

Adding Values to Value



ANNUAL REPORT 2020-21
SUMEDHA FISCAL SERVICES LIMITED



SUMEDHA
adding values to value



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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 4140/2265 5830

Website: www.sumedhafiscal.com Email: 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

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

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

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

HYDERABAD

309/1, 3rd Floor, Krishna Plaza
Khairatabad, Hyderabad – 500 004
Tel: +91 40 4020 2826/4026 7272
Fax: +91 40 4020 2826
Email: hyderabad@sumedhafiscal.com

SEBI CATEGORY I MERCHANT BANKER: MB/INM000008753

AMFI NO: ARN - 0205

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. Vijay Maheshwari	Non-Executive Director/Promoter
5.	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

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

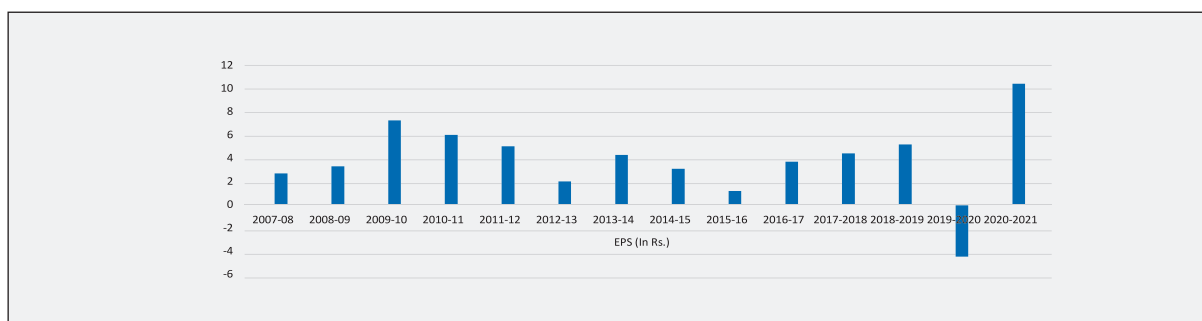
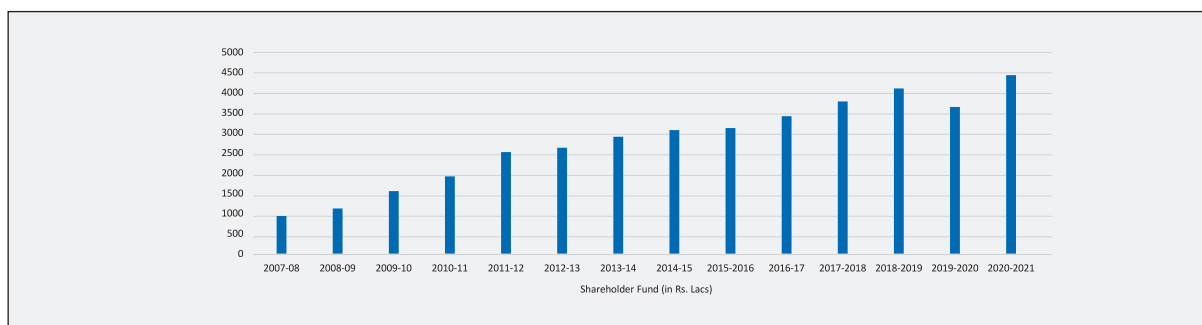
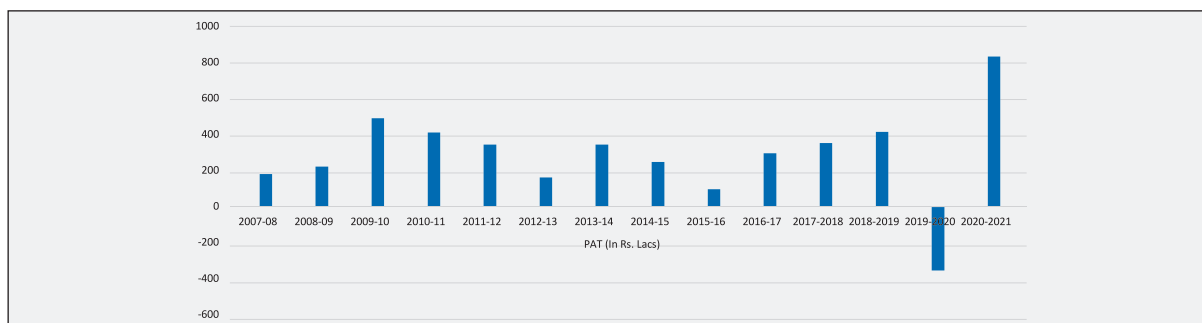
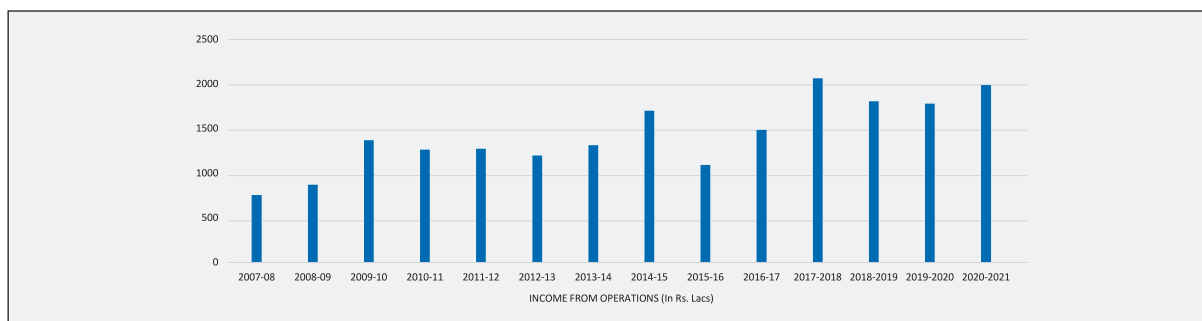


KEY BUSINESS HIGHLIGHTS IN 2020 – 2021

- Income from operations ₹ 1991.17 Lacs
- PAT stood at ₹ 833.02 Lacs.
- Shareholders' Fund ₹ 4436.96 Lacs
- EPS ₹10.43

The Investment Banking Segment continues to remain the major earning vertical accounting to 32.75% of Total Income and 68% of operating profits of the Company.

PERFORMANCE HIGHLIGHTS



CHAIRMAN'S ADDRESS



Dear Shareholders,

Rules are being rewritten!

As the country is reeling under pandemic Covid-19, it has disrupted our collective sense of the 'normal'. It continues to overturn many of the assumptions we had been living with and has highlighted a greater need for pragmatism and resilience while dealing with a pandemic of this scale. We have started the current Financial Year with a strong sense of hope and optimism. This is not just because of the success in speedy development of the vaccine. It is also to celebrate, for having endured, survived, and overcome the challenge of a grave pandemic.

On the business front, your company weathered the pandemic well. It adapted quickly and embraced a new operating model that prioritized the health and wellbeing of its employees, while continuing with its business operations. Your company has been guided by a set of strong beliefs, right from the time it was founded. Belief in our core values, belief in customer centricity, belief in empowering people, belief in doing ethical business. ***Your Company remained true to its brand statement- 'Adding Values to Value'!***

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. Income therefrom was Rs. 652.43 lacs as against Rs. 1185.76 lacs during the previous year, registering a decline of 44.97% due to the

repercussions of ongoing pandemic. The Income from Capital Market activities stood at Rs. 826.33 Lacs as against Rs. (776.53) Lacs in the previous year, registering an increase of 206.41% due to the upsurge in capital market and financial variables becoming even more volatile in these unusual times.

During the year under review, your Company's Total Income stood at Rs. 1993.17 Lacs as against Rs. 1801.18 Lacs in the previous year. While Net Profit for the year under review stood at Rs. 833.02 Lacs as against Net Loss of Rs. 354.85 Lacs in the previous year, the Earnings Per Share for the Financial Year 2020-21 was Rs. 10.43 as against Rs. (4.44) in the previous year.

The Company's principal sources of liquidity are cash, cash equivalents and the cash flow that is generated from operations. The Company continues to focus on operating cash flows, has no outstanding borrowings and it believes that the working capital is sufficient to meet its current requirements.

We are entering FY 2022 with growth momentum and with much better visibility for future growth than we did last year. Together, we will continue to innovate, remain alert and consistent, and sustain our record of success. On behalf of the Board of Directors, I thank you for your perseverance and support and wish you all safety and good health.

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 & Compliance Officer

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

Email: investors@sumedhafiscal.com

Bankers

Canara Bank, HDFC Bank Ltd.

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

Annual General Meeting

Day: Friday

Date: 17th September, 2021

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 Website: www.sumedhafiscal.com

NOTICE OF 32nd ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 32nd Annual General Meeting of the Members of **Sumedha Fiscal Services Limited** will be held on **Friday, the 17th day of September, 2021, at 10.30 a.m.** (1ST) through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”) to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited standalone financial statements of the Company for the financial year ended 31st March, 2021 together with the Report of the Directors’ and Auditors’ thereon and the audited consolidated financial statements of the Company for the financial year ended 31st March, 2021.
2. To declare dividend of Re. 1/- per equity share for the financial year 2020-21.
3. To appoint a Director in place of Mrs. Garima Maheshwari [DIN – 07001628], who retires by rotation and being eligible, offers herself for 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: 24th June, 2021

Notes:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (the “MCA”) vide its General Circulars No. 14/2020, No. 17/2020 and No. 20/2020 dated April 8, 2020, April 13, 2020 and May 5, 2020 respectively and by General Circular No. 02/2021 dated January 13, 2021 (hereinafter, collectively referred as the “MCA Circulars”) read with the SEBI Circulars No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 and No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated May 12, 2020 and January 15, 2021 respectively (hereinafter, collectively referred as the “SEBI Circulars”) have allowed companies to conduct their annual general meetings through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), thereby, dispensing with the requirement of physical attendance of the members at their AGM and accordingly, the 32nd Annual General Meeting (the “AGM” or the “32nd AGM” or the “Meeting”) of Sumedha Fiscal Services Limited (the “Company”) will be held through VC or OAVM in compliance with the said circulars and the relevant provisions of the Companies Act, 2013 (as amended) (the “Act”) and the rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (the “Listing Regulations”). Members attending the AGM through VC or OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

- 2. IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULARS, THE REQUIREMENT OF SENDING PROXY FORMS TO HOLDERS OF SECURITIES AS PER PROVISIONS OF SECTION 105 OF THE ACT READ WITH REGULATION 44(4) OF THE LISTING REGULATIONS, HAS BEEN DISPENSED WITH. THEREFORE, THE FACILITY TO APPOINT PROXY BY THE MEMBERS WILL NOT BE AVAILABLE AND CONSEQUENTLY, THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE CONVENING THE 32ND AGM OF THE COMPANY (THE "NOTICE").**

However, in pursuance of Section 113 of the Act and Rules framed thereunder, the corporate members are entitled to appoint authorized representatives for the purpose of voting through remote e-Voting or for the participation and e-Voting during the AGM, through VC or OAVM. Institutional Shareholders (i.e., other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution / Power of Attorney / appropriate Authorization Letter together with attested specimen signature(s) of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at investors@sumedhafiscal.com.

- 3.** Since the 32nd AGM will be held through VC or OAVM, no Route Map is being provided with the Notice. The deemed venue for the 32nd AGM shall be the Registered Office of the Company.
- 4.** 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 during the AGM.
- 5.** Necessary information of the Director retiring on rotation, as required under Regulation 36(3) of the Listing Regulations and the Revised Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) is appended to the Notice. Since there is no Special Business to transact, Statement pursuant to Section 102 of the Act and the rules made thereunder setting out the material facts and the reasons for resolutions therein has not been provided.
- 6.** Dispatch of Annual Report through E-mail:
In accordance with the MCA Circulars and the SEBI Circulars, the Notice alongwith the Annual Report of the Company for the financial year ended March 31, 2021, will be sent only through e-mail, to those Members whose e-mail addresses are registered with the Company or the Registrar and Share Transfer Agent (the "RTA"), i.e., **Maheshwari Datamatics Pvt. Ltd.** or the Depository Participant(s). The Notice and the Annual Report for the financial year ended March 31, 2021 shall be available on the websites of the Company viz., www.sumedhafiscal.com and the Stock Exchanges where Equity Shares of the Company are listed. The Notice shall also be available on the e-Voting website of the agency engaged for providing e-Voting facility, i.e., Central Depository Services (India) Limited (CDSL), viz., www.evotingindia.com
- 7.** The **Register of Members** and Share Transfer Books of the Company **will remain closed from Saturday, September 11, 2021 to Friday, September 17, 2021** (both days inclusive).
- 8.** Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL. The Board has appointed Mr. Ashit 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.
- 9. Remote e-voting will commence at 9.00 a.m. on Tuesday, 14th September, 2021 and will end at 5.00 p.m. on Thursday, 16th September, 2021**, when remote e-voting will be blocked by CDSL.
- 10.** Voting rights will be reckoned on the shares registered in the name of the Members on **10th September, 2021 (cut-off date)**. Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or e-voting during the AGM. A person who is not a Member on the cut-off date should accordingly treat this Notice as for information purposes only.

11. The dividend, as recommended by the Board, if approved at the AGM, in respect of equity shares held in electronic form will be payable to the beneficial owners of shares as on Friday, September 10, 2021 (Record date) as per the downloads furnished to the Company by Depositories for this purpose. In case of shares held in physical mode, the dividend will be paid to the shareholders, whose names shall appear in the Company's Register of Members as on Friday, September 10, 2021. The final dividend will be paid on and from September 23, 2021.
12. Pursuant to the Income-tax Act, 1961 ("the IT Act") read with the Finance Act, 2020, dividend income is taxable in the hands of the Members with effect from 1st April, 2020 and the Company is required to deduct tax at source from such dividend at the prescribed rates. A communication providing information and detailed instructions with respect to tax on dividend for the financial year ended 31st March, 2021 is being sent separately by the Company to the Members.
13. Unclaimed dividend for the financial year ended 31st March, 2014 and the shares in respect of which dividend entitlements remain unclaimed for seven consecutive years will be due for transfer to the Investor Education and Protection Fund of the Central Government on 20th October, 2021, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. Members are requested to claim the said dividend, details of which are available on the Company's corporate website www.sumedhafiscal.com under the section <COMPLIANCE>. The Company will not be able to entertain any claim received after 5th October, 2021 in respect of the same.
14. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of 32nd AGM, i.e. September 17, 2021. Members seeking to inspect such documents can send an email to investors@sumedhafiscal.com.
15. **CDSL e-Voting System – For e-Voting and joining AGM**
 1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
 2. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
 3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
 4. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
 5. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.sumedhafiscal.com. The Notice can also be accessed from the website of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
 6. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

In continuation, Ministry's General Circular No. 20/2020, dated 05th May, 2020 has allowed companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021.

THE INSTRUCTIONS FOR SHAREHOLDRES FOR E-VOTING AND JOINING VIRTUAL MEETING ARE AS UNDER:

- (i) The voting period begins on Tuesday, 14th September, 2021 at 9.00 a.m. and ends on Thursday, 16th September, 2021 at 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 Friday, 10th September, 2021 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.

- (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 CDSL	<ul style="list-style-type: none"> 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 https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com 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.

	<p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>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 www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin 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.</p>
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>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: https://eservices.nsd.com 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.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ 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</p>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 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.</p>

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 helpdesk.evoting@cDSLindia.com or contact at 022- 23058738 and 22-23058542-43.
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 evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(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.
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 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:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
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"> ● 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.
Dividend Bank OR Date of Birth (DOB) Details	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"> ● If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (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) **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 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.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company through email at investors@sumedhafiscal.com, if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- (xvii) **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**
- For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
 - For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
 - For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

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 or contact at 022- 23058738 and 022-23058542/43.

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 or call on 022-23058542/43.

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

1. The procedure for attending meeting and e-Voting on the day of the AGM 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.
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. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **2 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **2 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the Company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

General Information

- (a) There will be one vote for every Client ID/registered folio number irrespective of the number of joint holders.
- (b) In case the Members require any technical assistance with respect to attending the meeting or voting during the meeting, they may contact the helpline numbers mentioned above.
- (c) The Register of Directors and Key Managerial Personnel and their shareholding under Section 170 of the Act, the Register of Contracts with Related Party, and contracts and bodies etc. in which Directors are interested under Section 189 of the Act, will remain available for inspection during the meeting, on the CDSL e-voting system after login.
- (d) The Results of voting will be declared within 48 hours from the conclusion of the AGM and the Resolutions will be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes.

The declared Results, along with the Scrutinizer's Report, will be available forthwith on the Company's corporate website www.sumedhafiscal.com under the section **INVESTOR RELATIONSHIP** and on the website of CDSL; such Results will also be forwarded to the CDSL, BSE Limited and The Calcutta Stock Exchange Limited, where the Company's shares are listed.

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

As regards Re-appointment of Mrs Garima Maheshwari (DIN: 07001628) as a Director (Item No. 3), the following necessary disclosures are made for the information of members

Name	Mrs. Garima Maheshwari
Date of Birth	16-Mar-1984 (Age: 37 years)
Date of Appointment	08-Nov-2014 (Appointed as Non-Executive Director, liable to retire on rotation)
Qualification	MBA from International Management Institute (New Delhi) specializing in Finance & Strategy. Bachelors from Sydenham College of Commerce & Economics (Mumbai). Has also attended Stanford - NUS Executive Programme in International Management
Expertise/Experience	She has 12 years of rich experience in Financial Services & Consultancy working as an Investment Banker in Singapore & Mumbai. She was with Australia & New Zealand Bank in Singapore for most years. In India, she has worked with Barclays, Citibank & Hewitt Associates. She is also very active member of FICCI (YFLO) & CII chapters of Mumbai. She has excellent problem solving & analytical skills & pays great attention to detail.
No. of Board Meeting attended during the year	4 out of 4 (she was entitled to attend all the 4 Board Meetings held during the year under review)
Chairman/Member of the Committee of the Company	None
Other Directorships/Membership or Chairmanship of committees of other Board	None
Details of remuneration	Sitting Fee for attending the Board Meetings
Shareholding in the Company (as on 31.03.2021)	25,000 equity shares
Relationship with other Directors	She is the daughter-in-law of Mr. Vijay Maheshwari- Non Executive Director & Promoter of the Company
Terms and conditions of appointment/re-appointment	Appointment as Non-Executive Director, liable to retire on rotation

Except Mrs. Garima Maheshwari and Mr. Vijay Maheshwari, 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. 3 of the accompanying Notice of 32nd AGM. Accordingly, the Board recommends her re-appointment.

Registered Office:
6A, Geetanjali,
8B, Middleton Street,
Kolkata – 700 071.
Date: 24th June, 2021

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

CERTIFICATION BY CFO OF THE COMPANY

I have reviewed Financial Statements and the Cash Flow Statement for the year ended 31-Mar-21 and that to the best of my knowledge and belief:

- A.** these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- B.** 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.
- C.** There are, to the best of my 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.
- D.** I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and I 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.
- E.** I 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.
- F.** I 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: 24 June, 2021

Bhawani Shankar Rathi
Wholetime Director
DIN: 00028499

Girdhari Lal Dadhich
Chief Financial Officer

DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Members,

Your Directors are pleased to present the Thirty Second Annual Report together with the Audited Financial Statements for the year ended March 31, 2021.

Financial Highlights

(Rs. in lakhs, except equity share data)

Particulars	Consolidated		Standalone	
	Year ended 31.03.2021	Year ended 31.03.2020	Year ended 31.03.2021	Year ended 31.03.2020
Total Income	2000.00	1808.42	1993.17	1801.18
Cash Profit	1047.21	(262.18)	1010.34	(334.37)
Less: Depreciation	51.61	54.42	51.12	53.92
Profit before Tax	995.60	(316.60)	959.22	(388.29)
Less: Provision for Taxation	122.26	2.37	119.50	-
Add / (Less): Deferred Tax	7.45	21.07	(6.33)	20.45
Profit after Tax (Net of adjustment for earlier years)	865.52	(285.61)	833.02	(354.85)
Other Comprehensive Income	33.16	(21.32)	4.86	(8.52)
Add : Retained Earning brought forward	2775.37	3178.54	2582.09	3041.71
Balance available for appropriation	3674.05	2871.62	3419.97	2678.34
APPROPRIATION				
Less: Dividend Paid (Including Dividend Tax)	47.90	96.25	47.90	96.25
Balance carried to Balance Sheet	3626.15	2775.37	3372.07	2582.09
Earnings per Share (Rs.10/- each)				
Basic (in Rs.)	10.84	(3.58)	10.43	(4.44)
Diluted (in Rs.)	10.84	(3.58)	10.43	(4.44)

THE COVID-19 PANDEMIC

The year started amidst a strict nationwide lockdown in India with tough restrictions on economic activity and mobility. Whilst facing an unprecedented uncertainty about the eventual impact of the Covid-19 pandemic, your Company planned effectively for an unfathomable range of exigencies to ensure business continuity. The Company is actively monitoring the impact of the Covid-19 pandemic on its financial condition, liquidity, operations, industry and workforce. It has used the principles of prudence in applying judgments, estimates and assumptions based on the current estimates. The extent to which Covid-19 impacts the operations will depend on future developments which remain uncertain.

Material Changes and Commitments

The Company has discontinued its Portfolio Management Services (as an Intermediary) in Financial 2020-21 and continues with its Mutual Fund business in compliance with all regulatory requirement.

Besides this, 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.

Operational Review

During the year under review, your Company's total Income from Operations stood at Rs. 1993.17 lacs as against Rs. 1801.18 lacs during the previous year.

Your Company continued its focus on fee based activities (Investment Banking) and income therefrom was Rs. 652.43 lacs as against Rs. 1185.76 lacs during the previous year, registering a decline of 44.97% due to the repercussions of ongoing pandemic. Investment Banking continues to be the thrust area for the Company.

For the year under review, the Income from Trading from Investment activities stood at Rs. 826.33 Lacs as against Rs. (776.53) Lacs in the previous year, registering an increase of 206.41%.

Income from Other Sources was at Rs. 30.26 lacs as against Rs. 72.55 lacs during the previous year.

There has not been any change in the nature of business of the Company during the year.

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. 1.00/- per share (10%) for the year ended March 31, 2021, subject to the approval of the Members at the 32nd Annual General Meeting.

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

Employee Stock Option Scheme

No shares have been issued or allotted under any Employee Stock Option Scheme during the FY 2020-21.

Share Capital

The Paid-up Equity Share Capital as at March 31, 2021 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, 2021, 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, 2021, 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. 17,83,528/- (Previous Year Rs. 19,31,159/-) and Net Profit of Rs. 16,57,965/- for the year ended 31st March, 2021 (Previous Year: Rs. 15,17,357/-).

The subsidiary has formally discontinued commodity trading activities (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. 21,04,863/- (Previous Year Rs. 41,91,445/-) and Net Loss of Rs. (37,989/-) for the year ended 31st March, 2021 (Previous Year Profit: Rs. 16,35,201/-).

The Company continues to explore growth opportunities.

Brandshoots Ventures Pvt. Ltd.

During the year the Company recorded a revenue of Rs. 5,34,884/- (Previous Year : Rs. 5,54,411/-) and booked Net Profit of Rs. 1,75,946/- for the year ended 31st March, 2021 (Previous Year Loss : Rs. (7,16,842/-).

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. 5,96,53,587/- (Previous Year : Rs. 9,59,05,405/-) and Net Profit of Rs. 58,57,648/- for the year ended 31st March, 2021 (Previous Year : Rs. 1,61,21,072/-).

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/material_subsidary.pdf.

Corporate Social Responsibility

The provisions of Section 135 of the Companies Act, 2013, read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, became applicable to the Company during the current Financial Year. Accordingly, the Board of Directors of the Company has constituted a Corporate Social Responsibility ("CSR") Committee on 24th June 2021. The composition and terms of reference of the CSR Committee is provided in the Corporate Governance report, which forms part of this report.

The main responsibility of the Committee is to formulate and recommend to the Board, a CSR Policy indicating activities to be undertaken by the Company as specified in Companies Act, 2013, recommending the expenditure on CSR activities & monitoring the activities undertaken from time to time.

The CSR Policy shall be formulated by the Committee and thereafter shall be approved by the Board of Directors and accordingly the CSR expenditure shall be expended, during the current Financial Year.

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, 2021 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 2020-21.

Directors

Members of the Company at its 31st Annual General Meeting held on 19th September, 2020, approved reappointment of Mr. Vijay Maheshwari (DIN : 00216687) 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, Mrs. Garima Maheshwari (DIN: 07001628), Director, retires by rotation at the forthcoming Annual General Meeting and being eligible offers herself for re-appointment. The Board of Directors on recommendation of the Nomination and Remuneration Committee has recommended her re-appointment.

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
Mr. Deb Kumar Sett	Company Secretary*
Mr. Girdhari Lal Dadhich	Chief Financial Officer

* Mr. Deb Kumar Sett resigned w.e.f. 01.04.2021 and Ms. Dhvani Fatehpuria was appointed as the Company Secretary w.e.f. 24.06.2021

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/whistle_blower_policy.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/remuneration_policy.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 IV** to the Board's Report. 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, except as appended aforesaid which was approved by the shareholders.

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/policy_on_rpt.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. There has not been any Omnibus approval for such transactions pursuant to Regulation 23 of the Listing Regulations, 2015.

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 along with the measures taken by the Company under the current COVID-19 global pandemic 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

AUDITORS

Statutory Auditors

M/s. V. Singhi & Associates, Chartered Accountants, 4, Mangoe Lane, Ground Floor, Kolkata – 700001 (Firm Registration No. 311017E) were appointed as the Statutory Auditors of the Company for a period of 5 (five) consecutive years for the period from Financial Year 2018-19 to 2021-22, at the 28th AGM of the Company held on 23-Sep-17.

The Board and the Audit Committee have approved their continuation as Statutory Auditors of the Company for the Financial Year 2021-22, based on their consent and confirmation of eligibility dated June 15, 2021.

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 2021-22.

The Secretarial Audit Report for FY 2020-21 (attached as **Annexure – V**) 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 2020-21. 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. 34.88 Lacs and NIL, respectively (Previous Year Rs. 10.09 Lacs and Rs. 6.87 Lacs, 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 VI**.

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 as **Annexure VII**. 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, 2021, are provided in the Management Discussion and Analysis Report.

Green Initiative

Electronic copy of the Integrated Annual Report for FY2020-21 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 31.03.2021.

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.

On Behalf of the Board

Ratan Lal Gagar
Chairman
DIN: 00066068

Place: Kolkata
Date: 24th June, 2021

Annexure – I

MANAGEMENT DISCUSSION & ANALYSIS

GLOBAL ECONOMY

A crisis like no other. FY 2020-21 has been an unprecedented year in modern times, with the pandemic impacting human life extensively across the globe. The COVID-19 pandemic has led to a severe global recession that is unique in many ways. The contraction in 2020 was very sudden and deep compared with previous global crises. The slowdown across economies witnessed in 2019 exacerbated further in 2020 by the shock delivered by the pandemic. As a result, the global GDP is believed to have contracted by ~3.3% in 2020, with all major economies moving into negative territories. China was the only exception amongst the major economies to have posted a positive growth in 2020, albeit at a much lower rate of 2.3%. The pandemic crisis also stands out for its differential impacts across sectors and countries, complex channels of transmission, and high uncertainty about the recovery path, given that it depends on the fate of the virus itself. Lockdown measures designed to contain COVID-19 (for example, social distancing and closing down non-essential local business) have led the global economy into one of its most severe recessions since 1900, however the economic upheaval could have been much more severe had it not been for the quick and synchronised response from central banks and governments globally, although this too varied across countries.

INDIAN ECONOMY

The carnage continues. The second wave of the Covid-19 pandemic has taken a vicious toll on India's health, but the economic toll has also been heavy, though nothing like the carnage seen in the first quarter of the last fiscal year, when GDP growth crashed drastically in response to the Centre's no-notice lockdown. An accommodative monetary policy from the Reserve Bank of India (RBI) and fiscal policy interventions by the central government, coupled with the gradual reopening of the economic activities from June 2020, have led to a sequential recovery in economic output. Data from the Central Statistical Office (CSO) reveals sequential improvement in quarterly GDP growth- (-24.4%/-7.3%/0.4%/1.6% in 1Q/2Q/3Q/4Q FY 2020-21). Nevertheless, India's GDP shrank 7.3 per cent in 2020-21 (in real terms adjusted for inflation).

Almost all the sectors have been adversely affected as domestic demand and exports sharply plummeted with some notable exceptions where high growth was observed. Economists are downgrading their estimates as a range of data – from the rate of cheques bouncing to the amount of mortgaged gold jewellery up for sale - shows the extent of the economic damage from the ongoing devastating second wave of the disease. The economy, which was facing a slowdown even before the pandemic, now confronts a crash of consumer demand - constituting over 55% of the economy - as household incomes and jobs have declined.

The second wave of COVID-19 infections and new virus variants pose uncalculated repercussions and remain the key downside risk to growth assumptions which so far have been retained by the Reserve Bank of India at 10.5% YoY for 2021 (IMF projects growth at +12.5% in 2021).

INFLATION

The next big worry. Higher global inflation, rising commodity prices, a weaker rupee and local lockdowns could bring in higher prices and worsen the pandemic situation in India. As COVID-19 cases surge and deaths rise, collapsing health systems could push state and city governments to impose curfews and restrictions on movement. Local lockdowns and supply disruptions are likely to stay for a while. Even though the government and businesses are better prepared than they were last year, the preparation is unlikely to suffice for the kind of surge being seen now. It appears that no one expected a second wave of this magnitude.

Inflation remained above the Reserve Bank of India's target band of 4% +/- 2% for the first eight months of FY2020-21 till Nov'2020 reaching its highest peak since 2014 of 7.6% in October 2020 mainly on account of high food

inflation. Though retail inflation fell back under the RBI's target band post Nov'2020, it gained pace again in Feb'2021/March'2021 reaching 5%YoY/ 5.5% YoY. Overall, retail inflation in FY2020-21 stood at 6.2% YoY, 1.4ppts above FY 2019-20 retail inflation. Wholesale inflation on the other hand came off by 1.1ppts to 0.6% YoY in FY 2020-21 (till Feb 2021) vs. FY2019-20.

Fuel prices in India continued to inch towards the Rs 100-mark. The spike in diesel prices have contributed to a growth in freight rates across ways of transport. High transport cost shall lead to increase in higher inflation, impacting industries further. The rise in commodity prices is worrisome as it could stoke retail price inflation in the coming months when the increased fuel, power and raw material costs are passed on by companies to consumers.

The expectation of a normal monsoon and the accommodative RBI stance provide comfort at this juncture as the country battles the second wave and attempts to overcome it with minimal damage to lives and livelihood. The central bank believes that a normal monsoon predicted by the India Meteorological Department (IMD) is expected to sustain rural demand and overall output in 2021-22, while also having a soothing impact on inflation pressures. However, whilst India is still reeling from the unprecedented impact of second wave of the pandemic and with the prospect of a third wave looming large, concerns and consequences of rising inflation are likely to stay for a long time.

MONETARY MEASURES

Mitigating pandemic woes. In response to the ongoing crisis, the Indian Government announced stimulus measures worth INR 17trn- (8% of FY 2019-20 GDP), directed primarily towards the poor, migrants and rural areas. The Reserve Bank of India cut the repo rate by 40bps to 4.0% and reverse repo rate by 45bps to 3.35%. The Reserve Bank of India also announced the liquidity measures worth INR 13.6trn (7% of FY 2019-20 GDP). The Bank for the first time in history committed its balance sheet for the conduct of monetary policy by announcing the Government Securities Acquisition Programme (G-SAP).

Small businesses and financial entities at the grassroot level are bearing the brunt of the second wave of infections. Against this backdrop, and based on continuing assessment of the macroeconomic situation and financial market conditions, the RBI proposed to take more measures including a liquidity facility of Rs 50,000 crore to ease access to emergency health services, special long-term repo operations (SLTRO) for small finance banks (SFBs), credit to MSME entrepreneurs, and resolution Framework 2.0 for COVID related stressed assets of individuals, small businesses and MSMEs.

The RBI's relief measures are centred on the small borrowers and entities in the unorganised sector. In an additional welcome move, the central bank has taken steps to address the credit needs of the healthcare sector too. However, in general, banks have turned cautious in lending and have indicated that they will calibrate their loan growth based on evolving conditions. The cautious outlook of banks could limit the uptake of the measures announced by the RBI.

OUTLOOK

Vaccine injects hope. The rollout of the vaccination drive across the major economies, including India, in the last quarter of FY 2020-21 has accorded a much-needed boost to sentiments around a sustained recovery of economic activity across the globe. Almost all major central banks have pledged to continue an accommodative monetary stance to reinforce the economic green shoots. Coupled with the base effect, economic growth is expected to bounce back strongly in FY 2021-22 on the global as well as the domestic front. However, a lot would hinge on how the pandemic plays out, given the resurgence of the virus and the spread of infections.

Thanks to unprecedented policy response, the COVID-19 recession is likely to leave smaller scars than the 2008 global financial crisis. However, emerging market economies and low-income developing countries have been hit harder and are expected to suffer more significant medium-term loss. A high degree of uncertainty surrounds these projections, with many possible downside and upside risks. Much still depends on the race between the virus and vaccines. Greater progress with vaccinations can uplift the forecast, while new virus variants that evade vaccines, can lead to a sharp downgrade.

The challenges to business posed by inflationary pressure and the uncertain market conditions, would place strong emphasis on managing the business in a dynamic manner and altering operational priorities to suit the changing market conditions.

Source: International Monetary Fund, Reserve Bank of India, Union Budget 2021-22

BUSINESS OVERVIEW

Highlights of Financial Performance during FY 2020-21

- Total Income from Operation of Rs. 1991.17Lacs (Rs. 1799.32 Lacs for FY19-20)
- Profit Before Tax of Rs. 959.22 Lacs (Rs. (388.29) Lacs in FY19-20)
- Net Profit of Rs. 833.02 Lacs (Rs. (354.85) Lacs in FY19-20)
- Basic EPS after extra ordinary items stood at Rs. 10.43, compared to Rs. (4.44) in FY19-20

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 issue 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 oldest businesses of the Company, Investment Banking remains a prime focus of the Company. The business segment has contributed Rs 652.43 lacs, for the year under review which is approx. 50% decline when compared with Financial Year 2019-20.

Before the pandemic hit, the Company's performance in investment banking was well set on its growth trajectory. But the COVID-19 crisis has posed an unprecedented challenge which will take some time to overcome. Complete lockdown, partial ease in lockdown and thereafter the second wave of COVID-19 have deeply scarred the Company's businesses. Challenges in conducting in person engagements are not only adversely affecting the due-diligence processes but also impacting the turnaround time and revenue prospects of the future and present clients. Furthermore, given that most of the workforce is working remotely, investment banks are also facing hindrances in effectively monitoring trading, processing key performance indicators (KPIs) and managing trade exceptions. Any instability or prolonged periods of unfavorable market or economic conditions as a result of the ongoing pandemic could lead to a significant decrease in the volume and value of the Company's businesses. In light of the ongoing crisis, 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 2020-21. 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.

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.

● **Risk yet to be gauged of the ongoing pandemic**

The COVID-19 pandemic is a global stress event that is testing all businesses' financial, operational and commercial resilience. It has triggered off not only all the risks explained above but many other unforeseen and uncalculated ones. Against this backdrop, the financial services sector is having to adapt rapidly and at scale to current constraints and market conditions. The Company has prioritized immediate financial and operational measures such as protecting liquidity and cash flows, and ensuring that it shall be able to keep core business activities going. It is regularly monitoring all the critical operational and financial aspects of the businesses along with examining the potential financial stability risks that may lie ahead due to the impact of pandemic.

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 47 permanent employees during the year under review.

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

RATIO ANALYSIS	2021		2020		REMARKS
Debtor Turnover	480666/1993168	0.24	482890/1801158	0.26	Increased by 07.69% (a)
Inventory Turnover	1101441/1993168	0.55	379272/1801158	0.21	Increased by 161.90% (b)
Operating Profit Ratio%	884141/1993168	0.44	(300928)/ 1801158	(0.16)	Increased by 375.00% (c)
Net Profit Ratio%	833019/1993168	0.42	(354854)/1801158	(0.19)	Increased by 321.05% (c)
Debts Equity Ratio%	8640/798442	0.01	13818/798442	0.02	Decreased by 50.00% (d)
Interest Coverage Ratio%	144.62 Times		(35.50) Times		Increased by 507.38% (c)
Current Ratio %	2839692/32398	87.65	2369543/80429	29.46	Increased by 197.52% (e)
Return on Networth%	5.33		(9.05)		Increased by 158.90% (c)

- NOTE:** (a) Majorly due to increase in overall debtors at the year end.
 (b) Majorly due to downfall in Capital market.
 (c) Majorly due to losses arising out of abrupt downfall in secondary market.
 (d) Due to timely payment made by the Company towards its outstanding.
 (e) Due to substantial decrease in Company's liabilities and increase in its Inventory levels.

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 positive return on Networth in the current year due to increase in the profit, which is also a strong indicator of the potential future growth of the Company and its efficient management systems.

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

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 50% of the Board of Directors.
2. The Board has constituted several Committees viz. Audit Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee, 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.
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, 2021 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 Gagar, DIN: 00066068	Independent Director Chairman	4	Duroply Industries Limited	Independent Director	4	2	7	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
Mr. S. A. Ramesh Rangan DIN: 07586413	Independent Director	NIL	-	-	2	1	1	NIL
Mr. Santanu Mukherjee DIN: 07716452	Independent Director	3	Bandhan Bank Limited	Independent Director	1	1	3	NIL
			Donear Industries Limited	Independent Director				
			Suven Life Sciences Limited	Independent Director				

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. 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	-	-	2	-	-	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.

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, 2021.

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, competence and attributes	Whether such key skills, expertise, 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_programme.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/CodeofConduct.asp>. 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 Whole-time 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, 2021.

Date: June 24, 2021
Place: Kolkata

Bhawani Shankar Rathi
Whole-time 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 wellbeing 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 2020-21, 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 2020-21 ended on March 31, 2021. The required quorum was present at all the Meetings. During the year under review, the Board Meetings were held on June 26, 2020, August 7, 2020, November 10, 2020 and February 10, 2021.

Name of the Director	Category	No. of Board Meetings		Attendance at last AGM held on September 19, 2020
		Held	Attended	
Mr. Ratan Lal Gagar, Chairman DIN: 00066068	Independent Non-Executive Director	4	4	Yes
Dr. Basudeb Sen DIN: 00056861	Independent Non-Executive Director	4	3	Yes
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

Name of the Director	Category	No. of Board Meetings		Attendance at last AGM held on September 19, 2020
		Held	Attended	
Mr. Vijay Maheshwari DIN: 00216687	Promoter & Non-Executive Director	4	4	Yes
Mr. Prashant Shekhar Panda DIN: 00596554	Independent Non-Executive Director	4	3	Yes
Mr. Anil Kumar Birla DIN: 00015948	Non-Executive Director	4	4	Yes
Mr. Bijay Murmuria DIN: 00216534	Promoter & Non-Executive Director	4	4	Yes
Mrs. Garima Maheshwari DIN: 07001628	Non-Executive Director	4	4	Yes
Mr. Bhawani Shankar Rathi, Wholetime Director DIN: 00028499	Promoter & Executive Director	4	4	Yes

SEPARATE MEETING OF INDEPENDENT DIRECTORS

During the Financial Year 2020-21, a separate meeting of the Independent Directors of the Company was held on 10th February 2021, 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. 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 2020-21 ended on March 31, 2021 i.e. on June 26, 2020, August 7, 2020, November 10, 2020 and February 10, 2021. The composition of the Committee and attendance of each Audit Committee Member are as under:-

Name of the Member	Category	No. of Audit Committee Meetings	
		Held	Attended
Mr. Prashant Shekhar Panda, Chairman	Independent Non-Executive Director	4	3
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 thrice during the FY 2020-21, on June 26, 2020, August 7, 2020 and February 10, 2021.

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

Name of the Member	Category	No. of NRC Meetings	
		Held	Attended
Mr. Prashant Shekhar Panda, Chairman	Independent Non-Executive Director	3	2
Mr. S. A. Ramesh Rangan	Independent Non-Executive Director	3	3
Mr. Santanu Mukherjee	Independent Non-Executive Director	3	3
Mr. Vijay Maheshwari	Promoter & Non-Executive Director	3	3
Mr. Bijay Murmuria	Promoter & Non-Executive Director	3	3

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/N_R_Policy_wef01042019.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 2020-21. The details of remuneration paid/payable to Mr. B. S. Rathi, Wholetime Director for the year ended March 31, 2021 are as under:

Mr. B. S. Rathi, Wholetime Director (FY 2020-21)	Rs. in lacs
Salary	17.85
Bonus	0.87
House Rent Allowance	2.55
Other allowances	3.06
Employer's Contribution to PF	2.09
Total	26.42

Remuneration of Directors

Details of remuneration paid to Directors during the financial year 2020-21

Name of Directors	Meetings Fees (₹)	Salary & Perks (₹)	Total (₹)	No. of Shares held as on 31-Mar-21
Mr. Ratan Lal Gaggar, Chairman	50,000	-	50,000	-
Dr. Basudeb Sen	30,000	-	30,000	4,000
Mr. S. A. Ramesh Rangan	1,20,000	-	1,20,000	-
Mr. Santanu Mukherjee	1,20,000	-	1,20,000	-
Mr. Prashant Shekhar Panda	1,10,000	-	1,10,000	-
Mr. Vijay Maheshwari	70,000	-	70,000	16,69,220
Mr. Anil Kumar Birla	50,000	-	50,000	6,000
Mr. Bijay Murmura	1,20,000	-	1,20,000	3,69,920
Mr. Bhawani Shankar Rathi, Wholetime Director	-	26,42,100	26,42,100	1,19,270
Mrs. Garima Maheshwari	40,000	-	40,000	25,000
Total	7,10,000	26,42,100	33,52,100	

(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 2020-21 on February 10, 2021. 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 Murmura	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 2020-21. The Company has addressed all the requests during the year -

Status of requests received from shareholders during FY 2020-21

Type of Requests	Pending at the beginning of the year (01.04.2020)	Received during the year	Disposed of during the year	Unresolved at the end of the year (31.03.2021)
Bank A/C Details	0	1	1	0
Change of Address	0	0	0	0
Duplicate Dividend Warrant	0	0	0	0
Name Deletion/Name Correction	0	0	0	0
Issue of Duplicate Certificate	0	0	0	0
Exchange of old Share Certificate	0	0	0	0
Revalidation of Dividend Warrant	0	1	1	0
Stop Transfer	0	0	0	0
Transmission	0	0	0	0
Annual Report	0	0	0	0
IEPF	0	0	0	0
Miscellaneous	0	0	0	0
TOTAL	0	2	2	0

Details of investor complaints received and resolved during the FY 2020-21 are as follows:-

Pending at the beginning of the year	Received during the year	Redressed/Replied during the year	Pending at the year end
Nil	Nil	Nil	Nil

(IV) Corporate Social Responsibility Committee

Composition

The Corporate Social Responsibility (the “CSR”) Committee has been constituted on 24th June 2021, in accordance with the provisions of Section 135 of the Companies Act, 2013 and applicable Rules made thereunder. The Committee comprises of the following three (3) members out of which one is Independent Director who is also the Chairman of the Committee:

Name of the Member	Category
Mr. S. A. Ramesh Rangan, Chairman	Independent Non-Executive Director
Mr. Anil Kumar Birla	Non-Executive Director
Mr. Bijay Murmuria	Promoter & Non-Executive Director

No meetings of the CSR Committee took place during the Financial Year 2020-21 since it has been constituted in the current financial year.

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 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, 2018	September 15, 2018 at 10.30 a.m.	Merchants' Chamber of Commerce & Industry, 15B Hemanta Basu Sarani, Kolkata – 700001.	Special Resolutions were passed in respect of the following – Re-appointment for the second term as Independent Director – 1. Mr. Ratan Lal Gaggar 2. Dr. Basudeb Sen 3. Mr. Prashant Shekhar Panda 4. Modification of SFSL Employees Stock Option Scheme 2011; Modification of Grant of options to the Employees of the Subsidiaries of the Company under SFSL Employees Stock Option Plan 2011
March 31, 2019	September 14, 2019 at 10.30 a.m.		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, 8B Middleton Street, Kolkata – 700 071.)	No Special Resolution was transacted at the Meeting.

Ordinary Resolution through Postal Ballot:

During the year, the Company passed ordinary resolution through Postal Ballot on 30th December, 2020 for obtaining shareholders' approval to purchase office space from Related Party (as defined under the Companies Act, 2013).

Mr. Asit Kumar Labh, Practicing Company Secretary (Membership No.: ACS32891/ Certificate of Practice No-14664), was appointed as the Scrutinizer by the Board of Directors of the Company, for conducting the Postal Ballot and E-voting process in a fair and transparent manner.

Procedure of Postal Ballot:

In compliance with the requirements of applicable Circulars issued by the Ministry of Corporate Affairs in this regard and owing to the difficulties involved in dispatching of physical copies, the hard copy of the Postal Ballot Notice alongwith Postal Ballot Form and pre-paid business reply envelopes were not sent to the members for this Postal Ballot and the members were required to communicate their assent or dissent through the remote e-voting system only. The Postal Ballot and E-voting process was conducted in absolute compliance with the governing laws.

Upon completion of scrutiny of the e-voting, the Scrutinizer submitted his report to the Chairman of the Company and the result of the Postal Ballot was announced and displayed at the Registered Office of the Company. The result

of the Postal Ballot alongwith Scrutinizer's Report was also posted on the Company's website (www.sumedhafiscal.com) and was simultaneously communicated to the BSE Limited, on which the shares of the Company are listed. Further, there is no immediate proposal for passing any resolution through Postal Ballot.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the Financial Year 2020-21, 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:

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 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 Stand-alone 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, 2021 (Friday)

Time : 10.30 a.m.

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

b) Financial Year : April to March

Financial calendar for the financial year 2021-22 (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, 2022 are as follow:

First Quarter Results	:	By middle of August, 2021
Second Quarter and Half yearly Results	:	By middle of November, 2021
Third Quarter Results	:	By middle of February, 2022
Fourth Quarter and Annual Results	:	By end of May, 2022

c) Dates of Book Closure:

Saturday, 11th September, 2021 to Friday, 17th September, 2021 (Both days inclusive).

d) Dividend

Dividend on Equity Shares will be made payable from Thursday, 23rd September, 2021 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 10th September, 2021. 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

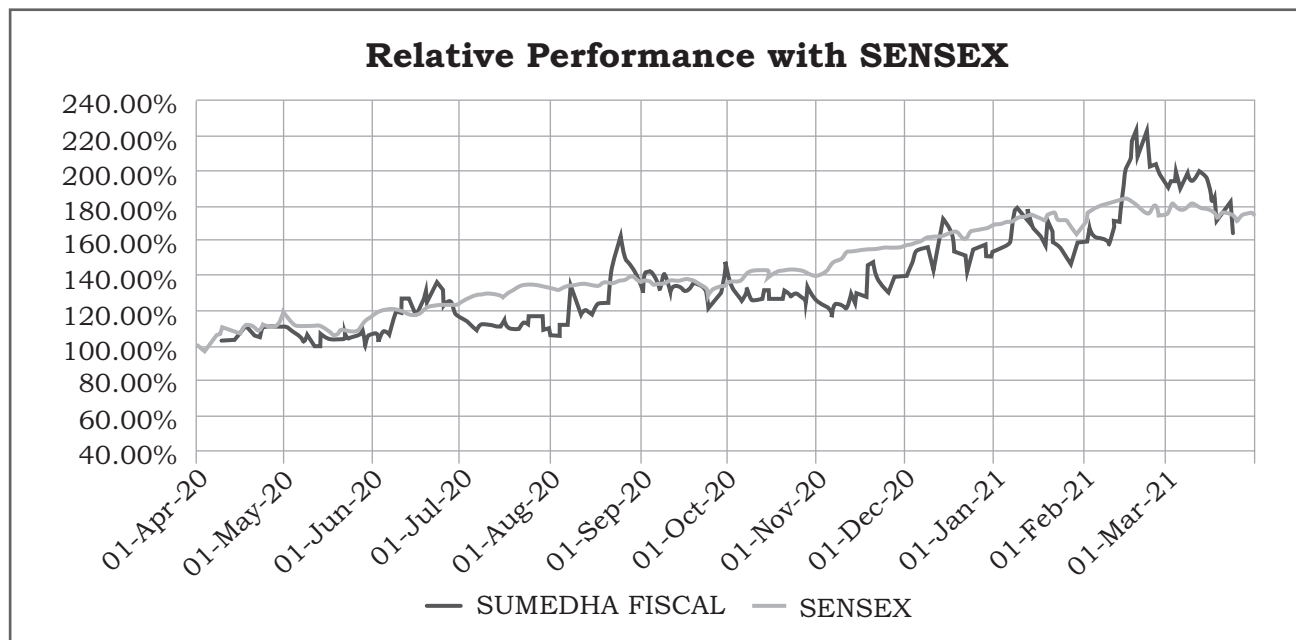
The listing fees for the financial year 2020-21 has been duly paid to the above Stock Exchanges.

f) Market Price Data

Period	The Calcutta Stock Exchange Ltd.		BSE Ltd.			
	High	Low	High	Low	Closing	Sensex (Closing)
April, 2020	-	-	15.95	13.80	15.70	33717.62
May, 2020	-	-	15.70	13.90	14.90	32424.1
June, 2020	-	-	20.59	14.43	16.26	34915.8
July, 2020	-	-	17.25	14.80	15.05	37606.89
August, 2020	-	-	24.95	14.50	19.00	38628.29
September, 2020	-	-	21.90	17.00	19.50	38067.93
October, 2020	-	-	20.50	17.30	18.00	39614.07
November, 2020	-	-	22.50	14.00	19.70	44149.72
December, 2020	-	-	27.00	18.85	21.65	47751.33
January, 2021	-	-	28.25	20.25	22.45	46285.77
February, 2021	-	-	34.40	21.55	28.00	49099.99
March, 2021	-	-	29.90	20.00	24.40	49509.15

g) Stock Performance: FY 2020-21 ended on March 31, 2021

Performance in comparison to BSE SENSEX: Share Price Performance (April 2020 to March 2021)



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

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, 2021

No. of Shares	No. of Shareholders	% of Shareholders	Shares held	% of Shareholding
1-500	1968	74.5455	311260	3.8983
501-1000	259	9.8106	213644	2.6758
1001-2000	170	6.4394	266632	3.3394
2001-3000	51	1.9318	129607	1.6232
3001-4000	42	1.5909	148344	1.8579
4001-5000	25	0.9470	115717	1.4493
5001-10000	59	2.2348	418852	5.2459
10001 and above	66	2.5000	6380368	79.9102
	2640	100.0000	7984424	100.0000

l) Shareholding Pattern as on 31st March, 2021

Category	No. of Shares	% of holding
Promoters (Individual & Bodies Corporate)	3957709	49.57
Mutual Funds/Government(s)	7300	0.09
Bodies Corporate (Non-promoter)	740153	9.27
Indian Public (Individual)	2727908	34.17
NRIs/OCBs	412253	5.16
Clearing Member	9773	0.12
Investor Education and Protection Fund Authority	129328	1.62
Total	7984424	100.00

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, 2021, 98.59% 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	New Delhi	Bangalore
C-703 "Marathon Innova", Off Ganapatrao Kadam Marg Opp Peninsula Corporate Park, Lower Parel (W), Mumbai - 400 013.	B1/12 Safdarjung Enclave, 2nd Floor, New Delhi - 110 029.	First Floor, Park Plaza, No. 1 Park Road, (Off. Infantry Road), Tasker Town, Bangalore - 560 051.
Hyderabad	Ahmedabad	
309/1, 3rd Floor, Krishna Plaza, Khairatabad, Hyderabad-500 004.	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:

Maheshwari Datamatics Pvt. Ltd.	Investor Service Department	Compliance Officer
[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: mdpldc@yahoo.com	Sumedha Fiscal Services Ltd. 6A, Geetanjali, 8B, Middleton Street, Kolkata – 700071. Phone: (033) 2229-8936/3237 Fax: 033) 2229-4140 E-mail: investors@sumedhafiscal.com	Ms. Dhvani Fatehpuria Company Secretary & Compliance Officer E-mail – compliance@ sumedhafiscal.com 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 IV** to the Board's Report and have also been provided in Note No. 37 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, except as appended aforesaid which was approved by the shareholders.

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/policy_on_rpt.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. There has not been any Omnibus approval for such transactions pursuant to Regulation 23 of the Listing Regulations, 2015.

● 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/CodeofConduct.asp>. 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 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/CodeofConduct.asp>. 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 Whole-time Director and the CFO of the Company have certified the accuracy of financial statements for the Financial Year 2020-21 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/MaterialSubsidiaryPolicy_wef_01042019.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, 2021, 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 2020-21	2,25,000	2,42,500
Tax Audit for the FY 2020-21	1,00,000	1,00,000
Limited Review	75,000	75,000
Certifications	1,82,000	1,82,000
Total	5,82,000	5,99,500

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, 2021:**

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.

AUDITORS' CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

The Certificate dated June 24, 2021 from Statutory Auditors of the Company (M/s. V. Singhi & Associates) 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 June 24, 2021.

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.

For and on behalf of the Board

Ratan Lal Gagar
Chairman
DIN: 00066068

Place : Kolkata

Date : 24th June, 2021

Annexure – III

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

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, 2021, 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 preparation of the Corporate Governance Report 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 procedure selected depends 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 is 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 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, 2020 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 of complying with the requirement of the –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 this report is shown or into whose hands it may come without our prior consent in writing.

For **V Singhi & Associates**

Chartered Accountants

Firm Registration No: 311017E

(SUNIL SINGHI)

Partner

Membership No. 060854

UDIN:21060854AAAABN4851

Place: Kolkata

Date: 24th June, 2021

Annexure – IV

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, 2021)

Sl. No.	Name of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangement/ 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, 2021)

Sl. No.	Name(s) 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	Amount paid as advance, if any	Any other Remarks
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
2.	Mr. Vijay Maheshwari, Director	Purchase of Office Space from the Related Party	One time settlement	Office space at Flat No. 6A, Geetanjali Apartments, 8B, Middleton Street, Kolkata – 700071 admeasuring about 1534 sq.ft. (covered area) together with one car parking space; Transaction value of Rs. 2,15,00,000/-	10-Nov-20	Not applicable	Members of the Company approved the transaction through Postal Ballot (by electronic means) on 30-Dec-21

For and on behalf of the Board

Ratan Lal Gaggar

Chairman

DIN : 00066068

Place : Kolkata

Date : 24th June, 2021

Annexure – V

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2021

[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 31.03.2021 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.

We have relied upon the accuracy of the documents and information as shared by the Company with us through appropriate Information Technology tools to assist us in completing the secretarial audit work during lock down period due to unprecedented situation prevailing in the Country due to CoVID-19 virus pandemic and the same is subject to physical verification by us post normalization of the situation.

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 31.03.2021 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.
- (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

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; and
2. The Securities and Exchange Board of India (Depositories & Participants) Regulations, 1996;*
(* operations discontinued and surrendered licenses, approval awaited)

to the extent of its applicability to the Company during the financial year ended 31.03.2021 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 (Stock Brokers & Sub Brokers) Regulations, 1992;
- (v) The Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993; and
- (vi) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014

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) As informed by the management and as per the disclosure dated 26th June, 2020 submitted with the Stock Exchange, the Company has decided to close the following operations subject to compliance of regulatory formalities:
 - Portfolio Management Services (PMS) with Securities and Exchange Board of India (SEBI); and
 - Mutual Fund Distribution Business.
- (b) The Company had conducted Postal Ballot for approval of material related party transaction which was duly approved by the shareholders during the year under report.
- (c) In the light of heightened concern on spread of COVID-19 across the nation and as per the notifications issued by the Central / State Government(s), the Company had temporarily moved to Work from Home Policy for all its office employees. However, the Company has restarted some its offices including its registered and head office at Kolkata with effect from 26-May-20 in a phased manner in accordance with the guidelines stipulated by the Ministry of Home Affairs of the Government of India and the local authorities.

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

(CS A. K. LABH)
Practising Company Secretary
FCS : 4848 / CP No.: 3238
UIN : S1999WB026800
PRCN : 1038/2020
UDIN: F004848C000508109

Place : Kolkata

Dated : 24th June, 2021

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, 2021 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, if any 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: F004848C000508098

Place : Kolkata

Date : 24th June, 2021

Annexure – VI

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 (2020 – 2021):

Sl. No.	Name of the Director	Ratio to median remuneration
1	Mr. Bhawani Shankar Rathi	7.14

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 2019 - 2020 (₹)	Salary for FY 2020 - 2021 (₹)	% increase in remuneration in the financial year
1	MR. BHAWANI SHANKAR RATHI, Wholetime Director	32,74,500	26,42,100	-19.30%
2	MR. DEB KUMAR SETT, Company Secretary	8,85,000	7,32,882	-17.05%
3	MR. GIRDHARI LAL DADHICH, Chief Financial Officer	5,60,000	4,58,028	-18.21%

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

Sl. No.	Median	FY 2019 - 2020 (₹)	FY 2020 - 2021 (₹)	% increase in median remuneration in the financial year
1	Median Remuneration of employees	3,48,500	3,70,000	6.17

D. The number of permanent employees on the rolls of Company: 47 employees as on 31st March, 2021.

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 (-)4.21%. Average increase in the managerial remuneration for the year was (-)5%.

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, 2021 is in term of the Remuneration Policy of the Company.

For and on behalf of the Board

Ratan Lal Gaggar
Chairman
DIN : 00066068

Place : Kolkata

Date : 24th June, 2021

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, 2021, 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 (herein after 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, 2021, 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 ICAI's 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><u>Property, Plant and Equipment</u></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 & Equipments, 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 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 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 Board of Directors is 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 India 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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, 2016 ("the Order") issued by the Government of India in terms of sub-section (11) of Section 143 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. As required by Section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the 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, 2021 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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**”;
- g. 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
- h. with respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company has no pending litigations on its financial position in its standalone financial statements;
 - ii. 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
 - iii. 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 there under.

For **V. SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.:311017E

(SUNIL SINGHI)

Partner

Membership No. 060854

UDIN :21060854AAAABI9458

Place: Kolkata

Date: 24th June, 2021

ANNEXURE - A TO THE INDEPENDENT AUDITOR’S REPORT

Referred to in paragraph-1 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, 2021,

- i. a) The Company has maintained proper records showing full particulars including quantitative details and situation of its Fixed Assets.
- b) As explained to us, Fixed Assets have been physically verified by the management at regular intervals which, in our opinion is reasonable having regard to the size of the Company and the nature of the assets. As informed to us, 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, the Title Deeds of immovable properties are held in the name of the Company except an ownership flat having a carrying amount of Rs 1,07,09,598/- at Noida.

Particulars	Gross Block (Rs.)	Net Block (Rs.)
Freehold Flat at Noida and are stated at carrying value less accumulated depreciation	1,13,03,903/-	1,07,09,598/-

- ii. The inventories have been physically verified during the year at reasonable intervals by the management. As informed to us, no material discrepancies were noticed on such physical verification.

- iii. According to the information and explanations given to us. The Company has not granted any secured/ unsecured loans to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. In view of the above, reporting under clause 3 (iii)(a), 3 (iii)(b) and 3 (iii)(c) of the Order is not applicable.
- iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of sections 185 and 186 of the Act are applicable. Accordingly, clause 3(iv) of the Order is not applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of sections 73 to 76 of the Act and the rules framed thereunder to the extent notified. Accordingly, clause 3(v) of the Order is not applicable.
- vi. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Sub section 1 of Section 148 of the Act, for any of the services rendered by the Company. Accordingly, clause 3(vi) of the Order is not applicable.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company is generally regular in depositing undisputed applicable statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Cess and any other statutory dues to the appropriate authorities. Further, there is no undisputed amount payable in respect of the above which were in arrears as on 31st March, 2021 for a period of more than six months from the date the same became payable.
 - (b) There are no dues outstanding on account of any disputes.
- viii. According to the information and explanations given to us, the Company has not taken any loans or borrowed from any financial institutions or banks or Government nor issued any debentures. Accordingly clause 3(viii) of the order is not applicable.
- ix. 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) or term loan during the year. Accordingly, clause 3 (ix) of the order is not applicable.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. 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 paid /provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, 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. 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/ private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3 (xiv) of the Order is not applicable.
- 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. Accordingly, clause 3 (xv) of the Order is not applicable.

xvi. 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.

For **V. SINGHI & ASSOCIATES**

Chartered Accountants

Firm Registration No.:311017E

(SUNIL SINGHI)

Partner

Membership No. 060854

UDIN :21060854AAAABI9458

Place: Kolkata

Date: 24th June, 2021

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph-2(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, 2021)

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, 2021 in conjunction with our audit of the Standalone financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control 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 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 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 financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2021, 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.

For **V. SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.:311017E

(SUNIL SINGHI)
Partner

Membership No. 060854
UDIN :21060854AAAABI9458

Place: Kolkata
Date: 24th June, 2021

Balance Sheet as at 31st March, 2021

(₹ in '00)

Particulars	Notes	As at 31st March, 2021	As at 31st March, 2020
I. ASSETS			
(1) Financial Assets			
a) Cash and Cash Equivalents	2	43,998.01	2,42,599.60
b) Bank Balance other than (a) above	3	4,11,850.71	2,02,998.74
c) Trade Receivables	4	4,80,666.84	4,82,890.33
d) Investments	5	8,81,819.58	8,66,083.35
e) Other Financial Assets	6	1,15,924.90	4,23,482.72
(2) Non financial Assets			
a) Inventories	7	11,01,441.47	3,79,272.47
b) Current tax Assets (Net)	8	1,38,631.54	1,33,740.93
c) Investment Property	9	4,018.43	4,127.75
d) Property, Plant and Equipment	10	13,16,756.05	10,95,380.89
e) Other Intangible Assets	11	3,376.53	4,537.31
f) Other Non-Financial Assets	12	74,954.43	87,284.84
Total Assets		45,73,438.49	39,22,398.93
II. LIABILITIES AND EQUITY			
(1) Financial Liabilities			
a) Borrowings (other than Debt Securities)	13	8,639.74	13,818.85
b) Other Financial Liabilities	14	23,123.39	34,835.99
(2) Non-Financial Liabilities			
a) Provisions	15	12,846.27	14,594.35
b) Deferred Tax Liabilities (Net)	16	87,586.89	79,623.41
c) Other Non-Financial Liabilities	17	4,285.01	1,32,542.23
(3) EQUITY			
a) Equity Share Capital	18	7,98,442.40	7,98,442.40
b) Other Equity	19	36,38,514.79	28,48,541.70
Total Liabilities and Equity		45,73,438.49	39,22,398.93
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 : 24th June, 2021

Bhawani Shankar Rathi

Wholetime Director

DIN: 00028499

Dhwani Fatehpuria

Company Secretary

Bijay Murmura

Director

DIN: 00216534

Girdhari Lal Dadhich

Chief Financial Officer

Statement of Profit and Loss for the year ended 31st March, 2021

(₹ in '00)

Particulars	Notes	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Revenue from operations			
(i) Interest Income	20	23,113.94	16,896.60
(ii) Dividend Income	21	2,957.27	3,038.74
(iii) Rental Income	22	4,200.00	4,200.00
(iv) Fees and commission Income	23	6,52,433.74	11,85,761.73
(v) Net gain on fair value changes	24	5,07,823.49	-
(vi) Sales of Stock-in-Trade - Shares and Securities		7,80,732.45	5,58,276.13
(vii) Sale of services		19,907.40	31,145.22
(I) Total Revenue from operations		19,91,168.29	17,99,318.42
(II) Other Income	25	2,000.03	1,839.29
(III) Total Income (I+II)		19,93,168.32	18,01,157.71
Expenses			
(i) Finance Costs	26	5,760.68	10,286.73
(ii) Fees and commission expense		50,971.80	82,447.65
(iii) Net loss on fair value changes	24	-	4,28,847.76
(iv) Impairment on financial instruments		84.52	70,199.98
(v) Purchase of Stock-in-Trade (Shares and Securities)		11,16,029.22	5,40,977.58
(vi) Changes in Inventories of Stock-in-Trade (Shares and Securities)	27	(7,22,169.00)	3,21,165.65
(vii) Employee Benefits Expenses	28	2,88,384.22	3,52,624.87
(viii) Depreciation, amortization and impairment		51,122.48	53,926.26
(ix) Others expenses	29	2,43,764.01	3,28,971.11
(IV) Total Expenses (IV)		10,33,947.93	21,89,447.59
(V) Profit/(loss) before tax (III - IV)		9,59,220.39	(3,88,290.88)
(VI) Tax Expense:			
(1) Current Tax		1,19,500.00	-
(2) Deferred Tax		6,328.52	(20,446.39)
(3) Short/(Excess) Provision for Tax relating to earlier Years		372.89	(12,989.35)
(VII) Profit/(loss) for the period (V-VI)		8,33,018.98	(3,54,855.14)
(VIII) Other Comprehensive Income			
(A) (i) Items that will not be reclassified to profit or loss (specify items and amounts)			
- Remeasurement of post-employment benefit obligations		6,495.65	(11,035.14)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(1,634.96)	2,518.22
Subtotal (A)			
(IX) Total Comprehensive Income for the period		4,860.69	(8,516.92)
Total Comprehensive Income for the year (VII + IX) (Comprising Profit/ (Loss) and Other Comprehensive Income for the year)		8,37,879.67	(3,63,372.06)
(X) Earnings per equity share			
Basic (Rs.)		10.43	(4.44)
Diluted (Rs.)		10.43	(4.44)
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

Bhawani Shankar Rathi
Wholetime Director
DIN: 00028499

Bijay Murmuria
Director
DIN: 00216534

(SUNIL SINGHI)
Partner
Membership No. 060854
Place : Kolkata
Date : 24th June, 2021

Dhwani Fatehpuria
Company Secretary

Girdhari Lal Dadhich
Chief Financial Officer

Statement of Changes in Equity for the year ended 31st March, 2021

A. Equity Share Capital

(₹ in '00)

Particulars	Amount
As at 31st March, 2019	7,98,442.40
Changes in Equity Share Capital	-
As at 31st March, 2020	7,98,442.40
Changes in Equity Share Capital	-
As at 31st March, 2021	7,98,442.40

B. Other Equity

(₹ in '00)

Particular	Reserves and Surplus			Other Comprehensive Income	Total
	Securities Premium Reserve	General Reserve	Retained Earnings		
	(₹)	(₹)	(₹)		
Balance at the beginning of the reporting year i.e. 1st April, 2019	2,57,201.64	9,265.45	30,34,385.88	7,316.21	33,08,169.18
Profit/(Loss) for the Year	-	-	(3,54,865.14)	-	(3,54,855.14)
Total Comprehensive Income for the year	-	-	-	(8,516.92)	(8,516.92)
Dividend Paid	-	-	(79,844.24)	-	(79,844.24)
Dividend Tax Paid	-	-	(16,412.18)	-	(16,412.18)
Balance at the end of the reporting year i.e. 31st March, 2020	2,57,201.64	9,265.45	25,83,274.32	(1,200.71)	28,48,540.70

Particular	Reserves and Surplus			Other Comprehensive Income	Total
	Securities Premium Reserve	General Reserve	Retained Earnings		
	(₹)	(₹)	(₹)		
Balance at the beginning of the reporting year i.e. 1st April, 2020	2,57,201.64	9,265.45	25,83,274.32	(1,200.71)	28,48,540.70
Profit/(Loss) for the Year	-	-	8,33,018.94	-	8,33,018.94
Total Comprehensive Income for the year	-	-	-	4,860.69	4,860.69
Dividend Paid	-	-	(47,906.54)	-	(47,906.54)
Balance at the end of the reporting year i.e. 31st March, 2021	2,57,201.64	9,264.45	33,68,387.72	3,659.98	36,38,514.79

This is the Statement of Changes in Equity referred to in our report of even date

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 : 24th June, 2021

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes

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

Statement of Cash Flow for the year ended 31st March, 2021

(₹ in '00)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
A. Cash flows from operating activities		
Profit/(Loss) before taxation	9,59,220.35	(3,88,289.92)
Adjustments for :		
Depreciation	51,122.48	53,926.26
Interest income	(23,113.94)	(16,896.60)
Dividend income	(172.04)	(440.08)
Interest expense	5,639.65	10,226.70
Rental Income	(4,200.00)	(4,200.00)
(Profit)/Loss on sale of fixed assets (net)	-	(1,285.28)
(Profit)/Loss on sale of Investments	(23,477.79)	(46,578.78)
Impairment Loss on Investments	84.52	70,199.98
Unrealised Loss/(Gain) on Financial Assets	(44,488.16)	2,760.53
Bad Debts and Sundry Balances Written Off	79,712.90	79,944.83
Other Comprehensive Income	6,495.65	(11,035.14)
Operating profit before working capital changes	10,06,823.64	(2,51,667.50)
Adjustments for :		
(Increase) / Decrease in Trade Receivables and other Assets	2,45,982.73	(4,55,951.24)
(Increase) / Decrease in Inventories	(7,22,169.00)	3,21,165.66
Increase / (Decrease) in Trade and Other Payables	(1,41,577.85)	84,426.67
Cash generated from Operations	3,89,059.52	(3,02,026.41)
Tax Paid	(1,24,763.50)	(96,949.87)
Cash Flow from operating Activities	2,64,296.02	(3,98,976.28)
B. Cash flows from investing activities		
Purchase of Property, Plant & Equipment and Intangible Assets	(2,71,227.54)	(2,36,483.49)
Sale of Property, Plant & Equipment	-	1,860.01
Purchase of Investments	(8,45,974.80)	(13,97,500.00)
Sale of Investments	8,98,119.97	14,39,618.64
Investment in Term Deposits	(2,08,992.01)	(54,050.00)
Rent Received	4,200.00	4,200.00
Interest received	19,670.08	6,724.76
Dividend received	172.04	440.08
Net cash (used in) / from investing activities	(4,04,032.32)	(2,35,190.00)
C. Cash flows from financing activities		
Repayment of long term borrowings	(5,179.11)	(4,758.40)
Dividend and Dividend Distribution Tax amount transferred to IEPF	(48,046.58)	(96,353.28)
Interest paid	(5,639.65)	(10,226.70)
Net cash (used in) / from financing activities	(58,865.34)	(1,11,388.38)
Net increase in cash and cash equivalents	(1,98,601.64)	(7,45,504.68)
Cash and cash equivalents at the beginning of the year	2,42,599.60	9,88,104.26
Cash and cash equivalents at the end of the year	43,998.01	2,42,599.58

Notes:

- 1 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.
- 2 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.

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 : 24th June, 2021

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 Financial Statement for the year ended 31st March, 2021

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 with PAN India presence. The Equity Shares of the Company are listed on two Stock Exchanges i.e. Bombay Stock Exchange and The Calcutta Stock Exchange Limited. The registered office of the Company is situated at 6A, Geetanjali, 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, 2021 have been approved by the Board of Directors of the Company in their meeting held on 24th June, 2021.

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 amortised 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

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

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 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 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 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 Rs. 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 & Network : 6 years

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

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (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 initially at its cost, 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.

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

Equity Instruments

The Company subsequently measures all equity investments (except subsidiary and associates) at fair value through the 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 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 listed over stock exchanges 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.

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

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.

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.

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

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 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

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

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 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.

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

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.

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.

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

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.

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, 2021 (Contd.)

2. CASH AND CASH EQUIVALENTS

(₹ in '00)

Description	As at 31st March, 2021	As at 31st March, 2020
Cash on Hand	12,033.45	17,020.17
Balances with Banks	31,964.56	2,25,579.43
Total	43,998.01	2,42,599.60

3. BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENT

(₹ in '00)

Description	As at 31st March, 2021	As at 31st March, 2020
Unclaimed Dividend	11,658.70	11,798.74
Fixed deposits with maturity for more than 3 months and less than 12 months	4,00,192.01	1,91,200.00
Total	4,11,850.71	2,02,998.74

4. TRADE RECEIVABLES

(₹ in '00)

Description	As at 31st March, 2021	As at 31st March, 2020
- Receivable Considered Good - Unsecured	4,80,666.84	4,82,890.33
Total	4,80,666.84	4,82,890.33

5. INVESTMENTS (Refer Note 5.1)

(₹ in '00)

Description	As at 31st March, 2021	As at 31st March, 2020
In Mutual Funds	5,32,180.96	5,04,561.75
In Debt Securities	15,000.01	0.01
In Equity Instruments (Quoted)	3,34,638.61	3,61,521.59
Total	8,81,819.58	8,66,083.35

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

5.1 INVESTMENTS

(₹ in '00)

Sl. No.	Description	As at 31st March, 2021		As at 31st March, 2020	
		Units	Amount	Units	Amount
	Investments measured at Fair Value Through Statement of Profit & Loss				
A	In Mutual Fund				
1	ICICI Prudential Flexible Income Growth	16,205	68,011.20	16,205	63,260.07
2	HDFC Charity Fund for Cancer Cure	-	-	10,000	1,004.70
3	HDFC Liquid Fund - Direct Plan Growth	6,025	2,43,738.12	8,959	3,50,012.04
4	HDFC Liquid Fund - Regular Plan Growth	3,849	1,54,616.25	-	-
5	Edelweiss Mutual Fund Liquid Fund Retail Group Open Ended	8	188.68	8	182.28
6	Mirae Asset Short Tem Fund - Direct Growth	50,000	6,351.30	50,000	5,924.05
7	ICICI Prudential Short Term Fund-Growth	21,382	10,395.58	21,382	9,486.22
8	Canara Rebeco Capital Protection Oriented Fund - Series 8 - REG - Growth	-	-	50,000	5,819.40
9	Canara Rebeco Capital Protection Oriented Fund - Series 9 - REG - Growth	30,000	3,738.60	30,000	3,362.70
10	Canara Robeco Capital Protection Oriented Fund-Series 10- Reg.- Growth	30,000	3,685.62	30,000	3,158.79
11	Franklin India Ultra Short Bond Fund Super Inst Plan-Dir. Growth	99,067	29,630.73	1,96,277	54,277.55
12	Baroda Dynamic Equity Fund-Growth	79,990	11,526.56	79,990	7,911.01
13	UTI Equity Fund	200	298.32	200	162.94
	Total (A)		5,32,180.96		5,04,561.75

Description	Face Value	As at 31st March, 2021		As at 31st March, 2020	
		No. of Shares/ Debentures/Units	Amount	No. of Shares/ Debentures/Units	Amount
B. Investments measured at Amortized Cost, Unquoted, fully paid up					
In Debentures of Others					
I Care Learning Pvt. Ltd (Unquoted)	100	50,700	0.01	50,700	0.01
Dar Credit and Capital Limited (Quoted)	500000	3	15,000.00	-	-
Total (B)			15,000.01		0.01
C. In Equity Shares					
- of Subsidiary Company (measured at cost)					
Unquoted					
SFSL Commodity Trading Pvt Ltd.	10	8,68,065	1,45,219.50	8,68,065	1,45,219.50
- of Associates Company (measured at cost)					
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
- of Others [measured at Fair Value through Statement of Profit and Loss (FVTPL)]					
Unquoted					
I Care Learning Pvt. Ltd	10	65,000	0.01	65,000	0.01
Total of unquoted Investments measured at Cost and FVTPL			3,06,036.39		3,06,036.39

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

5.1 INVESTMENTS (Contd.)

(₹ in '00)

Description	Face Value	As at 31st March, 2021		As at 31st March, 2020	
		No. of Shares/ Debentures/Units	Amount	No. of Shares/ Debentures/Units	Amount
Investments measured at Fair Value through Statement of Profit and Loss					
In Equity Shares					
Quoted, Fully Paid Up					
Aravali Securities & Finance Limited	10	200	3.04	200	7.92
Assam Brook Limited	10	3,625	362.50	3,625	567.31
APS Star Industries Limited	10	600	6.00	600	6.00
Bharat Wire Ropes Limited	10	-	-	2,114	236.77
Business Forms Limited	10	-	-	6,000	60.00
CDR Health Care Limited	10	2,200	166.76	2,200	166.76
Gujrat Inject (Kerala) Limited	10	900	9.00	900	9.00
HDFC SLIC	10	-	-	374	1650.65
Leafin India Limited	10	500	5.00	500	5.00
Maruti Cottex Limited	10	17,000	170.00	17,000	170.00
Madhya Bharat Papers Limited	10	500	5.00	500	5.00
MCC Investment and Leasing Co. Limited	10	400	10.00	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	800.00
Paam Pharmaceuticals (Delhi) Limited	10	-	-	252	2.52
Parakaram Technofeb Limited	10	-	-	1,200	12.00
Pioneer Financial Management Services Limited	10	1,000	10.00	1,000	10.00
Primax Fiscal Services Limited	10	800	17.60	800	17.60
Sanderson Industries Limited	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	20146.50	33,000	6138.00
State Bank of India	1	1,870	6812.41	1,870	3681.10
Technology Plastics Limited	10	-	-	1,000	10.00
Timbor Home Limited	10	1,374	137.40	1,374	30.37
Investments in Portfolio Management Scheme					
Bajaj Finance Limited	2	-	-	74	1,639.69
Bal Krishna Industries Limited	2	-	-	159	1,258.72
Divi's Laboratories Limited	2	-	-	136	2,705.11
Dr. Lal Path Labs Ltd	10	-	-	165	2,312.81
HDFC Bank Ltd.	1	-	-	315	2,714.99
Honeywell Automation India Limited	10	-	-	9	2,330.15
ICICI Lombard General Insurance Co. Ltd	10	-	-	220	2,379.63
ICICI Bank Ltd	2	-	-	745	2,411.94
Indraprastha Gas Limited	2	-	-	605	2,347.10
Info Edge (India) Ltd	10	-	-	98	1,994.35
PI Industries	1	-	-	169	1,977.38
Reliance Industries Limited	10	-	-	189	2,104.99
Sanofi India Ltd	10	-	-	36	2,251.21
SRF Limited	10	-	-	75	2,087.48
Whirlpool of India Limited	10	-	-	108	1,964.41
Cash					9,098.23
Total of Investments measured at Fair Value Through Statement of Profit and Loss			28,602.22		55,485.20
Total Non Current Investments (C)			3,34,638.61		3,61,521.59
TOTAL (A+B+C)			8,81,819.58		8,66,083.35
Aggregate amount of quoted Investments and market value there of			5,75,783.18		5,60,046.96
Aggregate amount of unquoted Investments			3,06,036.40		3,06,036.39

Note: The Aggregate deemed cost of Investments is Rs. 8,69,873.42/- as on 31st March, 2021 and Rs. 9,58,346.96/- as on 31st March, 2020.

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

6. OTHER FINANCIAL ASSETS

(₹ in '00)

Description	As at 31st March, 2021	As at 31st March, 2020
(Unsecured, Considered Good)		
Security Deposits		
- Security Deposits with Stock Exchange/ Clearing Member	89,600.00	1,43,350.00
- Security Deposits with Others	9,880.21	7,347.04
Accrued Interest	15,597.78	12,153.91
Advance to Others	846.91	2,60,631.77
Total	1,15,924.90	4,23,482.72

7. INVENTORIES

(₹ in '00)

Description	As at 31st March, 2021	As at 31st March, 2020
Stock-in-Trade (At Fair Value)(Refer Note 7.1)		
In Equity Instruments (Quoted)	11,00,822.15	3,78,665.66
In Preference Instruments (Unquoted)	0.01	0.01
In Mutual Funds (Quoted)	619.31	606.80
Total	11,01,441.47	3,79,272.47

7.1 INVENTORIES

(₹ in '00)

Sr. No.	Name of the body corporate	Face Value (₹)	As at 31st March, 2021		As at 31st March, 2020	
			No. of Shares	Amount	No. of Shares	Amount
A	In Equity Instruments (Quoted)					
1	Akar Laminators Limited	10	500	4.25	500	4.25
2	Aditya Birla Capital Limited	10	5,000	5965.00	5,000	2087.50
3	Bajaj Holdings Limited	10	-	-	100	1798.55
4	Bank of Baroda	10	14,020	10388.82	14,020	7507.71
5	Bank of India	10	5,000	3392.50	5,000	1612.50
6	Bells Control Limited	10	50	5.00	50	5.00
7	Bharat Wire Ropes Limited	10	-	-	10,000	1120.00
8	Vedanta Limited (formerly known as Cairn India Limited)	1	-	-	2,500	1617.50
9	Canara Bank	10	84,000	127848.00	5,000	4525.00
10	Castrol India Limited	5	4,000	5012.00	4,000	3978.00
11	Chemcrown India Limited	10	28,000	0.01	28,000	0.01
12	Core Education & Technologies Limited	2	11,000	220.00	11,000	194.70
13	Daewoo Motors (India) Limited	10	100	6.71	100	6.71
14	EIH Limited	2	2,200	2044.90	2,000	1316.00
15	Emami Realty Limited (formerly known as Emami Infrastructure Ltd.)	10	1,500	595.50	1,500	420.75
16	Electrosteel Steels Limited	10	800	80.00	800	80.00
17	Glenmark Pharmaceuticals Limited	1	4,000	18588.00	4,000	8234.00
18	HFCL Limited	1	20,000	5030.00	20,000	1810.00
19	Himadri Speciality Chemical Limited (formerly known as Himadri Chemicals and Industries Limited)	1	5,000	2082.50	5,000	1472.50
20	Hindustan Copper Limited	5	-	-	2,500	532.50
21	Hindustan National Glass Limited	2	29	9.38	29	8.02

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

7.1 INVENTORIES (Contd.)

(₹ in '00)

Sr. No.	Name of the body corporate	Face Value (₹)	As at 31st March, 2021		As at 31st March, 2020	
			No. of Shares	Amount	No. of Shares	Amount
A	In Equity Instruments (Quoted) (Contd.)					
22	HUDCO Limited	10	1,000	438.50	1,000	200.00
23	IFB Industries Limited	10	4,900	54465.95	6,608	17603.71
24	Indiabulls Housing Finance Limited	2	1,200	2358.00	1,200	1161.00
25	Maruthi Cotex Limited	10	2,000	0.01	2,000	0.01
26	Lords Chloro Alkali Limited (Formerly: Modi Alkalies & Chemicals Limited)	10	10	3.02	10	1.80
27	NBCC Limited	2	15,000	7020.00	15,000	2445.00
28	NACL Industries Limited	1	14,000	5271.00	20,000	4380.00
29	Orient Paper Limited	10	5,000	1230.00	5,000	725.00
30	Oriental Bank of Commerce	10	-	-	36,000	15642.00
31	Padmini Technologies Limited	10	3,200	0.01	3,200	0.01
32	Parakaram Technofab Limited	10	84,400	0.01	84,400	0.01
33	PC Jewellers Limited	10	4,000	1084.00	4,000	458.00
34	Punjab National Bank	2	53,400	19571.10	12,000	3882.00
35	Punjab & Sindh Bank Limited	10	20,000	3520.00	20,000	2200.00
36	Reliance Industries Limited	10	14,000	280434.00	12,000	133650.00
37	RamKrishna Forging Limited	10	-	-	2,000	3052.00
38	Sanderson Industries Limited	10	1,83,400	0.01	1,83,400	0.01
39	Skipper Limited	1	20,825	12713.66	20,825	3873.45
40	MW Unitexx Limited	10	195	3.49	195	3.49
41	State Bank of India	1	44,500	162113.50	44,500	87598.25
42	Suditi Industries Limited	10	2,000	209.00	2,000	168.20
43	Sun Pharmaceuticals Industries Limited	1	3,800	22716.40	6,800	23956.40
44	Suryodaya Allo - Metal Powders Limited	10	6,500	201.50	6,500	201.50
45	Telephone Cables Limited	10	100	1.70	100	1.70
46	Texmaco Infrastructure & Holdings Limited.	1	8,000	5600.00	8,000	2476.00
47	Texmaco Rail & Engineering Limited.	1	16,000	4272.00	16,000	3120.00
48	Uco Bank	10	29,000	3190.00	29,000	2624.50
49	Union Bank of India	10	14,000	4767.00	14,000	4018.00
50	Vatsa Corporation Limited	1	100	0.01	100	0.01
51	Vimta Laboratories Limited	2	-	-	2,000	1194.00
52	Viniyoga Clothex Limited	10	1,800	0.01	1,800	0.01
53	Vodafone Idea Ltd		1,00,000	9250.00	-	-
54	Wockhardt Limited	5	6,000	24843.00	6,000	10359.00
55	YES Bank	10	1,11,600	17409.60	35,200	7902.40
56	Zee Entertainment Enterprises Limited	1	12,000	24384.00	6,000	7437.00
57	Nava Bharat Ventures Ltd.	2	10,000	6950.00	-	-
58	IDBI Bank Ltd.	10	10,000	3855.00	-	-
59	Rail Vikas Nigam Ltd.	10	-	-	-	-
60	Granules India Ltd.	1	10,000	30345.00	-	-
61	Axis Bank Ltd	2	2,000	13949.00	-	-

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

7.1 INVENTORIES (Contd.)

(₹ in '00)

Sr. No.	Name of the body corporate	Face Value (₹)	As at 31st March, 2021		As at 31st March, 2020	
			No. of Shares	Amount	No. of Shares	Amount
A	In Equity Instruments (Quoted) (Contd.)					
62	Bandhan Bank Ltd	10	10,000	33890.00	-	-
63	Biocon Ltd	5	6,000	24534.00	-	-
64	Ester Industries Ltd	5	5,000	5837.50	-	-
65	ICICI Bank Ltd	2	8,000	46568.00	-	-
66	IRFC Ltd	10	10,000	2290.00	-	-
67	ITC Ltd	1	10,000	21850.00	-	-
68	Schafeller India Ltd	10	200	10884.10	-	-
69	Syngene International Ltd	10	6,000	32607.00	-	-
70	Sun Pharma Advanced Research Company Ltd	1	3,000	4264.50	-	-
71	Tamil Nadu Newsprints & Papers Ltd	10	10,000	14655.00	-	-
	Total			11,00,822.15		3,78,665.66

Sr. No.	Name of the body corporate	Face Value (₹)	As at 31st March, 2021		As at 31st March, 2020	
			No. of Shares	Amount	No. of Shares	Amount
B	In Preference Shares (Unquoted)					
1	Venkateshwara Hatcheries Limited	10	20	0.01	20	0.01
	Total			0.01		0.01

Sr. No.	Name of the body corporate	Face Value (₹)	As at 31st March, 2021		As at 31st March, 2020	
			No. of Shares	Amount	No. of Shares	Amount
C	In Mutual Funds					
1	Reliance MF ETF (Goldbees)	100	1500	581.40	1500	584.10
2	UTI Master Shares - Unit Scheme	10	100	37.91	100	22.70
	Total			619.31		606.80

8. CURRENT TAX ASSETS

(₹ in '00)

Description	As at 31st March, 2021	As at 31st March, 2020
Advance Tax (Net of Provisions)	1,38,631.54	1,33,740.93
(Provision of ₹ 1,19,500/- as on 31.03.2021 Nil- as on 31.03.2020)		
Total	1,38,631.54	1,33,740.93

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

9. INVESTMENT PROPERTY

(₹ in '00)

Description	Gross Block			Depreciation and Amortisation			Net Block		
	As at 1st April, 2019	Additions during the year	Disposals/ Discarded during the year	As at 31st March, 2020	Upto 31st March, 2019	Deprici-ation for the year	Disposal during the year	Upto 31st March, 2020	As at 31st March, 2020
Tangible Assets									
Buildings	4,565.03	-	-	4,565.03	327.96	109.32	-	437.28	4,127.75
Total	4,565.03	-	-	4,565.03	327.96	109.32	-	437.28	4,127.75

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	Deprici-ation for the year	Disposal during the year	Upto 31st March, 2021	As at 31st March, 2021
Tangible Assets									
Buildings	4,565.03	-	-	4,565.03	437.28	109.32	-	546.60	4,018.43
Total	4,565.03	-	-	4,565.03	437.28	109.32	-	546.60	4,018.43

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

Particulars	31st March, 2021	31st March, 2020
Rental Income	4,200.00	4,200.00
Direct operating expenses from property that generated rental income	42.91	42.91
Profit from investment properties before depreciation	4,157.09	4,157.09
Depreciation	109.32	109.32
Profit from investment properties	4,047.77	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 consists of office - based on nature, characteristics and risks of property.

Reconciliation of Fair Value

Particulars	31st March, 2021	31st March, 2020
Market Value of Investment Property	74,750.00	74,750.00
Total	74,750.00	74,750.00

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

10. PROPERTY, PLANT AND EQUIPMENT

(₹ in '00)

Description	Gross Block			Depreciation and Amortisation			Net Block		
	As at 1st April, 2019	Additions during the year	Disposals/ Discarded during the year	As at 31st March, 2020	Upto 31st March, 2019	Depreciation for the year	Disposal during the year	Upto 31st March, 2020	As at 31st March, 2020
Tangible Assets									
Buildings*	7,93,732.50	2,17,426.17	-	10,11,158.67	38,777.36	14,786.02	-	53,563.38	9,57,595.29
Electrical Installation	983.30	328.95	-	1,312.25	554.88	96.57	-	651.45	660.80
Furnitures & Fixtures	41,925.80	399.90	-	42,325.70	21,856.03	7,184.22	-	29,040.25	13,285.45
Computers	23,610.99	1,622.40	382.44	24,850.95	10,986.82	3,955.51	363.31	14,579.02	10,271.93
Office Equipment	22,287.30	4,956.99	2,808.00	24,436.29	9,142.83	4,395.60	2,618.07	10,920.36	13,515.93
Vehicles	1,56,678.92	8,566.93	6,940.55	1,58,305.30	43,260.04	21,568.65	6,574.88	58,253.81	1,00,051.49
Total	10,39,218.81	2,33,301.34	10,130.99	12,62,389.16	1,24,577.96	51,986.57	9,556.26	1,67,008.27	10,95,380.89

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
Tangible Assets									
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
Vehicles	1,58,305.30	-	-	1,58,305.30	58,253.81	19,080.65	-	77,334.46	80,970.84
Total	12,62,389.16	2,70,518.64	-	15,32,907.80	1,67,008.27	49,143.48	-	2,16,151.75	13,16,756.05

* Registration of Noida Flat is still pending.

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

11. OTHER INTANGIBLE ASSETS

(₹ in '00)

Description	Gross Block			Depreciation and Amortisation			Net Block		
	As at 1st April, 2019	Additions during the year	Disposals/ Discarded during the year	As at 31st March, 2020	Upto 31st March, 2019	Depreciation for the year	Disposal during the year	Upto 31st March, 2020	As at 31st March, 2020
Software	6,342.69	3,182.15	-	9,524.84	3,157.16	1,830.37	-	4,987.53	4,537.31
Total	6,342.69	3,182.15	-	9,524.84	3,157.16	1,830.37	-	4,987.53	4,537.31

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
Software	9,524.84	708.90	-	10,233.74	4,987.53	1,869.68	-	6,857.21	3,376.53
Total	9,524.84	708.90	-	10,233.74	4,987.53	1,869.68	-	6,857.21	3,376.53

12. OTHER NON-FINANCIAL ASSETS

(₹ in '00)

Description	As at 31st March, 2021	As at 31st March, 2020
(Unsecured, Considered Good)		
Capital Advances	62,560.05	62,560.05
Prepaid Expenses	4,131.13	6,039.50
Others	8,263.25	18,685.29
Total	74,954.43	87,284.84

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

13. BORROWINGS

(₹ in '00)

Description	As at 31st March, 2021	As at 31st March, 2020
Term Loan from Non - Banking Financial Company - Refer Additional Information below	8,639.74	13,818.85
Total	8,639.74	13,818.85
Additional Information		
A. Daimler Financial Services Private Limited		
(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	8,639.74
Amount due to be paid within one year	5,637.02	5,179.11

14. OTHER FINANCIAL LIABILITIES

(₹ in '00)

Description	As at 31st March, 2021	As at 31st March, 2020
Unclaimed Dividend	11,658.70	11,798.74
Payable for Expense	11,464.69	23,037.25
Total	23,123.39	34,835.99

15. PROVISIONS

(₹ in '00)

Description	As at 31st March, 2021	As at 31st March, 2020
Provisions for Employee Benefits*	12,846.27	14,594.35
Total	12,846.27	14,594.35

* The provision for employee benefit includes Leave Encashment

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

16. DEFERRED TAX LIABILITIES (NET)

(₹ in '00)

Description	As at 31st March, 2021	As at 31st March, 2020
Deferred Tax Liabilities		
The balances comprises temporary differences attributable to:		
i) Property, Plant and Equipment and Other Intangible Assets	93,140.84	92,852.84
ii) Financial Assets at Fair Value through Profit and Loss	3,006.61	-
Deferred Tax Liabilities (A)	96,147.45	92,852.84
Deferred Tax Assets		
The balances comprises temporary differences attributable to:		
i) Items allowed for tax purpose on payment	3,254.42	2,301.79
ii) Long Term Capital Loss	5,306.14	5,834.44
iii) Financial Assets at Fair Value through Profit and Loss	-	5,093.20
Deferred Tax Assets (B)	8,560.56	13,229.43
Net Deferred Tax Liabilities (A-B)	87,586.89	79,623.41

17. OTHER NON FINANCIAL LIABILITIES

(₹ in '00)

Description	As at 31st March, 2021	As at 31st March, 2020
Outstanding Liabilities [^]	647.00	92,347.35
Statutory Dues	3,638.01	40,194.88
Total	4,285.01	1,32,542.23

[^]Includes advances from customers of Rs. 600.00 hundreds (Previous Year Rs. 92,127.88 hundreds)

18. EQUITY SHARE CAPITAL

(₹ in '00)

Description	As at 31st March, 2021		As at 31st March, 2020	
	Number	Amount	Number	Amount
Authorised:				
Equity Shares of ₹ 10 each	1,00,00,000	10,00,000.00	1,00,00,000	10,00,000.00
Issued, Subscribed & Paid up:				
Equity Shares of ₹ 10 each fully paid up	79,84,424	7,98,442.40	79,84,424	7,98,442.40
Total	79,84,424	7,98,442.40	79,84,424	7,98,442.40

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, 2021		As at 31st March, 2020	
	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, 2021 (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 Rs. 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:

Name of the Shareholder	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Vijay Maheshwari	16,69,220	20.91	16,69,220	20.91
US Infotech Pvt Ltd	11,15,566	13.97	11,15,566	13.97
Total	27,84,786	34.88	27,84,786	34.88

18.4 Particulars of each class of shares held by holding, ultimate holding, subsidiaries or associates of the holding company

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
US Infotech Pvt Ltd	11,15,566	13.97	11,15,566	13.97
Total	11,15,566	13.97	11,15,566	13.97

19. OTHER EQUITY

(₹ in '00)

Description	As at 31st March, 2021		As at 31st March, 2020	
Securities Premium Reserve				
As per last Financial Statement		2,57,201.64		2,57,201.64
General Reserve				
As per last Financial Statement		9,265.45		9,265.45
Retained Earnings				
As per last Financial Statement	25,83,274.32		30,34,385.88	
Add: Profit/(Loss) for the year	8,33,018.94		(3,54,855.14)	
Less: Appropriations	-		-	
Dividend on Equity Shares [Dividend per Share – (Previous year 0.60 paise)	47,906.54		79,844.24	
Tax on Dividend	-	33,68,387.72	16,412.18	25,83,274.32
Other Comprehensive Income (OCI)				
As per last Financial Statement	(1,200.71)		7,316.21	
Add: Movement in OCI (Net) during the year	4,860.69		(8,516.92)	
Total Other Comprehensive Income		3,659.98		(1,200.71)
Total		36,38,513.79		28,48,540.70

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

19. OTHER EQUITY (Contd.)

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

Description	For the year ended 31st March, 2021			For the year ended 31st March, 2020		
	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	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
Interest income from investments	-	279.72	-	-	-	-
Interest on deposits with Banks	-	-	22,834.22	-	-	16,896.60
Total	-	279.72	22,834.22	-	-	16,896.60

21. DIVIDEND INCOME

(₹ in '00)

Description	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Dividend Income (on Inventories)	2785.23	2,484.73
Dividend Income (on Investments)	172.04	554.01
Total	2957.27	3,038.74

22. RENTAL INCOME

(₹ in '00)

Description	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Rent	4,200.00	4,200.00
<i>(TDS as on 31.03.2021 Rs. 315.00 and as on 31.03.2020 Rs. 420.00)</i>		
Total	4,200.00	4,200.00

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

23. FEES AND COMMISSION INCOME

(₹ in '00)

Description	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Fee and Commission Income*	6,52,433.74	11,85,761.73
<i>(TDS as on 31.03.2021 is Rs. 46,506.70 and as on 31.03.2020 Rs.1,20,780.62)</i>		
Total	6,52,433.74	11,85,761.73

*includes fees received from Related Party (Sumedha Management Solutions Pvt Ltd) amounting to Rs. 114 Lakhs (P.Y Amounting to Rs. 188 Lakhs)

24. NET GAIN/ (LOSS) ON FAIR VALUE CHANGES

(₹ in '00)

Description	For the year ended 31st March, 2021	For the year ended 31st March, 2020
A) Net gain/ (loss) on financial instruments at fair value through profit or loss		
i) On trading portfolio		
- Derivatives	4,34,559.31	(4,80,369.95)
- Others	5,298.23	7,703.94
ii) On financial instruments designated at fair value through profit or loss		
- Investments (on Fair Value Changes)	44,488.16	(2,760.53)
- Investments (Profit on Sale of Investment)	23,477.79	46,578.78
B) Others (to be specified)	-	-
Total Net gain/(loss) on fair value changes (C)	5,07,823.49	(4,28,847.76)
Fair Value changes:		
- Realised	4,63,335.33	(4,26,087.23)
- Unrealised	44,488.16	(2,760.53)
Total Net gain/(loss) on fair value changes (D)	5,07,823.49	(4,28,847.76)

25. OTHER INCOME

(₹ in '00)

Description	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Profit on Sale of Property, Plant and Equipment	-	1,285.28
Miscellaneous Income	2,000.03	554.01
Total	2,000.03	1,839.29

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

26. FINANCE COSTS

(₹ in '00)

Description	For the year ended 31st March, 2021	For the year ended 31st March, 2020
On Financial Liabilities measured at Amortised Cost		
- Interest on Borrowings	1011.71	1,320.46
- Other interest expense	4,748.97	8,966.27
Total	5,760.68	10,286.73

27. CHANGES IN INVENTORIES OF STOCK-IN-TRADE

(₹ in '00)

Description	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Stock - in - Trade (at the end of the year)	11,01,441.47	3,79,272.47
Stock - in - Trade (at the beginning of the year)	3,79,272.47	7,00,438.12
Total	(7,22,169.00)	3,21,165.65

28. EMPLOYEE BENEFITS EXPENSE

(₹ in '00)

Description	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Salaries and Wages	2,67,573.00	3,16,528.35
Contribution to Provident Fund and Other Funds	16,375.56	26,054.79
Staff Welfare Expenses	4,435.66	10,041.73
Total	2,88,384.22	3,52,624.87

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

29. OTHER EXPENSES

(₹ in '00)

Description	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Rent	21,900.00	23,400.00
Rates and Taxes	2,579.44	2,758.12
Repairs & Maintenance	4,907.53	6,257.45
Office Maintenance	13,372.08	17,388.93
Communication Expenses	6,332.56	7,389.79
Printing & Stationery	2,447.37	4,499.39
Advertisement & Business Promotion	13,243.57	28,900.68
Auditor's Remuneration*	5,820.00	5,225.00
Insurance	6,553.47	4,291.07
Bad Debts and Sundry Balances written off	79,712.90	79,944.83
Car Expenses	19,596.77	30,712.10
Charity and Donation	1,254.33	2,429.05
Computer Expenses	2,437.41	2,394.19
Electricity	4,845.09	9,644.35
Retainership Fees	12,000.00	14,300.00
Travelling & Conveyance	18,366.05	42,004.37
VSAT Charges	-	108.82
Miscellaneous Expenses	28,395.48	47,323.97
Total	2,43,764.05	3,28,972.11

* AUDITOR'S REMUNERATION

- 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	1,820.00	1,225.00
Total	5,820.00	5,225.00

30. EARNINGS PER SHARE

(i) Reconciliation of earning used in calculating earnings per share:

(₹ in '00)

Numerator	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Profit/(Loss) for the year (₹) (for basic EPS)(₹)	8,33,018.94	(3,54,855.14)
(b) Less: Effect of dilutive potential ordinary shares	-	-
(c) Net Profit/(Loss) for diluted earnings per share (₹)	8,33,018.94	(3,54,855.14)

(ii) Reconciliation of basic and diluted shares used in computing earnings per share:

Denominator	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(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

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

30. EARNINGS PER SHARE (Contd.)

(iii) Earnings Per Share (₹)

(₹ in '00)

Particulars		For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a)	- Basic	10.43	(4.44)
(b)	- Diluted	10.43	(4.44)

31. OPEN INTEREST IN EQUITY INDEX/STOCK FUTURES AS AT 31st MARCH, 2021

(₹ in '00)

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

OPEN INTEREST IN EQUITY INDEX/STOCK FUTURES AS AT 31st MARCH, 2020

Sl. No	Name of the future	Series of future	Number of contracts	Number of units per lot
1	Bank of Baroda	30th April, 2020	5	5,400
2	Canara Bank	30th April, 2020	41	2,600
3	ICICI Bank	30th April, 2020	20	1,375
4	Reliance Ind. Ltd	30th April, 2020	80	500
5	State Bank of India	30th April, 2020	14	3,000
6	Indus Ind Bank	30th April, 2020	50	400
7	Yes Bank	30th April, 2020	3	8,800

32. INCOME TAX EXPENSE

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

(₹ in '00)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Profit/(loss) before tax	9,59,220.37	(3,88,289.92)
Tax as per applicable Tax Rate	2,41,435.77	(97,732.57)
Tax effect of:		
Income that are not taxable in determining taxable profit	(59,476.39)	(80,235.29)
Expenses that are not deductible in determining taxable profit	1,752.58	(42,836.58)
Recognition of previously unrecognised allowance/ disallowances	(61,439.97)	-
Expenses/income benefit of which will be available in future	1.03	64,775.26
Expenses/income related to prior years	(1,661.83)	(14,912.52)
Difference in tax due to income chargeable to tax at special rates	(888.75)	-
Difference due to change in Rate of Tax	7,962.45	(23,017.11)
Average Effective Tax Rate/ Income Tax Expenses	1,27,684.89	(33,488.25)

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

33. EXPENDITURE/ EARNINGS IN FOREIGN CURRENCY

(₹ in '00)

Particulars	For the year ended	
	31st March, 2021 Amount (Rs.)	31st March, 2020 Amount (Rs.)
A. Expenditure in Foreign Currency		
Travelling	-	6,865.70
Total	-	6,865.70

(₹ in '00)

Particulars	For the year ended	
	31st March, 2021 Amount (Rs.)	31st March, 2020 Amount (Rs.)
B. Earnings in Foreign currency		
Consultancy Fees	34,878.86	10,086.07
Total	34,878.86	10,086.07

34. DUES TO MICRO AND SMALL ENTERPRISES

The Company has no dues to Micro and Small Enterprises as at 31st March, 2021 and 31st March, 2020 in the Financial Statements based on the information received and available with the Company.

35. 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.

36. 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)
- 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 Gratuity Act, 1972. The above Scheme is funded.

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

36. EMPLOYEE BENEFITS (Contd.)

(a) Charges for Defined Contribution Plans (DCP) for the year ended 31st March, 2021

(₹ in '00)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Contribution to Employee's Provident Fund	6786.33	7836.09
Contribution to Employee's Family Pension Fund	3728.20	4170.70
Total	10,514.53	12,006.79

(b) Change in Defined Benefit Obligations (DBO) over the year ended 31st March, 2021.

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2021	For the year ended 31st March 2020
Present Value of DBO at the Beginning of Year	61,456.51	54,950.84	14,594.35	12,814.81
Current Service Cost	3,588.77	4,002.51	1,265.27	1,459.11
Interest Cost	4,056.13	4,176.26	963.23	973.92
Curtailement Cost/(Credit)	-	-	-	-
Settlement Cost/(Credit)	-	-	-	-
Employee Contribution	-	-	-	-
Past Service Cost	-	-	-	-
Acquisitions	-	-	-	-
Re-measurement or Actuarial (gains/Losses) arising from:				
- Change in demographic assumptions	-	(27.58)	-	(5.29)
- Change in financial assumptions	(1,789.34)	5,916.08	(353.00)	1,317.24
- Experience variance (i.e. Actual experience vs. assumptions)	(4,956.00)	4022.73	4,460.32	5,675.30
- Others	-	-	-	-
Benefits paid	(2,596.15)	(11,584.33)	(8,083.90)	(7,640.74)
Present Value of DBO at the end of Year	59,759.92	61,456.51	12,846.27	14,594.35

(c) Change in Fair Value of Assets

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2021	For the year ended 31st March 2020
Plan Assets at beginning of period	64,319.55	63,589.78	-	-
Investment Income	4,245.09	4,832.82	-	-
Return on Plan Assets, Excluding amount recognized in Net Interest Expense	(249.69)	(1,123.91)	-	-
Actual Company contributions	1,934.97	8,605.19	8,083.90	7,640.74
Fund Transferred	-	-	-	-
Employee Contributions	-	-	-	-
Benefits paid	(2,596.15)	(11,584.33)	(8,083.90)	(7,640.74)
Plan assets at the end of period	67,653.77	64,319.55	-	-

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

36. EMPLOYEE BENEFITS (Contd.)

(d) Funded Status

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2021	For the year ended 31st March 2020
Defined Benefit Obligation	59,759.92	61,456.51	12,846.27	14,594.35
Fair Value of Plan Assets	67,653.77	64,319.55	-	-
Unrecognized Past Service Cost	-	-	-	-
Effects of Asset Ceiling	-	-	-	-
Net Defined Benefit Asset/(Liability)	7,893.85	2,863.04	(12,846.27)	(14,594.35)

(e) Reconciliation of Net Balance Sheet position

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2021	For the year ended 31st March 2020
Net asset/(Liability) recognized in balance sheet at the beginning of period	2,863.04	8,638.94	(14,594.35)	(12,814.81)
Expense recognized in Income Statement	3,399.81	3,345.95	6,335.82	9,420.28
Expense recognized in Other Comprehensive Income	(6,495.65)	11,035.14	-	-
Employer contributions	1,934.97	8,605.19	8,083.90	7,640.74
Net Acquisitions/Business Combinations	-	-	-	-
Net asset/(Liability) recognized in balance sheet at end of the period	7,893.85	2,863.04	(12,846.27)	(14,594.35)

(f) Expense recognized during the year 2020-21

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2021	For the year ended 31st March 2020
Current Service Cost	3,588.77	4,002.51	1,265.27	1,459.11
Past Service Cost Plan Amendment	-	-	-	-
Curtailement cost/(credit)	-	-	-	-
Settlement cost/(credit)	-	-	-	-
Expected return on Plan Assets	-	-	-	-
Net Actuarial Losses/(Gains)	-	-	4,107.32	6,987.25
Net Interest on Net Defined Benefit Liability/(assets)	(188.96)	(656.56)	963.23	973.92
Expense recognized in the Statement of Profit and Loss	3,399.81	3,345.95	6,335.82	9,420.28

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

36. EMPLOYEE BENEFITS (Contd.)

(g) Other Comprehensive Income

(₹ in '00)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Actuarial (gains)/losses due to:		
- Change in demographic assumptions	-	(27.58)
- Change in financial assumptions	(1,789.34)	5,916.08
- Experience variance (i.e. Actual experience vs. assumptions)	(4,956.00)	4,022.73
- Others	-	-
Return on Plan Assets, excluding amount recognized in net interest expense	249.69	1,123.91
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	(6,495.65)	11,035.14

(h) Principal Actuarial Assumptions

(₹ in '00)

Financial Assumptions	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Discount Rate	6.90% p.a.	6.60% 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, 2021	For the year ended 31st March, 2020
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

(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 2021	For the year ended 31st March 2020	For the year ended 31st March 2021	For the year ended 31st March 2020
Current Defined Benefit Obligation	8,281.23	5,976.97	3,115.33	4,265.96
Non-Current Defined Benefit Obligation	51,478.69	55,479.54	9,730.94	10,328.39
Total Defined Benefit Obligation	59,759.92	61,456.51	12,846.27	14,594.35

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

36. EMPLOYEE BENEFITS (Contd.)

(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 2021		For the year ended 31st March 2020		For the year ended 31st March 2021		For the year ended 31st March 2020	
	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 1%)	66,076.19	54,369.21	68,458.41	55,540.43	14,098.05	11,790.77	16,179.29	13,277.11
Salary Growth Rate (-/+ 1%)	55,557.83	64,549.44	56,769.75	66,824.73	11,712.32	14,173.00	13,196.34	16,254.56
Attrition Rate (-/+ 50%)	59,282.67	60,197.00	61,096.86	61,787.37	12,770.89	12,912.47	14,539.97	14,641.84
Mortality Rate (-/+ 10%)	59,598.47	59,917.35	61,309.87	61,599.56	12,831.93	12,860.12	14,584.48	14,603.81

(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 2021	For the year ended 31st March 2020	For the year ended 31st March 2021	For the year ended 31st March 2020
1 Year	8,281.23	5,976.97	3,115.33	4,265.96
2-5 Years	7,005.99	11,543.91	1,204.52	1,442.92
6-10 Years	29,374.82	28,929.77	5,087.04	2,718.04
More Than 10 Years	92,550.64	97,903.64	19,601.68	25,832.67

(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 2021	For the year ended 31st March 2020	For the year ended 31st March 2021	For the year ended 31st March 2020
Funds Managed by Insurer	100%	100%	-	-

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

37. 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	US 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. Deb Kumar Sett (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	-	-	-	38,330.10	38,330.10
		-	-	-	(47,180.00)	(47,180.00)
ii	Rent paid	-	9,000.00	2,400.00	4,500.00	15,900.00
		-	(9,000.00)	(2,400.00)	(6,000.00)	(17,400.00)
iii	Portfolio management fees received	-	-	-	68.31	68.31
		-	-	-	(1022.51)	(1022.51)
iv	Purchase of Property	-	-	-	2,15,000.00	2,15,000.00
v	Dividend Paid	6,693.39	-	1,311.60	12,934.00	20,938.99
		(11,155.66)	-	(2,186.00)	(21,834.10)	(35,175.76)
vi	Rent received	-	-	4,200.00	-	4,200.00
		-	-	(4,200.00)	-	(4,200.00)
vii	Consultancy Fees Received	1,14,000.00	-	-	-	1,14,000.00
		(1,88,000.00)	-	-	-	(1,88,000.00)
viii	Outstanding balances at the end of the Financial Year					
(a)	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, 2021 (Contd.)

37. RELATED PARTY TRANSACTIONS. (Contd.)

D. Disclosure in Respect of Material Related Party Transactions during the year.

(₹ in '00)

Particulars	2021	2020
Managerial Remuneration		
Mr. Bhawani Shankar Rathi	26,421.00	32,745.00
Mr. Deb Kumar Sett	7,328.82	8,835.00
Mr. Girdhari Lal Dadhich	4,580.28	5,600.00
Rent paid		
SFSL Commodity Trading Pvt. Limited	9,000.00	9,000.00
Superb Estate Services Pvt. Limited	2,400.00	2,400.00
Mr. Vijay Maheshwari	4,500.00	6,000.00
Portfolio management fees received		
Mr. Vijay Maheshwari	-	416.62
Mrs. Garima Maheshwari	68.31	605.89
Purchase of Property		
Mr. Vijay Maheshwari	2,15,000.00	-
Dividend paid		
Mr. Bijay Murmuria	2,219.52	3,699.20
Mr. Bhawani Shankar Rathi	715.62	1,192.70
Mr. Vijay Maheshwari	10,015.32	16,692.20
Mrs. Garima Maheshwari	150.00	250.00
US Infotech Pvt. Limited	6,693.39	11,155.66
Superb Estate Services Pvt. Limited	1,311.60	2,186.00
Rent received		
Maheshwari & Asssociates	4,200.00	4,200.00
Consultancy Fee Received		
Sumedha Management Solutions Pvt. Ltd.	1,14,000.00	1,88,000.00

38. CAPITAL RISK MANAGEMNT

The Company aim to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to the shareholders.

The capital structure of the Company is based on management's judgement 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 policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors, creditors and market confident 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, 2021 (Contd.)

39. INTEREST IN SUBSIDIARY AND ASSOCIATES

Name	% Equity Interest	
	Mar-2021	Mar-2020
Subsidiary		
SFSL Commodity Trading Private Limited	99.98%	99.98%
Associates		
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%

40. 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:

Financial Assets	As at 31st March, 2021			As at 31st March, 2020		
	Carrying Value	Amortized Cost	FVTPL	Carrying Value	Amortized Cost	FVTPL
Investments in Subsidiaries						
Unquoted Instruments	1,45,219.50	-	-	1,45,219.50	-	-
Investments in Associates						
Quoted Instruments	-	-	-	-	-	-
Unquoted Instruments	1,60,816.88	-	-	1,60,816.88	-	-
Investments in Equity Instruments						
Quoted Equity Instruments	-	-	28,602.22	-	-	13,907.00
Unquoted Equity Instruments	-	-	0.01	-	-	19,5000
Investments in Debt Instruments						
Mutual Funds	-	-	5,32,180.96	-	-	5,04,562.00
Debentures	-	-	-	-	-	-
- Quoted	-	15000.00	-	-	-	-
- Unquoted	-	0.01	-	-	0.01	-
Trade Receivables	4,80,666.84	-	-	4,82,890.33	-	-
Cash on Hand	12,033.45	-	-	17,020.17	-	-
Balances with Bank	31,964.56	-	-	2,25,579.43	-	-
Balances with Bank other than Cash & cash Equivalents	4,11,850.71	-	-	2,02,998.74	-	-
Other Financial Assets	1,15,924.90	-	-	4,23,482.72	-	-
Borrowings	8639.74	-	-	13,818.85	-	-
Other Financial Liabilities*	23,123.39	-	-	34,835.99	-	-

*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, 2021 (Contd.)

40. 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, 2021			For the Year ended 31st March, 2020		
	Carrying Value	Amortized Cost	FVTPL	Carrying Value	Amortized Cost	FVTPL
Income						
- Interest income	23,113.94	-	-	16,896.60	-	-
- Dividend Income	-	-	2,957.27	-	-	3,038.74
Expenses						
- Interest Expense	-	5,639.65	-	-	10,226.70	-

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, 2021			As at 31st March, 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Investments in Equity Instruments						
Quoted Equity Instruments	28,602.22	-	-	13,907.00	-	-
Unquoted Equity Instruments	0.01	-	-	0.01	-	-
Investments in Debt Instruments						
Mutual Funds	5,32,180.96	-	-	5,04,562.00	-	-
Debentures	-	-	-	-	-	-
- Quoted	15000.00	-	-	-	-	-
- Unquoted	-	-	0.01	-	-	0.01

(ii) Fair value disclosure of financial assets and financial liabilities measured at carrying value and amortised cost:

(₹ in '00)

Particular	As at 31st March, 2021			As at 31st March, 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
Debentures	15000.00	-	-	-	-	-
Financial Liabilities						
Borrowings	-	3002.72	-	-	13,818.85	-
Other Financial Liabilities	-	28,760.41	-	-	40,015.10	-

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.

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

40. 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 amortised cost: (Contd.)

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 2021 and 31st March 2020.

	Subsidiary- Unquoted	Associates- Unquoted	Unquoted Equity Instruments	Unquoted Debt Instruments
	(₹ in '00)			
As at 31/03/2020	1,45,219.50	16,016.88	0.01	0.01
Acquisitions	-	-	-	-
Sales	-	-	-	-
Gains/(Losses) recognized in Statement of Profit and Loss	-	-	-	-
As at 31/03/2021	1,45,219.50	16,016.88	0.01	0.01

(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 where in 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 risk 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.

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.

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

40. FINANCIAL INSTRUMENT- FAIR VALUE MEASUREMENT (Contd.)

B. Fair Value Hierarchy (Contd.)

(v) Financial Instrument - Financial Risk Management. (Contd.)

(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, 2021		31st March, 2020	
		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, 2021	31st March, 2020	31st March, 2021	31st March, 2020
Market Price increases by 2 %	572.04	278.14	-	-
Market Price decreases by 2 %	(572.04)	(278.14)	-	-

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.

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

40. FINANCIAL INSTRUMENT- FAIR VALUE MEASUREMENT (Contd.)

B. Fair Value Hierarchy (Contd.)

(v) Financial Instrument - Financial Risk Management. (Contd.)

(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
Contractual maturities of financial liabilities as at 31/03/2021					
Non- Derivatives					
Borrowings	5,637.02	3,002.72	-	-	8,639.74
Other Financial Liabilities	23,123.39	-	-	-	23,123.39

(₹ in '00)

	Less than 1 Year	1 Year to 2 year	2 Year to 5 Years	More than 5 Years	Total
Contractual maturities of financial liabilities as at 31/03/2020					
Non- Derivatives					
Borrowings	5,179.11	8,639.74	-	-	13,818.85
Other Financial Liabilities	34,835.99	-	-	-	34,835.99

c. Credit Risk

Credit risks 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 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 Company 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 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, 2021 (Contd.)

40. FINANCIAL INSTRUMENT- FAIR VALUE MEASUREMENT (Contd.)

B. Fair Value Hierarchy (Contd.)

(v) Financial Instrument - Financial Risk Management. (Contd.)

Impairment losses/ (reversals) on financial assets recognized in profit or loss were as follows:

(₹ in '00)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Impairment Loss on trade receivables	-	47,621.95

41. Maturity Analysis of Assets and Liabilities

Particulars	31st March, 2021			31st March, 2020		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Financial Assets						
Cash and Cash Equivalents	43,998.01	-	43,998.01	2,42,599.60	-	2,42,599.60
Bank Balance other than above	4,11,850.71	-	4,11,850.71	2,02,998.74	-	2,02,998.74
Trade Receivables	3,79,790.79	1,00,876.05	4,80,666.84	3,76,327.31	1,06,563.02	4,82,890.33
Investments	-	8,81,819.58	8,81,819.58	-	8,66,083.33	8,66,083.33
Other Financial Assets	-	1,15,924.90	1,15,924.90	-	4,23,482.72	4,23,482.72
Non-Financial Assets						
Inventories	11,01,441.47	-	11,01,441.47	3,79,272.47	-	3,79,272.47
Current Tax Assets (Net)	1,38,631.54	-	1,38,631.54	1,33,740.93	-	1,33,740.93
Investments Property	-	4,018.43	4,018.43	-	4,127.75	4,127.75
Property, Plant and Equipment	-	13,16,756.04	13,16,756.04	-	10,95,380.88	10,95,380.88
Intangible Assets	-	3,376.53	3,376.53	-	4,537.31	4,537.31
Other Non- Financial Assets	12,394.38	62,560.05	74,954.43	24,724.79	62,560.05	87,284.84
Total	20,88,106.90	24,85,331.58	45,73,438.48	13,59,663.84	25,62,735.06	39,22,398.90
Financial Liabilities						
Borrowings (Other than Debt Securities)	5,637.02	3,002.72	8,639.74	5,179.11	8,639.74	13,818.85
Other Financial Liabilities	23,123.39	-	23,123.39	34,835.99	-	34,835.99
Non-Financial Liabilities						
Provisions	12,846.27	-	12,846.27	14,594.35	-	14,594.35
Deferred Tax Liabilities (Net)	87,586.89	-	87,586.89	79,623.41	-	79,623.41
Other Non-Financial Liabilities	4,285.01	-	4,285.01	1,32,542.23	-	1,32,542.23
Total	1,33,478.58	3,002.72	1,36,481.30	2,66,775.09	8,639.74	2,75,414.83
Net	19,54,628.32	24,82,328.86	44,36,957.18	10,92,888.75	25,54,095.32	36,46,984.07

Notes forming part of the Financial Statement for the year ended 31st March, 2021 (Contd.)

39) Capital Advance

Capital Advances represent an amount of Rs.62,56,000/- towards booking of two flats at Mumbai against total consideration of Rs. 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.

- 42) The Board of Directors has recommended a dividend at the rate of Re. 1/- per share (face value Rs. 10/-) (previous year Re. 0.60/-) for the year ended 31st March, 2021, 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 Rs. 79.84Lacs(Previous Year Rs. 47.90Lacs) on account of dividend and and the short term provision would have been higher by the said amount of Rs. 79.84Lacs (Previous Year Rs. 47.90Lacs).

- 43) During the year, Unclaimed Dividend amounting to Rs.1,06,222/- relating to financial year 2012-13 has been transferred to IEPF Account as per section 124(5) of the Companies Act, 2013.
- 44) Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.
- 45) Figures have been rounded off to nearest Hundred.

Signature to notes 1 to 45

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 : 24th June, 2021

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, 2021)

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, 2020 to 31 March, 2021
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	₹ 1,21,52,244
8.	Total Assets	₹ 2,10,15,161
9.	Total Liabilities	₹ 2,10,15,161
10.	Investments	₹ 34,62,813
11.	Turnover	₹ 19,31,159
12.	Profit before Taxation	₹ 16,57,965
13.	Provision for Taxation	₹ 3,88,183
14.	Profit after Taxation	₹ 12,69,782
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-21	31-Mar-21	31-Mar-21
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	₹ 1,81,76,328	₹ 1,28,08,421	₹ 1,08,29,441
7.	Profit / Loss for the year	₹ 1,01,31,151	₹ 1,75,946	₹ 58,57,648
	i. Considered in Consolidation	₹ 24,08,175	₹ 56,021	₹ 14,48,596
	ii. Not considered in Consolidation	₹ 77,22,976	₹ 1,19,925	₹ 44,09,052

- 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 Murmura
Director
DIN: 00216534

Place: Kolkata
Date: 24th June, 2021

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, 2021, 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, 2021, 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 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 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 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>Property, Plant and Equipment</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 & Equipment, evaluated the appropriateness of capitalisation process, performed tests of details on costs capitalised, the timeliness of the capitalisation 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 Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises 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 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 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.

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 Rs. 2,10,15,161/- and net assets of Rs. 2,08,34,894/- as at 31st March, 2021, total revenues of Rs. 17,83,528/- and net cash outflows/(inflows) amounting to (Rs. 60,15,67/-) 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 Rs. 19,80,698/- and Other Comprehensive Income of Rs. 28,33,823/- for the year ended 31st March, 2021, as considered in the consolidated financial statements, in respect of 3 associates whose financial statements / financial information are unaudited.

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 statement's/ financial information of 3 Associate Companies are unaudited and 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 unaudited 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. 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 (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 31stMarch,2021 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 associate companies incorporated in India is disqualified as on 31stMarch, 2021 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 company and associate companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in "**Annexure A**";
- g. 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 of the Act, and

- h. 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 management certified financial statements, as noted in other matter paragraph:
- i. The consolidated financial statements disclose the impact if any of pending litigations on its consolidated financial position of the Group and its associates;
 - ii. 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
 - iii. there has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary company and its associates incorporated in India in accordance with the relevant provisions of the Act and the Rules made there under.

For **V. SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.:311017E

(SUNIL SINGHI)

Partner

Membership No. 060854

UDIN: 21060854AAAABJ5369

Place: Kolkata

Date: 24th July, 2021

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, 2021)

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, 2021, 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 associate companies, 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 company and its associate companies 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 Holding Company, its subsidiary, 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 company and its associate companies 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, 2021, 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 is based on the corresponding report of the auditor of such Company, and of associate companies incorporated in India are based on the financial information certified by the management.

Place: Kolkata
Date: 24th June, 2021

For **V. SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.:311017E

(SUNIL SINGHI)
Partner
Membership No. 060854
UDIN: 21060854AAAAABJ5369

Consolidated Balance Sheet as at 31st March, 2021

(₹ in '00)

Particulars	Notes	As at 31st March, 2021	As at 31st March, 2020
I. ASSETS			
(1) Financial Assets			
a) Cash and Cash Equivalents	2	47,284.79	2,51,902.05
b) Bank Balance other than (a) above	3	4,11,850.71	2,02,998.74
c) Trade Receivables	4	4,80,666.84	4,82,890.33
d) Investments	5	9,63,779.51	9,10,523.53
e) Other Financial Assets	6	2,65,562.65	5,41,428.47
(2) Non financial Assets			
a) Inventories	7	11,01,441.47	3,79,272.47
b) Current tax Assets (Net)	8	1,37,598.85	1,33,057.56
c) Investment Property	9	22,942.41	23,541.73
d) Property, Plant and Equipment	10	13,16,856.89	10,95,481.73
e) Other Intangible Assets	11	3,376.53	4,537.31
f) Other Non-Financial Assets	12	74,954.43	87,284.84
Total Assets		48,26,315.08	41,12,918.76
II. LIABILITIES AND EQUITY			
(1) Financial Liabilities			
a) Borrowings (other than Debt Securities)	13	8,639.74	13,818.85
b) Other Financial Liabilities	14	23,758.39	35,010.99
(2) Non-Financial Liabilities			
a) Provisions	15	12,846.27	14,594.35
b) Deferred Tax Liabilities (Net)	16	84,037.29	74,965.13
c) Other Non-Financial Liabilities	17	4,400.21	1,32,677.23
(3) EQUITY			
a) Equity Share Capital	18	7,98,442.40	7,98,442.40
b) Other Equity	19	38,94,154.27	30,43,374.82
c) Minority Interest		36.51	34.99
Total Liabilities and Equity		48,26,315.08	41,12,918.76
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 : 24th June, 2021

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, 2021

(₹ in '00)

Particulars	Notes	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Revenue from operations			
(i) Interest Income	20	30,530.29	25,002.34
(ii) Dividend Income	21	2,957.27	3,038.74
(iii) Rental Income	22	4,200.00	4,200.00
(iv) Fees and commission Income	23	6,52,433.74	11,85,761.73
(v) Net gain on fair value changes	24	5,09,242.38	-
(vi) Sales of Stock-in-Trade - Shares and Securities		7,80,732.45	5,58,276.13
(vii) Sale of services		19,907.40	32,145.22
(I) Total Revenue from operations		20,00,003.53	18,08,424.16
(II) Other Income	25	2,000.03	1,839.29
(III) Total Income (I+II)		20,02,003.56	18,10,263.45
Expenses			
(i) Finance Costs	26	5,760.68	10,287.73
(ii) Fees and commission expense		51,091.80	82,517.65
(iii) Net loss on fair value changes	24	-	4,27,641.91
(iv) Impairment on financial instruments		84.52	70,199.98
(v) Purchase of Stock-in-Trade (Shares and Securities)		11,16,029.22	5,40,977.58
(vi) Changes in Inventories of Stock-in-Trade (Shares and Securities)	27	(7,22,169.00)	3,21,165.65
(vii) Employee Benefits Expenses	28	2,88,384.22	3,54,670.37
(viii) Depreciation, amortization and impairment		51,612.48	54,420.98
(ix) Others expenses	29	2,35,409.66	3,21,497.73
(IV) Total Expenses (IV)		10,26,203.58	21,83,379.58
(V) Profit/(loss) before tax (III - IV)		9,75,799.98	(3,73,116.13)
Share of Profit before tax of associates accounted for using equity method		19,806.98	56,512.75
Profit/(Loss) after Share of Profit of Associates but before Tax Expense		9,95,606.96	(3,16,603.38)
(VI) Tax Expense:			
(1) Current Tax		1,22,263.94	4,885.30
(2) Deferred Tax		7,446.43	(22,892.56)
(3) Short/(Excess) Provision for Tax relating to earlier Years		372.89	(12,989.75)
(VII) Profit/(loss) for the year (V-VI)		8,65,523.70	(2,85,606.37)
(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		28,338.23	(12,803.66)
- Remeasurement of post-employment benefit obligations		6,495.65	(11,035.14)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(1,625.73)	2,518.22
(IX) Total Comprehensive Income for the period		33,163.79	(21,320.58)
Total Comprehensive Income for the year (comprising profit/ (loss) and Other Comprehensive Income for the year)		8,98,687.49	(3,06,926.95)
Profit is attributable to:			
Equity Shareholders of the Parent		8,65,522.18	(2,85,607.60)
Non Controlling Interest		1.52	1.23
Other Comprehensive Income is attributable to:			
Equity Shareholders of the Parent		33,163.79	(21,320.58)
Non Controlling Interest		-	-
Total Comprehensive Income is attributable to:			
Equity Shareholders of the Parent		8,98,685.97	(3,06,928.18)
Non Controlling Interest		1.52	1.23
(X) Earnings per Equity Share of face value of Rs. 10 each (Not Annualised)			
Basic (Rs.)		10.84	(3.58)
Diluted (Rs.)		10.84	(3.58)
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

Bhawani Shankar Rathi
Wholtime Director
DIN: 00028499

Bijay Murmuria
Director
DIN: 00216534

(SUNIL SINGHI)
Partner
Membership No. 060854
Place: Kolkata
Date: 24th June, 2021

Dhwani Fatehpuria
Company Secretary

Girdhari Lal Dadhich
Chief Financial Officer

Consolidated Statement of Changes in Equity for the year ended 31st March, 2021

A. Equity Share Capital

(₹ in '00)

Particulars	Amount
As at 31st March, 2019	7,98,442.40
Changes in Equity Share Capital	-
As at 31st March 2020	7,98,442.40
Changes in Equity Share Capital	-
As at 31st March 2021	7,98,442.40

B. Other Equity

(₹ in '00)

Particular	Reserves and Surplus				Other Comprehensive Income	Total
	Securities Premium Reserve	Capital reserve on Consolidation	General Reserve	Retained Earnings		
	(₹)	(₹)	(₹)	(₹)		
Balance at the beginning of the reporting year i.e. 1st April, 2019	2,57,201.64	1,547.53	9,265.45	31,96,744.27	(18,199.45)	34,46,559.44
Profit/(Loss) for the Year	-	-	-	(2,85,607.60)	-	(2,85,607.60)
Total Comprehensive Income for the year	-	-	-	-	(21,320.58)	(21,320.58)
Dividend Paid	-	-	-	(79,844.24)	-	(79,844.24)
Dividend Tax Paid	-	-	-	(16,412.18)	-	(16,412.18)
Balance at the end of the reporting year i.e. 31st March, 2020	2,57,201.64	1,547.53	9,265.45	28,14,880.25	(39,520.03)	30,43,374.84

Particular	Reserves and Surplus				Other Comprehensive Income	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	28,14,880.25	(39,520.03)	30,43,374.84
Profit/(Loss) for the Year	-	-	-	8,65,522.18	-	8,65,522.18
Total Comprehensive Income for the year	-	-	-	-	33,163.79	33,163.79
Dividend Paid	-	-	-	(47,906.54)	-	(47,906.54)
Balance at the end of the reporting year i.e. 31st March, 2021	2,57,201.64	1,547.53	9,265.45	36,32,495.89	(6,356.24)	38,94,154.27

This is the Statement of Changes in Equity referred to in our report of even date

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: 24th June, 2021

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes

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

Consolidated Statement of Cash Flow for the year ended 31st March, 2021

(₹ in '00)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
A. Cash flows from operating activities		
Profit/(Loss) before taxation	9,95,606.95	(3,16,603.40)
Adjustments for :		
Depreciation	51,612.48	54,420.98
Share of Profit of Associates	(19,806.98)	(56,512.75)
Interest income	(30,530.29)	(25,002.34)
Dividend income	(172.04)	(440.08)
Interest expense	5,639.65	10,226.70
Rental Income	(4,200.00)	(4,200.00)
(Profit)/Loss on sale of fixed assets (net)	-	(1,285.28)
(Profit)/Loss on sale of Investments	(23,841.46)	(46,578.78)
Impairment Loss on Investments	84.52	70,199.98
Unrealised loss/(Gain) on Financial Assets	(45,543.38)	1,554.68
Sundry Balances Written Off	79,712.90	79,944.83
Other Comprehensive Income	6,495.65	(11,035.14)
Operating profit before working capital changes	10,15,058.00	(2,45,310.60)
Adjustments for:		
(Increase) / Decrease in other Non-Current Financial Assets	(31,692.00)	10,119.21
(Increase) / Decrease in other Non-Current Assets	(1,032.71)	4,394.23
(Increase) / Decrease in Trade Receivables & other Assets	2,45,982.73	(4,55,951.45)
(Increase) / Decrease in Inventories	(7,22,169.00)	3,21,165.66
(Increase) / Decrease in Other Current Assets	(19.80)	16,417.96
Increase / (Decrease) in Trade and Other Payables	(1,41,577.85)	84,426.67
Increase / (Decrease) in Other Current Liabilities	809.35	(451.00)
Cash generated from Operations	3,65,358.72	(2,65,189.32)
Tax Paid	(1,26,494.76)	(98,633.56)
Cash Flow from operating Activities	2,38,863.96	(3,63,822.88)
B. Cash flows from investing activities		
Purchase of Property, Plant & Equipment and Intangible Assets	(2,71,227.54)	(2,36,483.49)
Sale of Property, Plant & Equipment	-	1,860.03
Purchase of Investments	(8,45,974.80)	(13,97,500.00)
sale of Investments	9,10,119.90	13,98,618.63
Investment in Term Deposits	(2,08,992.01)	(54,050.00)
Loan given	-	-
Rental Income	4,200.00	4,200.00
Interest received	27,086.43	14,830.50
Dividend received	172.04	440.08
Net cash (used in) / from investing activities	(3,84,615.98)	(2,68,084.25)
C. Cash flows from financing activities		
Proceeds/(Repayment) of long term borrowings	(5,179.11)	(4,758.40)
Dividend and Dividend Distribution Tax amount transferred to IEPF	(48,046.58)	(96,353.28)
Interest paid	(5,639.65)	(10,226.70)
Net cash (used in) / from financing activities	(58,865.34)	(1,11,338.38)
Net increase in cash and cash equivalents	(2,04,617.36)	(7,43,245.51)
Cash and cash equivalents at the beginning of the year	2,51,902.05	9,95,147.56
Cash and cash equivalents at the end of the year	47,284.79	2,51,902.05

Notes:

- Components of cash and cash equivalents include cash, bank balances in current and deposit accounts as disclosed under note no. 2 and 3 of the Consolidated Financial Statements.
- The above Statements of Consolidated Financial Statements has been prepared under the indirect method as set out in Indian Accounting Standard 7 (Ind AS 7) on "Statement of Cash Flows".

This is the Consolidated Financial Statements of Cash flows referred to in 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: 24th June, 2021

Bhawani Shankar Rathi

Wholtime 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, 2021

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, 2021.

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 i.e. Bombay Stock Exchange and The Calcutta Stock Exchange Limited. The registered office of the Company is situated at 6A, Geetanjali, 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 24th June, 2021.

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, 2021 have been approved by the Board of Directors of the Company in their meeting held on 24th June, 2021.

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 2021. 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 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

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

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 31 March, 2021. 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,
- 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

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

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.

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;

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

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.

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

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

evaluation. Item of Property, Plant and Equipment for which related actual cost do not exceed Rs. 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 initially at its cost, 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

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.

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

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.

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.

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

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 listed over stock exchanges 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 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.

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

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.

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.

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

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.

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.

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

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.

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.

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

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.

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, 2021 (Contd.)

2. CASH AND CASH EQUIVALENTS

(₹ in '00)

Description	As at 31st March, 2021	As at 31st March, 2020
Cash in Hand	12,053.35	17,040.07
Balances with Banks	35,231.44	2,34,861.98
Total	47,284.79	2,51,902.05

3. BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENT

(₹ in '00)

Description	As at 31st March, 2021	As at 31st March, 2020
Unclaimed Dividend	11,658.70	11,798.74
Fixed deposits with maturity for more than 3 months and less than 12 months	4,00,192.01	1,91,200.00
Total	4,11,850.71	2,02,998.74

4. TRADE RECEIVABLES

(₹ in '00)

Description	As at 31st March, 2021	As at 31st March, 2020
- Receivable Considered Good - Unsecured	4,80,666.84	4,82,890.33
Total	4,80,666.84	4,82,890.33

5. INVESTMENTS (Refer Note 5.1)

(₹ in '00)

Description	As at 31st March, 2021	As at 31st March, 2020
In Mutual Funds	5,63,805.70	5,46,767.61
In Debt Securities	15,000.01	0.01
In Equity Instruments	3,84,973.80	3,63,755.91
Total	9,63,779.51	9,10,523.53

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

5.1 INVESTMENTS

(₹ in '00)

Sl. No.	Description	As at 31st March, 2021		As at 31st March, 2020	
		Units	Amount	Units	Amount
	Investments measured at Fair Value Through Statement of Profit & Loss				
A	In Mutual Fund				
1	ICICI Prudential Flexible Income Growth	16,205.15	68,011.20	16,205	63,260.07
2	HDFC Charity Fund for Cancer Cure	-	-	10,000	1,004.70
3	HDFC Liquid Fund - Direct Plan Growth	6,812.03	2,75,362.86	10,046	3,92,217.90
4	HDFC Liquid Fund - Regular Plan Growth	3,848.89	1,54,616.25	-	-
5	Edelweiss Mutual Fund Liquid Fund Retail Group Open Ended	7.91	188.68	8	182.28
6	Mirae Asset Short Tem Fund - Direct Growth	50,000.00	6,351.30	50,000	5,924.05
7	ICICI Prudential Short Term Fund-Growth	21,381.68	10,395.58	21,382	9,486.22
8	Canara Rebeco Capital Protection Oriented Fund - Series 8 - REG - Growth	-	-	50,000	5,819.40
9	Canara Rebeco Capital Protection Oriented Fund - Series 9 - REG - Growth	30,000.00	3,738.60	30,000	3,362.70
10	Canara Robeco Capital Protection Oriented Fund-Series 10- Reg.- Growth	30,000.00	3,685.62	30,000	3,158.79
11	Franklin India Ultra Short Bond Fund Super Inst Plan-Dir. Growth	99,066.65	29,630.73	1,96,277	54,277.55
12	Baroda Dynamic Equity Fund-Growth	79,990.00	11,526.56	79,990	7,911.01
13	UTI Equity Fund	200.00	298.32	200	162.94
	Total (A)		5,63,805.70		5,46,767.61

Description	Face Value	As at 31st March, 2021		As at 31st March, 2020	
		No. of Shares/ Debentures/Units	Amount	No. of Shares/ Debentures/Units	Amount
B. Investments measured at Amortized Cost, Unquoted, fully paid up					
In Debentures of Others					
I Care Learning Pvt. Ltd (Unquoted)	100	50,700	0.01	50,700	0.01
Dar Credit and Capital Limited (Quoted)	500000	3	15,000.00	-	-
Total (B)			15,000.01		0.01
C. In Equity Shares					
- of Associates Company (measured at cost)					
US Infotech Pvt. Ltd. (Unquoted)	10	5,98,047	1,83,949.17	5,98,047	1,53,709.96
Brandshoots Ventures Pvt. Ltd. (Unquoted)	10	5,44,400	45,753.19	5,44,400	45,653.65
Sumedha Management Solutions Pvt. Ltd (Unquoted)	10	2,30,000	1,26,669.21	2,30,000	1,08,862.75
- of Others [measured at Fair Value through Statement of Profit and Loss (FVTPL)]					
Unquoted					
I Care Learning Pvt. Ltd	10	65,000	0.01	65,000	0.01
Seasoft Solutions Pvt Ltd	10	34,120	-	34,120	44.36
Total of unquoted Investments measured at Cost and FVTPL			3,56,371.58		3,08,270.73

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

5.1 INVESTMENTS (Contd.)

(₹ in '00)

Description	Face Value	As at 31st March, 2021		As at 31st March, 2020	
		No. of Shares/ Debentures/Units	Amount	No. of Shares/ Debentures/Units	Amount
Investments measured at Fair Value through Statement of Profit and Loss					
In Equity Shares					
Quoted, Fully Paid Up					
Aravali Securities & Finance Limited	10	200	3.04	200	7.92
Assam Brook Limited	10	3,625	362.50	3,625	567.31
APS Star Industries Limited	10	600	6.00	600	6.00
Bharat Wire Ropes Limited	10	-	-	2,114	236.77
Business Forms Limited	10	-	-	6,000	60.00
CDR Health Care Limited	10	2,200	166.76	2,200	166.76
Gujrat Inject (Kerala) Limited	10	900	9.00	900	9.00
HDFC SLIC	10	-	-	374	1650.65
Leafin India Limited	10	500	5.00	500	5.00
Maruti Cottex Limited	10	17,000	170.00	17,000	170.00
Madhya Bharat Papers Limited	10	500	5.00	500	5.00
MCC Investment and Leasing Co. Limited	10	400	10.00	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	800.00
Paam Pharmaceuticals (Delhi) Limited	10	-	-	252	2.52
Parakaram Technofeb Limited	10	-	-	1,200	12.00
Pioneer Financial Management Services Limited	10	1,000	10.00	1,000	10.00
Primax Fiscal Services Limited	10	800	17.60	800	17.60
Sanderson Industries Limited	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	20146.50	33,000	6138.00
State Bank of India	1	1,870	6812.41	1,870	3681.10
Technology Plastics Limited	10	-	-	1000	10.00
Timbor Home Limited	10	1,374	137.40	1374	30.37
Investments in Portfolio Management Scheme					
Bajaj Finance Limited	2	-	-	74	1,639.69
Bal Krishna Industries Limited	2	-	-	159	1,258.72
Divi's Laboratories Limited	2	-	-	136	2,705.11
Dr. Lal Path Labs Ltd	10	-	-	165	2,312.81
HDFC Bank Ltd.	1	-	-	315	2,714.99
Honeywell Automation India Limited	10	-	-	9	2,330.15
ICICI Lombard General Insurance Co. Ltd	10	-	-	220	2,379.63
ICICI Bank Ltd	2	-	-	745	2,411.94
Indraprastha Gas Limited	2	-	-	605	2,347.10
Info Edge (India) Ltd	10	-	-	98	1,994.35
PI Industries	1	-	-	169	1,977.38
Reliance Industries Limited	10	-	-	189	2,104.99
Sanofi India Ltd	10	-	-	36	2,251.21
SRF Limited	10	-	-	75	2,087.48
Whirlpool of India Limited	10	-	-	108	1,964.41
Cash					9,098.23
Total of Investments measured at Fair Value Through Statement of Profit & Loss			28,602.22		55,485.20
Total Non Current Investments (C)			3,84,973.80		3,63,755.93
TOTAL (A+B+C)			9,63,779.51		9,10,523.55
Aggregate amount of quoted Investments and market value there of			6,07,407.92		6,02,252.81
Aggregate amount of unquoted Investments			3,56,371.59		3,08,270.74

Note: The Aggregate deemed cost of Investments is Rs. 8,99,656.74 as on 31st March, 2021 and Rs. 9,99,346.96 as on 31st March, 2020.

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

6. OTHER FINANCIAL ASSETS

(₹ in '00)

Description	As at 31st March, 2021	As at 31st March, 2020
(Unsecured, Considered Good)		
Security Deposits		
– Security Deposits with Stock Exchange/ Clearing Member	89,600.00	1,43,350.00
– Security Deposits with Others	9,880.21	7,347.04
Accrued Interest	15,597.78	12,153.91
Advance		
– Related Parties	1,49,637.75	-
– Others	846.91	3,78,577.52
Total	2,65,562.65	5,41,428.47

7. INVENTORIES

(₹ in '00)

Description	As at 31st March, 2021	As at 31st March, 2020
Stock-in-Trade (At Fair Value)(Refer Note 7.1)		
In Equity Instruments (Quoted)	11,00,822.15	3,78,665.66
In Preference Shares (Unquoted)	0.01	0.01
In Mutual Funds (Quoted)	619.31	606.80
Total	11,01,441.47	3,79,272.47

7.1 INVENTORIES

(₹ in '00)

Sr. No.	Name of the body corporate	Face Value (₹)	As at 31st March, 2021		As at 31st March, 2020	
			No. of Shares	Amount	No. of Shares	Amount
A	In Equity Instruments (Quoted)					
1	Akar Laminators Limited	10	500.00	4.25	500	4.25
2	Aditya Birla Capital Limited	10	5,000.00	5,965.00	5,000	2087.50
3	Bajaj Holdings Limited	10	0.00	0.00	100	1798.55
4	Bank of Baroda	10	14,020.00	10,388.82	14,020	7507.71
5	Bank of India	10	5,000.00	3,392.50	5,000	1612.50
6	Bells Control Limited	10	50.00	5.00	50	5.00
7	Bharat Wire Ropes Limited	10	0.00	0.00	10,000	1120.00
8	Vedanta Limited (formerly known as Cairn India Limited)	1	0.00	0.00	2,500	1617.50
9	Canara Bank	10	84,000.00	1,27,848.00	5,000	4525.00
10	Castrol India Limited	5	4,000.00	5,012.00	4,000	3978.00
11	Chemcrown India Limited	10	28,000.00	0.01	28,000	0.01
12	Core Education & Technologies Limited	2	11,000.00	220.00	11,000	194.70
13	Daewoo Motors (India) Limited	10	100.00	6.71	100	6.71
14	EIH Limited	2	2,200.00	2,044.90	2,000	1316.00
15	Emami Realty Limited (formerly known as Emami Infrastructure Ltd.)	10	1,500.00	595.50	1,500	420.75
16	Electrosteel Steels Limited	10	800.00	80.00	800	80.00
17	Glenmark Pharmaceuticals Limited	1	4,000.00	18,588.00	4,000	8234.00
18	HFCL Limited	1	20,000.00	5,030.00	20,000	1810.00
19	Himadri Speciality Chemical Limited (formerly known as Himadri Chemicals and Industries Limited)	1	5,000.00	2,082.50	5,000	1472.50

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

7.1 INVENTORIES (Contd.)

(₹ in '00)

Sr. No.	Name of the body corporate	Face Value (₹)	As at 31st March, 2021		As at 31st March, 2020	
			No. of Shares	Amount	No. of Shares	Amount
A	In Equity Instruments (Quoted) (Contd.)					
20	Hindustan Copper Limited	5	0.00	0.00	2,500	532.50
21	Hindustan National Glass Limited	2	29.00	9.38	29	8.02
22	HUDCO Limited	10	1,000.00	438.50	1,000	200.00
23	IFB Industries Limited	10	4,900.00	54,465.95	6,608	17603.71
24	Indiabulls Housing Finance Limited	2	1,200.00	2,358.00	1,200	1161.00
25	Maruthi Cotex Limited	10	2,000.00	0.01	2,000	0.01
26	Lords Chloro Alkali Limited (Formerly: Modi Alkalies & Chemicals Limited)	10	10.00	3.02	10	1.80
27	NBCC Limited	2	15,000.00	7,020.00	15,000	2445.00
28	NACL Industries Limited	1	14,000.00	5,271.00	20,000	4380.00
29	Orient Paper Limited	10	5,000.00	1,230.00	5,000	725.00
30	Oriental Bank of Commerce	10	0.00	0.00	36,000	15642.00
31	Padmini Technologies Limited	10	3,200.00	0.01	3,200	0.01
32	Parakaram Technofab Limited	10	84,400.00	0.01	84,400	0.01
33	PC Jewellers Limited	10	4,000.00	1,084.00	4,000	458.00
34	Punjab National Bank	2	53,400.00	19,571.10	12,000	3882.00
35	Punjab & Sindh Bank Limited	10	20,000.00	3,520.00	20,000	2200.00
36	Reliance Industries Limited	10	14,000.00	2,80,434.00	12,000	133650.00
37	RamKrishna Forging Limited	10	0.00	0.00	2,000	3052.00
38	Sanderson Industries Limited	10	1,83,400.00	0.01	1,83,400	0.01
39	Skipper Limited	1	20,825.00	12,713.66	20,825	3873.45
40	MW Unitexx Limited	10	195.00	3.49	195	3.49
41	State Bank of India	1	44,500.00	1,62,113.50	44,500	87598.25
42	Suditi Industries Limited	10	2,000.00	209.00	2,000	168.20
43	Sun Pharmaceuticals Industries Limited	1	3,800.00	22,716.40	6,800	23956.40
44	Suryodaya Allo - Metal Powders Limited	10	6,500.00	201.50	6,500	201.50
45	Telephone Cables Limited	10	100.00	1.70	100	1.70
46	Texmaco Infrastructure & Holdings Limited.	1	8,000.00	5,600.00	8,000	2476.00
47	Texmaco Rail & Engineering Limited.	1	16,000.00	4,272.00	16,000	3120.00
48	Uco Bank	10	29,000.00	3,190.00	29,000	2624.50
49	Union Bank of India	10	14,000.00	4,767.00	14,000	4018.00
50	Vatsa Corporation Limited	1	100.00	0.01	100	0.01
51	Vimta Laboratories Limited	2	0.00	0.00	2,000	1194.00
52	Viniyoga Clothex Limited	10	1,800.00	0.01	1,800	0.01
53	Vodafone Idea Ltd		1,00,000.00	9,250.00	-	-
54	Wockhardt Limited	5	6,000.00	24,843.00	6,000	10359.00
55	YES Bank	10	1,11,600.00	17,409.60	35,200	7902.40
56	Zee Entertainment Enterprises Limited	1	12,000.00	24,384.00	6,000	7437.00
57	Nava Bharat Ventures Ltd.	2	10,000.00	6,950.00	-	-
58	IDBI Bank Ltd.	10	10,000.00	3,855.00	-	-
59	Rail Vikas Nigam Ltd.	10	0.00	0.00	-	-
60	Granules India Ltd.	1	10,000.00	30,345.00	-	-
61	Axis Bank Ltd	2	2,000.00	13,949.00	-	-

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

7.1 INVENTORIES (Contd.)

(₹ in '00)

Sr. No.	Name of the body corporate	Face Value (₹)	As at 31st March, 2021		As at 31st March, 2020	
			No. of Shares	Amount	No. of Shares	Amount
A	In Equity Instruments (Quoted) (Contd.)					
62	Bandhan Bank Ltd	10	10,000.00	33,890.00	-	-
63	Biocon Ltd	5	6,000.00	24,534.00	-	-
64	Ester Industries Ltd	5	5,000.00	5,837.50	-	-
65	ICICI Bank Ltd	2	8,000.00	46,568.00	-	-
66	IRFC Ltd	10	10,000.00	2,290.00	-	-
67	ITC Ltd	1	10,000.00	21,850.00	-	-
68	Schafeller India Ltd	10	200.00	10,884.10	-	-
69	Syngene International Ltd	10	6,000.00	32,607.00	-	-
70	Sun Pharma Advanced Research Company Ltd	1	3,000.00	4,264.50	-	-
71	Tamil Nadu Newsprints & Papers Ltd	10	10,000.00	14,655.00	-	-
	Total			11,00,822.15		3,78,665.66

Sr. No.	Name of the body corporate	Face Value (₹)	As at 31st March, 2021		As at 31st March, 2020	
			No. of Shares	Amount	No. of Shares	Amount
B	In Preference Shares (Unquoted)					
1	Venkateshwara Hatcheries Limited	10	20	0.01	20	0.01
	Total			0.01		0.01

Sr. No.	Name of the body corporate	Face Value (₹)	As at 31st March, 2021		As at 31st March, 2020	
			No. of Shares	Amount	No. of Shares	Amount
C	In Mutual Funds					
1	Reliance MF ETF (Goldbees)	100	1500	581.4	1500	584.10
2	UTI Master Shares - Unit Scheme	10	100	37.91	100	22.70
	Total			619.31		606.80

8. CURRENT TAX ASSETS

(₹ in '00)

Description	As at 31st March, 2021	As at 31st March, 2020
Advance Tax (Net of Provisions)	1,37,598.85	1,33,057.56
(Provision of Rs. 1,22,263.94 as on 31.03.2021 Nil - as on 31.03.2020)		
Total	1,37,598.85	1,33,057.56

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

9. INVESTMENT PROPERTY

(₹ in '00)

Description	Gross Block			Depreciation and Amortisation			Net Block		
	As at 1st April, 2019	Additions during the year	Disposals/ Discarded during the year	As at 31st March, 2020	Upto 31st March, 2019	Depreciation for the year	Disposal during the year	Upto 31st March, 2020	As at 31st March, 2020
Tangible Assets									
Buildings	25,939.01	-	-	25,939.01	1,797.96	599.32	-	2,397.28	23,541.73
Total	25,939.01	-	-	25,939.01	1,797.96	599.32	-	2,397.28	23,541.73

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
Tangible Assets									
Buildings	25,939.01	-	-	25,939.01	2,397.28	599.32	-	2,996.60	22,942.41
Total	25,939.01	-	-	25,939.01	2,397.28	599.32	-	2,996.60	22,942.41

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

Particulars	31st March, 2021	31st March, 2020
Rental Income	4,200.00	4,200.00
Direct operating expenses from property that generated rental income	42.91	42.91
Profit from investment properties before depreciation	4,157.09	4,157.09
Depreciation	599.32	599.32
Profit from investment properties	3,557.77	3,557.77

(ii) Fair value

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

Reconciliation of Fair Value

Particulars	31st March, 2021	31st March, 2020
Market Value of Investment Property	74,750.00	74,750.00
Total	74,750.00	74,750.00

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)
10. PROPERTY, PLANT AND EQUIPMENT

(₹ in '00)

Description	Gross Block			Depreciation and Amortisation				Net Block	
	As at 1st April, 2019	Additions during the year	Disposals/ Discarded during the year	As at 31st March, 2020	Upto 31st March, 2019	Depreciation for the year	Disposal during the year	Upto 31st March, 2020	As at 31st March, 2020
Tangible Assets									
Buildings*	7,93,732.50	2,17,426.17	-	10,11,158.67	38,777.36	14,786.02	-	53,563.38	9,57,595.29
Electrical Installation	983.30	328.95	-	1,312.25	554.89	96.57	-	651.46	660.79
Furnitures & Fixtures	41,925.80	399.90	-	42,325.70	21,856.03	7,184.22	-	29,040.25	13,285.45
Computers	23,714.81	1,622.40	382.44	24,954.77	11,048.06	3,955.51	363.31	14,640.26	10,314.51
Office Equipment	22,355.01	4,956.99	2,808.00	24,504.00	9,147.55	4,400.32	2,618.07	10,929.80	13,574.20
Vehicles	1,56,678.92	8,566.93	6,940.55	1,58,305.30	43,260.04	21,568.65	6,574.88	58,253.81	1,00,051.49
Total	10,39,390.34	2,33,301.34	10,130.99	12,62,560.69	1,24,643.93	51,991.29	9,556.26	1,67,078.96	10,95,481.73
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
Tangible Assets									
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
Vehicles	1,58,305.30	-	-	1,58,305.30	58,253.81	19,080.65	-	77,334.46	80,970.84
Total	12,62,560.69	2,70,518.64	-	15,33,079.33	1,67,078.96	49,143.48	-	2,16,222.44	13,16,856.89

* Registration of Noida Flat is still pending.

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

11. OTHER INTANGIBLE ASSETS

(₹ in '00)

Description	Gross Block			Depreciation and Amortisation			Net Block		
	As at 1st April, 2019	Additions during the year	Disposals/ Discarded during the year	As at 31st March, 2020	Upto 31st March, 2019	Depreciation for the year	Disposal during the year	Upto 31st March, 2020	As at 31st March, 2020
Software	6,342.69	3,182.15	-	9,524.84	3,157.16	1,830.37	-	4,987.53	4,537.31
Total	6,342.69	3,182.15	-	9,524.84	3,157.16	1,830.37	-	4,987.53	4,537.31

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
Software	9,524.84	708.90	-	10,233.74	4,987.53	1,869.68	-	6,857.21	3,376.53
Total	9,524.84	708.90	-	10,233.74	4,987.53	1,869.68	-	6,857.21	3,376.53

12. OTHER NON-FINANCIAL ASSETS

(₹ in '00)

Description	As at 31st March, 2021	As at 31st March, 2020
(Unsecured, Considered Good)		
Capital Advances	62,560.05	62,560.05
Prepaid Expenses	4,131.13	6,039.50
Others	8,263.25	18,685.29
Total	74,954.43	87,284.84

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

13. BORROWINGS

(₹ in '00)

Description	As at 31st March, 2021	As at 31st March, 2020
Term Loan from Non - Banking Financial Company - Refer Additional Information below	8,639.74	13,818.85
Total	8,639.74	13,818.85
Additional Information		
A. Daimler Financial Services Private Limited		
(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	8,639.74
Amount due to be paid within one year	5,637.02	5,179.11

14. OTHER FINANCIAL LIABILITIES

(₹ in '00)

Description	As at 31st March, 2021	As at 31st March, 2020
Unclaimed Dividend	11,658.70	11,798.74
Payable for Expense	12,099.69	23,212.25
Total	23,758.39	35,010.99

15. PROVISIONS

(₹ in '00)

Description	As at 31st March, 2021	As at 31st March, 2020
Provisions for Employee Benefits*	12,846.27	14,594.35
Total	12,846.27	14,594.35

* The provision for employee benefit includes Leave Encashment

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

16. DEFERRED TAX LIABILITIES (NET)

(₹ in '00)

Description	As at 31st March, 2021	As at 31st March, 2020
Deferred Tax Liabilities		
The balances comprises temporary differences attributable to:		
i) Property, Plant and Equipment and Other Intangible Assets	91,395.44	91,168.33
ii) Financial Assets at Fair Value through Profit and Loss	3,280.97	-
Deferred Tax Liabilities (A)	94,676.40	91,168.33
Deferred Tax Assets		
The balances comprises temporary differences attributable to:		
i) Items allowed for tax purpose on payment	3,254.42	2,301.79
ii) Carry Forward Losses	7,375.47	8,198.36
iii) Financial Assets at Fair Value through Other Comprehensive Income	9.23	-
iv) Financial Assets at Fair Value through Profit and Loss	-	5,093.21
v) MAT Credit Entitlement	-	609.84
Deferred Tax Assets (B)	10,639.12	16,203.20
Net Deferred Tax Liabilities (A-B)	84,037.29	74,965.13

17. OTHER NON FINANCIAL LIABILITIES

(₹ in '00)

Description	As at 31st March, 2021	As at 31st March, 2020
Outstanding Liabilities [^]	647.00	92,347.35
Statutory Dues	3,753.21	40,329.88
Total	4,400.21	1,32,677.23

[^]Includes advances from customers of Rs. 600.00 (Previous Year Rs. 92,127.88)

18. EQUITY SHARE CAPITAL

(₹ in '00)

Description	As at 31st March, 2021		As at 31st March, 2020	
	Number	Amount	Number	Amount
Authorised:				
Equity Shares of ₹ 10 each	1,00,00,000	10,00,000.00	1,00,00,000	10,00,000.00
Issued, Subscribed & Paid up:				
Equity Shares of ₹ 10 each fully paid up	79,84,424	7,98,442.40	79,84,424	7,98,442.40
Total	79,84,424	7,98,442.40	79,84,424	7,98,442.40

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

(₹ in '00)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	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, 2021 (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 Rs. 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:

Name of the Shareholder	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Vijay Maheshwari	1669220	20.91	1669220	20.91
US Infotech Pvt Ltd	1115566	13.97	1115566	13.97
Total	2784786	34.88	2784786	34.88

18.4 Particulars of each class of shares held by holding, ultimate holding, subsidiaries or associates of the holding company

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
US Infotech Pvt Ltd	11,15,566	13.97	11,15,566	13.97
Total	11,15,566	13.97	11,15,566	13.97

19. OTHER EQUITY

(₹ in '00)

Description	As at 31st March, 2021		As at 31st March, 2020	
Securities Premium Reserve				
As per last Financial Statement		2,57,201.64		2,57,201.64
General Reserve				
As per last Financial Statement		9,265.45		9,265.45
Retained Earnings				
As per last Financial Statement	28,14,880.23		31,96,744.27	
Add: Profit/(Loss) for the year	8,65,522.17		(2,85,607.62)	
Less: Appropriations	-		-	
Transferred to General Reserve	-		-	
Dividend on Equity Shares [Dividend per Share – (Previous year 0.60 paise)	47,906.54		(79,844.24)	
Tax on Dividend	-	36,32,495.86	(16,412.18)	28,14,880.23
Capital Reserve on Consolidation				
Created during the year		1,547.53		1,547.53
Other Comprehensive Income (OCI)				
As per last Financial Statement	(39,520.03)		(18,199.45)	
Add: Movement in OCI (Net) during the year	33,163.79		(21,320.58)	
Total Other Comprehensive Income		(6,356.24)		(39,520.03)
Total		38,94,154.24		30,43,374.82

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

19. OTHER EQUITY (Contd.)

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

Description	For the year ended 31st March, 2021			For the year ended 31st March, 2020		
	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	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
Interest on Loans	-	-	7,416.35	-	-	7,833.60
Interest income from investments	-	279.72	-	-	-	-
Interest on deposits with Banks	-	-	22,834.22	-	-	17,168.74
Total	-	279.72	30,250.57	-	-	25,002.34

21. DIVIDEND INCOME

(₹ in '00)

Description	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Dividend Income (on Inventories)	2,785.23	2,598.66
Dividend Income (on Investments)	172.04	440.08
Total	2,957.27	3,038.74

22. RENTAL INCOME

(₹ in '00)

Description	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Rent	4,200.00	4,200.00
<i>(TDS as on 31.03.2021 Rs. 315.00 and as on 31.03.2020 Rs. 420.00)</i>		
Total	4,200.00	4,200.00

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

23. FEES AND COMMISSION INCOME

(₹ in '00)

Description	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Fee and Commission Income*	6,52,433.74	11,85,761.73
<i>(TDS as on 31.03.2021 is Rs. 46,506.70 and as on 31.03.2020 Rs.1,20,780.62)</i>		
Total	6,52,433.74	11,85,761.73

*includes fees received from Related Party (Sumedha Management Solutions Pvt Ltd) amounting to Rs. 114 Lakhs (P.Y Amounting to Rs. 188 Lakhs)

24. NET GAIN/ (LOSS) ON FAIR VALUE CHANGES

(₹ in '00)

Description	For the year ended 31st March, 2021	For the year ended 31st March, 2020
A) Net gain/(loss) on financial instruments at fair value through profit or loss		
i) On trading portfolio		
- Derivatives	4,34,559.31	(4,80,369.95)
- Others	5,298.23	7,703.94
ii) On financial instruments designated at fair value through profit or loss		
- Investments (on Fair Value Changes)	45,543.38	(1,554.68)
- Investments (Profit on Sale of Investment)	23,841.46	46,578.78
Total Net gain/(loss) on fair value changes (C)	5,09,242.38	(4,27,641.91)
Fair Value changes:		
- Realised	4,63,699.00	(4,26,087.22)
- Unrealised	45,543.38	(1,554.68)
Total Net gain/(loss) on fair value changes(D) to tally with (C)	5,09,242.38	(4,27,641.91)

25. OTHER INCOME

(₹ in '00)

Description	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Profit on Sale of Property, Plant and Equipment	-	1,285.28
Miscellaneous Income	2,000.03	554.01
Total	2,000.03	1,839.29

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

26. FINANCE COSTS

(₹ in '00)

Description	For the year ended 31st March, 2021	For the year ended 31st March, 2020
On Financial Liabilities measured at Amortised Cost		
- Interest on deposits	-	-
- Interest on Borrowings	1,011.71	1,320.46
- Other interest expense	4,748.97	8,967.27
Total	5,760.68	10,287.73

27. CHANGES IN INVENTORIES OF STOCK-IN-TRADE

(₹ in '00)

Description	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Stock - in - Trade (at the end of the year)	11,01,441.47	3,79,272.47
Stock - in - Trade (at the beginning of the year)	3,79,272.47	7,00,438.12
Total	(7,22,169.00)	3,21,165.65

28. EMPLOYEE BENEFITS EXPENSE

(₹ in '00)

Description	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Salaries and Wages	2,67,573.00	3,18,573.85
Contribution to Provident Fund and Other Funds	16,375.56	26,054.79
Staff Welfare Expenses	4,435.66	10,041.73
Total	2,88,384.22	3,54,670.37

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

29. OTHER EXPENSES

(₹ in '00)

Description	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Advertisement & Business Promotion	13,243.57	28,900.68
Bad Debts and Sundry Balances written off	79,712.90	79,944.83
Car Expenses	19,596.77	30,712.10
Charity and Donation	1,254.33	2,429.05
Communication Expenses	6,332.56	7,389.79
Computer Expenses	2,437.41	2,394.19
Electricity	4,845.09	9,644.35
Insurance	6,553.47	4,291.07
Office Maintenance	13,372.08	17,388.93
Auditor's Remuneration*	5,995.00	5,500.00
Printing & Stationery	2,447.37	4,499.39
Rates and Taxes	2,732.37	2,895.56
Repairs & Maintenance	4,907.53	6,257.45
Rent	12,900.00	14,400.00
Retainership Fees	12,000.00	14,300.00
Travelling & Conveyance	18,366.05	42,239.57
VSAT Charges	-	108.82
Miscellaneous Expenses	28,713.16	48,201.95
Total	2,35,409.66	3,21,497.73

*** AUDITOR'S REMUNERATION**

- Statutory Audit	2,425.00	2,250.00
- Tax Audit	1,000.00	1,000.00
- Limited Review	750.00	750.00
- Certification and Other Services	1,820.00	1,225.00
Total	5,995.00	5,225.00

30. EARNINGS PER SHARE

(i) Reconciliation of earning used in calculating earnings per share:

(₹ in '00)

Numerator	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Profit/(Loss) for the year (₹) (for basic EPS)(₹)	8,65,523.69	(2,85,606.37)
(b) Less: Effect of dilutive potential ordinary shares	-	-
(c) Net Profit/(Loss) for diluted earnings per share (₹)	8,65,523.69	(2,85,606.37)

(ii) Reconciliation of basic and diluted shares used in computing earnings per share:

Denominator	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(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

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

30. EARNINGS PER SHARE (Contd.)

(iii) Earnings Per Share (₹)

(₹ in '00)

Particulars		For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a)	- Basic	10.84	(3.58)
(b)	- Diluted	10.84	(3.58)

31. OPEN INTEREST IN EQUITY INDEX/STOCK FUTURES AS AT 31st MARCH, 2021

(₹ in '00)

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

OPEN INTEREST IN EQUITY INDEX/STOCK FUTURES AS AT 31st MARCH, 2020

Sl. No	Name of the future	Series of future	Number of contracts	Number of units per lot
1	Bank of Baroda	30th April, 2020	5	5,400
2	Canara Bank	30th April, 2020	41	2,600
3	ICICI Bank	30th April, 2020	20	1,375
4	Reliance Ind. Ltd	30th April, 2020	80	500
5	State Bank of India	30th April, 2020	14	3,000
6	Indus Ind Bank	30th April, 2020	50	400
7	Yes Bank	30th April, 2020	3	8,800

32. INCOME TAX EXPENSE

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

(₹ in '00)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Profit/(loss) before tax	9,75,800.02	(3,73,116.36)
Tax as per applicable Tax Rate	2,45,746.48	(93,787.45)
Tax effect of:		
Income that are not taxable in determining taxable profit	(60,209.65)	79,279.39
Expenses that are not deductible in determining taxable profit	1,752.58	(42,709.46)
Recognition of previously unrecognised allowance/ disallowances	(61,643.64)	-
Expenses/income benefit of which will be available in future	509.08	64,150.54
Expenses/income related to prior years	(1,661.83)	(14,912.92)
Difference in tax due to income chargeable to tax at special rates	(888.75)	-
Difference due to change in Rate of Tax	7,962.45	(23,017.12)
Average Effective Tax Rate/ Income Tax Expenses	1,31,566.73	(31,049.54)

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

33. EXPENDITURE/ EARNINGS IN FOREIGN CURRENCY

(₹ in '00)

Particulars	For the year ended	
	31st March, 2021 Amount (Rs.)	31st March, 2020 Amount (Rs.)
A. Expenditure in Foreign Currency		
Travelling	-	6,865.70
Total	-	6,865.70

(₹ in '00)

Particulars	For the year ended	
	31st March, 2021 Amount (Rs.)	31st March, 2020 Amount (Rs.)
B. Earnings in Foreign currency		
Consultancy Fees	34,878.86	10,086.07
Total	34,878.86	10,086.07

34. DUES TO MICRO AND SMALL ENTERPRISES

The Group has no dues to Micro and Small Enterprises as at 31st March, 2021 and 31st March, 2020 in the Financial Statements based on the information received and available with the Company.

35. 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.

36. 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 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)
- 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 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 Gratuity Act, 1972. The above Scheme is funded.

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

36. EMPLOYEE BENEFITS (Contd.)

(a) Charges for Defined Contribution Plans (DCP) for the year ended 31st March, 2021

(₹ in '00)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Contribution to Employee's Provident Fund	6786.33	7836.09
Contribution to Employee's Family Pension Fund	3728.20	4170.70
Total	10,514.53	12,006.79

(b) Change in Defined Benefit Obligations (DBO) over the year ended 31st March, 2021.

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2021	For the year ended 31st March 2020
Present Value of DBO at the Beginning of Year	61,456.51	54,950.84	14,594.35	12,814.81
Current Service Cost	3,588.77	4,002.51	1,265.27	1,459.11
Interest Cost	4,056.13	4,176.26	963.23	973.92
Curtailement Cost/(Credit)	-	-	-	-
Settlement Cost/(Credit)	-	-	-	-
Employee Contribution	-	-	-	-
Past Service Cost	-	-	-	-
Acquisitions	-	-	-	-
Re-measurement or Actuarial (gains/Losses) arising from:				
- Change in demographic assumptions	-	(27.58)	-	(5.29)
- Change in financial assumptions	(1,789.34)	5916.08	(353.00)	1,317.24
- Experience variance (i.e. Actual experience vs. assumptions)	(4,956.00)	4022.73	4,460.32	5,675.30
- Others	-	-	-	-
Benefits paid	(2,596.15)	(11,584.33)	(8,083.90)	(7,640.74)
Present Value of DBO at the end of Year	59,759.92	61,456.51	12,846.27	14,594.35

(c) Change in Fair Value of Assets

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2021	For the year ended 31st March 2020
Plan Assets at beginning of period	64,319.55	63,589.78	-	-
Investment Income	4,245.09	4,832.82	-	-
Return on Plan Assets, Excluding amount recognized in Net Interest Expense	(249.69)	(1,123.91)	-	-
Actual Company contributions	1,934.97	8,605.19	8,083.90	7,640.74
Fund Transferred	-	-	-	-
Employee Contributions	-	-	-	-
Benefits paid	(2,596.15)	(11,584.33)	(8,083.90)	(7,640.74)
Plan assets at the end of year	67,653.77	64,319.55	-	-

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

36. EMPLOYEE BENEFITS (Contd.)

(d) Funded Status

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2021	For the year ended 31st March 2020
Defined Benefit Obligation	59,759.92	61,456.51	12,846.27	14,594.35
Fair Value of Plan Assets	67,653.77	64,319.55	-	-
Unrecognized Past Service Cost	-	-	-	-
Effects of Asset Ceiling	-	-	-	-
Net Defined Benefit Asset/(Liability)	7,893.85	2,863.04	(12,846.27)	(14,594.35)

(e) Reconciliation of Net Balance Sheet position

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2021	For the year ended 31st March 2020
Net asset/(Liability) recognized in balance sheet at the beginning of period	2,863.04	8,638.94	(14,594.35)	(12,814.81)
Expense recognized in Income Statement	3,399.81	3,345.95	6,335.82	9,420.28
Expense recognized in Other Comprehensive Income	(6,495.65)	11,035.14	-	-
Employer contributions	1,934.97	8,605.19	8,083.90	7,640.74
Net Acquisitions/Business Combinations	-	-	-	-
Net asset/(Liability) recognized in balance sheet at end of the period	7,893.85	2,863.04	(12,846.27)	(14,594.35)

(f) Expense recognized during the year 2020-21

(₹ in '00)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2021	For the year ended 31st March 2020
Current Service Cost	3,588.77	4,002.51	1,265.27	1,459.11
Past Service Cost Plan Amendment	-	-	-	-
Curtailement cost/(credit)	-	-	-	-
Settlement cost/(credit)	-	-	-	-
Expected return on Plan Assets	-	-	-	-
Net Actuarial Losses/(Gains)	-	-	4,107.32	6,987.25
Net Interest on Net Defined Benefit Liability/(assets)	(188.96)	(656.56)	963.23	973.92
Expense recognized in the Statement of Profit and Loss	3,399.81	3,345.95	6,335.82	9,420.28

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

36. EMPLOYEE BENEFITS (Contd.)

(g) Other Comprehensive Income

(₹ in '00)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Actuarial (gains)/losses due to:		
- Change in demographic assumptions	-	(27.58)
- Change in financial assumptions	(1,789.34)	5,916.08
- Experience variance (i.e. Actual experience vs. assumptions)	(4,956.00)	4,022.73
- Others	-	-
Return on Plan Assets, excluding amount recognized in net interest expense	249.69	1,123.91
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	(6,495.65)	11,035.14

(h) Principal Actuarial Assumptions

(₹ in '00)

Financial Assumptions	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Discount Rate	6.90% p.a.	6.60% 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, 2021	For the year ended 31st March, 2020
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

(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 2021	For the year ended 31st March 2020	For the year ended 31st March 2021	For the year ended 31st March 2020
Current Defined Benefit Obligation	8,281.23	5,976.97	3,115.33	4,265.96
Non-Current Defined Benefit Obligation	51,478.69	55,479.54	9,730.94	10,328.39
Total Defined Benefit Obligation	59,759.92	61,456.51	12,846.27	14,594.35

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

36. EMPLOYEE BENEFITS (Contd.)

(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 2021		For the year ended 31st March 2020		For the year ended 31st March 2021		For the year ended 31st March 2020	
	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 1%)	66,076.19	54,369.21	68,458.41	55,540.43	14,098.05	11,790.77	16,179.29	13,277.11
Salary Growth Rate (-/+ 1%)	55,557.83	64,549.44	56,769.75	66,824.73	11,712.32	14,173.00	13,196.34	16,254.56
Attrition Rate (-/+ 50%)	59,282.67	60,197.00	61,096.86	61,787.37	12,770.89	12,912.47	14,539.97	14,641.84
Mortality Rate (-/+ 10%)	59,598.47	59,917.35	61,309.87	61,599.56	12,831.93	12,860.12	14,584.48	14,603.81

(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 2021	For the year ended 31st March 2020	For the year ended 31st March 2021	For the year ended 31st March 2020
1 Year	8,281.23	5,976.97	3,115.33	4,265.96
2-5 Years	7,005.99	11,543.91	1,204.52	1,442.92
6-10 Years	29,374.82	28,929.77	5,087.04	2,718.04
More Than 10 Years	92,550.64	97,903.64	19,601.68	25,832.67

(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 2021	For the year ended 31st March 2020	For the year ended 31st March 2021	For the year ended 31st March 2020
Funds Managed by Insurer	100%	100%	-	-

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

37. 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	US 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 Shekhar Panda (Director) Mr. Deb Kumar Sett (Company Secretary) Mr. Girdhari Lal Dadhich (CFO)

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	-	-	38,330.10	38,330.10
		-	-	(47,180.00)	(47,180.00)
ii	Rent paid	-	2,400.00	4,500.00	6,500.00
		-	(2,400.00)	(6,000.00)	(8,400.00)
iii	Portfolio management fees received	-	-	68.31	68.31
		-	-	(1022.51)	(1022.51)
iv	Dividend Paid	6,693.39	1,311.60	12,934.00	20,938.99
		(11,155.66)	(2,186.00)	(21,834.10)	(35,175.76)
v	Loan Given	-	43,500.00	-	43,500.00
		-	-	-	-
vi	Loan received back	-	-	-	-
		-	(15,000.00)	-	(15,000.00)
vii	Interest received	-	6,770.81	-	6,770.81
		-	(6,608.20)	-	(6,608.20)
viii	Rent received	-	4,200.00	-	4,200.00
		-	(4,200.00)	-	(4,200.00)
ix	Consultancy Fees Received	1,14,000.00	-	-	1,14,000.00
		(1,88,000.00)	-	-	(1,88,000.00)
x	Investment in Equity Shares	-	-	-	-
		-	-	-	-
xi	Outstanding balances at the end of the Financial Year				
	<i>Investment in Equity shares</i>				
	US Infotech Pvt. Ltd.	(1,83,949.17)	-	-	(1,83,949.17)
	Brandshoots Ventures Pvt. Ltd.	(45,753.65)	-	-	(45,753.65)
	Sumedha Management Solutions Pvt. Ltd	(1,26,669.21)	-	-	(53,943.61)

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, 2021 (Contd.)

37. RELATED PARTY TRANSACTIONS. (Contd.)

D. Disclosure in Respect of Material Related Party Transactions during the year.

Particulars	2021	2020
Managerial Remuneration		
Mr. Bhawani Shankar Rathi	26,421.00	32,745.00
Mr. Deb Kumar Sett	7,328.82	8,835.00
Mr. Girdhari Lal Dadhich	4,580.28	5,600.00
Rent paid		
Superb Estate Services Pvt. Limited	2,400.00	2,400.00
Mr. Vijay Maheshwari	4,500.00	6,000.00
Portfolio management fees received		
Mr. Vijay Maheshwari	-	416.62
Mrs. Garima Maheshwari	68.31	605.89
Purchase of Property		
Mr. Vijay Maheshwari	2,15,000.00	-
Dividend paid		
Mr. Bijay Murmuria	2,219.52	3,699.20
Mr. Bhawani Shankar Rathi	715.62	1,192.70
Mr. Vijay Maheshwari	10,015.32	16,692.20
Mrs. Garima Maheshwari	150.00	250.00
US Infotech (P) Limited.	6,693.39	11,155.66
Superb Estate Services Pvt. Limited.	1,311.60	2,186.00
Rent received		
Maheshwari & Associates	4,200.00	4,200.00
Consultancy Fee Received		
Sumedha Management Solutions Pvt. Ltd.	1,14,000.00	1,88,000.00
Loan Given		
US Infotech Private Limited	43,500.00	-
Interest income		
US Infotech Private Limited	6,770.81	6,608.20

38. CAPITAL RISK MANAGEMNT

The Group aim to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise 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 investor, creditors and market confident 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, 2021 (Contd.)

39. INTEREST IN SUBSIDIARY AND ASSOCIATES

Name	% Equity Interest	
	Mar-2021	Mar-2020
Subsidiary		
SFSL Commodity Trading Private Limited	99.98%	99.98%
Associates		
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%

40. 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:

Financial Assets	As at 31st March, 2021			As at 31st March, 2020		
	Carrying Value	Amortized Cost	FVTPL	Carrying Value	Amortized Cost	FVTPL
Investments in Associates						
Quoted Instruments	-	-	-	-	-	-
Unquoted Instruments	3,56,371.57	-	-	3,08,226.36	-	-
Investments in Equity Instruments						
Quoted Equity Instruments	-	-	28,602.22	-	-	13,907.00
Unquoted Equity Instruments	-	-	0.01	-	-	44.37
Investments in Debt Instruments						
Mutual Funds	-	-	5,63,805.70	-	-	5,46,767.61
Debentures	-	-	-	-	-	-
- Quoted	-	15,000.00	-	-	-	-
- Unquoted	-	0.01	-	-	0.01	-
Trade Receivables	4,80,666.84	-	-	4,82,890.33	-	-
Loans	-	-	-	-	-	-
Cash on Hand	12,053.35	-	-	17,040.07	-	-
Balances with Bank	35,231.44	-	-	2,34,861.98	-	-
Balances with Bank other than Cash & cash Equivalents	4,11,850.71	-	-	2,02,998.74	-	-
Other Financial Assets	2,65,562.65	-	-	5,41,428.47	-	-
Borrowings	8,639.74	-	-	13,818.85	-	-
Trade Payables*	-	-	-	-	-	-
Other Financial Liabilities*	23,758.39	-	-	35,010.99	-	-

*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, 2021 (Contd.)

40. FINANCIAL INSTRUMENT- FAIR VALUE MEASUREMENT (Contd.)

A. Accounting classification for Fair Values (Contd.)

(ii) (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, 2021			For the Year ended 31st March, 2020		
	Carrying Value	Amortized Cost	FVTPL	Carrying Value	Amortized Cost	FVTPL
Income						
- Interest income	30,250.57	-	-	25,002.34	-	-
- Dividend Income	-	-	2,957.27	-	-	3,038.74
Expenses						
- Interest Expense	-	5,639.65	-	-	10,226.70	-

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, 2021			As at 31st March, 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Investments in Equity Instruments						
Quoted Equity Instruments	28,602.22	-	-	13,907.00	-	-
Unquoted Equity Instruments	0.01	-	-	44.37	-	-
Investments in Debt Instruments						
Mutual Funds	5,63,805.70	-	-	5,46,767.61	-	-
Debentures						
- Quoted	15,000.00	-	-	-	-	-
- Unquoted	-	-	0.01	-	-	0.01
Loans			-			-
Other Financial Assets			2,65,562.65			5,41,428.47

(ii) **Fair value disclosure of financial assets and financial liabilities measured at carrying value of the Group:**

(₹ in '00)

Particular	For the Year ended 31st March, 2021			For the Year ended 31st March, 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Debentures	15,000.00	-	-	-	-	-
Financial Liabilities						
Borrowings	-	8,639.74	-	-	13,818.85	-
Other Financial Liabilities	-	23,758.39	-	-	35,010.99	-

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.

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

40. 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 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 year ended 31st March 2020 and 31st March 2021.

	Associates- Unquoted	Unquoted Equity Instruments	Unquoted Debt Instruments
	(₹ in '00)		
As at 31/03/2020	2,64,517.27	44.37	0.01
Acquisitions	-	-	-
Transferred to Group of Associates	-	-	-
Sales	-	-	-
Gains/(Losses) recognized in the statement of Profit and Loss	-	(44.36)	-
As at 31/03/2021	2,64,517.27	0.01	0.01

(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 where in 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 risk 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.

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.

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

40. FINANCIAL INSTRUMENT- FAIR VALUE MEASUREMENT (Contd.)

B. Fair Value Hierarchy (Contd.)

(v) Financial Instrument - Financial Risk Management. (Contd.)

(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, 2021		31st March, 2020	
		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 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, 2021	31st March, 2020	31st March, 2021	31st March, 2020
Market Price increases by 2%	572.04	278.14	-	-
Market Price decreases by 2%	(572.04)	(278.14)	-	-

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.

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

40. FINANCIAL INSTRUMENT- FAIR VALUE MEASUREMENT (Contd.)

B. Fair Value Hierarchy (Contd.)

(v) Financial Instrument - Financial Risk Management. (Contd.)

(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
Contractual maturities of financial liabilities as at 31/03/2021					
Borrowings	5,637.02	3,002.72	-	-	8,639.74
Other Financial Liabilities	23,758.39	-	-	-	23,758.39

(₹ in '00)

	Less than 1 Year	1 Year to 2 year	2 Year to 5 Years	More than 5 Years	Total
Contractual maturities of financial liabilities as at 31/03/2020					
Borrowings	5,179.11	8,639.74	-	-	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, 2021 (Contd.)

40. FINANCIAL INSTRUMENT- FAIR VALUE MEASUREMENT (Contd.)

B. Fair Value Hierarchy (Contd.)

(v) Financial Instrument - Financial Risk Management. (Contd.)

Impairment losses/(reversals) on financial assets recognized in profit or loss are as follows:

(₹ in '00)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Impairment Loss on trade receivables	-	47,621.95

41. 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%	1,53,709.96	-	30,239.21	1,83,949.17
Brandshoots Ventures Private Limited	31.84%	45,653.65	-	99.54	45,753.19
Sumedha Management Solutions Pvt. Ltd.	24.73%	1,08,862.75	-	17,806.46	1,26,669.21

42. 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 (₹)
Parent				
Sumedha Fiscal Services Limited	94.62	44,98,243.61	93.67	8,99,166.08
Subsidiary				
SFSI Commodity Trading Private Limited	1.26	60,121.28	1.32	12,662.69
Associate				
US Infotech Private Limited	2.23	1,05,972.29	3.15	30,239.21
Brandshoots Ventures Private Limited	(0.18)	(8,686.81)	0.01	99.54
Sumedha Management Solutions Pvt Ltd	2.07	98,269.21	1.85	17,806.46
Total	100.00	47,53,919.58	100.00	9,59,973.98
a) Transferred to OCI		-		(33,163.79)
b) Minority Interest		(36.51)		(1.52)
		47,53,883.07		9,26,808.67

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

43. Maturity Analysis of Assets and Liabilities

Particulars	31st March, 2021			31st March, 2020		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Financial Assets						
Cash and Cash Equivalents	47,284.79	-	47,284.79	2,51,902.05	-	2,51,902.05
Bank Balance other than above	4,11,850.71	-	4,11,850.71	2,02,998.74	-	2,02,998.74
Trade Receivables	3,79,790.79	1,00,876.05	4,80,666.84	3,76,327.31	1,06,563.02	4,82,890.33
Investments	-	9,63,779.51	9,63,779.51	-	9,10,523.53	9,10,523.53
Other Financial Assets	-	2,65,562.65	2,65,562.65	-	5,41,428.47	5,41,428.47
Non-Financial Assets						
Inventories	11,01,441.47	-	11,01,441.47	3,79,272.47	-	3,79,272.47
Current Tax Assets (Net)	1,37,598.85	-	1,37,598.85	1,33,057.56	-	1,33,057.56
Investments Property	-	22,942.41	22,942.41	-	23,541.73	23,541.73
Property, Plant and Equipment	-	13,16,856.88	13,16,856.88	-	10,95,481.73	10,95,481.73
Intangible Assets	-	3,376.53	3,376.53	-	4,537.31	4,537.31
Other Non- Financial Assets	12,394.38	62,560.05	74,954.43	24,724.79	62,560.05	87,284.84
Total	20,90,360.99	27,35,954.08	48,26,315.07	13,68,282.92	27,44,635.84	41,12,918.76
Financial Liabilities						
Borrowings (Other than Debt Securities)	5,637.02	3,002.72	8,639.74	5,179.11	8,639.74	13,818.85
Other Financial Liabilities	23,758.39	-	23,758.39	35,010.99	-	35,010.99
Non-Financial Liabilities						
Provisions	12,846.27	-	12,846.27	14,594.35	-	14,594.35
Deferred Tax Liabilities (Net)	84,037.29	-	84,037.29	74,965.13	-	74,965.13
Other Non-Financial Liabilities	4,400.21	-	4,400.21	1,32,677.23	-	1,32,677.23
Total	1,30,679.18	3,002.72	1,33,681.90	2,62,426.81	8,639.74	2,71,066.55
Net	19,59,681.81	27,32,951.36	46,92,633.17	11,05,856.11	27,35,996.10	38,41,852.21

44) Capital Advance

Capital Advances represent an amount of Rs.62,56,000/- towards booking of two flats at Mumbai against total consideration of Rs. 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.

- 45)** The Board of Directors has recommended a dividend at the rate of Re. 1/- per share (face value Rs.10/-) (previous year Re. 0.60/-) for the year ended 31st March, 2021 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 Rs 79.84 lacs (Previous Year Rs. 47.90 Lacs) on account of dividend and and the short term provision would have been higher by the said amount of Rs. 79.84 lacs (Previous Year Rs. 47.90 Lacs).

Notes forming part of the Consolidated financial statements for the year ended 31st March, 2021 (Contd.)

- 46)** During the year, unclaimed dividend amounting to Rs.1,06,222/- relating to financial year 2012-13 has been transferred to IEPF Account as per section 124(5) of the Companies Act, 2013.
- 47)** Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.
- 48)** Figures have been rounded off to nearest Hundred.

Signature to notes 1 to 48

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

Bhawani Shankar Rathi

Wholetime Director

DIN: 00028499

Dhwani Fatehpuria

Company Secretary

Bijay Murmuria

Director

DIN: 00216534

Girdhari Lal Dadhich

Chief Financial Officer

Place : Kolkata

Date : 24th June, 2021

VALUES

That little addition
which changes the dynamics
of everything ...



...be it in the way you conduct your business, nurture relationships or in your day to day interactions.

At Sumedha, we understand why this little addition is so critical for growth and maintaining long lasting relationships.

Since our inception more than a decade ago, we have nurtured these values. We today take so much pride in maintaining transparency in our dealings, of going that extra mile to ensure greater success for you and standing by you through thick and thin.

Bring that little 'S' in your business with Sumedha and experience the change yourself.

FINANCIAL HIGHLIGHTS

₹ in lakhs unless specified otherwise

Details	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Income From Operations	1991.17	1782.89	1808.73	2067.65	1569.37	1094.00	1704.60	1,314.96
Other Income	2.00	72.55	48.14	95.96	127.21	80.28	101.39	66.15
Total Income	1993.17	1855.44	1856.87	2163.61	1696.58	1174.28	1805.99	1,381.11
Profit before Interest, Depreciation, Amortisation and Tax	1016.1	-324.09	610.16	500.07	561.65	202.18	442.27	528.06
Profit before Interest & Tax	964.98	-378.01	557.53	450.20	517.57	154.60	367.22	488.91
Profit before Tax	959.22	-388.29	550.72	444.65	511.28	153.33	363.12	484.35
Profit after tax	833.02	-354.85	415.21	353.14	355.71	95.66	248.22	344.47
Net Fixed Assets	1324.14	1104.05	914.64	949.52	817.45	808.48	835.63	898.52
Share Capital	798.44	798.44	798.44	798.44	798.44	798.44	798.44	798.44
Reserves & Surplus*	3638.51	2848.54	3308.17	2988.55	2728.51	2419.54	2270.36	2,098.79
Networth	4436.95	3646.98	4106.61	3786.99	3526.95	3217.98	3068.80	2,897.23
Total Borrowings	8.64	13.82	18.57	23.78	4.05	10.04	7.92	47.43
Earnings per Share (in Rupee)	10.43	-4.44	5.20	4.42	4.46	1.20	3.11	4.31
Dividend per Share (in Rupee)	1.00	0.60	1.00	1.00	1.00	0.50	0.80	0.80
Book Value per Share (in Rupee)	55.57	45.68	51.43	47.43	44.17	40.30	38.55	36.40
EBITDS/Turnover (%)	50.98	-17.47	32.86	23.11	33.10	17.22	24.49	38.23
Profit before Tax/ Turnover (%)	48.13	-20.93	29.66	20.55	30.14	13.06	20.11	35.07
Return on Capital Employed (%)	30.69	-12.42	17.62	14.23	16.36	4.91	11.80	16.14
Return on Networth (%)	18.77	-9.73	10.11	9.33	10.09	2.97	8.09	11.89

* 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).



partnerships



principles

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