

#### D. Disclosure in Respect of Material Related Party Transactions during the year.

(₹ in '00)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>Managerial Remuneration</b>		
Mr. Bhawani Shankar Rathi	34,362.66	26,421.00
Mr. Deb Kumar Sett	-	7,328.82
Ms. Dhvani Fatehpuria	10,823.02	-
Mr. Girdhari Lal Dadhich	6,212.06	4,580.28
<b>Rent paid</b>		
SFSL Commodity Trading Pvt. Limited	6,750.00	9,000.00
Superb Estate Services Pvt. Limited	2,400.00	2,400.00
Mr. Vijay Maheshwari	-	4,500.00
<b>Portfolio management fees received</b>		
Mrs. Garima Maheshwari	-	68.31
<b>Purchase of Property</b>		
Mr. Vijay Maheshwari	-	2,15,000.00
<b>Dividend paid</b>		
Mr. Vijay Maheshwari	16,692.20	10,015.62
Mr. Bijay Murmuria	3,699.20	2,219.52
Mr. Bhawani Shankar Rathi	1,192.70	715.62
Mrs. Garima Maheshwari	250.00	150.00
US Infotech (P) Limited	11,155.66	6,693.39
Superb Estate Services Pvt. Limited	2,186.00	1,311.60
<b>Rent received</b>		
Maheshwari & Associates	3,150.00	4,200.00
Sumedha Management Solutions Pvt. Ltd.	6,000.00	-
<b>Consultancy Fee Received</b>		
Sumedha Management Solutions Pvt. Ltd.	72,000.00	1,14,000.00

### 40. CAPITAL RISK MANAGEMENT

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimize returns to the shareholders.

The capital structure of the Company is based on management's judgment by maintaining balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors', creditors' and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain or if necessary adjust its capital structure.

## Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

### 41. INTEREST IN SUBSIDIARY AND ASSOCIATES

Name	% Equity Interest	
	As at 31st March, 2022	As at 31st March, 2021
<b>Subsidiary</b>		
SFSL Commodity Trading Private Limited	99.98%	99.98%
<b>Associates</b>		
US Infotech Private Limited	23.77%	23.77%
Brandshoots Ventures Private Limited	31.84%	31.84%
Sumedha Management Solutions Private Limited	24.73%	24.73%

### 42. FINANCIAL INSTRUMENT- FAIR VALUE MEASUREMENT

#### A. Accounting classification for Fair Values

(i) Following table shows carrying amount and Fair Values of Financial Liabilities and Financial Assets: (₹ in '00)

Financial Assets	As at 31st March, 2022			As at 31st March, 2021		
	Carrying Value	Amortized Cost	FVTPL	Carrying Value	Amortized Cost	FVTPL
<b>Investments in Subsidiaries</b>						
Unquoted Instruments	1,45,219.50	-	-	1,45,219.50	-	-
<b>Investments in Associates</b>						
Unquoted Instruments	1,60,816.88	-	-	1,60,816.88	-	-
<b>Investments in Equity Instruments</b>						
Quoted Equity Instruments	-	-	19,233.27	-	-	28,602.22
Unquoted Equity Instruments	-	-	372.51	-	-	0.01
<b>Investments in Debt Instruments</b>						
Mutual Funds	-	-	5,11,158.26	-	-	5,32,180.96
Debentures						
- Quoted	-	15,000.00	-	-	15,000.00	-
- Unquoted	-	0.01	-	-	0.01	-
<b>Trade Receivables</b>	2,26,222.31	-	-	4,80,666.84	-	-
<b>Cash on Hand</b>	14,231.57	-	-	12,033.45	-	-
<b>Balances with Bank</b>	1,26,298.94	-	-	31,964.56	-	-
<b>Balances with Bank other than Cash &amp; cash Equivalents</b>	6,25,930.12	-	-	4,11,850.71	-	-
<b>Other Financial Assets</b>	1,65,509.74	-	-	1,15,924.90	-	-
<b>Borrowings</b>	3,002.72	-	-	8639.74	-	-
<b>Other Financial Liabilities*</b>	34,688.96	-	-	23,123.39	-	-

\* Fair Values for these Financial Instruments have not been disclosed because their carrying amounts are reasonable approximation of their fair values.



**Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)**

**42. FINANCIAL INSTRUMENT- FAIR VALUE MEASUREMENT (Contd.)**

**A. Accounting classification for Fair Values (Contd.)**

**(ii) Finance Income and Finance Cost instrument category wise classification**

(₹ in '00)

Financial Income and Financial Cost	For the Year ended 31st March, 2022			For the Year ended 31st March, 2021		
	Carrying Value	Amortized Cost	FVTPL	Carrying Value	Amortized Cost	FVTPL
<b>Income</b>						
- Interest income	35,195.90	-	-	23,113.94	-	-
- Dividend Income	-	-	8,010.82	-	-	2,957.27
<b>Expenses</b>						
- Interest Expense	-	608.55	-	-	5,760.68	-

**B. Fair Value Hierarchy**

The following table shows the details of financial assets and financial liabilities including their levels in the fair value hierarchy:

**(i) Financial assets and financial liabilities measured at fair value – recurring fair value measurements:**

(₹ in '00)

Financial Assets	As at 31st March, 2022			As at 31st March, 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Investments in Equity Instruments</b>						
Quoted Equity Instruments	19,233.27	-	-	28,602.22	-	-
Unquoted Equity Instruments	-	372.51	-	-	0.01	-
<b>Investments in Debt Instruments</b>						
Mutual Funds	5,11,158.26	-	-	5,32,180.96	-	-
Debentures						
- Quoted	15,000.00	-	-	15,000.00	-	-
- Unquoted	-	0.01	-	-	0.01	-
<b>Other Financial Assets</b>	-	-	1,65,509.74	-	-	1,15,924.90

**(ii) Fair value disclosure of financial assets and financial liabilities measured at carrying value and amortized cost:**

(₹ in '00)

Particulars	For the Year ended 31st March, 2022			For the Year ended 31st March, 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial Assets</b>						
Debentures	15,000.00	-	-	15,000.00	-	-
<b>Financial Liabilities</b>						
Borrowings	-	3,002.72	-	-	8,639.74	-
Other Financial Liabilities	-	-	34,688.96	-	-	23,123.39

## Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

### 42. FINANCIAL INSTRUMENT- FAIR VALUE MEASUREMENT (Contd.)

#### B. Fair Value Hierarchy (Contd.)

##### (ii) Fair value disclosure of financial assets and financial liabilities measured at carrying value and amortized cost: (Contd.)

**Level 1** - hierarchy includes financial instruments valued using quoted market prices. Listed equity instruments and traded debt instruments which are traded in the stock exchanges are valued using the closing price at the reporting date. Mutual funds are valued using the closing NAV.

**Level 2** - hierarchy includes financial instruments that are not traded in active market. This includes OTC derivatives and debt instruments valued using observable market data such as yield etc. of similar instruments traded in active market. All derivatives are reported at discounted values hence are included in level 2. Borrowings have been fair valued using market rate prevailing as on the reporting date.

**Level 3** - if one or more significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity instruments and certain debt instruments which are valued using assumptions from market participants.

##### (iii) Fair Value measurements using significant unobservable inputs (Level 3)

The following table presents the changes in level 3 items for the period 31st March, 2022 and 31st March, 2021.

(₹ in '00)

	Subsidiary- Unquoted	Associates- Unquoted	Unquoted Equity Instruments	Unquoted Debt Instruments
<b>As at 31/03/2021</b>	1,45,219.50	1,60,816.88	0.01	23,123.39
Acquisitions	-	-	-	-
Sales	-	-	-	-
Gains/(Losses) recognized in Statement of Profit and Loss	-	-	-	11,565.57
Addition due to securities being delisted	-	-	372.50	-
<b>As at 31/03/2022</b>	1,45,219.50	1,60,816.88	372.51	34,688.96

##### (iv) Valuation techniques used for valuation of instruments categorised as level 3.

For valuation of investments in equity shares of associates which are unquoted, peer comparison has been performed wherever available. Valuation has been primarily done based on the cost approach wherein the net worth of the Company is considered and price to book multiple is used to arrive at the fair value. In cases where income approach was feasible valuation has been arrived using the earnings capitalisation method. For inputs that are not observable for these instruments, certain assumptions are made based on available information. The most significant of these assumptions are the discount rate and credit spreads used in the valuation process. For valuation of investments in debt securities categorised as level 3, market polls which represent indicative yields are used as assumptions by market participants when pricing the asset.

##### (v) Financial Instrument- Financial Risk Management.

The Company's activity exposes it to various risks such as market risk, liquidity risk and credit risks. This section explains the risks which the Company is exposed to and how it manages the risks.

**Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)**

**42. FINANCIAL INSTRUMENT- FAIR VALUE MEASUREMENT (Contd.)**

**B. Fair Value Hierarchy (Contd.)**

**(v) Financial Instrument- Financial Risk Management. (Contd.)**

**a. Market Risk**

Market risk is the risk that changes in market prices, such as foreign exchange risk rates, interest rates and equity prices which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company's main business activity, financial consulting, has no or limited entry barrier. Entry of Banks and large consulting firms has increased competition.

**(i) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on financial liabilities such as long-term borrowings.

The Company is also exposed to interest rate risk on its financial assets that include fixed deposits.

Impact of increase/decrease in the benchmark interest rates on the Company's equity and the Statement of Profit and Loss for the year is given below:

Interest Rate Risk	Change in Rate	31st March, 2022		31st March, 2021	
		Change in statement of Profit and Loss	Change in Other components of equity	Change in statement of Profit and Loss	Change in Other components of equity
Interest Rate	50 bps	-	-	-	-
- Borrowings	-	9 %	-	9 %	-
- Other Financial Assets	-	8 %	-	8 %	-

**(ii) Price Risk**

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the Balance Sheet as fair value through Profit or Loss. The majority of the Company's equity investments are publicly traded.

**Sensitivity analysis- Equity price risk**

The table below summarises the impact of increase/decrease of the market price of the listed instruments on the Company's equity and profit for the period. The analysis is based on the assumption that market price had increased by 2% or decreased by 2 %.

(₹ in '00)

Particulars	Impact on Profit or Loss		Impact on other components of equity	
	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021
Market Price increases by 2 %	384.67	572.04	-	-
Market Price decreases by 2 %	(384.67)	(572.04)	-	-

## Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

### 42. FINANCIAL INSTRUMENT- FAIR VALUE MEASUREMENT (Contd.)

#### B. Fair Value Hierarchy (Contd.)

#### (v) Financial Instrument - Financial Risk Management. (Contd.)

##### b. Liquidity Risk

The Company determines its liquidity requirements in the short, medium and long term. This is done by drawing up cash forecast for short and medium term requirements and strategic financing plans for long term needs.

The Company manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalents position. This is generally carried out in accordance with practice and limits set by the Company.

##### (i) Maturity Analysis

The Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities and net settled derivative financial instruments. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(₹ in '00)

	Less than 1 Year	1 Year to 2 year	2 Year to 5 Years	More than 5 Years	Total
<b>Contractual maturities of financial liabilities as at 31/03/2022</b>					
Non- Derivatives					
Borrowings	3,002.72	-	-	-	3,002.72
Other Financial Liabilities	34,688.96	-	-	-	34,688.96

(₹ in '00)

	Less than 1 Year	1 Year to 2 year	2 Year to 5 Years	More than 5 Years	Total
<b>Contractual maturities of financial liabilities as at 31/03/2021</b>					
Non- Derivatives					
Borrowings	5,637.02	3,002.72	-	-	8,639.74
Other Financial Liabilities	23,123.39	-	-	-	23,123.39

##### c. Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligation, and arises principally from the Company's receivables from customers, stock exchanges and clearing members. The carrying amount of financial assets represents the maximum credit exposure. Security deposit with stock exchanges and clearing members mainly represents the margin money to cover the regular trading exposure in stock exchanges backed by margin collected from clients and has very insignificant credit risk.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each client. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry.

Financial assets are written off when there is no expectation of recovery such as debtors failing to engage in a repayment plan with the Company. Where loans and receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where necessary, the Company has adopted the policy of creating expected credit loss where recoveries are not made, these are organised as expense in the Statement of Profit and Loss.

Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

43. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

(₹ in '00)

Particulars	31st March, 2022			31st March, 2021		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
<b>Financial Assets</b>						
Cash and Cash Equivalents	1,40,530.51	-	1,40,530.51	43,998.01	-	43,998.01
Bank Balance other than above	6,25,930.12	-	6,25,930.12	4,11,850.71	-	4,11,850.71
Trade Receivables	1,82,598.81	43,623.50	2,26,222.31	3,77,630.79	1,03,036.05	4,80,666.84
Investments	-	8,51,800.43	8,51,800.43	-	8,81,819.58	8,81,819.58
Other Financial Assets	78201.88	87306.86	1,65,509.74	16444.69	99480.21	1,15,924.90
<b>Non-Financial Assets</b>						
Inventories	13,05,477.53	-	13,05,477.53	11,01,441.47	-	11,01,441.47
Current Tax Assets (Net)	-	58,206.06	58,206.06	-	1,38,631.54	1,38,631.54
Investments Property	-	2,13,619.16	2,13,619.16	-	4,018.43	4,018.43
Property, Plant and Equipment	-	11,50,623.92	11,50,623.92	-	13,16,756.04	13,16,756.04
Intangible Assets	-	2,144.37	2,144.37	-	3,376.53	3,376.53
Other Non- Financial Assets	18,945.74	62,560.05	81,505.79	12,394.38	62,560.05	74,954.43
<b>Total</b>	<b>23,51,684.59</b>	<b>24,69,884.35</b>	<b>48,21,569.94</b>	<b>19,63,760.05</b>	<b>26,09,678.43</b>	<b>45,73,438.48</b>
<b>Financial Liabilities</b>						
Borrowings (Other than Debt Securities)	3,002.72	-	3,002.72	5,637.02	3,002.72	8,639.74
Other Financial Liabilities	34,688.96	-	34,688.96	23,123.39	-	23,123.39
<b>Non-Financial Liabilities</b>						
Provisions	2555.11	13843.22	16,398.33	3115.33	9730.94	12,846.27
Deferred Tax Liabilities (Net)	1,42,526.50	-	1,42,526.50	87,586.89	-	87,586.89
Other Non-Financial Liabilities	6,390.25	-	6,390.25	4,285.01	-	4,285.01
<b>Total</b>	<b>1,89,163.54</b>	<b>13843.22</b>	<b>2,03,006.76</b>	<b>1,23,747.64</b>	<b>12,733.66</b>	<b>1,36,481.30</b>
<b>Net</b>	<b>21,62,521.06</b>	<b>24,56,041.13</b>	<b>46,18,563.18</b>	<b>18,40,012.41</b>	<b>25,96,944.77</b>	<b>44,36,957.18</b>

## Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)

### 44) SEGMENT REPORTING

The Company is primarily engaged in the business of “Investment Banking” which constitutes a single reporting segment and the management monitors the operating results of its business units as a whole for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss in the financial statements, thus, there are no additional disclosures to be provided under Ind AS 108- “Operating Segments.”

### 45) CAPITAL ADVANCES

Capital Advances represent an amount of ₹ 62,56,000/- towards booking of two flats at Mumbai against total consideration of ₹ 84,50,000/- in the Financial Year 2008. The Company is yet to receive the possession and therefore due to abnormal delay, the company has filed the case at RERA court, Mumbai against builder in Financial Year 2019-20.

### 46) INVESTMENT PROPERTY

The Company had an existing investment property i.e., Flat 1/1C at Geetanjali Apartment, Kolkata which was let out on monthly license fees of ₹ 35,000/- to Maheshwari & Associates (Related Party). The said tenancy agreement was terminated in the month of December, 2021 with mutual consent of both the parties and thereafter the said property stands vacant.

Further, during the year ended 31st March, 2022, Flat 2B at Geetanjali Apartment, Kolkata was reclassified from “Buildings in Property, Plant & Equipment” to “Investment property”; presently rented out to Sumedha Management Solutions Private Limited (Related Party) with a monthly license fees of ₹ 1,50,000/- with effect from the month of December, 2021.

#### Expenses related to Investment Properties are as follows:

Particulars	For the year ended 31st March, 2022 (₹)	For the year ended 31st March, 2021 (₹)
<b>Investment Property</b>		
- Flat 2B at Geetanjali Apartment, Kolkata	1,75,728.00	-
<b>Investment Property</b>		
- Flat 1/1C at Geetanjali Apartment, Kolkata	11,515.00	4,291.00
<b>TOTAL</b>	<b>1,87,243.00</b>	<b>4,291.00</b>

47) The Board of Directors have recommended a dividend at the rate of Re. 1.00 per share (face value ₹ 10/-) (previous year Re. 1.00) for the year ended 31st March, 2022, subject to approval of the shareholders at the ensuing Annual General Meeting.

As per requirements of Ind AS, the Company is not required to provide for proposed dividend declared after the Balance Sheet date. Consequently, no provision has been made in respect of the aforesaid dividend proposed by the Board of Directors for the year ended 31st March, 2021. Had the company continued with the creation of the provision of the proposed dividend as at the Balance Sheet date, its surplus in the Statement of Profit and Loss would have been lower by ₹ 79.84 Lacs (Previous Year ₹ 79.84 Lacs) on account of dividend and the short term provision would have been higher by the said amount of ₹ 79.84 Lacs (Previous Year ₹ 79.84 Lacs).

**Notes forming part of the Financial Statement for the year ended 31st March, 2022 (Contd.)**

- 48)** During the year, Unclaimed Dividend amounting to ₹ 1,68,600/- relating to financial year 2013-14 has been transferred to IEPF Account as per section 124(5) of the Companies Act, 2013.
- 49)** Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.
- 50)** Figures have been rounded off to nearest Hundred.

Signature to notes 1 to 50

For and on behalf of the Board of Directors

For **V. SINGHI & ASSOCIATES**  
Chartered Accountants  
Firm Registration No.: 311017E

**(SUNIL SINGHI)**  
Partner  
Membership No. 060854

Place : Kolkata  
Date : 23rd May, 2022

**Bhawani Shankar Rathi**  
Wholetime Director  
DIN : 00028499

**Dhwani Fatehpuria**  
Company Secretary

**Bijay Murmuria**  
Director  
DIN: 00216534

**Girdhari Lal Dadhich**  
Chief Financial Officer



## FORM AOC - 1

[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014]  
Statement containing salient features of the Financial Statement of Subsidiaries/Associate  
Companies/Joint ventures (As on 31st March, 2022)

### Part A: Subsidiary

1.	Sl. No.	1
2.	Name of the Subsidiary	SFSL Commodity Trading Pvt. Ltd.
3.	The date since when subsidiary was acquired	28 March, 2000
4.	Reporting period for the Subsidiary concerned, if different from the holding company's reporting period	01 April, 2021 to 31 March, 2022
5.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not applicable
6.	Share Capital	₹ 86,82,650
7.	Reserves & Surplus	₹ 1,32,50,980
8.	Total Assets	₹ 2,19,98,441
9.	Total Liabilities	₹ 2,19,98,441
10.	Investments	₹ 58,48,089
11.	Turnover	₹ 17,97,128
12.	Profit before Taxation	₹ 14,21,714
13.	Provision for Taxation	₹ 3,22,056
14.	Profit after Taxation	₹ 10,99,658
15.	Proposed Dividend	Nil
16.	% of Shareholding	99.98

- Notes:**
- There is no subsidiary which is yet to commence operations.
  - There is no subsidiary which has been liquidated or sold during the year.

### Part B: Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies

Name of Associates / Joint Ventures		US Infotech Pvt. Ltd.	Brandshoots Ventures (P) Ltd.	Sumedha Management Solutions (P) Ltd.
1.	Latest Audited Balance Sheet Date	31-Mar-22	31-Mar-22	31-Mar-22
2.	Date on which the Associate or Joint Venture was associated or acquired	30-Mar-06	27-Jan-17	27-Sep-18
3.	Shares of Associate / Joint Ventures held by the company on the year end			
	No.	5,12,948	5,44,400	2,30,000
	Amount of Investment in Associates / Joint Venture	₹ 77,97,688	₹ 54,44,000	₹ 28,40,000
	Extend of Holding %	23.77	31.84	24.73
4.	Description of how there is significant influence	Share Ownership	Share Ownership	Share Ownership
5.	Reason why the Associate/ Joint Venture is not consolidated	-	-	-
6.	Networth attributable to shareholding as per latest audited Balance Sheet	₹ 3,02,76,650	₹ 1,26,46,496	₹ 1,18,05,574
7.	Profit / Loss for the year	₹ 5,09,05,855	(₹ 5,08,558)	₹ 39,47,163
	i. Considered in Consolidation	₹ 1,21,00,322	(₹ 1,61,925)	₹ 9,76,133
	ii. Not considered in Consolidation	₹ 3,88,05,534	(₹ 3,46,633)	₹ 29,71,030

- Notes:**
- There is no associates or joint ventures which is yet to commence operations.
  - There is no associates or joint ventures which has been liquidated or sold during the year.

For and on behalf of the Board of Directors

**Bhawani Shankar Rathi**  
Wholetime Director  
DIN: 00028499

**Bijay Murmuria**  
Director  
DIN: 00216534

Place: Kolkata  
Date: 23rd May, 2022

**Dhwani Fatehpuria**  
Company Secretary

**Girdhari Lal Dadhich**  
Chief Financial Officer

## INDEPENDENT AUDITOR’S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

### To the Members of Sumedha Fiscal Services Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of Sumedha Fiscal Services Limited (hereinafter referred to as “the Holding Company”) and its Subsidiary (collectively referred to as “the Group”) and its Associates, comprising of the Consolidated Balance Sheet as at 31st March, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity for the year ended on that date and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the Consolidated Financial Statements”).

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiary and associates as referred to in the “Other Matter” Paragraph,” the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended and the accounting principles generally accepted in India, of the consolidated state of affairs (financial position) of the Group and its associates as at 31st March, 2022, consolidated Profit (financial performance including other comprehensive income), consolidated statement of changes in equity and consolidated cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred in Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the Key Audit Matters to be communicated in our report.

Key Audit Matters	Response to Key Audit Matters
<p><b><u>Property, Plant and Equipment</u></b></p> <p>There are areas where management judgement impacts the carrying value of property, plant and equipment, intangible assets, investment property and their respective depreciation rates. We do not consider this management judgement to be of high risk of significant misstatement or to be subject to significant level of judgment. However, due to their materiality in the context of the Balance Sheet of the Holding Company, this is considered to be an area which had the significant effect on the overall audit strategy and allocation of resources in planning and completing our audit.</p>	<p>We assessed the controls in place over the Property, Plant &amp; Equipment, evaluated the appropriateness of capitalization process, performed tests of details on costs capitalised, the timeliness of the capitalization of the assets and the de-recognition criteria for assets retired from active use. In performing these procedures, we reviewed the judgements made by management including the nature of underlying costs capitalised; determination of realizable value of the assets retired from active use; the appropriateness of assets lives applied in the calculation of depreciation; and the useful lives of assets prescribed in Schedule II to the Act and as per significant accounting policies of the Holding Company.</p>

## **Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our Auditor's Report thereon.

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

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

If, we conclude, based on the work we have performed, and report of the other auditors as furnished to us (refer other matter para below) on the other information obtained prior to the date of Auditor's Report, 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 Management and those charged with governance for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated Changes in Equity and consolidated Cash Flows of the Group including its Associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its Associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and its associates are responsible for assessing the ability of the Group and its associates 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its associates are also responsible for overseeing the financial reporting process of the Group and its associates.

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group and its associates have adequate internal financial controls with reference to financial statements 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 ability of the Group and its associates 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 consolidated 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 Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remains responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, 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 consolidated 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.

## Other Matters

We did not audit the financial statements of the subsidiary included in the consolidated financial statements of the Holding Company, whose financial statements reflect Total Assets of ₹ 219.98 Lakhs and Net Assets of ₹ 219.36 Lakhs as at 31st March, 2022, Total Revenues of ₹ 17.97 Lakhs and Net Cash Inflow amounting to ₹ 8.78 Lakhs for the year ended on that date, as considered in the financial statements of the Holding Company. The Consolidated Financial Statements also include the Group's share of Net Profit of ₹ 40.80 Lakhs and Other Comprehensive Income of ₹ 110.67 Lakhs for the year ended 31st March, 2022, as considered in the consolidated financial statements, in respect of 3 associates whose financial statements / financial information are not audited by us.

The financial statements of Subsidiary have been audited by other auditor whose report has been furnished to us by the Holding Company's Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditor.

The financial statements/ financial information of 3 Associate Companies are audited by other auditors and whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates, and our report in terms of sub-section (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid associates, is based solely on such audited financial statements/ financial information.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor.

## Report on Other Legal and Regulatory Requirements

### 1. A) 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 of the aforesaid consolidated financial statements;
- b. in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports (of the other auditors);
- c. the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d. in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e. on the basis of the written representations received from the directors of the Holding Company as on 31st March, 2022 and taken on record by the Board of Directors of the Holding Company and the report of the Statutory Auditor of Subsidiary and the information from Associates, none of the directors of the Group companies and its associates incorporated in India is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act;
- f. with respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary and associates incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A";

### B) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration paid/provided by the Holding Company, its subsidiary company and its associates incorporated in India, on the basis of report of the other statutory auditor, and the information from the Associates during the year is in accordance with the provisions of Section 197 read with Schedule V to the Act, relating to Managerial Remuneration; and

- C)** with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on the financial statements of the subsidiary and the Associates, as noted in other matter paragraph:
- a) The consolidated financial statements disclose the impact if any of pending litigations on its consolidated financial position of the Group and its associates;
  - b) the Group has made provision, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and
  - c) there has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Group and its associates incorporated in India in accordance with the relevant provisions of the Act and the Rules made there under.
  - d) (i) The management has represented that, to the best of its knowledge and belief, 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 Group and its associates to or in any other persons or entities, 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 Group and its associates ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Group and its associates from any persons or entities, 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;
  - (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.
  - e) The final dividend paid by the Holding Company during the current year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act, 2013 to the extent it applies to payment of dividend. As stated in note 49 to the financial statements, the Board of Directors of the Holding Company have proposed final dividend for the current year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- 2.** With respect to the matters specified in paragraphs 3(xx) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order"/"CARO") issued by the Central Government of India in terms of Section 143(11) of the Act , to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Holding Company and its Subsidiary and Associates included in the consolidated financial statements of the Company, to which CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO Reports.

Place: Kolkata  
Date: 23rd May, 2022

For **V. SINGHI & ASSOCIATES**  
Chartered Accountants  
Firm Registration No.:311017E  
**(SUNIL SINGHI)**  
Partner  
Membership No.: 060854  
UDIN: 22060854AJLTIT6774



## **ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph-1(f) on Other Legal and Regulatory Requirements of our Report of even date to the members of Sumedha Fiscal Services Limited on the Consolidated Financial Statements for the year ended 31st March, 2022)

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated financial statements as of and for the year ended 31st March, 2022, we have audited the internal financial controls with reference to consolidated financial statements of Sumedha Fiscal Services Limited (“the Holding Company”) and its subsidiary company (collectively referred to as “the Group”) and its associates, which are companies incorporated in India, as of that date.

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

The respective Board of Directors of the Holding Company, its subsidiary and its associates which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Companies 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 (“ the ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Group and its associates, which are companies incorporated in India, 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 (ICAI) and the Standards on Auditing issued by ICAI, and prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 consolidated financial statements were 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists & testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the consolidated 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 internal financial controls with reference to financial statements of the Group and its associates, which are companies incorporated in India.



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

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

### **Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements**

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated 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, and to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary and its associates which are incorporated in India, have in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31st March, 2022, based on the internal financial controls with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **Other Matters**

Our aforesaid report under section 143(3) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to subsidiary Company and Associates is based on the corresponding report of the auditor of respective Companies.

For **V. SINGHI & ASSOCIATES**  
Chartered Accountants  
Firm Registration No.:311017E

**(SUNIL SINGHI)**

Partner

Membership No.: 060854

UDIN: 22060854AJLTIT6774

Place: Kolkata

Date: 23rd May, 2022

## Consolidated Balance Sheet as at 31st March, 2022

(₹ in '00)

Particulars	Notes	As at 31st March, 2022	As at 31st March, 2021
<b>I. ASSETS</b>			
<b>(1) Financial Assets</b>			
a) Cash and Cash Equivalents	2	1,52,600.01	47,284.79
b) Bank Balance other than (a) above	3	6,25,930.12	4,11,850.71
c) Trade Receivables	4	2,26,222.31	4,80,666.84
d) Investments	5	11,12,090.07	9,63,779.51
e) Other Financial Assets	6	2,90,509.75	2,65,562.65
<b>(2) Non financial Assets</b>			
a) Inventories	7	13,05,477.54	11,01,441.47
b) Current tax Assets (Net)	8	58,203.56	1,37,598.85
c) Investment Property	9	2,32,053.14	22,942.41
d) Property, Plant and Equipment	10	11,50,729.51	13,16,856.89
e) Other Intangible Assets	11	2,144.36	3,376.53
f) Other Non-Financial Assets	12	81,505.79	74,954.43
<b>Total Assets</b>		<b>52,37,466.16</b>	<b>48,26,315.08</b>
<b>II. LIABILITIES AND EQUITY</b>			
<b>(1) Financial Liabilities</b>			
a) Borrowings (other than Debt Securities)	13	3,002.72	8,639.74
b) Other Financial Liabilities	14	34,988.98	23,758.39
<b>(2) Non-Financial Liabilities</b>			
a) Provisions	15	16,398.33	12,846.27
b) Deferred Tax Liabilities (Net)	16	1,45,193.58	84,037.29
c) Other Non-Financial Liabilities	17	6,728.65	4,400.23
<b>(3) EQUITY</b>			
a) Equity Share Capital	18	7,98,442.40	7,98,442.40
b) Other Equity	19	42,32,673.95	38,94,154.25
c) Minority Interest		37.55	36.51
<b>Total Liabilities and Equity</b>		<b>52,37,466.16</b>	<b>48,26,315.08</b>
Significant Accounting Policies	1		

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board of Directors

For **V. SINGHI & ASSOCIATES**

Chartered Accountants

Firm Registration No.: 311017E

**(SUNIL SINGHI)**

Partner

Membership No. 060854

Place : Kolkata

Date : 23rd May, 2022

**Bhawani Shankar Rathi**

Wholetime Director

DIN : 00028499

**Dhwani Fatehpuria**

Company Secretary

**Bijay Murmuria**

Director

DIN: 00216534

**Girdhari Lal Dadhich**

Chief Financial Officer

## Consolidated Statement of Profit and Loss for the year ended 31st March, 2022

(₹ in '00)

Particulars	Notes	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>Revenue from operations</b>			
(i) Interest Income	20	42,311.02	30,530.29
(ii) Dividend Income	21	8,010.82	2,957.27
(iii) Rental Income	22	9,150.00	4,200.00
(iv) Fees and commission Income	23	7,41,231.33	6,52,433.74
(v) Net gain on fair value changes	24	62,504.86	5,09,242.38
(vi) Sales of Stock-in-Trade - Shares and Securities		47,86,999.52	7,80,732.45
(vii) Sale of services		18,195.23	19,907.40
<b>(I) Total Revenue from operations</b>		<b>56,68,402.78</b>	<b>20,00,003.53</b>
(II) Other Income	25	4,203.08	2,000.03
<b>(III) Total Income (I+II)</b>		<b>56,72,605.86</b>	<b>20,02,003.56</b>
<b>Expenses</b>			
(i) Finance Costs	26	925.07	5,760.68
(ii) Fees and commission expense		48,656.90	51,091.80
(iii) Impairment on financial instruments		-	84.52
(iv) Purchase of Stock-in-Trade (Shares and Securities)		47,45,648.84	11,16,029.22
(v) Changes in Inventories of Stock-in-Trade(Shares and Securities)	27	(2,04,036.06)	(7,22,169.00)
(vi) Employee Benefits Expenses	28	2,91,588.41	2,88,384.22
(vii) Depreciation, amortization and impairment on-			
- Investment Property		1,232.17	599.32
- Property, Plant and Equipment		52,644.73	49,143.48
- Other Intangible Assets		1,420.85	1,869.68
(viii) Others expenses	29	2,65,480.31	2,35,409.66
<b>(IV) Total Expenses (IV)</b>		<b>52,03,561.22</b>	<b>10,26,203.58</b>
<b>(V) Profit/(loss) before tax (III - IV )</b>		<b>4,69,044.64</b>	<b>9,75,799.98</b>
Share of Profit before tax of associates accounted for using equity method		40,801.22	19,806.98
Profit/(Loss) after Share of Profit of Associates but before Tax Expense		5,09,845.86	9,95,606.96
(VI) Tax Expense:			
(1) Current Tax		1,34,564.02	1,22,263.94
(2) Deferred Tax		60,624.03	7,446.43
(3) Short / (Excess) Provision for Tax relating to earlier Years		8,547.55	372.89
<b>(VII) Profit/(loss) for the period (V-VI)</b>		<b>3,06,110.26</b>	<b>8,65,523.70</b>
(VIII) Other Comprehensive Income			
(A) (i) Items that will not be reclassified to profit or loss			
- Changes in fair value of FVOCI Equity Instruments		-	(44.36)
- Share of other Comprehensive Income of associates accounted for using the equity method		1,10,672.31	28,338.23
- Remeasurement of post-employment benefit obligations		2,114.67	6,495.65
(ii) Income tax relating to items that will not be reclassified to profit or loss		(532.26)	(1,625.73)
<b>(IX) Total Comprehensive Income for the period</b>		<b>1,12,254.72</b>	<b>33,163.79</b>
<b>Total Comprehensive Income for the year (comprising profit/ (loss) and Other Comprehensive Income for the year)</b>		<b>4,18,364.98</b>	<b>8,98,687.49</b>
<b>Profit is attributable to :</b>			
Equity Shareholders of the Parent		3,06,109.22	8,65,522.18
Non Controlling Interest		1.04	1.52
<b>Other Comprehensive Income is attributable to:</b>			
Equity Shareholders of the Parent		1,12,254.72	33,163.79
Non Controlling Interest		-	-
<b>Total Comprehensive Income is attributable to:</b>			
Equity Shareholders of the Parent		4,18,363.94	8,98,685.97
Non Controlling Interest		1.04	1.52
<b>(X) Earnings per Equity Share of face value of ₹ 10 each (Not Annualised)</b>			
Basic (₹)		3.83	10.84
Diluted (₹)		3.83	10.84
Significant Accounting Policies	1		

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board of Directors

For **V. SINGHI & ASSOCIATES**

Chartered Accountants

Firm Registration No.: 311017E

**(SUNIL SINGHI)**

Partner

Membership No. 060854

Place : Kolkata

Date : 23rd May, 2022

**Bhawani Shankar Rathi**

Wholtime Director

DIN : 00028499

**Bijay Murmuria**

Director

DIN: 00216534

**Dhwani Fatehpuria**

Company Secretary

**Girdhari Lal Dadhich**

Chief Financial Officer

## Consolidated Statement of Cash Flow for the year ended 31st March, 2022

(₹ in '00)

Particulars	For the year ended 31st March	
	2022	2021
<b>A. Cash flows from operating activities</b>		
Profit/(Loss) before taxation	<b>5,09,845.86</b>	<b>9,95,606.95</b>
Adjustments for:		
Depreciation	55,297.74	51,612.48
Share of Profits of Associates	(40,801.22)	(19,806.98)
Interest income	(42,311.02)	(30,530.29)
Dividend income	(107.80)	(172.04)
Interest expense	495.07	5,639.65
Rental Income	(9,150.00)	(4,200.00)
(Profit)/Loss on sale of fixed assets (net)	(4,171.93)	-
(Profit)/Loss on sale of Investments	(11,089.12)	(23,841.46)
Impairment Loss on Investments	-	84.52
Unrealised Loss/(Gain) on Financial Assets	(11,712.87)	(45,543.38)
Bad Debts and Sundry Balances Written Off	74,031.28	79,713.00
Remeasurement of post-employment benefit obligations	2,114.65	6,495.65
<b>Operating profit before working capital changes</b>	<b>5,22,440.64</b>	<b>10,15,058.10</b>
Adjustments for:		
(Increase) / Decrease in other Non-Current Financial Assets	24,632.95	(31,692.00)
(Increase) / Decrease in other Non-Current Assets	(2,667.08)	(1,032.71)
(Increase) / Decrease in Trade Receivables and other Assets	1,35,824.11	2,45,982.73
(Increase) / Decrease in Inventories	(2,04,036.06)	(7,22,169.00)
(Increase) / Decrease in Other Current Assets	12.60	(19.80)
Increase / (Decrease) in Trade and Other Payables	18,148.39	(1,41,577.85)
Increase / (Decrease) in Other Current Liabilities	1,509.98	809.35
<b>Cash generated from Operations</b>	<b>4,95,865.53</b>	<b>3,65,358.82</b>
Tax Paid	(54,136.05)	(1,26,494.76)
<b>Cash Flow from operating Activities</b>	<b>4,41,729.48</b>	<b>2,38,864.06</b>
<b>B. Cash flows from investing activities</b>		
Purchase of Property, Plant & Equipment and Intangible Assets	(1,00,454.71)	(2,71,227.54)
Sale of Property, Plant & Equipment	9,010.35	-
Purchase of Investments	(6,10,578.00)	(8,45,974.80)
Sale of Investments	6,25,453.86	9,10,119.90
Investment in Term Deposits	(2,15,048.81)	(2,08,992.01)
Rent Received	9,150.00	4,200.00
Interest received	32,878.63	27,086.43
Dividend received	107.80	172.04
<b>Net cash (used in) / from investing activities</b>	<b>(2,49,480.88)</b>	<b>(3,84,615.98)</b>
<b>C. Cash flows from financing activities</b>		
Repayment of long term borrowings	(5,637.02)	(5,179.11)
Dividend and Dividend Distribution Tax amount transferred to IEPF	(79,844.24)	(46,978.36)
Amount transferred to IEPF	(969.40)	(1,068.22)
Interest paid	(482.72)	(5,639.65)
<b>Net cash (used in) / from financing activities</b>	<b>(86,933.38)</b>	<b>(58,865.34)</b>
<b>Net increase in cash and cash equivalents</b>	<b>1,05,315.22</b>	<b>(2,04,617.26)</b>
Cash and cash equivalents at the beginning of the year	47,284.79	2,51,902.05
<b>Cash and cash equivalents at the end of the year</b>	<b>1,52,600.01</b>	<b>47,284.79</b>

### Notes:

- Components of cash and cash equivalents include cash, bank balances in current and deposit accounts as disclosed under note no. 2 of the Financial Statements.
- The above Statement of Cash Flows has been prepared under the indirect method as set out in Indian Accounting Standard 7 (Ind AS 7) on "Statement of Cash Flow".

This is the Consolidated Financial Statements of Cash Flows referred to in our report of even date attached.

As per our report of even date attached

For and on behalf of the Board of Directors

For **V. SINGHI & ASSOCIATES**

Chartered Accountants  
Firm Registration No.: 311017E

**(SUNIL SINGHI)**

Partner  
Membership No. 060854  
Place : Kolkata  
Date : 23rd May, 2022

**Bhawani Shankar Rathi**

Wholetime Director  
DIN : 00028499

**Dhwani Fatehpuria**  
Company Secretary

**Bijay Murmuria**

Director  
DIN: 00216534

**Girdhari Lal Dadhich**  
Chief Financial Officer

**Consolidated Statement of Changes in Equity for the year ended 31st March, 2022****A. Equity Share Capital**

(₹ in '00)

Particulars	Balance at the beginning of the reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the reporting period	Changes in equity share capital during the period	Balance at the end of the reporting period
1) Current Reporting Period	7,98,442.40	-	-	-	7,98,442.40
2) Previous Reporting Period	7,98,442.40	-	-	-	7,98,442.40

**B. Other Equity****1) Current Reporting Period As at 31st March, 2022**

(₹ in '00)

Particular	Reserves and Surplus				Other items of Other Comprehensive Income - Remeasurement of post-employment benefit obligations	Total
	Securities Premium Reserve	Capital Reserve on Consolidation	General Reserve	Retained Earnings		
Balance at the beginning of the reporting year i.e. 1st April, 2021	2,57,201.64	1,547.53	9,265.45	36,32,495.86	(6,356.23)	38,94,154.25
Changes in accounting policy/ prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	2,57,201.64	1,547.53	9,265.45	36,32,495.86	(6,356.23)	38,94,154.25
Total Other Comprehensive Income for the year	-	-	-	-	1,12,254.72	1,12,254.72
Dividends	-	-	-	(79,844.24)	-	(79,844.24)
Transfer to Retained Earnings	-	-	-	3,06,109.22	-	3,06,109.22
<b>Balance at the end of the reporting year i.e. 31st March, 2022</b>	<b>2,57,201.64</b>	<b>1,547.53</b>	<b>9,265.45</b>	<b>38,58,760.84</b>	<b>1,05,898.49</b>	<b>42,32,673.95</b>

**2) Previous Reporting Period As at 31st March, 2021**

(₹ in '00)

Particular	Reserves and Surplus				Other items of Other Comprehensive Income - Remeasurement of post-employment benefit obligations	Total
	Securities Premium Reserve	Capital Reserve on Consolidation	General Reserve	Retained Earnings		
Balance at the beginning of the reporting year i.e. 1st April, 2020	2,57,201.64	1,547.53	9,265.45	28,14,880.23	(39,520.03)	30,43,374.83
Changes in accounting policy/ prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	2,57,201.64	1,547.53	9,265.45	28,14,880.23	(39,520.03)	30,43,374.83
Total Other Comprehensive Income for the year	-	-	-	-	33,163.79	33,163.79
Dividends	-	-	-	(47,906.54)	-	(47,906.54)
Transfer to Retained Earnings	-	-	-	8,65,522.17	-	8,65,522.17
<b>Balance at the end of the reporting year i.e. 31st March, 2021</b>	<b>2,57,201.64</b>	<b>1,547.53</b>	<b>9,265.45</b>	<b>36,32,495.86</b>	<b>(6,356.23)</b>	<b>38,94,154.25</b>

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For **V. SINGHI & ASSOCIATES**

Chartered Accountants

Firm Registration No.: 311017E

**(SUNIL SINGHI)**

Partner

Membership No. 060854

Place : Kolkata

Date : 23rd May, 2022

For and on behalf of the Board of Directors

**Bhawani Shankar Rathi**

Wholetime Director

DIN : 00028499

**Dhwani Fatehpuria**

Company Secretary

**Bijay Murmura**

Director

DIN: 00216534

**Girdhari Lal Dadhich**

Chief Financial Officer

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### Corporate Information

The Consolidated Financial Statements comprise Financial Statements of Sumedha Fiscal Services Limited (hereinafter referred to as the “Holding Company”), and its subsidiary (collectively referred to as the Group) and its associates for the year ended 31st March, 2022.

The Company was incorporated in the year 1989 as a Public Limited Company under the provisions of the Companies Act, 1956 and domiciled in India. The Company is Category -I Merchant Banker registered with Securities and Exchange Board of India with PAN India presence. The Equity Shares of the Company are listed on two stock Exchanges of India i.e. Bombay Stock Exchange and The Calcutta Stock Exchange Limited. The registered office of the Company is situated at 6A, Geetanjali Apartment, 8B Middleton Street, Kolkata – 700071, West Bengal, India.

The Consolidated Financial Statements were approved for issue in accordance with a resolution of the Board of Directors on 23rd May, 2022.

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

#### 1.1 Basis of Preparation/Consolidation

##### 1.1.1 Compliance with Ind AS

These consolidated financial statements have been prepared in accordance with the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 (“the Act”) read with the Companies (Indian Accounting Standards) Rules and other relevant provisions of the Act and Rules thereunder, as amended from time to time.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

These consolidated financial Statements are prepared in Indian Rupees (INR) which is also the Company’s functional currency.

The financial statements for the year ended 31st March, 2022 have been approved by the Board of Directors of the Company in their meeting held on 23rd May, 2022.

##### 1.1.2 Basis of Consolidation:

###### 1.1.2.1 Subsidiary:

The Consolidated Financial Statements comprise the Financial Statements of Sumedha Fiscal Services Limited and its subsidiary as at 31st March 2022. The control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if it has:

- Power over the investee
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed

**Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)**

above. The Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The Financial Statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31st March, 2022. The following consolidation procedure is followed:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the parent's investment in subsidiary and the parent's portion of equity of the subsidiary. Business combinations policy explains how to account for any related goodwill.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intra group transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiary to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

**Change in the Group's ownership interests in existing subsidiaries**

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary,
- Derecognises the carrying amount of any non-controlling interests,
- Derecognises the cumulative translation differences recorded in equity,
- Recognises the fair value of the consideration received,
- Recognises the fair value of any investment retained,
- Recognises any surplus or deficit in profit or loss,



## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)

- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

### 1.1.2.2 Investment in Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. Investments in associates are accounted for using the equity method of accounting.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investment in its associate is accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associates since the acquisition date. Goodwill relating to the associates is included in the carrying amount of the investment and is not tested for impairment individually.

The Statement of Profit and Loss reflects the Group's share of the results of operations of the associates. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associates, the Group recognises its share of any changes, when applicable, in the Statement of Changes in Equity. Unrealised gains and losses resulting from transactions between the Group and the associates are eliminated to the extent of the interest in the associates.

If an entity's share of losses of an associate equals or exceeds its interest in the associate (which includes any long term interest that, in substance, form part of the Group's net investment in the associate), the entity then discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The financial statements of the associate is prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the Profit as 'Share of Profit of an Associate' in the Statement of Profit and Loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognized as profit or loss.

**Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)**

**1.1.3 Historical Cost Convention**

These consolidated financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention, except for the following:

- i) Certain financial assets and liabilities (including derivative instruments) and contingent consideration that is measured at fair value through the Statement of Profit and Loss at amortised cost;
- ii) Defined Benefit Plans – plan assets measured at fair value;

**1.2 Foreign Currency Translation**

Foreign currency transactions are translated into Indian Rupee (INR) which is the functional currency (i.e. the currency of the primary economic environment in which the entity operates) using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the Statement of Profit and Loss.

**1.3 Use of Estimates**

The Preparation of Consolidated Financial Statements in conformity with the generally accepted accounting principles in India requires the management to make estimates and assumptions that affects the reported amount of assets and liabilities as at the Balance Sheet date, the reported amount of revenue and expenses for the periods and disclosure of contingent liabilities at the Balance Sheet date. The estimates and assumptions used in the consolidated financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the financial statements. Actual results could differ from estimates.

**1.4 Fair Value measurement**

The Group measures financial instruments at fair value at each Balance Sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

**1.5 Property, Plant and Equipment**

Freehold Land is carried at historical cost. All other items of property, plant and equipment are stated at Carrying Value less accumulated depreciation. The Carrying Value includes expenditure that is directly attributable to the acquisition of the asset.

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)

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

### **Depreciation methods, estimated useful lives and residual value**

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values on the basis of useful lives prescribed in Schedule II to the Act which are also supported by technical evaluation. Item of Property, Plant and Equipment for which related actual cost do not exceed ₹ 5,000 are fully depreciated in the year of purchase. In respect of the following assets, useful lives as per Schedule II to the Act have been considered, as under:

- Non-factory Buildings : 60 years
- Electrical Installations : 10 years
- Computers : 3 years
- Office Equipment : 5 years
- Furniture & Fixture : 10 years
- Motor Vehicles : 8 years
- Server and Network : 6 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

### **1.6 Investment Property**

Property that is held for long term rentals yields or for capital appreciation or both and that is not occupied by the group, is classified as investment property. Investment property is measured at Cost Model, including related transaction costs and where applicable, borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance cost are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight line method over their estimated useful lives. Investment properties generally have a useful life of 60 years.

### **1.7 Intangible Assets**

#### **1.7.1 Computer Software**

Costs associated with maintaining software programmes are recognised as an expense as incurred. Costs of purchased software are recorded as intangible assets and amortised from the point at which the asset is available for use.

#### **1.7.2 Amortisation methods and periods**

The Group amortises intangible assets with a finite useful life using the straight-line method over the following periods:

- Computer Software : 3 years

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)

## 1.8 Investments and other Financial Assets

### 1.8.1 Classification

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

- those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
- those measured at amortised cost

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

### 1.8.2 Measurement

At initial recognition, the Group measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Statement of Profit and Loss are expensed as profit or loss.

#### Debt Instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments into the following categories:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

#### Equity Instruments

The Holding Company subsequently measures all equity investments (except subsidiary and associates) at fair value through the Statement of Profit and Loss. However, where the Holding Company's management makes an irrevocable choice on initial recognition to present fair value gains or losses on specific equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses through the Statement of Profit and Loss.

### 1.8.3 Impairment of Financial Assets

The Group measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

### 1.8.4 De-recognition of Financial Assets

A financial asset is derecognised only when

- The Group has transferred the rights to receive cash flows from the financial asset, or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset.

### **1.9 Derivatives and Hedging Activities**

The Holding Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through the profit or loss and are included in other income/expenses.

### **1.10 Cash and Cash Equivalents**

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

### **1.11 Basic Earnings per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to Equity Shareholders by the weighted average number of Equity Shares.

The number of Equity Shares is adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

### **1.12 Trade Receivables**

Trade Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment, if any.

### **1.13 Inventories**

The Holding Company makes trading in Equity Shares of companies in India. Inventories of Equity Shares and securities are valued at fair value and the gain/ loss is recognised through the Statement of Profit and Loss.

#### **1.13.1 Financial liabilities**

#### **1.13.2 Initial recognition and measurement**

The Group recognises all the financial liabilities on initial recognition at fair value minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial liability.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

#### **1.13.3 Subsequent measurement**

All the financial liabilities are classified and subsequently measured at amortised cost, except for those mentioned below.

#### **1.13.4 Financial Liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments

**Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)**

entered into by the group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss. For liabilities designated as Fair Value through profit or loss, fair value gains/losses attributable to changes in own credit risks are recognized in Other Comprehensive Income. These gains/losses are not subsequently transferred to the Statement of Profit and Loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

**1.13.5 Financial Guarantee Contracts**

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.

**1.13.6 Trade and Other Payables:**

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts are unsecured and usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

**1.13.7 Borrowings**

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transactions cost) and the redemption amount is recognized in the Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that sum or all of the facility will be drawn down. In this case, the fees is deferred until the draw down occurs. To the extent there is no evidence that it is probable that sum or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in the Statement of Profit and Loss as other gains/(losses).

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability to atleast 12 months after the reporting period. Where there is a breach of a material provision for a long-term loan agreement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)

### **1.14 Provisions, Contingent Liabilities and Contingent Assets, legal or constructive**

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for contingent liabilities is made 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 Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

Contingent Assets are not recognised but are disclosed when an inflow of economic benefits is probable.

### **1.15 Employee Benefits**

#### **1.15.1 Short-term Employee Benefits**

These are recognised at the undiscounted amount as expense for the year in which the related service is rendered.

#### **1.15.2 Other Long-term Employee Benefits (Unfunded)**

The cost of providing long-term employee benefits is determined using Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses and past service cost are recognised immediately in the Statement of Profit and Loss for the period in which they occur. Long term employee benefits obligation recognised in the Balance Sheet represents the present value of related obligation.

#### **1.15.3 Post-employment Benefits & Plans**

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenditure for the year.

In case of Defined Benefit Plans, the cost of providing the benefit is determined using the Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in full in the Other Comprehensive Income for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, if any, and as reduced by the fair value of plan assets, where funded. Any asset resulting from this calculation is limited to the present value of any economic benefit available in the form of refunds from the plan or reductions in future contributions to the plan.

#### **1.15.4 Bonus plans**

The Holding Company recognizes a liability and an expense for bonuses. The Holding Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.



**Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)**

**1.16 Equity Index/Stock- Futures**

Initial margin and additional margin paid, for entering into contracts for equity index/stock futures, which are released on final settlement/squaring-up of underlying contracts, are disclosed under Current Assets, Loans and Advances.

Equity index/stock futures are marked-to-market on a daily basis. Debit or credit balance disclosed under Current Assets, Loans and Advances or Current Liabilities, respectively represents the net amount paid or received on the basis of movement in the prices of index/stock futures till the Balance Sheet date.

As on the Balance Sheet date, Gain/Loss on open positions in index/stock futures are accounted for as follow:

- Profit and loss on hedged transactions are recognized on net basis. In respect of other transactions, credit balance being anticipated profit is ignored and no credit for the same is taken in the Statement of Profit and Loss. Debit balance being anticipated loss is adjusted in the Statement of Profit and Loss.
- On final settlement or squaring-up of contracts for equity index/stock futures, the profit or loss is calculated as the difference between settlement/squaring-up price and contract price. Accordingly, debit or credit balance pertaining to the settled/squared-up contract is recognised in the Statement of Profit and Loss.

**1.17 Equity index/stock – Options**

Initial margin and additional margin paid for entering into contracts for equity index/stock options, which are released on final settlement/squaring-up of underlying contracts, are disclosed under Current Assets, Loans and Advances.

As at the Balance Sheet date, the Statement of Profit and Loss on hedged transactions is recognized on net basis. In case of other transactions, in the case of long positions, provision is made for the amount by which the premium paid for those options exceeds the premium prevailing on the Balance Sheet date, and in the case of short positions, for the amount by which premium prevailing on the Balance Sheet date exceeds the premium received for those options. The premium paid or received as the case may be, after the aforesaid provision, is disclosed in Current Assets or Current Liabilities.

**1.18 Impairment of Non-Financial Assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher on an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash flows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**1.19 Segment Reporting**

**1.19.1 Identification of segment**

The Holding Company has identified that its operating segments are the primary segments. The Holding Company's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit and offering different products and serving different markets.

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)

### 1.19.2 Allocation of common costs

Common allocable costs are inter-se allocated to segments based on the basis most relevant to the nature of the cost concerned. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, are included under the head unallocated expense / income.

### 1.20 Borrowing costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to the Statement of Profit and Loss.

### 1.21 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

### 1.22 Revenue Recognition

Revenue is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

The specific recognition criteria followed by the Group are described below:

#### 1.22.1 Sale of Services

**Timing of recognition:** Revenue is recognised when no significant uncertainty as to its determination exists. The primary business of the Holding Company is financial consultancy as Merchant banker and brokerage at NSE and BSE. The revenue in consultancy is recognised in terms of mandate and on completion of the assignment. The brokerage income is recognised when contract of sale/purchase of equity is completed.

**Measurement of revenue:** Estimates of revenues, costs or extent of progress towards completion are revised if circumstances change. Any resultant increases or decreases in estimated revenues or costs are reflected in the Statement of Profit and Loss in the period in which the circumstances that give rise to the revision become known by management.

#### 1.22.2 Sale of goods

Revenue is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods.

#### 1.22.3 Insurance and other claims / refunds

Insurance and Other claims are recognized when there is a reasonable certainty of recovery.

#### 1.22.4 Interest

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

#### 1.22.5 Dividend

Dividend is recognised when the right to receive the payment is established.

**Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)**

**1.23 Income Tax**

Provision for current tax is made as per the provisions of the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets/liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiary and associates where in case of assets it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary differences can be utilised and in case of liabilities the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)**

**2. CASH AND CASH EQUIVALENTS**

(₹ in '00)

Description	As at 31st March, 2022	As at 31st March, 2021
Cash on Hand	14,276.47	12,053.35
Balances with Banks	1,38,323.54	35,231.44
<b>Total</b>	<b>1,52,600.01</b>	<b>47,284.79</b>

**3. BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENT**

(₹ in '00)

Description	As at 31st March, 2022	As at 31st March, 2021
Unclaimed Dividend	10,689.30	11,658.70
Fixed Deposits with Banks	6,15,240.82	4,00,192.01
– with maturity for more than 3 months and less than 12 months ₹ 1,90,790.82 as on 31.03.2022 and ₹ 91,750.00 as on 31.03.2021		
<b>Total</b>	<b>6,25,930.12</b>	<b>4,11,850.71</b>

**4. TRADE RECEIVABLES ( Refer Note 4.1)**

(₹ in '00)

Description	As at 31st March, 2022	As at 31st March, 2021
– Considered Good - Unsecured	2,26,222.31	4,80,666.84
<b>Total</b>	<b>2,26,222.31</b>	<b>4,80,666.84</b>

**4.1 TRADE RECEIVABLES**

**As at 31st March, 2022**

(₹ in '00)

Sl. No.	Particulars	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade receivables — considered good	1,69,742.81	12,856.00	30,813.90	9,200.00	3,609.60	<b>2,26,222.31</b>
(ii)	Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-
(iv)	Disputed Trade Receivables — considered good	-	-	-	-	-	-
(v)	Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi)	Disputed Trade Receivables — credit impaired	-	-	-	-	-	-

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)

**4.1 TRADE RECEIVABLES (Contd.)**

**As at 31st March, 2021**

(₹ in '00)

Sl. No.	Particulars	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade receivables — considered good	3,77,570.79	60.00	43,424.75	11,434.00	48,177.30	<b>4,80,666.84</b>
(ii)	Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-
(iv)	Disputed Trade Receivables — considered good	-	-	-	-	-	-
(v)	Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi)	Disputed Trade Receivables — credit impaired	-	-	-	-	-	-

**5. INVESTMENTS (Refer Note 5.1)**

(₹ in '00)

Description	As at 31st March, 2022	As at 31st March, 2021
In Mutual Funds (Refer Note 5.1)	5,69,639.17	5,63,805.70
In Debt Securities (Refer Note 5.1(2))	15,000.01	15,000.01
In Equity Instruments (Refer Note 5.1(2))	5,27,450.89	3,84,973.80
<b>Total</b>	<b>11,12,090.07</b>	<b>9,63,779.51</b>

**5.1 INVESTMENTS**

(₹ in '00)

Sl. No.	Description	As at 31st March, 2022		As at 31st March, 2021	
		Units	Amount	Units	Amount
	<b>Investments measured at Fair Value Through Statement of Profit &amp; Loss</b>				
<b>A</b>	<b>In Mutual Fund</b>				
1	ICICI Prudential Flexible Income Growth	16,205.15	70,932.08	16,205.15	68,011.20
2	HDFC Liquid Fund - Direct Plan Growth	8,902.16	4,31,013.32	6,812.03	2,75,362.86
3	HDFC Liquid Fund - Regular Plan Growth	-	-	3,848.89	1,54,616.25
4	Edelweiss Mutual Fund Liquid Fund Retail Group Open Ended	7.91	194.87	7.91	188.68
5	Mirae Asset Short Tem Fund - Direct Growth	50,000.00	6,646.35	50,000.00	6,351.30
6	ICICI Prudential Short Term Fund-Growth	21,381.68	10,914.32	21,381.68	10,395.58
7	Canara Robeco Capital Protection Oriented Fund - Series 9 - REG - Growth	-	-	30,000.00	3,738.60
8	Canara Robeco Capital Protection Oriented Fund-Series 10- Reg.- Growth	30,000.00	3,903.90	30,000.00	3,685.62
9	Franklin India Ultra Short Bond Fund Super Inst Plan-Dir. Growth	4,844.19	1,627.52	99,066.65	29,630.73
10	Baroda Dynamic Equity Fund-Growth	79,990.00	12,982.86	79,990.00	11,526.56
11	UTI Equity Fund	200.00	333.26	200.00	298.32
12	SBI International Access - US Equity FOF Regular Plan Growth	1,84,183.05	31,090.69	-	-
	<b>Total (A)</b>		<b>5,69,639.17</b>		<b>5,63,805.70</b>

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)

5.1 INVESTMENTS (Contd.)

(₹ in '00)

Description	Face Value	As at 31st March, 2022		As at 31st March, 2021	
		No. of Shares/ Debentures/Units	Amount	No. of Shares/ Debentures/Units	Amount
<b>(Fully Paid up- unless otherwise stated)</b>					
<b>Investments measured at Amortized Cost</b>					
<b>B. In Debentures of Others</b>					
<b>Quoted</b>					
Dar Credit and Capital Limited	500000	3	15,000.00	3	15,000.00
<b>Unquoted</b>					
I Care Learning Pvt. Ltd	100	50,700	0.01	50,700	0.01
<b>Total (B)</b>			<b>15,000.01</b>		<b>15,000.01</b>
<b>C. In Equity Shares</b>					
<b>Unquoted</b>					
<b>- of Associates Company (measured at cost)</b>					
US Infotech Pvt. Ltd.	10	5,98,047	3,25,638.87	5,98,047	1,83,949.17
Brandshoots Ventures Pvt. Ltd.	10	5,44,400	42,314.91	5,44,400	45,753.19
Sumedha Management Solutions Pvt. Ltd	10	2,30,000	1,39,891.33	2,30,000	1,26,669.21
<b>- of Others [measured at Fair Value through Statement of Profit and Loss (FVTPL)]</b>					
I Care Learning Pvt. Ltd	10	65000	0.01	65,000	0.01
Assambrook Limited	10	3625	362.50	-	-
MCC Investment & Leasing Company Ltd	10	400	10.00	-	-
<b>Total of Unquoted Investments</b>			<b>5,08,217.62</b>		<b>3,56,371.58</b>
<b>Quoted</b>					
Aravali Securities And Finance Limited	10	200	13.50	200	3.04
Assambrook Limited	10	-	-	3,625	362.50
APS-Star Industries Ltd.	10	600	6.00	600	6.00
CDR Health Care Ltd.	10	2,200	166.76	2,200	166.76
Gujrat Inject Kerala Ltd	10	900	9.00	900	9.00
Leafin India Ltd	10	500	5.00	500	5.00
Maruti Cottex Ltd	10	17,000	170.00	17,000	170.00
Madhya Bharat Papers Limited	10	500	5.00	500	5.00
M C C Investment & Leasing Company Ltd	10	-	-	400	10.00
Modern Denim Limited	10	700	7.00	700	7.00
Orkay Industries Limited	10	1,100	11.00	1,100	11.00
Opal Luxury Time Products Limited	10	1,000	430.00	1,000	430.00
Pioneer Financial & Management Services Ltd.	10	1,000	10.00	1,000	10.00
Primax Fiscal Services Ltd	10	800	17.60	800	17.60
Sanderson Industries Ltd	10	2,65,850	0.01	2,65,850	0.01
Sen Pet (India) Limited	10	29,300	293.00	29,300	293.00
Skipper Limited	1	33,000	17,952.00	33,000	20,146.50
State Bank of India	1	-	-	1,870	6,812.41
Timbor Home Limited	10	1,374	137.40	1,374	137.40
<b>Total of Quoted Investments</b>			<b>19,233.27</b>		<b>28,602.22</b>
<b>TOTAL (A+B+C)</b>			<b>11,12,090.07</b>		<b>9,63,779.51</b>
Aggregate amount of quoted Investments and market value there of			6,03,872.44		6,07,407.92
Aggregate amount of unquoted Investments			5,08,217.63		3,56,371.59

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)

**5.1 INVESTMENTS (Contd.)**

Note:-

(₹ in '00)

Details of Investments	As at 31st March, 2022		As at 31st March, 2021	
	Book Value	Market Value	Book Value	Market Value
Quoted Mutual Funds	4,63,910.66	5,69,639.17	4,82,399.47	5,63,805.70
Quoted Equity	63,464.25	19,233.27	66,437.55	28,602.22
Quoted Debentures	15,000.00	15,000.00	15,000.00	15,000.00
Unquoted Equity	5,08,217.62	-	3,56,371.58	-
Unquoted Debentures	0.01	-	0.01	-

**6. OTHER FINANCIAL ASSETS**

(₹ in '00)

Description	As at 31st March, 2022	As at 31st March, 2021
(Unsecured, Considered Good)		
Security Deposits		
- Security Deposits with Stock Exchange/ Clearing Member	78,350.00	89,600.00
- Security Deposits with Others	8,957.86	9,880.21
Accrued Interest	25,030.18	15,597.78
Loans & Advances		
- Related Parties	1,25,000.00	1,49,637.75
- Others	53,171.71	846.91
<b>Total</b>	<b>2,90,509.75</b>	<b>2,65,562.65</b>

**7. INVENTORIES**

(₹ in '00)

Description	As at 31st March, 2022	As at 31st March, 2021
<b>Stock-in-Trade (At Fair Value) (Refer Note 7.1)</b>		
In Equity Instruments		
- Quoted	13,04,682.65	11,00,731.14
- Unquoted	91.01	91.01
In Preference Shares (Unquoted)	0.01	0.01
In Mutual Funds (Quoted)	703.87	619.31
<b>Total</b>	<b>13,05,477.54</b>	<b>11,01,441.47</b>

**7.1 INVENTORIES**

(₹ in '00)

Sr. No.	Name of the body corporate	Face Value (₹)	As at 31st March, 2022		As at 31st March, 2021	
			No. of Shares	Amount	No. of Shares	Amount
<b>A</b>	<b>In Equity Instruments (Unquoted)</b>					
1	Akar Laminators Limited	10	500	4.25	500	4.25
2	Daewoo Motors (India) Limited	10	100	6.71	100	6.71
3	ESL Steel Ltd.	10	800	80.00	800	80.00
4	Maruthi Cotex Limited	10	2,000	0.01	2,000	0.01
5	Parakaram Technofab Limited	10	84,400	0.01	84,400	0.01
6	Sanderson Industries Limited	10	1,83,400	0.01	1,83,400	0.01
7	Vatsa Corporation Limited	1	100	0.01	100	0.01
8	Viniyoga Clothex Limited	10	1,800	0.01	1,800	0.01
	<b>Total</b>			<b>91.01</b>		<b>91.01</b>



**Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)**

**7.1 INVENTORIES (Contd.)**

(₹ in '00)

Sr. No.	Name of the body corporate	Face Value (₹)	As at 31st March, 2022		As at 31st March, 2021	
			No. of Shares	Amount	No. of Shares	Amount
<b>A</b>	<b>In Equity Instruments (Quoted)</b>					
1	Aditya Birla Capital Limited	10	5,000	5,382.50	5,000	5,965.00
2	Aditya Birla Sunlife AMC Ltd	5	149	795.44	-	-
3	Astra Microwave Products Ltd	2	2,000	4,499.00	-	-
4	Axis Bank Ltd	2	6,000	45,669.00	2,000	13,949.00
5	Bandhan Bank Ltd	10	15,000	46,110.00	10,000	33,890.00
6	Bank of Baroda	10	29,120	32,497.92	14,020	10,388.82
7	Bank of India	10	5,000	2,292.50	5,000	3,392.50
8	Bells Control Limited	10	50	5.00	50	5.00
9	Biocon Ltd	5	5,000	16,780.00	6,000	24,534.00
10	Canara Bank	10	14,000	31,885.00	84,000	1,27,848.00
11	Castrol India Limited	5	4,000	4,038.00	4,000	5,012.00
12	CESC Ltd	1	40,000	30,340.00	-	-
13	Chemcrown India Limited	10	28,000	0.01	28,000	0.01
14	Chemplast Sanmar Ltd	10	659	4,383.34	-	-
15	Core Education & Technologies Limited	2	11,000	220.00	11,000	220.00
16	EIH Limited	1	2,200	3,402.30	2,200	2,044.90
17	Emami Realty Limited (formerly known as Emami Infrastructure Ltd.)	10	1,500	904.50	1,500	595.50
18	Ester Industries Ltd	5	-	-	5,000	5,837.50
19	Glenmark Pharmaceuticals Limited	1	4,000	17,680.00	4,000	18,588.00
20	Goodyear India Ltd	10	1,000	8,854.50	-	-
21	Granules India Ltd.	1	3,000	9,195.00	10,000	30,345.00
22	Grauer & Weil India Ltd	1	10,000	5,855.00	-	-
23	HFCL Limited	1	-	-	20,000	5,030.00
24	Himadri Speciality Chemical Limited (formerly known as Himadri Chemicals and Industries Limited)	1	5,000	3,715.00	5,000	2,082.50
25	Hindustan National Glass Limited	2	29	5.39	29	9.38
26	HUDCO Limited	10	1,000	327.50	1,000	438.50
27	ICICI Bank Ltd	2	17,000	1,24,151.00	8,000	46,568.00
28	IDBI Bank Ltd.	10	-	-	10,000	3,855.00
29	IFB Industries Limited	10	3,900	40,587.30	4,900	54,465.95
30	Indiabulls Housing Finance Limited	2	1,200	1,893.60	1,200	2,358.00
31	Indian Oil Corporation Ltd	10	10,000	11,895.00	-	-
32	IRFC Ltd	10	10,000	2,145.00	10,000	2,290.00
33	ITC Ltd	1	5,000	12,532.50	10,000	21,850.00
34	JSW Steel Ltd	1	15,000	1,09,897.50	-	-
35	Just Dial Ltd	10	3,000	21,342.00	-	-
36	Lords Chloro Alkali Limited (Formerly: Modi Alkalies & Chemicals Limited)	10	10	9.50	10	3.02
37	MW Unitexx Limited	10	195	3.49	195	3.49
38	NACL Industries Limited	1	40,000	32,420.00	14,000	5,271.00
39	Nava Bharat Ventures Ltd.	2	-	-	10,000	6,950.00
40	NBCC Limited	2	15,000	5,445.00	15,000	7,020.00
41	Orient Paper Limited	10	5,000	1,717.50	5,000	1,230.00
42	Padmini Technologies Limited	10	3,200	0.01	3,200	0.01
43	PC Jewellers Limited	10	4,000	836.00	4,000	1,084.00
44	Power Finance Corporation Ltd	10	5,000	5,630.00	-	-
45	Punjab & Sindh Bank Limited	10	20,000	3,090.00	20,000	3,520.00
46	Punjab National Bank	2	58,400	20,469.20	53,400	19,571.10
47	Refex Industries Ltd	10	9,000	10,737.00	-	-
48	Reliance Industries Limited	10	12,000	3,16,170.00	14,000	2,80,434.00
49	Schaffeller India Ltd	2	500	9,710.00	200	10,884.10

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)

**7.1 INVENTORIES (Contd.)**

(₹ in '00)

Sr. No.	Name of the body corporate	Face Value (₹)	As at 31st March, 2022		As at 31st March, 2021	
			No. of Shares	Amount	No. of Shares	Amount
<b>A In Equity Instruments (Quoted) (Contd.)</b>						
50	Skipper Limited	1	20,825	11,328.80	20,825	12,713.66
51	State Bank of India	1	35,000	1,72,742.50	44,500	1,62,113.50
52	Steel Authority of India Ltd	10	15,000	14,782.50	-	-
53	Suditi Industries Limited	10	2,000	941.00	2,000	209.00
54	Sun Pharma Advanced Research Company Ltd	1	-	-	3,000	4,264.50
55	Sun Pharmaceuticals Industries Limited	1	-	-	3,800	22,716.40
56	Suryodaya Allo - Metal Powders Limited	10	6,500	201.50	6,500	201.50
57	Syngene International Ltd	10	-	-	6,000	32,607.00
58	Tamil Nadu Newsprints & Papers Ltd	10	-	-	10,000	14,655.00
59	Telephone Cables Limited	10	100	1.70	100	1.70
60	Texmaco Infrastructure & Holdings Limited.	1	8,000	4,580.00	8,000	5,600.00
61	Texmaco Rail & Engineering Limited.	1	22,000	9,174.00	16,000	4,272.00
62	Uco Bank	10	29,000	3,436.50	29,000	3,190.00
63	Union Bank of India	10	14,000	5,418.00	14,000	4,767.00
64	Vodafone Idea Ltd	10	-	-	1,00,000	9,250.00
65	Windlas Biotech Ltd	5	30	63.02	-	-
66	Wockhardt Limited	5	9,000	23,724.00	6,000	24,843.00
67	YES Bank	10	2,88,371	35,469.63	1,11,600	17,409.60
68	Zee Entertainment Enterprises Limited	1	6,000	17,301.00	12,000	24,384.00
<b>Total B</b>				<b>13,04,682.65</b>		<b>11,00,731.14</b>
<b>B In Preference Shares (Unquoted)</b>						
1	Venkateshwara Hatcheries Limited	10	20	0.01	20	0.01
<b>Total</b>				<b>0.01</b>		<b>0.01</b>
<b>C In Mutual Funds</b>						
1	Nippon India ETF Gold Bees	100	1500	661.80	1500	581.40
2	UTI Master Shares - Unit Scheme	10	100	42.07	100	37.91
<b>Total</b>				<b>703.87</b>		<b>619.31</b>

**8. CURRENT TAX ASSETS**

(₹ in '00)

Description	As at 31st March, 2022	As at 31st March, 2021
Advance Tax (Net of Provisions)	58,203.56	1,37,598.85
(Provision of ₹ 2,51,500.00 as on 31.03.2022 ₹ 1,19,500.00 as on 31.03.2021)		
<b>Total</b>	<b>58,203.56</b>	<b>1,37,598.85</b>

**Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)**
**9. INVESTMENT PROPERTY**

(₹ in '00)

Description	Gross Block			Depreciation and Amortisation			Net Block		
	As at 1st April, 2020	Additions during the year	Disposals/ Discarded during the year	As at 31st March, 2021	Upto 31st March, 2020	Depreciation for the year	Disposal during the year	Upto 31st March, 2021	As at 31st March, 2021
<b>Tangible Assets</b>									
Buildings	25,939.01	-	-	25,939.01	2,397.28	599.32	-	2,996.60	22,942.41
<b>Total</b>	<b>25,939.01</b>	<b>-</b>	<b>-</b>	<b>25,939.01</b>	<b>2,397.28</b>	<b>599.32</b>	<b>-</b>	<b>2,996.60</b>	<b>22,942.41</b>

Description	Gross Block			Depreciation and Amortisation			Net Block		
	As at 1st April, 2021	Additions during the year	Disposals/ Discarded during the year	As at 31st March, 2022	Upto 31st March, 2021	Depreciation for the year	Disposal during the year	Upto 31st March, 2022	As at 31st March, 2022
<b>Tangible Assets</b>									
Buildings	25,939.01	2,10,531.58	-	2,36,470.59	2,996.60	1,420.85	-	4,417.45	2,32,053.14
<b>Total</b>	<b>25,939.01</b>	<b>2,10,531.58</b>	<b>-</b>	<b>2,36,470.59</b>	<b>2,996.60</b>	<b>1,420.85</b>	<b>-</b>	<b>4,417.45</b>	<b>2,32,053.14</b>

**Note: The title deeds in respect of Buildings are held in the name of the Company.**

**(i) Amount recognised in Statement of Profit and Loss for investment property**

Particulars	31st March, 2022	31st March, 2021
Rental Income	9,150.00	4,200.00
Direct operating expenses from property that generated rental income	1,872.43	42.91
Profit from investment properties before depreciation	7,277.57	4,157.09
Depreciation	930.85	109.32
Profit from investment properties	6,346.72	4,047.77

**(ii) Fair value**

The Company's Investment Property consists of a commercial property in India. The management has determined that the investment property in building consists of commercial space - based on nature, characteristics and risks of property.

**Reconciliation of Fair Value**

Particulars	31st March, 2022	31st March, 2021
Market Value of Investment Property	2,89,734.63	74,750.00
	<b>2,89,734.63</b>	<b>74,750.00</b>

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)

10. PROPERTY, PLANT AND EQUIPMENT

(₹ in '00)

Description	Gross Block			Depreciation and Amortisation			Net Block		
	As at 1st April, 2020	Additions during the year	Disposals/ Discarded/ transferred during the year	As at 31st March, 2021	Upto 31st March, 2020	Depreciation for the year	Disposal/ transferred during the year	Upto 31st March, 2021	As at 31st March, 2021
<b>Tangible Assets</b>									
Buildings	10,11,158.67	2,32,199.84	-	12,43,358.51	53,563.38	17,934.38	-	71,497.76	11,71,860.75
Electrical Installation	1,312.25	-	-	1,312.25	651.46	35.09	-	686.55	625.70
Furnitures & Fixtures	42,325.70	22,665.88	-	64,991.58	29,040.25	4,640.60	-	33,680.85	31,310.73
Computers	24,954.77	1,869.41	-	26,824.18	14,640.26	3,113.06	-	17,753.32	9,070.86
Server and Network	-	2,518.46	-	2,518.46	-	7.65	-	7.65	2,510.81
Office Equipment	24,504.00	11,265.05	-	35,769.05	10,929.80	4,332.05	-	15,261.85	20,507.20
Motor Vehicles	1,58,305.30	-	-	1,58,305.30	58,253.81	19,080.65	-	77,334.46	80,970.84
<b>Total</b>	<b>12,62,560.69</b>	<b>2,70,518.64</b>	<b>-</b>	<b>15,33,079.33</b>	<b>1,67,078.96</b>	<b>49,143.48</b>	<b>-</b>	<b>2,16,222.44</b>	<b>13,16,856.89</b>

Description	Gross Block			Depreciation and Amortisation			Net Block		
	As at 1st April, 2021	Additions during the year	Disposals/ Discarded/ transferred during the year	As at 31st March, 2022	Upto 31st March, 2021	Depreciation for the year	Disposal/ transferred during the year	Upto 31st March, 2022	As at 31st March, 2022
<b>Tangible Assets</b>									
Buildings	12,43,358.51	-	2,17,426.17	10,25,932.34	71,497.76	20,225.29	6,894.59	84,828.45	9,41,103.88
Electrical Installation	1,312.25	-	-	1,312.25	686.55	35.09	-	721.64	590.61
Furnitures & Fixtures	64,991.58	52,716.64	834.36	1,16,873.86	33,680.85	3,399.68	526.65	36,553.89	80,319.98
Computers	26,824.18	3,636.65	17,820.51	12,640.32	17,753.32	2,860.80	16,936.80	3,677.33	8,963.00
Server and Network	2,518.46	1,024.50	-	3,542.96	7.65	477.42	-	485.07	3,057.89
Office Equipment	35,769.05	7,958.17	12,494.43	31,232.79	15,261.85	5,970.72	11,833.71	9,398.86	21,833.93
Motor Vehicles	1,58,305.30	35,118.75	31,072.61	1,62,351.44	77,334.46	19,675.73	29,518.97	67,491.22	94,860.22
<b>Total</b>	<b>15,33,079.33</b>	<b>1,00,454.71</b>	<b>2,79,648.08</b>	<b>13,53,885.96</b>	<b>2,16,222.44</b>	<b>52,644.73</b>	<b>65,710.72</b>	<b>2,03,156.45</b>	<b>11,50,729.51</b>

Note: The title deeds in respect of Building are held in the name of the Company.

**Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)**

**11. OTHER INTANGIBLE ASSETS**

(₹ in '00)

Description	Gross Block			Depreciation and Amortisation			Net Block		
	As at 1st April, 2020	Additions during the year	Disposals/ Discarded during the year	As at 31st March, 2021	Upto 31st March, 2020	Depreciation for the year	Disposal during the year	Upto 31st March, 2021	As at 31st March, 2021
Computer Software	9,524.84	708.90	-	10,233.74	4,987.53	1,869.68	-	6,857.21	3,376.53
<b>Total</b>	<b>9,524.84</b>	<b>708.90</b>	<b>-</b>	<b>10,233.74</b>	<b>4,987.53</b>	<b>1,869.68</b>	<b>-</b>	<b>6,857.21</b>	<b>3,376.53</b>

Description	Gross Block			Depreciation and Amortisation			Net Block		
	As at 1st April, 2021	Additions during the year	Disposals/ Discarded during the year	As at 31st March, 2022	Upto 31st March, 2021	Depreciation for the year	Disposal during the year	Upto 31st March, 2022	As at 31st March, 2022
Computer Software	10,233.74	-	-	10,233.74	6,857.21	1,232.17	-	8,089.38	2,144.36
<b>Total</b>	<b>10,233.74</b>	<b>-</b>	<b>-</b>	<b>10,233.74</b>	<b>6,857.21</b>	<b>1,232.17</b>	<b>-</b>	<b>8,089.38</b>	<b>2,144.36</b>

**12. OTHER NON-FINANCIAL ASSETS**

(₹ in '00)

Description	As at 31st March, 2022	As at 31st March, 2021
<b>(Unsecured, Considered Good)</b>		
Capital Advances	62,560.05	62,560.05
Prepaid Expenses	5,582.56	4,131.13
Other Advances	13,363.18	8,263.25
<b>Total</b>	<b>81,505.79</b>	<b>74,954.43</b>

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)

**13. BORROWINGS**

(₹ in '00)

Description	As at 31st March, 2022	As at 31st March, 2021
Term Loan from Non - Banking Financial Company	3,002.72	8,639.74
<b>Total</b>	<b>3,002.72</b>	<b>8,639.74</b>
<b>Additional Information</b>		
<b>Loan from Daimler Financial Services Private Limited -</b>		
(i) Secured by hypothecation of the vehicle purchased there against		
(ii) Rate of interest is 8.50%		
Vehicle Loan - Repayable in 30 monthly instalments of ₹ 51,294/- and final instalment would be due on 13th September, 2022	-	3,002.72
Amount due to be paid within one year	3,002.72	5,637.02

**14. OTHER FINANCIAL LIABILITIES**

(₹ in '00)

Description	As at 31st March, 2022	As at 31st March, 2021
Unclaimed Dividend	10,689.30	11,658.70
Payable for Expense	24,299.68	12,099.69
<b>Total</b>	<b>34,988.98</b>	<b>23,758.39</b>

**15. PROVISIONS**

(₹ in '00)

Description	As at 31st March, 2022	As at 31st March, 2021
Provisions for Employee Benefits*	16,398.33	12,846.27
<b>Total</b>	<b>16,398.33</b>	<b>12,846.27</b>

\* The provision for employee benefit includes Leave Encashment

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)

**16. DEFERRED TAX LIABILITIES (NET)**

(₹ in '00)

Description	As at 31st March, 2022	As at 31st March, 2021
<b>Deferred Tax Liabilities</b>		
<b>The balances comprises temporary differences attributable to:</b>		
i) Property, Plant and Equipment and Other Intangible Assets	1,21,238.78	91,395.44
ii) Financial Assets at Fair Value through Profit and Loss	964.06	3,280.97
iii) Changes in Inventories	27,859.30	-
<b>Deferred Tax Liabilities (A)</b>	<b>1,50,062.14</b>	<b>94,676.41</b>
<b>Deferred Tax Assets</b>		
<b>The balances comprises temporary differences attributable to:</b>		
i) Items allowed for tax purpose on payment basis	4,127.13	3,254.42
ii) Carry Forward Losses	6,387.73	7,375.47
iii) Financial Assets at Fair Value through Other Comprehensive Income	(5,646.30)	9.23
<b>Deferred Tax Assets (B)</b>	<b>4,868.56</b>	<b>10,639.12</b>
<b>Net Deferred Tax Liabilities (A-B)</b>	<b>1,45,193.58</b>	<b>84,037.29</b>

**17. OTHER NON FINANCIAL LIABILITIES**

(₹ in '00)

Description	As at 31st March, 2022	As at 31st March, 2021
Outstanding Liabilities <sup>^</sup>	47.00	647.00
Statutory Dues	6,681.65	3,753.23
<b>Total</b>	<b>6,728.65</b>	<b>4,400.23</b>

<sup>^</sup>Includes advances from customers of ₹ Nil (Previous Year ₹ 600.00)

**18. EQUITY SHARE CAPITAL**

(₹ in '00)

Description	As at 31st March, 2022		As at 31st March, 2021	
	Number	Amount	Number	Amount
<b>Authorised:</b>				
Equity Shares of ₹ 10 each	1,00,00,000.00	10,00,000.00	1,00,00,000	10,00,000.00
<b>Issued, Subscribed &amp; Paid up:</b>				
Equity Shares of ₹ 10 each fully paid up	79,84,424.00	7,98,442.40	79,84,424	7,98,442.40
<b>Total</b>	<b>79,84,424.00</b>	<b>7,98,442.40</b>	<b>79,84,424</b>	<b>7,98,442.40</b>

**18.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period.**

(₹ in '00)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	79,84,424	7,98,442.40	79,84,424	7,98,442.40
Shares outstanding at the end of the year	79,84,424	7,98,442.40	79,84,424	7,98,442.40



Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)

**18. EQUITY SHARE CAPITAL (Contd.)**

**18.2 Rights, preferences and restrictions attached to shares**

The Company has only one class of issued shares i.e. Equity Shares having face value of ₹ 10 per share. Each holder of Equity Shares is entitled to vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

**18.3 The details of Shareholders holding more than 5% shares:**

Sl. No.	Name of the Shareholder	As at 31st March, 2022		As at 31st March, 2021	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Mr. Vijay Maheshwari	16,69,220	20.91	16,69,220	20.91
2	M/S US Infotech Pvt. Ltd.	11,15,566	13.97	11,15,566	13.97
<b>Total</b>		<b>27,84,786</b>	<b>34.88</b>	<b>27,84,786</b>	<b>34.88</b>

**19. OTHER EQUITY**

(₹ in '00)

Sl. No.	Description	As at 31st March, 2022		As at 31st March, 2021	
<b>1</b>	<b>Securities Premium Reserve</b>				
	As per last Financial Statement		2,57,201.64		2,57,201.64
<b>2</b>	<b>General Reserve</b>				
	As per last Financial Statement		9,265.45		9,265.45
<b>3</b>	<b>Retained Earnings</b>				
	As per last Financial Statement	36,32,495.86		28,14,880.23	
	Add: Profit for the year	3,06,109.22		8,65,522.17	
	Less: Appropriations				
	Dividend on Equity Shares [Dividend per share Re. 1/- ](Previous Year 0.60 paise)	79,844.24	38,58,760.84	47,906.54	36,32,495.86
<b>4</b>	<b>Capital Reserve on Consolidation</b>		1,547.53		1,547.53
<b>5</b>	<b>Other Comprehensive Income (OCI)</b>				
	As per last Financial Statement		(6,356.24)		(39,520.02)
	Add: Movement in OCI (Net) during the year		1,12,254.72		33,163.79
	<b>Total Other Comprehensive Income</b>		<b>1,05,898.48</b>		<b>(6,356.23)</b>
	<b>Total</b>		<b>42,32,673.94</b>		<b>38,94,154.25</b>

**Nature and Purpose of Other Equity**

**a) Securities Premium Reserve**

Securities Premium Reserve is used to record the premium on issue of shares. The reserve is available for utilisation in accordance with the provisions of the Companies Act, 2013.

**b) General Reserve**

General Reserve is created and utilised in compliance with the provisions of the Companies Act, 2013.

**c) Retained Earnings**

Retained Earnings represents accumulated profits earned by the Company and remaining undistributed as on date.

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)

**20. INTEREST INCOME**

(₹ in '00)

Description	For the year ended 31st March, 2022				For the year ended 31st March, 2021			
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss	Total	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss	Total
Interest on Loans (TDS as on 31.03.2022 is ₹ 711.50 and as on 31.03.2021 ₹ 556.23)	-	-	7,115.12	7,115.12	-	-	7,416.35	7,416.35
Interest income from investments	-	1,800.00	-	1,800.00	-	279.72	-	279.72
Interest on deposits with Banks (TDS as on 31.03.2022 is ₹ 2,194.83 and as on 31.03.2021 ₹ 1,678.21)	-	-	24,930.15	24,930.15	-	-	22,834.22	22,834.22
Other interest Income	-	-	8,465.75	8,465.75	-	-	-	-
<b>Total</b>	-	<b>1,800.00</b>	<b>40,511.02</b>	<b>42,311.02</b>	-	<b>279.72</b>	<b>30,250.57</b>	<b>30,530.29</b>

**21. DIVIDEND INCOME**

(₹ in '00)

Description	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Dividend Income (on Inventories) (TDS as on 31.03.2022 is ₹ 798.57 and as on 31.03.2021 ₹ 221.31)	7,903.02	2,785.23
Dividend Income (on Investments)	107.80	172.04
<b>Total</b>	<b>8,010.82</b>	<b>2,957.27</b>

**22. RENTAL INCOME**

(₹ in '00)

Description	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Rent (TDS as on 31.03.2022 ₹ 915.00 and as on 31.03.2021 ₹ 315.00)	9,150.00	4,200.00
<b>Total</b>	<b>9,150.00</b>	<b>4,200.00</b>

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)

**23. FEES AND COMMISSION INCOME**

(₹ in '00)

Description	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Fee and Commission Income*	7,41,231.33	6,52,433.74
(TDS as on 31.03.2022 is ₹ 58,415.25 and as on 31.03.2021 ₹ 46,506.70)		
<b>Total</b>	<b>7,41,231.33</b>	<b>6,52,433.74</b>

\*includes fees received from Related Party (Sumedha Management Solutions Pvt. Ltd.) amounting to ₹ 72 Lakhs (P.Y. Amounting to ₹ 114 Lakhs)

**24. NET GAIN ON FAIR VALUE CHANGES**

(₹ in '00)

Description	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>(A) Net gain on financial instruments at fair value through profit</b>		
(i) On trading portfolio		
- Derivatives	3,928.76	4,34,559.31
- Others	35,774.11	5,298.23
(ii) On financial instruments designated at fair value through profit		
- Investments (on Fair Value Changes)	11,712.87	45,543.38
- Investments (Profit on Sale of Investment)	11,089.12	23,841.46
<b>(B) Total Net gain on fair value changes</b>	<b>62,504.86</b>	<b>5,09,242.38</b>
Fair Value changes:		
- Realised	50,791.99	4,63,699.00
- Unrealised	11,712.87	45,543.38
<b>Total Net gain on fair value changes (C) to tally with (B)</b>	<b>62,504.86</b>	<b>5,09,242.38</b>

**25. OTHER INCOME**

(₹ in '00)

Description	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Profit on Sale of Property, Plant and Equipment	4,171.93	-
Miscellaneous Income	31.15	2,000.03
<b>Total</b>	<b>4,203.08</b>	<b>2,000.03</b>

**26. FINANCE COSTS**

(₹ in '00)

Description	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>On Financial Liabilities measured at Amortised Cost</b>		
Interest on Borrowings	495.07	1,011.71
Other interest expense	430.02	4,748.97
<b>Total</b>	<b>925.09</b>	<b>5,760.68</b>

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)

**27. CHANGES IN INVENTORIES OF STOCK-IN-TRADE**

(₹ in '00)

Description	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Stock-in-Trade - Shares and securities (at the end of the year)	13,05,477.53	11,01,441.47
Stock-in-Trade - Shares and securities (at the beginning of the year)	11,01,441.47	3,79,272.47
<b>Total</b>	<b>(2,04,036.06)</b>	<b>(7,22,169.00)</b>

**28. EMPLOYEE BENEFITS EXPENSE**

(₹ in '00)

Description	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Salaries and Wages	2,65,728.89	2,67,573.00
Contribution to Provident Fund and Other Funds	14,442.79	16,375.56
Staff Welfare Expenses	11,416.73	4,435.66
<b>Total</b>	<b>2,91,588.41</b>	<b>2,88,384.22</b>

**29. OTHER EXPENSES**

(₹ in '00)

Description	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Advertisement & Business Promotion	17,751.16	13,243.57
Bad Debts and Sundry Balances written off	74,031.28	79,712.90
Car Expenses	26,808.83	19,596.77
CSR Expenditure (Refer Note No. 32)	7,420.00	-
Communication Expenses	5,972.68	6,332.56
Computer Expenses	3,510.82	2,437.41
Donation	150.00	1,254.33
Electricity	6,213.75	4,845.09
Insurance	6,314.88	6,553.47
Office Maintenance	13,328.98	13,372.08
Auditor's Remuneration*	4,825.00	5,995.00
Printing & Stationery	2,529.00	2,447.37
Rates and Taxes	3,263.31	2,732.37
Repairs & Maintenance	6,465.81	4,907.53
Rent	6,150.00	12,900.00
Retainership Fees	19,050.00	12,000.00
Travelling & Conveyance	21,796.42	18,366.05
Miscellaneous Expenses	39,898.39	28,713.16
<b>Total</b>	<b>2,65,480.31</b>	<b>2,35,409.66</b>
<b>* AUDITOR'S REMUNERATION</b>		
- Statutory Audit	2,550.00	2,425.00
- Tax Audit	1,000.00	1,000.00
- Limited Review	750.00	750.00
- Certification and Other Services	525.00	1,820.00
<b>Total</b>	<b>4,825.00</b>	<b>5,995.00</b>

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)

**30. EARNINGS PER SHARE**

(₹ in '00)

Sl. No.	Description	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>(i)</b>	<b>Reconciliation of earnings used in calculating earnings per share:</b>		
	<b>Numerator</b>		
	(a) Profit/(Loss) for the year (for basic EPS)	3,06,110.26	8,65,523.69
	(b) Less: Effect of dilutive potential ordinary shares	-	-
	(c) Net Profit/(Loss) for diluted earnings per share	3,06,110.26	8,65,523.69
<b>(ii)</b>	<b>Reconciliation of basic and diluted shares used in computing earnings per share:</b>		
	<b>Denominator</b>		
	(a) Weighted average number of Equity Shares (for basic EPS)	79,84,424	79,84,424
	(b) Less: Effect of dilutive potential ordinary shares	-	-
	(c) Number of weighted average equity shares considered for dilutive earnings per share	79,84,424	79,84,424
<b>(iii)</b>	<b>Earnings Per Share (₹)</b>		
	(a) Basic	3.83	10.84
	(b) Diluted	3.83	10.84

**31. RATIOS**

(₹ in '00)

Particulars	Numerator	Denominator	Current Period	Previous Period	% Variance
			For the year ended 31st March, 2022	For the year ended 31st March, 2021	
a) Capital to risk-weighted assets ratio (CRAR)	48,63,653	40,78,725	1.19	-	-
(Previous Year)	46,69,818	40,36,185	-	1.16	-0.04
b) Tier I CRAR	48,63,653	40,78,725	1.19		
(Previous Year)	46,69,818	40,36,185	-	1.16	-0.04
c) Tier II CRAR	-	40,78,725	-	-	-
(Previous Year)	-	40,36,185	-	-	-
d) Liquidity Coverage Ratio	13,66,83,398	(1,39,14,038)	(9.82)	-	-
(Previous Year)	8,89,20,849	(5,51,03,151)		(1.61)	8.21

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)

### 32. CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the Holding Company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

(₹ in '00)

Description	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Amount required to be spent by the company during the year	7,418.40	-
Amount of expenditure incurred	7,420.00	-
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	-	-
The nature of CSR activities undertaken by the Company	Healthcare & Education	-
Details of Related Party Transactions , e.g., Contribution to a trust controlled by the company in relation to CSR Expenditure as per relevant accounting standard	-	-
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	NA	NA

### 33. OPEN INTEREST IN EQUITY INDEX/STOCK FUTURES AS AT 31ST MARCH, 2022

The Group has not entered into any equity index/ stock futures contracts for the year ended 31st March, 2022.

#### OPEN INTEREST IN EQUITY INDEX/STOCK FUTURES AS AT 31ST MARCH, 2021

Sl. No.	Name of the future	Series of future	Number of contracts	Number of units per lot
1	Bank of Baroda	27th May, 2021	1	11,700
2	Bank of Baroda	29th April, 2021	2	23,400

### 34. INCOME TAX EXPENSE

Reconciliation of tax expense of the Group and the accumulated profit multiplied by India's domestic rate:

(₹ in '00)

Sl. No.	Particulars	31st March, 2022	31st March, 2021
	<b>Income tax related to items charged or credited to profit or loss during the year:</b>		
<b>A</b>	<b>Statement of Profit or Loss</b>		
1	Current Income Tax (Including Tax Adjustments of earlier years)	1,43,111.57	1,22,636.83
2	Deferred Tax expenses/ (benefits):		
	Relating to origination and reversal of temporary differences	61,156.30	9,072.15
	<b>Total Income tax Expenses (1+2)</b>	<b>2,04,267.87</b>	<b>1,31,708.98</b>
<b>B</b>	<b>Other Comprehensive Income</b>		
	Deferred Tax related to Other Comprehensive Income	(532.26)	(1,625.73)

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)

**34. INCOME TAX EXPENSE (Contd.)**

**C. RECONCILIATION OF CURRENT TAX EXPENSE**

(₹ in '00)

Particulars	31st March, 2022	31st March, 2021
Profit /(Loss) from Continuing operations	4,69,044.64	9,75,799.98
Applicable Tax Rate	25.17%	25.17%
Computed tax expenses	1,18,058.54	2,45,608.85
Income not allowed/exempt for tax purposes	(36,622.06)	(78,286.99)
Expenses not allowed for tax purposes	47,848.20	14,781.03
Difference in tax due to income chargeable to tax at special rates	4,738.18	1,593.62
Any other adjustments- Carry forward losses	-	(61,439.97)
<b>Income Tax Expenses</b>	<b>1,34,022.86</b>	<b>1,22,256.54</b>
Rounded off to	<b>1,34,564.02</b>	<b>1,22,263.94</b>
Expenses/income related to prior years	8,547.51	372.89
Current Income Tax (Including Tax Adjustments of earlier years)	<b>1,43,111.53</b>	<b>1,22,636.83</b>
Effective Tax Rate	<b>30.51%</b>	<b>12.57%</b>

**35. EXPENDITURE/ EARNINGS IN FOREIGN CURRENCY**

The Group has not incurred any expenditure in Foreign Currency for the year ended 31st March, 2022 and 31st March, 2021.

(₹ in '00)

Earnings in Foreign currency	For the year ended	
	31st March, 2022	31st March, 2021
Consultancy Fees	1,41,958.94	34,878.86
<b>Total</b>	<b>1,41,958.94</b>	<b>34,878.86</b>

**36. DUES TO MICRO AND SMALL ENTERPRISES**

The Group has no dues to Micro and Small Enterprises as at 31st March, 2022 and 31st March, 2021 in the Financial Statements based on the information received and available with the Company.

**37. BALANCE CONFIRMATION**

Outstanding balances of Trade Receivables, Loans and Advances of the Group are subject to confirmation from the respective parties and consequential adjustments arising from reconciliation if any. The management of the Holding Company and its Subsidiary, however, are of the view that there will be no material discrepancies in this regard.

**38. EMPLOYEE BENEFITS**

**A. Defined Benefit Plans**

Defined Benefit Plans expose the Holding Company to actuarial risk such as: Interest Rate Risk, Liquidity Risk, Salary Escalation Risk and Demographic Risk.

- i. **Interest Rate Risk:** The Plan exposes the Holding Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liquidity (as shown in financial statements).



## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)

### 38 . EMPLOYEE BENEFITS (Contd.)

#### A. Defined Benefit Plans (Contd.)

- ii. Liquidity Risk:** This is the risk that the Holding Company is not able to meet the short-term benefit payouts. This may arise due to non-availability of enough cash/ cash equivalents to meet the liabilities or holding of illiquid assets not being sold in time.
- iii. Salary Escalation Risk:** The Present Value of the above benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary in future for plan participants from the rate of increase in salary used to determine present value of obligation will have a bearing on the plan's liability.
- iv. Demographic Risk:** The Holding Company has used certain mortality and attrition assumptions in valuation of the liability. The Holding Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

#### GRATUITY PLANS

The Holding Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to gratuity on terms not less favorable than the provisions of The Payment of Gratuity Act, 1972. The above Scheme is funded.

#### (a) Charge for Defined Contribution Plans (DCP) for the year ended 31st March, 2022

(₹ in '00)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Contribution to Employee's Provident Fund	6,613.06	6,786.33
Contribution to Employee's Family Pension Fund	3,414.50	3,728.20
<b>Total</b>	<b>10,027.56</b>	<b>10,514.53</b>

#### (b) Change in Defined Benefit Obligations (DOB) over the year ended 31st March, 2022

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31st March 2022	For the year ended 31st March 2021	For the year ended 31st March 2022	For the year ended 31st March 2021
Present Value of DBO at the Beginning of Year	59,759.92	61,456.51	12,846.27	14,594.35
Current Service Cost	3,579.34	3,588.77	1,789.20	1,265.27
Interest Cost	4,123.43	4,056.13	886.39	963.23
Curtailment Cost/(Credit)	-	-	-	-
Settlement Cost/(Credit)	-	-	-	-
Employee Contribution	-	-	-	-
Past Service Cost	-	-	-	-
Acquisitions	-	-	-	-
Re-measurement (or Actuarial (gains/Losses) arising from:				
- Change in demographic assumptions	-	-	-	-
- Change in financial assumptions	(2,457.11)	(1,789.34)	(650.23)	(353.00)
- Experience variance (i.e. Actual experience vs. assumptions)	(118.9)	(4,956.00)	13,194.94	4,460.32
- Others	-	-	-	-
Benefits paid	(3,750.00)	(2,596.15)	(11,668.24)	(8,083.90)
Present Value of DBO at the end of Year	61,136.68	59,759.92	16,398.33	12,846.27

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)

**38. EMPLOYEE BENEFITS (Contd.)****(c) Change in Fair Value of Assets**

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31st March 2022	For the year ended 31st March 2021	For the year ended 31st March 2022	For the year ended 31st March 2021
Plan Assets at beginning of period	67,653.77	64,319.55	-	-
Investment Income	4,668.11	4,245.09	-	-
Return on Plan Assets, Excluding amount recognized in Net Interest Expense	(461.34)	(249.69)	-	-
Actual Company contributions	-	1,934.97	-	8,083.90
Fund Transferred	-	-	-	-
Employee Contributions	-	-	-	-
Benefits paid	(3,750.00)	(2,596.15)	-	(8,083.90)
Plan assets at the end of period	68,110.54	67,653.77	-	-

**(d) Funded Status**

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31st March 2022	For the year ended 31st March 2021	For the year ended 31st March 2022	For the year ended 31st March 2021
Present value of Defined Benefit Obligation	61,136.68	59,759.92	16,398.33	12,846.27
Fair Value of Plan Assets	68,110.54	67,653.77	-	-
Unrecognized Past Service Cost	-	-	-	-
Effects of Asset Ceiling	-	-	-	-
Net Defined Benefit Asset/(Liability)	6,973.86	7,893.85	(16,398.33)	(12,846.27)

**(e) Reconciliation of Net Balance Sheet position**

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31st March 2022	For the year ended 31st March 2021	For the year ended 31st March 2022	For the year ended 31st March 2021
Net asset/(Liability) recognized in balance sheet at the beginning of period	7,893.85	2,863.04	(12,846.27)	(14,594.35)
Expense recognized in Income Statement	3,034.66	3,399.81	15,220.30	6,335.82
Benefits Paid	-	-	11,668.24	-
Expense recognized in Other Comprehensive Income	(2,114.67)	(6,495.65)	-	-
Employer contributions	-	1,934.97	-	8,083.90
Net Acquisitions/Business Combinations	-	-	-	-
Net asset/(Liability) recognized in balance sheet at end of the period	6,973.86	7,893.85	(16,398.33)	(12,846.27)

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)

**38. EMPLOYEE BENEFITS (Contd.)**

**(f) Expense recognized during the year 2021-22**

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31st March 2022	For the year ended 31st March 2021	For the year ended 31st March 2022	For the year ended 31st March 2021
Current Service Cost	3,579.34	3,588.77	1,789.20	1,265.27
Past Service Cost Plan Amendment	-	-	-	-
Curtailement cost/(credit)	-	-	-	-
Settlement cost/(credit)	-	-	-	-
Expected return on Plan Assets	-	-	-	-
Net Actuarial Losses/(Gains)	-	-	12,544.71	4,107.32
Net Interest on Net Defined Benefit Liability/(assets)	(544.68)	(188.96)	886.39	963.23
Expense recognized in the Statement of Profit and Loss	3,034.66	3,399.81	15,220.30	6,335.82

**(g) Other Comprehensive Income**

(₹ in '00)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Actuarial (gains)/ losses due to:		
- Change in demographic assumptions	-	-
- Change in financial assumptions	(2,457.11)	(1,789.34)
- Experience variance (i.e. Actual experience vs. assumptions)	(118.90)	(4,956.00)
- Others	-	-
Return on Plan Assets, excluding amount recognized in net interest expense	461.34	249.69
Re measurement (or Actuarial (gain)/Loss) arising because of change in effect of asset ceiling	-	-
Components of defined benefit costs recognized in other Comprehensive Income	(2,114.67)	(6,495.65)

**(h) Principal Actuarial Assumptions**

(₹ in '00)

Financial Assumptions	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Discount Rate	7.30% p.a.	6.90% p.a.
Rate of Increase in Salaries	6.50% p.a.	6.50% p.a.

(₹ in '00)

Demographic Assumptions	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Rate of Availment of Leave	0.00% p.a.	0.00% p.a.
Rate of Encashment of Leave	0.00% p.a.	0.00% p.a.
Mortality Rate (% of IALM 06-08)	100% p.a.	100% p.a.
Normal Retirement Age	62 Years	62 Years
Attribution Rates, based on age (% p.a.)		
- For all ages	2.00	2.00

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)

**38. EMPLOYEE BENEFITS (Contd.)****(i) Division of defined Benefit Obligation (Current/Non-Current) at the end of the year.**

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31st March 2022	For the year ended 31st March 2021	For the year ended 31st March 2022	For the year ended 31st March 2021
Current Defined Benefit Obligation	5,335.14	8,281.23	2,555.11	3,115.33
Non-Current Defined Benefit Obligation	55,801.54	51,478.69	13,843.22	9,730.94
Total Defined Benefit Obligation	61,136.68	59,759.92	16,398.33	12,846.27

**(j) Sensitivity Analysis**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The Sensitivity Analysis below have determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period while holding all other assumptions constant. The result of sensitivity analysis is given below:

(₹ in '00)

Particulars	Gratuity (Funded)				Leave Encashment (Unfunded)			
	For the year ended 31st March 2022		For the year ended 31st March 2021		For the year ended 31st March 2022		For the year ended 31st March 2021	
	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 1%)	67,580.34	55,612.54	66,076.19	54,369.21	18,111.17	14,950.82	14,098.05	11,790.77
Salary Growth Rate (-/+ 1%)	56,698.93	66,201.10	55,557.83	64,549.44	14,834.73	18,224.45	11,712.32	14,173.00
Attrition Rate (-/+ 50%)	60,507.11	61,708.45	59,282.67	60,197.00	16,228.97	16,547.71	12,770.89	12,912.47
Mortality Rate (-/+ 10%)	60,947.77	61,320.87	59,598.47	59,917.35	16,366.11	16,429.78	12,831.93	12,860.12

**(k) Methodology for Defined Benefit Obligation**

The Projected Unit Credit (PUC) actuarial method has been used to assess the Present Value of Defined Benefit Obligations and the related Current Service Cost and where applicable Past Service Cost.

(₹ in '00)

Expected Cash Flows over the next (valued on undiscounted basis)	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31st March 2022	For the year ended 31st March 2021	For the year ended 31st March 2022	For the year ended 31st March 2021
1 Year	5,335.14	8,281.23	2,555.11	3,115.33
2-5 Years	13,419.71	7,005.99	3,876.60	1,204.52
6-10 Years	27,201.67	29,374.82	4,958.56	5,087.04
More Than 10 Years	1,01,053.42	92,550.64	29,259.69	19,601.68

**(l) Plan Assets Information**

Major categories of Plan Assets as percentage of Total Plan Assets.

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31st March 2022	For the year ended 31st March 2021	For the year ended 31st March 2022	For the year ended 31st March 2021
Funds Managed by Insurer	100%	100%	-	-

**Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)**

**39 .RELATED PARTY TRANSACTIONS.**

**A.** As per Indian Accounting Standard-24 - 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India, the names of the related parties are given below:

**B.** List of related parties with whom the Company has transacted during the year

Associates	U.S. Infotech Private Limited Brandshoots Ventures Private Limited Sumedha Management Solutions Private Limited
Key Managerial Personnel	Mr. Bhawani Shankar Rathi (Whole Time Director) Mr. Vijay Maheshwari (Director) Mr. Bijay Murmuria (Director) Mrs. Garima Maheshwari (Director) Mr. Parshant Sekhar Panda (Director) Ms. Dhvani Fatehpuria (Company Secretary) Mr. Girdhari Lal Dadhich (CFO)
Enterprise/ Firm owned or significantly influenced by Key Managerial Personnel	Superb Estate Services Private Limited M/s Maheshwari & Associates

**C. Transaction with related parties during the year and year end outstanding balance thereof are as follows:**

(₹ in '00)

Sl. No.	Nature of Transactions	Associates	Enterprise owned or significantly influenced by Key Managerial Personnel	Key Management Personnel	Total
i	Managerial Remuneration	-	-	51,435.68	51,435.68
		-	-	(38,330.10)	(38,330.10)
ii	Rent paid	-	2,400.00	-	2,400.00
		-	(2,400.00)	(4,500.00)	(6,900.00)
iii	Portfolio management fees received	-	-	-	-
		-	-	(68.31)	(68.31)
iv	Purchase of Property	-	-	-	-
		-	-	(2,15,000.00)	(2,15,000.00)
v	Dividend Paid	11,155.66	2,186.00	21,834.10	35,175.76
		(6,693.39)	(1,311.60)	(13,100.76)	(21,105.75)
vi	Loan Given	-	1,25,000.00	-	1,25,000.00
		-	(43,500.00)	-	(43,500.00)
vii	Interest received	-	7,115.12	-	7,115.12
		-	(6,770.81)	-	(6,770.81)
viii	Rent received	6,000.00	-	3,150.00	9,150.00
		-	-	(4,200.00)	(4,200.00)
ix	Consultancy Fees Received	72,000.00	-	-	72,000.00
		(1,14,000.00)	-	-	(1,14,000.00)
x	<b>Outstanding balances at the end of the Financial Year</b>				
	Investment in Equity shares	5,07,845.11	-	-	5,07,845.11
		(3,56,371.57)	-	-	(3,56,371.57)

**Note:** (i) The above transactions do not include reimbursement of expenses made / received during the year.  
(ii) Previous year figures are in the bracket.

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)

**39. RELATED PARTY TRANSACTIONS. (Contd.)**

**D. Disclosure in Respect of Material Related Party Transactions during the year.**

(₹ in '00)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>Key Managerial Remuneration</b>		
Mr. Bhawani Shankar Rathi	34,362.66	26,421.00
Mr. Deb Kumar Sett	-	7,328.82
Ms. Dhvani Fatehpuria	10,823.02	-
Mr. Girdhari Lal Dadhich	6,212.06	4,580.28
<b>Rent paid</b>		
Superb Estate Services Pvt. Limited	2,400.00	2,400.00
Mr. Vijay Maheshwari	-	4,500.00
<b>Portfolio management fees received</b>		
Mrs. Garima Maheshwari	-	68.31
<b>Purchase of Property</b>		
Mr. Vijay Maheshwari	-	2,15,000.00
<b>Dividend paid</b>		
Mr. Vijay Maheshwari	16,692.20	10,015.62
Mr. Bijay Murmuria	3,699.20	2,219.52
Mr. Bhawani Shankar Rathi	1,192.70	715.62
Mrs. Garima Maheshwari	250.00	150.00
US Infotech (P) Limited.	11,155.66	6,693.39
Superb Estate Services Pvt. Limited.	2,186.00	1,311.60
<b>Rent received</b>		
Maheshwari & Associates	3,150.00	4,200.00
Sumedha Management Solutions Pvt. Ltd.	6,000.00	-
<b>Consultancy Fees Received</b>		
Sumedha Management Solutions Pvt. Ltd.	72,000.00	1,14,000.00
<b>Loan Given</b>		
US Infotech Private Limited	-	43,500.00
Sumedha Management Solutions Private Ltd.	1,25,000.00	-
<b>Interest income</b>		
US Infotech Private Limited	-	6,770.81
Sumedha Management Solutions Private Ltd.	7,115.12	-

**40. CAPITAL RISK MANAGEMENT**

The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimize returns to the shareholders.

The capital structure of the Group is based on management's judgement of the Group balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors', creditors' and market confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain or if necessary adjust its capital structure.

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)

**41. INTEREST IN SUBSIDIARY AND ASSOCIATES**

Name	% Equity Interest	
	As at 31st March, 2022	As at 31st March, 2021
<b>Subsidiary</b>		
SFSL Commodity Trading Private Limited	99.98%	99.98%
<b>Associates</b>		
US Infotech Private Limited	27.71%	27.71%
Brandshoots Ventures Private Limited	31.84%	31.84%
Sumedha Management Solutions Private Limited	24.73%	24.73%

**42. FINANCIAL INSTRUMENT- FAIR VALUE MEASUREMENT**

**A. Accounting classification for Fair Values**

(i) Following table shows carrying amount and Fair Values of Financial Liabilities and Financial Assets:

(₹ in '00)

Financial Assets	As at 31st March, 2022			As at 31st March, 2021		
	Carrying Value	Amortized Cost	FVTPL	Carrying Value	Amortized Cost	FVTPL
<b>Investments in Associates</b>						
Unquoted Instruments	5,07,845.11	-	-	3,56,371.57	-	-
<b>Investments in Equity Instruments</b>						
Quoted Equity Instruments	-	-	19,233.27	-	-	28,602.22
Unquoted Equity Instruments	-	-	372.51	-	-	0.01
<b>Investments in Debt Instruments</b>						
Mutual Funds	-	-	5,69,639.16	-	-	5,63,805.70
Debentures						
- Quoted	-	15,000.00	-	-	15,000.00	-
- Unquoted	-	0.01	-	-	0.01	-
<b>Trade Receivables</b>	2,26,222.31	-	-	4,80,666.84	-	-
<b>Cash on Hand</b>	14,276.47	-	-	12,053.35	-	-
<b>Balances with Bank</b>	1,38,323.54	-	-	35,231.44	-	-
<b>Balances with Bank other than Cash &amp; Cash Equivalents</b>	6,25,930.12	-	-	4,11,850.71	-	-
<b>Other Financial Assets</b>	2,90,509.74	-	-	2,65,562.65	-	-

(₹ in '00)

Financial Liabilities	As at 31st March, 2022			As at 31st March, 2021		
	Carrying Value	Amortized Cost	FVTPL	Carrying Value	Amortized Cost	FVTPL
<b>Borrowings</b>	3,002.72	-	-	8,639.74	-	-
<b>Other Financial Liabilities*</b>	34,988.98	-	-	23,758.39	-	-

\* Fair Values for these Financial Instruments have not been disclosed because their carrying amounts are reasonable approximation of their fair values.



Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)

**42. FINANCIAL INSTRUMENT- FAIR VALUE MEASUREMENT (Contd.)**

**A. Accounting classification for Fair Values (Contd.)**

**(ii) Finance Income and Finance Cost instrument category wise classification of the Group.**

(₹ in '00)

Financial Income and Financial Cost	For the Year ended 31st March, 2022			For the Year ended 31st March, 2021		
	Carrying Value	Amortized Cost	FVTPL	Carrying Value	Amortized Cost	FVTPL
<b>Income</b>						
- Interest income	-	1,800.00	40,511.02	-	279.72	30,250.57
- Dividend Income	-	-	8,010.82	-	-	2,957.27
<b>Expenses</b>						
- Interest Expense	-	925.09	-	-	5,760.68	-

**B. Fair Value Hierarchy**

The following table shows the details of financial assets and financial liabilities including their levels in the fair value hierarchy:

**(i) Financial assets and financial liabilities measured at fair value – recurring fair value measurements of the Group:**

(₹ in '00)

Financial Assets	As at 31st March, 2022			As at 31st March, 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Investments in Equity Instruments</b>						
Quoted Equity Instruments	19,233.27	-	-	28,602.22	-	-
Unquoted Equity Instruments	-	5,08,217.62	-	-	3,56,371.58	-
<b>Investments in Debt Instruments</b>						
Mutual Funds	5,69,639.16	-	-	5,63,805.70	-	-
Debentures						
- Quoted	15,000.00	-	-	15,000.00	-	-
- Unquoted	-	0.01	-	-	0.01	-
<b>Other Financial Assets</b>	-	-	2,90,509.74	-	-	2,65,562.65

**(ii) Fair value disclosure of financial assets and financial liabilities measured at carrying value of the Group:**

(₹ in '00)

Particulars	For the Year ended 31st March, 2022			For the Year ended 31st March, 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial Assets</b>						
Debentures	15,000.00	-	-	15,000.00	-	-
<b>Financial Liabilities</b>						
Borrowings	-	3,002.72	-	-	8,639.74	-
Other Financial Liabilities	-	-	34,988.98	-	-	23,758.39

## Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)

### 42. FINANCIAL INSTRUMENT- FAIR VALUE MEASUREMENT (Contd.)

#### B. Fair Value Hierarchy (Contd.)

##### (ii) Fair value disclosure of financial assets and financial liabilities measured at carrying value of the Group: (Contd.)

**Level 1** hierarchy includes financial instruments valued using quoted market prices. Listed equity instruments and traded debt instruments which are traded in the stock exchanges are valued using the closing price at the reporting date. Mutual funds are valued using the closing NAV.

**Level 2** hierarchy includes financial instruments that are not traded in active market. This includes OTC derivatives and debt instruments valued using observable market data such as yield etc. of similar instruments traded in active market. All derivatives are reported at discounted values hence are included in level 2. Borrowings have been fair valued using market rate prevailing as on the reporting date.

**Level 3** if one or more significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity instruments and certain debt instruments which are valued using assumptions from market participants.

##### (iii) Fair Value measurements using significant unobservable inputs (Level 3)

The following table presents the changes in level 3 items for the period 31st March, 2022 and 31st March, 2021.

(₹ in '00)

	Subsidiary- Unquoted	Associates- Unquoted	Unquoted Equity Instruments	Unquoted Debt Instruments
<b>As at 31/03/2021</b>	3,56,371.57	0.01	0.01	23,758.39
Acquisitions	-	-	-	-
Transferred to Group of Associates	-	-	-	-
Sales	-	-	-	-
Gains/(Losses) recognized in the statement of Profit and Loss	1,51,473.54	-	-	11,230.59
Addition due to securities being delisted	-	372.50	-	-
<b>As at 31/03/2022</b>	5,07,845.11	372.51	0.01	34,988.98

##### (iv) Valuation techniques used for valuation of instruments categorised as Level 3.

For valuation of investments in equity shares and associates which are unquoted, peer comparison has been performed wherever available. Valuation has been primarily done based on the cost approach wherein the net worth of the Company is considered and price to book multiple is used to arrive at the fair value. In cases where income approach was feasible valuation has been arrived using the earnings capitalisation method. For inputs that are not observable for these instruments, certain assumptions are made based on available information. The most significant of these assumptions are the discount rate and credit spreads used in the valuation process. For valuation of investments in debt securities categorised as level 3, market polls which represent indicative yields are used as assumptions by market participants when pricing the asset.

##### (v) Financial Instrument- Financial Risk Management.

The Group's activity exposes it to various risks such as market risk, liquidity risk and credit risks. This section explains the risks which the Group is exposed to and how it manages the risks.

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)

**42. FINANCIAL INSTRUMENT- FAIR VALUE MEASUREMENT (Contd.)**

**B. Fair Value Hierarchy (Contd.)**

**(v) Financial Instrument- Financial Risk Management. (Contd.)**

**a. Market Risk**

Market risk is the risk that changes in market prices, such as foreign exchange risk rates, interest rates and equity prices which will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Holding Company's main business activity financial consulting has no or limited entry barrier. Entry of Banks and large consulting firms has increased competition.

**(i) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk on financial liabilities such as long-term borrowings.

The Group is also exposed to interest rate risk on its financial assets that include fixed deposits.

Impact of increase/decrease in the benchmark interest rates on the Holding Company's equity and the Statement of Profit and Loss for the year is given below:

Interest Rate Risk	Change in Rate	31st March, 2022		31st March, 2021	
		Change in statement of Profit / Loss	Change in Other components of equity	Change in statement of Profit / Loss	Change in Other components of equity
Interest Rate	50 bps	-	-	-	-
- Borrowings	-	9 %	-	9 %	-
- Other Financial Assets	-	8 %	-	8 %	-

**(ii) Price Risk**

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the Balance Sheet as fair value through Profit or Loss. The majority of the Group's equity investments are publicly traded.

**Sensitivity analysis- Equity price risk**

The table below summarises the impact of increase/decrease of the market price of the listed instruments on the Group's equity and profit for the period. The analysis is based on the assumption that market price had increased by 2% or decreased by 2 %.

(₹ in '00)

Particulars	Impact on Profit or Loss		Impact on other components of equity	
	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021
Market Price increases by 2 %	384.67	572.04	-	-
Market Price decreases by 2 %	(384.67)	(572.04)	-	-

**Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)**

**42. FINANCIAL INSTRUMENT- FAIR VALUE MEASUREMENT (Contd.)**

**B. Fair Value Hierarchy (Contd.)**

**(v) Financial Instrument - Financial Risk Management. (Contd.)**

**b. Liquidity Risk**

The Group determines its liquidity requirements in the short, medium and long term. This is done by drawing up cash forecast for short and medium term requirements and strategic financing plans for long term needs.

The Group manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. This is generally carried out in accordance with practice and limits set by the Group.

**(i) Maturity Analysis**

The Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities and net settled derivative financial instruments. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(₹ in '00)

	Less than 1 Year	1 Year to 2 year	2 Year to 5 Years	More than 5 Years	Total
<b>Contractual maturities of financial liabilities as at 31/03/2022</b>					
Borrowings	3,002.72	-	-	-	3,002.72
Other Financial Liabilities	34,988.98	-	-	-	34,988.98

(₹ in '00)

	Less than 1 Year	1 Year to 2 year	2 Year to 5 Years	More than 5 Years	Total
<b>Contractual maturities of financial liabilities as at 31/03/2021</b>					
Borrowings	5,637.02	3,002.72	-	-	8,639.74
Other Financial Liabilities	23,758.39	-	-	-	23,758.39

**c. Credit Risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligation, and arises principally from the Group's receivables from customers, stock exchanges and clearing members. The carrying amount of financial assets represents the maximum credit exposure. Security deposits with stock exchanges and clearing members mainly represents the margin money to cover the regular trading exposure in stock exchanges backed by margin collected from clients and has very insignificant credit risk.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each client. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry.

Financial assets are written off when there is no expectation of recovery such as debtors failing to engage in a repayment plan with the Group. Where loans and receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where necessary, the Group has adopted the policy of creating expected credit loss where recoveries are made, these are organised as expense in the Statement of Profit and Loss.

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)

**43. The subsidiary company of Sumedha Fiscal Services Limited considered in the consolidated financial statements is as under:**

Name of the company	Country of incorporation	Voting Power
SFSL Commodity Trading Pvt Ltd	India	99.98%

**Associates of Sumedha Fiscal Services Limited**

(₹ in '00)

Name of the company	% of shares held	Original cost of investment	Capital Reserve	Accumulated Profit/(Loss)	Carrying amount of investments
US Infotech Private Limited	27.71%	1,83,949.17	-	1,41,689.70	3,25,638.87
Brandshoots Ventures Private Limited	31.84%	45,753.19	-	(3,438.28)	42,314.91
Sumedha Management Solutions Pvt. Ltd.	24.73%	1,26,669.21	-	13,222.12	1,39,891.33

**44 . Additional Information as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary and Associates:**

Name of the entity	Share in Net Assets		Share in Profit and Loss	
	As % of consolidated net assets	Amount (₹)	As % of consolidated Profit or Loss	Amount (₹)
<b>Parent</b>				
Sumedha Fiscal Services Limited	91.80	46,18,563.18	90.98	4,63,826.70
<b>Subsidiary</b>				
SFSI Commodity Trading Private Limited	4.79	2,40,882.83	1.02	5217.94
<b>Associate</b>				
US Infotech Private Limited	3.19	1,60,581.96	6.08	31,017.38
Brandshoots Ventures Private Limited	(0.08)	(3,896.72)	(0.67)	(3,438.28)
Sumedha Management Solutions Pvt Ltd	0.30	14,985.10	2.59	13,222.12
<b>Total</b>	<b>100.00</b>	<b>50,31,116.35</b>	<b>100.00</b>	<b>5,09,845.86</b>
a) Transferred to OCI				1,12,254.72
b) Minority Interest		37.55		1.04
		<b>50,31,153.90</b>		<b>6,22,101.62</b>

**Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)**

**45. MATURITY ANALYSIS OF ASSETS AND LIABILITIES**

(₹ in '00)

Particulars	31st March, 2022			31st March, 2021		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
<b>Financial Assets</b>						
Cash and Cash Equivalents	1,52,600.01	-	1,52,600.01	47,284.79	-	47,284.79
Bank Balance other than above	6,25,930.12	-	6,25,930.12	4,11,850.71	-	4,11,850.71
Trade Receivables	1,82,598.81	43,623.50	2,26,222.31	3,77,630.79	1,03,036.05	4,80,666.84
Investments	-	11,12,090.07	11,12,090.07	-	9,63,779.51	9,63,779.51
Other Financial Assets	78201.88	2,12,307.86	2,90,509.74	16,444.69	2,49,116.96	2,65,561.65
<b>Non-Financial Assets</b>						
Inventories	13,05,477.53	-	13,05,477.53	11,01,441.47	-	11,01,441.47
Current Tax Assets (Net)	-	58,203.56	58,203.56	-	1,37,598.85	1,37,598.85
Investments Property	-	2,32,053.14	2,32,053.14	-	22,942.41	22,942.41
Property, Plant and Equipment	-	11,50,729.50	11,50,729.50	-	13,16,856.88	13,16,856.88
Intangible Assets	-	2,144.37	2,144.37	-	3,376.53	3,376.53
Other Non-Financial Assets	18,945.74	62,560.05	81,505.79	12,394.38	62,560.05	74,954.43
<b>Total</b>	<b>23,63,754.09</b>	<b>28,73,712.05</b>	<b>52,37,466.14</b>	<b>19,67,046.83</b>	<b>28,59,267.24</b>	<b>48,26,314.07</b>
<b>Financial Liabilities</b>						
Borrowings (Other than Debt Securities)	3,002.72	-	3,002.72	5,637.02	3,002.72	8,639.74
Other Financial Liabilities	34,988.98	-	34,988.98	23,758.39	-	23,758.39
<b>Non-Financial Liabilities</b>						
Provisions	2,555.11	13,843.22	16,398.33	3,115.33	9,730.94	12,846.27
Deferred Tax Liabilities (Net)	1,45,193.58	-	1,45,193.58	84,037.29	-	84,037.29
Other Non-Financial Liabilities	6,728.65	-	6,728.65	4,400.21	-	4,400.21
<b>Total</b>	<b>1,92,469.04</b>	<b>13,843.22</b>	<b>2,06,312.26</b>	<b>1,20,948.24</b>	<b>12,733.66</b>	<b>1,33,681.90</b>
<b>Net</b>	<b>21,71,285.05</b>	<b>28,59,868.83</b>	<b>50,31,153.88</b>	<b>18,46,098.59</b>	<b>28,46,533.58</b>	<b>46,92,632.17</b>

**Notes forming part of the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)**

**46. Segment Reporting**

The Holding Company is primarily engaged in the business of “Investment Banking” which constitutes a single reporting segment and the Management does not monitor the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss in the financial statements, thus, there are no additional disclosures to be provided under Ind AS 108- “Operating Segments.”

**47. Capital Advances**

Capital Advances represent an amount of ₹ 62,56,000 towards booking of two flats at Mumbai against total consideration of ₹ 84,50,000 in the Financial Year 2008. The Company is yet to receive the possession and therefore due to abnormal delay, the company has filed the case at RERA court, Mumbai against builder in Financial Year 2019-20.

**48. Investment Property**

The Holding Company had an existing investment property i.e., Flat 1/1C at Geetanjali Apartment which was let out on monthly license fees of ₹ 35,000 to Maheshwari & Associates (Related Party). The said tenancy agreement was terminated in the month of December, 2021 with mutual consent of both the parties and thereafter the said property stands vacant.

Further, during the year ended 31st March, 2022, Flat 2B at Geetanjali Apartment was reclassified from “Buildings in Property, Plant & Equipment” to “Investment property”; presently rented out to Sumedha Management Solutions Private Limited (Related Party) with a monthly license fees of ₹ 1,50,000.

**49.** The Board of Directors have recommended a dividend at the rate of Re. 1.00 per share (face value ₹ 10) (previous year Re. 1.00) for the year ended 31st March, 2022, subject to approval of the shareholders at the ensuing Annual General Meeting.

As per requirements of Ind AS, the Holding Company is not required to provide for proposed dividend declared after the Balance Sheet date. Consequently, no provision has been made in respect of the aforesaid dividend proposed by the Board of Directors for the year ended 31st March, 2022. Had the company continued with the creation of the provision of the proposed dividend as at the Balance Sheet date, its surplus in the Statement of Profit and Loss would have been lower by ₹ 79.84 Lacs (Previous Year ₹ 79.84 Lacs) on account of dividend and the short term provision would have been higher by the said amount of ₹ 79.84 Lacs (Previous Year ₹ 79.84 Lacs).

**50.** During the year, unclaimed dividend amounting to ₹ 1,68,600/- relating to financial year 2013-14 has been transferred to IEPF Account as per section 124(5) of the Companies Act, 2013.

**51.** Previous year’s figures have been regrouped/reclassified wherever necessary to correspond with the current year’s classification/disclosure.

**52.** Figures have been rounded off to nearest Hundred.

Signature to notes 1 to 52

For **V. SINGHI & ASSOCIATES**

Chartered Accountants

Firm Registration No.: 311017E

**(SUNIL SINGHI)**

Partner

Membership No. 060854

Place : Kolkata

Date : 23rd May, 2022

For and on behalf of the Board of Directors

**Bhawani Shankar Rathi**

Wholetime Director

DIN : 00028499

**Dhwani Fatehpuria**

Company Secretary

**Bijay Murmuria**

Director

DIN: 00216534

**Girdhari Lal Dadhich**

Chief Financial Officer









## CSR INITIATIVE – VACCINATING SOCIETY, SAVING LIVES



## FINANCIAL HIGHLIGHTS

₹ in lakhs unless specified otherwise

Details	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
Income From Operations	5659.43	1991.17	1799.32	1808.73	2067.65	1569.37	1094.00	1704.60
Other Income	4.20	2.00	1.84	48.14	95.96	127.21	80.28	101.39
Total Income	5663.63	1993.17	1801.16	1856.87	2163.61	1696.58	1174.28	1805.99
Profit before Interest, Depreciation, Amortisation and Tax	510.23	1016.10	-324.09	610.16	500.07	561.65	202.18	442.27
Profit before Interest & Tax	455.43	964.98	-378.01	557.53	450.20	517.57	154.60	367.22
Profit before Tax	454.82	959.22	-388.29	550.72	444.65	511.28	153.33	363.12
Profit after tax	259.87	833.02	-354.85	415.21	353.14	355.71	95.66	248.22
Net Fixed Assets	1366.38	1324.14	1104.05	914.64	949.52	817.45	808.48	835.63
Share Capital	798.44	798.44	798.44	798.44	798.44	798.44	798.44	798.44
Reserves & Surplus *	3820.12	3638.51	2848.54	3308.17	2988.55	2728.51	2419.54	2270.36
Networth	4618.56	4436.95	3646.98	4106.61	3786.99	3526.95	3217.98	3068.80
Total Borrowings	3.00	8.64	13.82	18.57	23.78	4.05	10.04	7.92
Earnings per Share (in Rupee)	3.25	10.43	-4.44	5.20	4.42	4.46	1.20	3.11
Dividend per Share (in Rupee)	1.00	1.00	0.60	1.00	1.00	1.00	0.50	0.80
Book Value per Share (in Rupee)	57.84	55.57	45.68	51.43	47.43	44.17	40.30	38.55
EBITDS/Turnover (%)	9.01	50.98	-17.99	32.86	23.11	33.10	17.22	24.49
Profit before Tax/ Turnover (%)	8.03	48.13	-21.56	29.66	20.55	30.14	13.06	20.11
Return on Capital Employed (%)	14.55	30.69	-12.42	17.62	14.23	16.36	4.91	11.80
Return on Networth (%)	5.63	18.77	-9.73	10.11	9.33	10.09	2.97	8.09

\* Excluding Revaluation Reserve

**Note:** Figures for 2018-19, to 2015-16 are after adjustment of impact due to applicability of the Indian Accounting Standards, 2015 (as amended).



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## ANNEXURE - VIII

**Statement showing Particulars of top ten employees pursuant to Section 197(12) of the Companies Act, 2013 and Rules 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended) during the year ended 31st March, 2022:**

Sl. No.	Name	Designation/ Nature of Employment	Remuneration Received during the year (₹)	Qualification	Experience in years	Age in years	Date of commencement of employment	Last employment held before joining the Company
1.	Mr. Bhawani Shankar Rathi	Wholetime Director (KMP)	3436266	B.Com (Hons.), FCA, MBF from ICAI	33	56	01-Apr-1994	None
2.	Mr. Ajay Kumar Laddha	Vice President – Investment Banking	2900649	B. Com, ACA, ICWAI	18	49	19-Jan-2004	The Hindustan Times Ltd., Kolkata as Accounts Executive
3.	Mr. Krishna K Kabra	President – Investment Banking	2536000	ACA	27	57	15-Jan-2009	Development Credit Bank, Surat Branch as Associate Vice President
4.	Mr. Nikhil Dujari	Vice President – Investment Banking	1750576	B.Com, M.Sc. Financial Management	17	43	01-Feb-2008	Atherstone Institute of Research Ltd. as Manager – Business Communication
5.	Mr. Debjit Adak	Head – Portfolio Management Services	1554539	B.Sc., PGDBA	19	44	20-Aug-2010	BMA Wealth Creator Ltd. as Assistant Vice President - Research
6.	Mr. Tanay Kumar Mukhopadhyay	Assistant Vice President – Investment Banking	1236845	B.Sc., CAIIB	47	69	01-Apr-2013	State Bank of India as Deputy General Manager
7.	Ms. Dhvani Fatehpuria	Company Secretary & Compliance Officer	1082302	B.Com (Hons.), CS	13	39	15-Jun-2021	Lumino Industries Ltd as Company Secretary and Secretarial Head
8.	Ms. Sudeshna Samanta	Assistant Vice President – Investment Banking	923719	B. Tech, MBA (Finance)	13	37	26-Mar-2012	Resurgent India Ltd. as Manager
9.	Ms. Amruta Mehta	Assistant Vice President – Investment Banking	912445	B.Com	17	36	06-Oct-2005	Creative Global Stock Broking as Dealer
10.	Ms. Ritupriya Chakravorty	Head – Human Resources	770841	B.Com (Hons.), MBA (HR & Marketing)	15	36	16-July-2008	BMA Wealth Creators Pvt. Ltd. as Manager - HR

\* Since resigned

**Notes:**

- 1) All appointments are/were contractual in accordance with terms and conditions as per company rules.
- 2) None of aforesaid employees is a relative of any Director or Manager of the Company.

Place : Kolkata  
Date : 23rd May, 2022

For and on behalf of the Board  
**Ratan Lal Gaggar**  
Chairman



**Sumedha Fiscal Services Ltd.**

**CIN: L70101WB1989PLC047465**

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18<sup>th</sup> August, 2022

Dear Member,

**Sub: Communication of deduction of tax at source on Dividend**

The Board of Directors of the Company at its Meeting held on 23<sup>rd</sup> May, 2022, recommended payment of dividend of Rs. 1/- per equity share of Rs. 10/- each for the year ended 31<sup>st</sup> March 2022. The dividend will be paid to the members of the Company after declaration of dividend at the Annual General Meeting of the Company scheduled on 17<sup>th</sup> September, 2022.

The Register of Members and Share Transfer Books will remain closed from Monday, September 12, 2022 to Saturday, September 17, 2022 (both days inclusive), for determining the eligibility of members for payment of dividend. Payment of dividend, if approved at the Annual General Meeting, will be made to those members whose names will be on the Company's Register of Members on September 10, 2022 and to those whose names will appear as Beneficial Owners as at the close of the business hours on September 10, 2022 as per the details to be furnished by the Depositories, viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.

Pursuant to the General Circular No. 20/2020 dated 5<sup>th</sup> May 2020 issued by Ministry of Corporate Affairs, the dividend will be paid electronically in the Members bank accounts. The Members holding shares in demat form are advised to keep the bank details updated with their depository participants.

Members holding shares in Certificate Form and who have not updated their bank accounts details are requested to update bank details with the Company's Registrar and Transfer Agents, M/s. MaheshwariDatamatics Pvt. Ltd., 23 R.N. Mukherjee Road, 5<sup>th</sup> Floor, Kolkata-700001 in the following manner :

You are requested to send them duly completed ISR 1 and ISR 2 (<https://mdpl.in/form>) with signature of the holders attested by your banker along with a cancelled cheque leaf with your name, account no. and IFSC Code printed thereon. In case your name is not printed on the cheque leaf, you are requested to send additionally bank attested copy of your pass book / bank statement showing your name, account no and IFSC Code.

In accordance with the provisions of the Income Tax Act, 1961 as amended by and read with the provisions of the Finance Act, 2020, with effect from 1<sup>st</sup> April 2020, dividend declared and paid by the Company is taxable in the hands of its members and the Company is required to deduct tax at source (TDS) from dividend paid to the members at the applicable rates.

This communication summarises the applicable TDS provisions in accordance with the provisions of the Income tax Act, 1961, for various categories, including Resident or Non-Resident members

**1) For Resident Members:**

Srl.	Particulars	Applicable Rate	Documents required (if any)
(a)	No TDS shall be deducted in the case of resident individual members, if the amount of such dividend in aggregate paid or likely to be paid during the financial year does not exceed Rs. 5,000.	Nil	
(b)	With PAN ( Exceeding Rs. 5000/-)	10.0%	Update/Verify the PAN, and the residential status as per Income Tax Act, 1961 if not already done, with the depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agent (in case of shares held in physical mode) or click on the following link : <a href="https://mdpl.in/form">https://mdpl.in/form</a>
(c)	Without PAN/ Invalid PAN	20%	





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(d)	Submitting Form 15G/ Form 15H	NIL	Declaration in Form No. 15G (applicable to any person other than a company or a firm) / Form 15H (applicable to an Individual who is 60 years and older), fulfilling certain conditions. Shareholders may click on the following link for claiming Exemptions. <a href="https://mdpl.in/form/15g-15h">https://mdpl.in/form/15g-15h</a>
(e)	Submitting Order under Section 197 of the Income Tax Act, 1961 (Act)	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from tax authority to be submitted : <a href="https://mdpl.in/form/certificate-u-s-197">https://mdpl.in/form/certificate-u-s-197</a>
(f)	Mutual Fund specified under clause (23D) of Section 10 of the Income Tax Act, 1961	NIL	Self-declaration that they are specified in Section 10 (23D) of the Income Tax Act, 1961 along with self-attested copy of PAN card and registration certificate. Please click on the following link: <a href="https://mdpl.in/form/mutual-fund">https://mdpl.in/form/mutual-fund</a>
(g)	An Insurance Company exempted under Sec. 194 of the Income Tax Act, 1961	NIL	Self-declaration that it has full beneficial interest with respect to the shares owned by it and documentary evidence that the provisions of section 194 of the Act are not applicable to them along with Self attested PAN. Please click on the following : <a href="https://mdpl.in/form/insurance-company">https://mdpl.in/form/insurance-company</a>
(h)	Alternative Investment Fund (AIF) established in India:	NIL	Documentary evidence to prove that Investment Fund is a fund as defined in clause (a) of the Explanation 1 of section 115UB of the Act and Declaration that its Dividend Income is exempt under Section 10 (23FBA) of the Act and that they are established as Category I or Category II AIF under the Securities and Exchange Board of India (Alternative Investment Fund) Regulations. Please click on the following: <a href="https://mdpl.in/form/alternative-investment">https://mdpl.in/form/alternative-investment</a>
(i)	New Pension System Trust:	NIL	Self-declaration that it qualifies as NPS trust and income is eligible for exemption under section 10(44) of the Act and being regulated by the provisions of the Indian Trusts Act, 1882 along with self-attested copy of the PAN card. Please click on the following: <a href="https://mdpl.in/form/nps">https://mdpl.in/form/nps</a>
(j)	Other Resident Individual / Non-Individual member who is exempted from TDS provisions through any circular/notification issued by any statutory authority	NIL	Self-attested copy of documentary evidence supporting the exemption along with self-attested copy of PAN card. Please click on the following: <a href="https://mdpl.in/form/certificate-u-s-197">https://mdpl.in/form/certificate-u-s-197</a>



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Recording of the valid Permanent Account Number (PAN) for the registered Folio/DP ID-Client ID is mandatory. If the PAN is not as per the database of the Income-Tax Portal, it would be considered as invalid PAN and in absence of valid PAN, tax will be deducted at a higher rate of 20% as per Section 206AA of the Act.

Shareholders are requested to ensure Aadhaar number is linked with PAN, as per the timelines prescribed. In case of failure of linking Aadhaar with PAN within the prescribed timelines, PAN shall be considered inoperative and, in such scenario, tax shall be deducted at higher rate of 20%.

**2) For Non-Resident Members:**

Srl.	Particulars	Applicable Rate	Documents required (if any)
(a)	TDS shall be Deducted/Withheld	20% (plus applicable surcharge and cess)	
(b)	Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)	20% (plus applicable surcharge and cess)	Self Attested Copy of SEBI Registration Certificate.
(c)	Other Non-resident Shareholders	20% (plus applicable surcharge and cess) <b>OR</b> Tax Treaty Rate <b>(whichever is less)</b> Non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the shareholder, if the DTAA provisions are more beneficial.	Update/Verify the PAN and the residential status as per Income Tax Act, 1961, if not already done, with the depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agent (in case of shares held in physical mode).  In order to apply the Tax Treaty rate, <b>ALL</b> the following documents would be required:  1) Copy of Indian Tax Identification number (PAN). 2) Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is a resident certifying status during Financial Year 2022-23. 3) Form 10F duly filled and signed. 4) Self-declaration from Non-resident, primarily covering the following: i. Shareholder is and will continue to remain a tax resident of the country of its residence during the Financial Year 2022-23; ii. Shareholder is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company; iii. Shareholder has no reason to believe that its claim for the benefits of the



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			<p>DTAA is impaired in any manner;</p> <p>iv. Shareholder is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and</p> <p>v. Shareholder does not have a taxable presence or a permanent establishment in India during the Financial Year 2022-23.</p> <p>Click on the following Link  <a href="https://mdpl.in/form/10f">https://mdpl.in/form/10f</a></p> <p>In case of shareholder being tax resident of Singapore, please furnish the letter issued by the competent authority or any other evidences demonstrating the non-applicability of Article 24 - Limitation of Relief under India-Singapore Double Taxation Avoidance Agreement (DTAA).  Please click on the following:  <a href="https://mdpl.in/form/10f">https://mdpl.in/form/10f</a></p> <p>It is recommended that shareholders should independently satisfy its eligibility to claim DTAA benefit including meeting of all conditions laid down by DTAA.</p>
(d)	Submitting Order under Section 197 of the Income Tax Act, 1961 (Act)	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from tax authority to be submitted : <a href="https://mdpl.in/form/certificate-u-s-197">https://mdpl.in/form/certificate-u-s-197</a>

The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non-Resident member.

Tax shall be deducted at source at the rate of 20% (plus applicable surcharge, and health and education cess) on dividend payable to Foreign Institutional Investors (FII) and Foreign Portfolio Investors (FPI). Such TDS rate shall not be reduced on account of the application of the beneficial DTAA Rate or lower tax deduction order, if any.

**SECTION 206AB OF THE ACT**

Rate of TDS @10% u/s 194 of the Act is subject to provisions of Section 206AB of the Act (effective from 1st July, 2021) which introduces special provisions for TDS in respect of taxpayers who have not filed their income-tax return (referred to as specified persons). U/s 206AB of the Act, tax is to be deducted at higher of the following rates in case of payments to the specified persons:

- at twice the rate specified in the relevant provision of the Act; or
- at twice the rate or rates in force; or
- at the rate of 5%.



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In cases where Sections 206AA and 206AB are applicable i.e. the shareholder has not submitted the PAN as well as not filed the return, tax will be deducted at higher of the two rates prescribed in these sections.

"Specified person" as defined u/s 206AB(3) is someone who satisfies the following conditions:

1. If a shareholder has not furnished the return of income for the assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted, for which the time limit for furnishing the return of income under sub-section (1) of section 139 has expired for which the time limit of filing original return of income has lapsed.

and

2. TDS deducted in his case in the aforesaid previous year exceeded Rs. 50,000.

Non-resident shareholders who do not have permanent establishment in India are excluded from the scope of a "specified person".

Please note that the information regarding whether a shareholder is a specified person or not will be determined using the specified functionality of the Income Tax Department. Accordingly, it is advised that non-residents who have not filed their income tax returns in the past years, provide a declaration stating that they do not have a permanent establishment in India

All the links given above will be disabled after 11:59 p.m. on 10<sup>th</sup> September, 2022.

**For all Members:**

Members holding shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.

In view of the prevailing COVID 19 situation, only scanned copies of the aforementioned tax relief documents such as PAN, Forms 15G/15H/10F/Self-declaration/documentary evidence etc. will be accepted by the Company as per link given above. However, the shareholder is required to additionally self-attest the document stating "certified true copy of the original". If the original Form 15G/15H is required in future, the Company would call for the same from the shareholders.

In case of joint shareholders, the shareholder named first in the Register of Members is required to furnish the requisite documents for claiming any applicable beneficial tax rate.

Any such tax relief documents (PAN/15G/15H/10F/Self Declaration Form) received through any other methods like email or hand delivery will not be considered to determine and deduct appropriate TDS / withholding tax.

Members may note, the documents requested are required to be submitted ONCE in a financial year (April 2022-March 2023), unless there is any change in the status having an impact on TDS rate. Hence, shareholders are requested to submit the forms and documents i.e. PAN/15G/15H/10F/Self Declaration Form and other annexures and relevant prescribed documents, whether ancillary thereto or otherwise, for the financial year 2022-23 after this communication is made, failing which no TDS exemption or lower rate deduction will be available. Shareholders are requested to submit these documents afresh even if similar document has been submitted earlier, failing which no TDS exemption or lower rate deduction will be available. In such case post satisfactory review of the documents, it would be considered for withholding of taxes on dividends.

For removal of any doubt and for the purpose of proper maintenance of records and reckoning the eligible shareholders who will be exempted from tax or taxed at prescribed rate, shareholders are requested to forward the forms and documents i.e. PAN/15G/15H/10F/Self Declaration Form and other annexures and relevant prescribed documents only after receipt of this communication till 10<sup>th</sup> September, 2022. Please note any form/document submitted/furnished prior to this will not be considered and taken into account in this regard.

Members may note that in case the tax on said dividend is deducted at a higher rate in absence of receipt, or insufficiency of the aforementioned details/documents from you, an option is available to you to file the return of income as per Income Tax Act, 1961 and claim an appropriate refund, if eligible. No claim shall lie against the Company for such taxes deducted.



***Sumedha Fiscal Services Ltd.***

**CIN: L70101WB1989PLC047465**

Registered & Corporate Office :

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In terms of Rule 37BA of the Income Tax Rules 1962, if dividend income on which tax has been deducted at source is assessable in the hands of a person other than the deductee, then such deductee should file declaration with the Company in the manner prescribed in the Rules.

Shareholders holding shares in dematerialised mode, are requested to update their records such as tax residential status, permanent account number (PAN), registered email address, mobile number and other details with their relevant depositories through their depository participants. Shareholders holding shares in physical mode are requested to furnish details to the Company's Registrar and Transfer Agent.

The Company is obligated to deduct tax at source based on the records made available by National Securities Depository Limited or Central Depository Services (India) Limited ("the Depositories") in case of shares held in electronic mode and from the RTA in case of shares held in physical mode and no request will be entertained for revision of TDS return.

Above Communication on TDS sets out the Provisions of Law in a summarised manner only and does not purport to be a complete analysis or listing of all potential Tax consequences. Shareholder should consult with their own Tax Advisors for the Tax Provisions applicable to their particular circumstances.

Yours sincerely,

By Order of the Board  
**Sumedha Fiscal Services Ltd.**

**(Dhwani Fatehpuria)**  
**Company Secretary**  
**Membership No. ACS 23072**