

**Board of Directors :**

Ashok Bhandari  
Ravi Goenka – Independent Director  
Sudip Kumar Mukherjee – Independent Director  
Gourav Periwal

**Manager & CFO :**

K. K. Thakur

**Company Secretary :**

R. R. Dalmia

**Bankers :**

State Bank of India  
HDFC Bank Ltd.

**Auditors :**

D. K. Chhajer & Co.  
Chartered Accountants  
Kolkata

**Registered Office :**

21, Strand Road  
Kolkata – 700 001  
Phone : 22309601-04, 22307905  
Fax : 2213 1650  
email : digvijayfinleaselimited@gmail.com

**Registrar & Share Transfer Agent**

Maheshwari Datamatics Pvt. Ltd.  
23, R.N. Mukherjee Road (5th Floor)  
Kolkata - 700 001  
Tel : 033 2243 5029  
e-mail : mdpldc@yahoo.com

**DIRECTORS' REPORT**

To the Shareholders

Your Directors have pleasure in presenting the 29th Annual Report of your Company together with the Audited Financial Statements of the Company for the year ended 31st March, 2021. The Financial Statements have been prepared in accordance with the Indian Accounting Standards (Ind AS).

**FINANCIAL RESULTS :**

	(Rs in Lac)
Profit Before Taxation (excluding Other Comprehensive Income)	339.55
Less: Provision for Current Tax	130.27
Less: Deferred Tax	(82.67)
Profit After Taxation (excluding Other Comprehensive Income)	291.95
Add : Balance of Profit from Previous year (excluding Other Comprehensive Income)	23,381.71
	<u>23,673.66</u>

**APPROPRIATIONS :**

Transfer to Reserve Fund (as per RBI Guidelines)	58.39
Balance Carried to Balance Sheet (excluding Other Comprehensive Income)	23,615.27
	<u>23,673.66</u>

**DIVIDEND**

The Board does not recommend any dividend for the year ended 31st March, 2021 with a view to conserve resources.

**TRANSFER TO RESERVES**

The Board proposes to transfer ₹58.39 Lac to Reserve Fund pursuant to RBI Guidelines (for Non Banking Financial Companies (NBFC) and the balance profit is retained in the Profit and Loss Account.

**REVIEW OF OPERATIONS AND STATE OF COMPANY'S AFFAIRS**

Total income during the year under review amounted to ₹647.38 Lac as against ₹6898.89 Lac in the preceding year. Profit before and after tax stood at ₹339.55 Lac and ₹291.95 Lac respectively as against ₹4609.80 Lac and ₹4562.87 Lac respectively in the previous year.

The Company continues to remain registered as a Non-Banking Financial Company with the Reserve Bank of India.

No material changes and commitments have occurred after the close of the year till the date of this report, which affect the financial position of the Company except for any effect of Covid 19 Pandemic which has not been significant so far.

**SHARE CAPITAL**

The Company has only one class of shares – equity shares of par value ₹10/- each. The Authorised Share Capital of the Company stands at ₹20 Crore divided into 2 Crore equity shares of ₹10/- each. The paid-up

equity share capital of the Company stood at ₹1325.94 Lac as at 31st March, 2021. During the year, the Company has not issued any shares.

**DEMATERIALIZATION OF COMPANY'S SHARES AND REGISTRAR AND SHARE TRANSFER AGENT (RTA)**

The Company has made arrangements with NSDL to offer facility of dematerialisation of securities to its shareholders. The ISIN allotted by the said depository to the Company is – **INE01US01017**. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate risks associated with physical shares and for ease of portfolio management and transaction of transfer. Members may contact their Depository Participant for assistance in this regard.

Maheshwari Datamatics Pvt. Ltd. is acting as Registrar and Transfer Agent (RTA) of the Company for both electronic and physical form of shareholdings including transmission and transposition. All communications relating to shares should be addressed to the RTA at 23, R.N. Mukherjee Road, 5th Floor, Kolkata – 700 001. Email ID of the RTA is mdpldc@yahoo.com

**PUBLIC DEPOSITS**

The Company has not accepted any deposit from the public during the year nor does it hold any public deposit as at the end of the financial year.

**PARTICULARS OF LOANS AND GUARANTEES**

The Company being a Non-Banking Financial Company registered under Chapter IIIB of the Reserve Bank of India Act, 1934 (2 of 1934) provisions of Section 186 of the Companies Act, 2013 are not applicable to the Company.

**ASSOCIATE COMPANY**

The Company does not have any associate.

**CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

During the year, the Company had not entered into any materially significant contract / arrangement / transactions with related parties, attracting the requirement of disclosure in this report as per provisions of Section 188 of the Act except for remuneration to the key managerial personnel and rent paid to the enterprise having significant influence over this Company which are in the ordinary course of business and in furtherance of the business interests of the Company and are disclosed suitably in the Notes to Accounts. The prescribed form AOC-2 is annexed hereto and forms part of this Report.

**INTERNAL FINANCIAL CONTROL**

The Company has in place adequate internal financial control procedures commensurate with its size and nature of its business. The Company has appointed internal auditors who review the internal financial control system. The Audit Committee of the Company reviews the reports of the internal auditors and ensures implementation of their suggestion and improvement. During the year, no reportable material weakness in the design or operation was observed.

**RISK MANAGEMENT**

The main identified risks at the Company are Commercial Risks, Financial Risks, Operational Risks and Legal & Regulatory Risks. The Risk Management is overseen by the Audit Committee of the Company on a continuous basis. Your Company ensures that risks to the Company's continued existence as a going concern and to its development are identified and addressed on timely basis.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association,

Shri Gourav Periwal (DIN: 08643886) Director of the Company retires by rotation and being eligible offers himself for re-appointment.

The Board recommends the re-appointment and accordingly resolution seeking approval of the members for the re-appointment have been included in the Notice of forthcoming Annual General Meeting of the Company.

Shri Ravi Goenka and Shri S. K. Mukherjee continue to be the Independent Director of the Company appointed for a period of five years from their respective dates of appointment, not liable to retire by rotation. The Independent Directors have appropriate skill, knowledge and experience in the business carried on by the Company.

The Company has received declarations from both the Independent Directors confirming that they meet the criteria of Independence as prescribed under the Companies Act, 2013. The Company has practice of conducting familiarisation program for the independent directors.

Shri K.K. Thakur is the Manager and Chief Financial Officer of the Company.

Shri Rakesh Rosan Dalmia is the Company Secretary and Compliance Officer of the Company.

#### **AUDITORS AND AUDITORS' REPORT**

M/s D.K. Chhajer & Co., Chartered Accountants having Firm Registration No.304138E, who are Statutory Auditors of the Company, were appointed by the Company at the Annual General Meeting (AGM) held on 28th December, 2017, to hold office for a period of five consecutive years from the conclusion of 25th AGM of the Company till the conclusion of 30th AGM to be held in the year 2022. The Members are required to fix remuneration of the Statutory Auditors for the financial year ending 31st March, 2022. Members may authorise the Board in the matter suitably.

The Statutory Auditors have confirmed that they satisfy the eligibility / independence criteria required under the Companies Act, 2013 and The Code of Ethics issued by the Institute of Chartered Accountants of India.

The report of the Auditors is self-explanatory and there being no comments/observations, does not call for any further comments/clarification by the Board.

#### **COST AUDIT**

In terms of provisions of section 148(1) of the Companies Act, 2013, cost audit as specified by the Central Government is not applicable to the Company.

#### **REPORTING OF FRAUDS BY AUDITORS**

During the year under review, neither the statutory auditor nor the secretarial auditor have reported to the audit committee/Board, under section 143(12) of the Companies Act, 2013, any instance of fraud committed against the Company by its officers or employees, and hence the requirement to mention the same in this report is not applicable.

#### **MEETINGS OF THE BOARD**

Four meetings of the Board and one meeting of the Independent Directors were held during the year. The intervening gap between the meetings of the Board was within the period prescribed under the Companies Act, 2013.

#### **AUDIT COMMITTEE**

The Audit Committee comprises of two Independent Directors namely, Shri Sudip Kumar Mukherjee (Chairman), Shri Ravi Goenka and a Non Independent non-executive Director Shri Ashok Bhandari. Shri Rakesh Rosan Dalmia acts as Secretary to the Committee.

**NOMINATION AND REMUNERATION COMMITTEE**

The Nomination & Remuneration Committee consists of two Independent Directors namely Shri Sudip Kumar Mukherjee, Shri Ravi Goenka and one Non-independent non-executive Director namely Shri Ashok Bhandari.

**REMUNERATION POLICY**

The Board in consultation with the Nomination and Remuneration Committee has framed a Policy for selection and appointment of Directors, Senior Management including criteria for determining qualifications, positive attributes and independence of directors which is annexed hereto and forms part of this Report. Policy relating to remuneration for the directors, key managerial personnel and other employees is also annexed hereto and forms part of this Report.

**STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee consists of three Directors namely Shri Ashok Bhandari, Shri Sudip Kumar Mukherjee and Shri Gaurav Periwal and Shri Krishna Kumar Thakur, Manager and Chief Financial Officer of the Company for the purpose of attending to investors' grievances including transfer / transmission of shares of the Company.

**CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE & POLICY THEREOF**

Provisions relating to Corporate Social Responsibility (CSR) as prescribed under the Companies Act, 2013 and Rules made there under have become applicable to the Company from the financial year 2017-18. The Board had constituted CSR Committee for formulating and overseeing the execution of the Company's CSR Policy. The CSR Committee presently comprises of two independent directors and one non-executive director namely Shri Sudip Kumar Mukherjee (Chairman), Shri Ravi Goenka and Shri Gaurav Periwal. This year the Company has contributed for promotion and development of sports activities to a Section 8 Company co-promoted by this Company.

The Annual Report on CSR activities of FY 2020-21 with requisite details in the specified format as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed hereto and forms part of this report.

The CSR Policy of the Company is also annexed hereto and forms part of this Report.

**SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

Sexual harassment of a woman at workplace is of serious concern to humanity on the whole. Keeping in view the problem of sexual harassment the company has framed a policy to prevent incidents of sexual harassment as required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules framed there under. However, constitution of Internal Committee as required under the Act is not applicable to the Company since the company has less than 10 employees. Moreover, no complaint pertaining to sexual harassment was filed by any woman during the financial year under report, hence no disclosures are applicable.

**EXTRACT OF ANNUAL RETURN**

The extract of Annual Return as provided under Section 92(3) of the Companies Act, 2013 is annexed hereto in the prescribed form and forms part of this Report.

**SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

There are no significant & material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement of Section 134(5) of the Companies Act, 2013, the Board of Directors of the Company hereby states and confirms that:

- i) in preparation of the Annual Accounts for the financial year 2020-21, the applicable Accounting Standards (Ind AS) have been followed along with proper explanation relating to material departures, if any
- ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) they have prepared the Annual Accounts for the period ended 31st March, 2021 on a going concern basis.
- v) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

None of the employees is drawing remuneration in excess of the limits set out in Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 appended to the Companies Act, 2013.

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

Since the Company has no manufacturing activity, particulars relating to Conservation of Energy and Technology Absorption stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014, are not applicable.

There were no foreign exchange earnings and outgo during the year.

For and on behalf of the Board

Place : Kolkata  
Dated : 23rd August, 2021

**(ASHOK BHANDARI)**

DIN: 00012210

**(S.K. MUKHERJEE)**

DIN: 00029362

Directors

**Form No. AOC-2**

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

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

Sl. No.	Particulars	Amount (₹)
1.	Details of contracts of arrangements or transactions not at arm's length basis	
	(a) Name(s) of the related party and nature of relationship	—
	(b) Nature of contracts / arrangements / transactions	—
	(c) Duration of the contracts / arrangements / transactions	—
	(d) Salient terms of the contracts or arrangements or transactions including the value, if any	—
	(e) Justification for entering into such contracts or arrangements or transactions	—
	(f) Date(s) of approval by the Board	—
	(g) Amount paid as advances, if any	—
	(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	—
2.	Details of material contracts or arrangements or transactions at arm's length basis	
	(a) Name(s) of the related party and nature of relationship	Shree Capital Services Ltd. - having significant influence over the Company
	(b) Nature of contracts / arrangements / transactions	Office Rent Agreement
	(c) Duration of the contracts / arrangements / transactions	3 years from F.Y. 2020-2021
	(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Rent Rs 24,000/- per annum plus GST
	(e) Date(s) of approval by the Board, if any	6th July, 2020
	(f) Amount paid as advances, if any	NIL

**Annexure to the Directors' Report**

## Annual Report on Corporate Social Responsibility (CSR) Activities

1	A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken	The Company aims to focus on environment preservation, spreading education and supporting needy people of the society for their overall upliftment. Though its social activities are to focus primarily on areas surrounding its operations, which may include people / programs which may not be so related strictly considering overall upliftment objectives. This year the Company has emphasised mainly on development & promotion of sports activities through a Section 8 Company namely "Shree Cement East Bengal Foundation" co-promoted by the Company.
2	The Composition of the CSR Committee	CSR Committee comprises of two Independent Directors and one Non-Independent Non-Executive Director as under: 1. Shri S.K. Mukherjee – Chairman 2. Shri Ravi Goenka - Member 3. Shri Gourav Periwal – Member
3	Average net profit of the company for the last three financial years	₹1530.45 Lac
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	The prescribed CSR Expenditure requirement for the FY 2020-21 is ₹30.61 Lac. The amount allocated i.e. ₹30.65 Lac is higher than 2% of the average net profit of the Company for the preceding three financial years.
5	Details of CSR spent during the financial year	
a	Total amount to be spent for the financial year	₹30.61 Lac
b	Amount unspent, if any	NIL
c	Manner in which the amount spent during the financial year	As per Annexure
6	In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Directors' Report	Not Applicable
7	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company	The CSR Committee hereby confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

For and on behalf of the Board

Place : Kolkata  
Dated : 23rd August, 2021**(ASHOK BHANDARI)**  
DIN: 00012210**(S.K. MUKHERJEE)**  
Chairman CSR Committee  
DIN: 00029362

Directors

## Annexure to CSR Report (Point 5(c) of the CSR Report)

CSR Project or activity identified  (1)	Sector in which the project is covered  (2)	Projects or programs 1. Local Area or other 2. Specify the State and district where projects or programs was undertaken  (3)	Amount outlay(budget) Project or program wise  (4)	Amount spent on the projects or programs sub-heads: 1. Direct expenditure on projects or programs 2.Overheads  (5)	Cumulative expenditure upto the reporting period  (6)	Amount spent: Direct or through Implementing Agency  (7)
Initiatives to promote sports	Promotion and development of sports	Area: West Bengal	₹30.65 Lac	₹30.65 Lac	₹30.65 Lac	Through Section 8 Company co-promoted by this Company namely, "Shree Cement East Bengal Foundation"

For and on behalf of the Board

Place : Kolkata  
Dated : 23rd August, 2021**(ASHOK BHANDARI)**  
DIN: 00012210**(S.K. MUKHERJEE)**  
DIN: 00029362

Directors

**Corporate Social Responsibility Policy (CSR Policy)**

Digvijay Finlease Limited (DFL) believes that for its operation and growth to be sustainable, it has to be responsive to social needs. Its progress is thus underlined by strict adherence to environment preservation, social upliftment, spread of education etc. DFL believes in making social development as an integral part of its business activities so as to bring about a meaningful change in the lives of people. DFL considers social responsibility as a voluntary act rather than an additional activity mandated by statute.

DFL has in line with / in conformity with the statutory requirement, prepared its CSR Policy. DFL will maintain that all the activities that will be undertaken by it will be in accordance with the policy and that the projects and activities that will be undertaken are in full compliance with Schedule VII of the Companies Act, 2013.

The contents of DFL's CSR Policy are given below:-

**1. Vision, Objective and Scope of the Policy**

DFL Programmes will include activities prescribed in the Act. Though its social activities will be focusing primarily on areas surrounding its operations, it may include people / programs which may not be so related strictly considering overall objectives.

**2. Mandate of Corporate Social Responsibility**

DFL is committed to spend 2% of its Average Net Profits of last three financial years as defined in the Rules towards its social initiatives.

**3. Board Committee**

The CSR Committee of the Board will oversee the social activities to be undertaken by the Company.

**4. Identification of Projects and Modalities of Project Execution**

The projects to be undertaken by the Company shall conform to the guidelines formulated or laid down by the Government from time to time under Schedule VII to the Companies Act, 2013.

**5. Organisational Mechanism**

DFL will seek collaborative partnerships with like-minded stakeholders in order to widen the Company's reach in implementing its CSR Policy.

**6. Implementation**

CSR Committee of the Board is entrusted with implementing the social activities / initiatives and establishing a monitoring mechanism in line with the policy of the company.

**7. Budget – CSR Corpus**

DFL will allocate necessary budget after the beginning of relevant accounting year for social initiatives. Fund allocation for various activities will be made on suitable and/or progressive basis.

**8. Performance Management**

DFL will adopt suitable approach for measuring the actual performance of the projects undertaken and Audit Committee of the Board of the Company shall review the performance.

**9. Information Dissemination and Policy Communication**

The Company's engagement in this domain shall be disseminated through its Annual Reports.

**10. Management Commitment**

Our Board of Directors, Management and all of employees subscribe to the philosophy of compassionate care. We believe and act on ethos of generosity and compassion, characterised by a willingness to build a society that works for everyone. This is the cornerstone of our CSR Policy.

**11. Review of Policy**

CSR Committee of the Board of **Digvijay Finlease Limited** will review the policy from time to time based on the changing needs and aspirations of the target beneficiaries and make suitable modifications as may be necessary.

For and on behalf of the Board

Place : Kolkata  
Dated : 23rd August, 2021

**(ASHOK BHANDARI)**  
DIN: 00012210

**(S.K. MUKHERJEE)**  
DIN: 00029362

Directors

**Policy for selection and appointment of Directors, Senior Management including criteria for determining qualifications, positive attributes and independence of directors****Introduction**

Digvijay Finlease Limited (DFL) believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance.

DFL recognizes the importance of independent directors in achieving the effectiveness of the Board. DFL aims to have an optimum combination of Non-Executive and Independent Directors.

**Scope and Exclusion**

This Policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent directors of the Company.

**Terms and References**

In this Policy, the terms shall have the following meanings:

“**Director**” means a director appointed to the Board of the Company.

“**Nomination and Remuneration Committee**” means the committee constituted by DFL’s Board in accordance with the provisions of Section 178 of the Companies Act, 2013.

“**Independent Director**” means a director referred to in Section 149(6) of the Companies Act, 2013.

**Policy**Qualifications and Criteria

The Nomination and Remuneration Committee, and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company’s business operations.

In evaluating the suitability of individual Board members, the Committee may take into account factors such as:

- General understanding of the Company’s business dynamics and social perspective;
- Educational and professional background;
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and zeal in carrying out their duties and responsibilities effectively.

The proposed appointee shall also fulfill the following requirements:

- Shall possess a Director Identification Number (DIN);
- Shall not be disqualified under the Companies Act, 2013;
- Shall give his written consent in prescribed form to act as a Director;
- Shall endeavor to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;
- Shall abide by the ethics policy established by the Company for Directors, employees and Senior Management Personnel;

- Shall disclose his concern or interest in any Company or Companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013 and other relevant laws.

The Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

#### **Criteria of Independence**

The Committee shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determination of independence when any new interests or relationships are disclosed by the Director.

To follow the criteria of independence as laid down in the Companies Act, 2013.

The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.

#### **Other directorships / committee memberships**

The Board members are expected to have adequate time, expertise and experience to contribute to effective Board performance. The Committee shall take into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies.

A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.

A Director shall not be a member in more than 10 committees or act as Chairman of more than 5 committees across all companies in which he holds directorship.

**Note:** For the purpose of considering the limit of the Committees, Audit Committee and Stake holders' Relationship Committee of all Public Limited Companies, whether listed or not, shall be included and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.

---

**Policy relating to remuneration for the directors, key managerial personnel and other employees****Introduction**

Digvijay Finlease Limited (DFL) recognizes the importance of aligning the business objectives with specific and measurable individual objectives. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:

- Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate talent to run the Company successfully.
- Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals. However, there is no incentive pay at present.

**Scope and Exclusion**

This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

**Terms and References**

In this Policy, the terms shall have the following meanings:

“**Director**” means a director appointed to the Board of the Company.

“**Key Managerial Personnel**” means

- i) the Managing Director or Chief Executive Officer or Manager and in their absence a Whole-time Director;
- ii) the Company Secretary;
- iii) the Chief Financial Officer; and
- iv) such other officer as may be prescribed under the Companies Act, 2013

“**Nomination and Remuneration Committee**” means the committee constituted by DFL’s Board in accordance with the provisions of Section 178 of the Companies Act, 2013.

**Policy**

The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Executive and Non-Executive Directors of the Company within the overall limits subject to approval by the shareholders of the Company. Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. In addition to the sitting fees the Non-Executive Directors shall be entitled to be paid their reasonable travelling, hotel and other expenses incurred for attending Board and Committee meetings or otherwise incurred in the discharge of their duties as Directors.

The Board, on the recommendation of the Nomination and Remuneration Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel and other Employees of the Company. Employee individual remuneration shall be determined according to their qualifications, and work experience as well as their roles and responsibilities and shall be based on various factors such as job profile, skill sets, seniority and experience.

The remuneration structure of the Executive Directors, Key Managerial Personnel and other Employees shall mainly include the following:

- a) Basic Pay
- b) Perquisites and Allowances
- c) Retiral Benefits

**FORM NO. MGT-9****EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31st March 2021  
[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1)  
of the Companies (Management and Administration) Rules, 2014]

<b>I</b>	<b>REGISTRATION AND OTHER DETAILS</b>	
i)	CIN	U67120WB2001PLC093899
ii)	Registration Date	1st May 1992
iii)	Name of the Company	Digvijay Finlease Limited
iv)	Category / Sub-Category of the Company	Public Company / Limited by Shares
v)	Address of the Registered Office and contact details	21 Strand Road, Kolkata-700 001 Tel : +91332230 9601-04 +9133 2243 7725 Fax: +9133 2213 1650
vi)	Whether listed Company	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Maheshwari Datamatics Pvt. Ltd. 23, R.N. Mukherjee Road, 5th Floor, Kolkata – 700 001 Tel: +9133 2243 5029, 2248 2248 Email: mdpldc@yahoo.com
<b>II</b>	<b>PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>	
	All the business activities contributing 10% or more of the total turnover of the Company	
	Name and Description of main products / services	NIC Code of the products / services
	NBFC Activity	9971
		% of total turnover of the Company
		100.00%
<b>III</b>	<b>PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>	
		None
<b>IV</b>	<b>SHARE HOLDING PATTERN (Equity Share Breakup as percentage of Total Equity)</b>	
i)	Category-wise Shareholding	As per Attachment A
ii)	Shareholding of Promoters	As per Attachment B
iii)	Change in Promoters' Shareholding	As per Attachment C
iv)	Shareholding pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)	As per Attachment D
v)	Shareholding of Directors and Key Managerial Personnel	None of the Directors and Key Managerial Personnel holds any share in the Company
<b>V</b>	<b>INDEBTEDNESS</b>	
	Indebtedness of the Company including interest outstanding / accrued but not due for payment	As per Attachment E
<b>VI</b>	<b>REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL</b>	
A	Remuneration to MD/WTD and/or Manager	As per Attachment F
B	Remuneration to other Directors	As per Attachment G
C	Remuneration to Key Managerial Personnel other than MD / WTD / Manager	Included in remuneration of Manager in Attachment F. However remuneration of Company Secretary is provided in Attachment H
<b>VII</b>	<b>PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES</b>	
		None

**Attachment A**
**IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**i) Category-wise Share Holding**

Category of Shareholders	No of Shares held at the beginning of the year [As on 01-April-2020]				No of Shares held at the end of the year [As on 31-March-2021]				%change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	%of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	2358721	20056	2378777	17.9403	2358721	20056	2378777	17.9403	0.0000
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	535184	9269691	9804875	73.9465	562733	9269693	9832426	74.1543	0.2078
e) Banks/FI									
f) Any other									
<b>Sub-total (A)(1)</b>	2893905	9289747	12183652	91.8868	2921454	9289749	12211203	92.0946	0.2078
<b>(2) Foreign</b>									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other									
<b>Sub-total (A)(2)</b>	0	0	0	0.0000	0	0	0	0.0000	0.0000
<b>Total shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	2893905	9289747	12183652	91.8868	2921454	9289749	12211203	92.0946	0.2078
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds									
b) Banks/FI	160	13580	13740	0.1036	12560	13420	25980	0.1959	0.0923
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies	305620	128485	434105	3.2739	293220	0	293220	2.2114	(1.0625)
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Alternate Investment Funds									
Foreign Portfolio Investors									
Provident Funds / Pension Funds									
Qualified Foreign Investor									
<b>Sub-total(B)(1):-</b>	305780	142065	447845	3.3775	305780	13420	319200	2.4073	(0.9702)
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	1020	14688	15708	0.1185	2408	143151	145559	1.0978	0.9793
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	82904	448516	531420	4.0079	97565	432368	529933	3.9967	(0.0112)
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	64770	15725	80495	0.6071	37500	15725	53225	0.4014	(0.2057)
c) Others (Specify)									
Non Resident Indians	300	0	300	0.0023	300	0	300	0.0023	0.0000
Qualified Foreign Investor									
Custodian of Enemy Property									
Foreign Nationals									
Clearing Members									
Trusts									
Foreign Bodies-D R									
Foreign Portfolio Investors									
NBFCs registered with RBI									
Employee Trusts									
Domestic Corporate Unclaimed Shares Account									
Investor Education and Protection Fund Authority									
<b>Sub-total(B)(2):-</b>	148994	478929	627923	4.7358	137773	591244	729017	5.4982	0.7624
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	454774	620994	1075768	8.1133	443553	604664	1048217	7.9055	(0.2078)
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	3348679	9910741	13259420	100.0000	3365007	9894413	13259420	100.0000	0.0000

## Attachment B

## ii) Shareholding of Promoters-

Sl No	Shareholder's Name	Shareholding at the beginning of the year [As on 01/04/2020]			Shareholding at the end of the year [As on 31/03/2021]			% change in share holding during the Year	PAN
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares		
1	Shree Capital Services Ltd.	0	0.0000	0.0000	3683959	27.7837	0.0000	27.7837	11182
2	Rajkamal Devi Bangur	1961332	14.7920	0.0000	1941281	14.6408	0.0000	-0.1512	ADAPB2150P
3	Mamakrishna Investments Pvt. Limited	0	0.0000	0.0000	1162898	8.7704	0.0000	8.7704	11310
4	Newa Investments Pvt. Ltd.	0	0.0000	0.0000	1035090	7.8065	0.0000	7.8065	11309
5	The Venklesh Co. Limited	0	0.0000	0.0000	750001	5.6564	0.0000	5.6564	11305
6	Didu Investments Pvt. Ltd.	0	0.0000	0.0000	679300	5.1232	0.0000	5.1232	11306
7	The Didwana Investment Co. Ltd.	0	0.0000	0.0000	673760	5.0814	0.0000	5.0814	11308
8	Asish Creations Pvt. Ltd.	0	0.0000	0.0000	532603	4.0168	0.0000	4.0168	11216
9	Ragini Finance Ltd.	0	0.0000	0.0000	375275	2.8303	0.0000	2.8303	11126
10	Prashant Bangur	282642	2.1316	0.0000	282640	2.1316	0.0000	0.0000	AHAPB4776F
11	Asish Creations Pvt. Ltd.	0	0.0000	0.0000	217855	1.6430	0.0000	1.6430	11217
12	Shree Capital Services Ltd.	3880759	29.2679	0.0000	196800	1.4842	0.0000	-27.7837	AAGCS5082D
13	Asish Creations Pvt. Ltd.	0	0.0000	0.0000	158941	1.1987	0.0000	1.1987	11214
14	Ranu Bangur	134801	1.0166	0.0000	134800	1.0166	0.0000	0.0000	AEJPB0396R
15	Mamakrishna Investments Pvt. Limited	1237442	9.3325	0.0000	102093	0.7700	0.0000	-8.5625	AAACCM2323H
16	Rajesh Vanijya Pvt. Ltd.	84001	0.6335	0.0000	84000	0.6335	0.0000	0.0000	AAACR6316C
17	The Venklesh Co. Limited	821521	6.1958	0.0000	71520	0.5394	0.0000	-5.6564	AAACT9722E
18	Newa Investments Pvt. Ltd.	1101890	8.3102	0.0000	66800	0.5038	0.0000	-7.8064	AAACN8961G
19	Didu Investments Pvt. Ltd.	720620	5.4348	0.0000	41320	0.3116	0.0000	-5.1232	AABCD1810F
20	Rajkamal Devi Bangur	0	0.0000	0.0000	20051	0.1512	0.0000	0.1512	11369
21	Asish Creations Pvt. Ltd.	909599	6.8600	0.0000	200	0.0015	0.0000	-6.8585	AADCA3805D
22	Prashant Bangur	0	0.0000	0.0000	2	0.0000	0.0000	0.0000	11367
23	Hari Mohan Bangur	0	0.0000	0.0000	2	0.0000	0.0000	0.0000	11360

Sl No	Shareholder's Name	Shareholding at the beginning of the year (As on 01/04/2020)			Shareholding at the end of the year (As on 31/03/2021)			% change in share holding during the Year	PAN
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares		
24	Cast Solutions Ltd.	0	0.0000	0.0000	1	0.0000	0.0000	0.0000	11361
25	Cem Logistics Ltd.	0	0.0000	0.0000	1	0.0000	0.0000	0.0000	11362
26	Shreeman Investments Pvt. Ltd.	0	0.0000	0.0000	1	0.0000	0.0000	0.0000	11365
27	Rajesh Vanija Pvt. Ltd.	0	0.0000	0.0000	1	0.0000	0.0000	0.0000	11366
28	Sci Energy Limited	0	0.0000	0.0000	1	0.0000	0.0000	0.0000	11353
29	India Paint & Commercial Co. Ltd.	0	0.0000	0.0000	1	0.0000	0.0000	0.0000	11354
30	Shreecap Holdings Pvt. Ltd.	0	0.0000	0.0000	1	0.0000	0.0000	0.0000	11355
31	Khemka Properties Pvt.Ltd.	0	0.0000	0.0000	1	0.0000	0.0000	0.0000	11356
32	Suryadewata Properties Pvt.Ltd.	0	0.0000	0.0000	1	0.0000	0.0000	0.0000	11357
33	Karmayog Properties Pvt. Ltd.	0	0.0000	0.0000	1	0.0000	0.0000	0.0000	11359
34	Ranu Bangur	0	0.0000	0.0000	1	0.0000	0.0000	0.0000	11368
35	Ramgopal Holdings Pvt.Ltd.	0	0.0000	0.0000	1	0.0000	0.0000	0.0000	11371
36	India Paint & Commercial Co. Ltd.	1	0.0000	0.0000	0	0.0000	0.0000	0.0000	AAAC16546C
37	Khemka Properties Pvt.Ltd.	1	0.0000	0.0000	0	0.0000	0.0000	0.0000	AAABCK0954B
38	Ragini Finance Ltd.	375275	2.8303	0.0000	0	0.0000	0.0000	-2.8303	AAABCR2321R
39	Ramgopal Holdings Pvt.Ltd.	1	0.0000	0.0000	0	0.0000	0.0000	0.0000	AAADCR5146E
40	Karmayog Properties Pvt. Ltd.	1	0.0000	0.0000	0	0.0000	0.0000	0.0000	AAECK0295L
41	Suryadewata Properties Pvt.Ltd.	1	0.0000	0.0000	0	0.0000	0.0000	0.0000	AALCS9109G
42	Shreeman Investments Pvt. Ltd.	1	0.0000	0.0000	0	0.0000	0.0000	0.0000	AAOCS5216M
43	Sci Energy Limited	1	0.0000	0.0000	0	0.0000	0.0000	0.0000	AAOCS4591P
44	Shreecap Holdings Pvt. Ltd.	1	0.0000	0.0000	0	0.0000	0.0000	0.0000	AAARCS8248L
45	The Didwana Investment Co. Ltd.	673760	5.0814	0.0000	0	0.0000	0.0000	-5.0814	AAABCT1524C
46	Hari Mohan Bangur	2	0.0000	0.0000	0	0.0000	0.0000	0.0000	ADJPB0982E
	<b>TOTAL</b>	<b>12183652</b>	<b>91.8868</b>	<b>0.0000</b>	<b>12211203</b>	<b>92.0945</b>	<b>0.0000</b>	<b>0.2077</b>	

**Attachment C**

iii) Change in Promoters' Shareholding (please specify, if there is no change)

SI No	Name	Shareholding at the beginning [01/04/2020]/end of the year [31/03/2021]		Cumulative Shareholding during the year [01/04/2020 to 31/03/2021]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	RAGINI FINANCE LTD. 01-04-2020 30/06/2020 - Transfer 31-03-2021	0 375275 375275	0.0000 2.8303 2.8303	375275 375275	2.8303 2.8303	11126
2	SHREE CAPITAL SERVICES LTD. 01-04-2020 30/06/2020 - Transfer 31-03-2021	0 3683959 3683959	0.0000 27.7837 27.7837	3683959 3683959	27.7837 27.7837	11182
3	ASISH CREATIONS PVT. LTD. 01-04-2020 30/06/2020 - Transfer 31-03-2021	0 158941 158941	0.0000 1.1987 1.1987	158941 158941	1.1987 1.1987	11214
4	ASISH CREATIONS PVT. LTD. 01-04-2020 30/06/2020 - Transfer 31-03-2021	0 532603 532603	0.0000 4.0168 4.0168	532603 532603	4.0168 4.0168	11216
5	ASISH CREATIONS PVT. LTD. 01-04-2020 30/06/2020 - Transfer 31-03-2021	0 217855 217855	0.0000 1.6430 1.6430	217855 217855	1.6430 1.6430	11217
6	THE VENKTESH CO. LIMITED 01-04-2020 30/06/2020 - Transfer 31-03-2021	0 750001 750001	0.0000 5.6564 5.6564	750001 750001	5.6564 5.6564	11305
7	DIDU INVESTMENTS PVT. LTD. 01-04-2020 30/06/2020 - Transfer 31-03-2021	0 679300 679300	0.0000 5.1232 5.1232	679300 679300	5.1232 5.1232	11306
8	THE DIDWANA INVESTMENT CO. LTD. 01-04-2020 30/06/2020 - Transfer 31-03-2021	0 673760 673760	0.0000 5.0814 5.0814	673760 673760	5.0814 5.0814	11308
9	NEWA INVESTMENTS PVT. LTD. 01-04-2020 30/06/2020 - Transfer 31-03-2021	0 1035090 1035090	0.0000 7.8065 7.8065	1035090 1035090	7.8065 7.8065	11309
10	MANNAKRISHNA INVESTMENTS PVT. LIMITED 01-04-2020 30/06/2020 - Transfer 31-03-2021	0 1162898 1162898	0.0000 8.7704 8.7704	1162898 1162898	8.7704 8.7704	11310

SI No	Name	Shareholding at the beginning [01/04/2020]/end of the year [31/03/2021]		Cumulative Shareholding during the year [01/04/2020 to 31/03/2021]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
11	SCL ENERGY LIMITED	0	0.0000			11353
	01-04-2020	1	0.0000	1	0.0000	
	30/06/2020 - Transfer 31-03-2021	1	0.0000	1	0.0000	
12	INDIA PAINT & COMMERCIAL CO. LTD.	0	0.0000			11354
	01-04-2020	1	0.0000	1	0.0000	
	30/06/2020 - Transfer 31-03-2021	1	0.0000	1	0.0000	
13	SHREECAP HOLDINGS PVT. LTD.	0	0.0000			11355
	01-04-2020	1	0.0000	1	0.0000	
	30/06/2020 - Transfer 31-03-2021	1	0.0000	1	0.0000	
14	KHEMKA PROPERTIES PVT.LTD.	0	0.0000			11356
	01-04-2020	1	0.0000	1	0.0000	
	30/06/2020 - Transfer 31-03-2021	1	0.0000	1	0.0000	
15	SURYADEWATA PROPERTIES PVT.LTD.	0	0.0000			11357
	01-04-2020	1	0.0000	1	0.0000	
	30/06/2020 - Transfer 31-03-2021	1	0.0000	1	0.0000	
16	KARMAYOG PROPERTIES PVT. LTD.	0	0.0000			11359
	01-04-2020	1	0.0000	1	0.0000	
	30/06/2020 - Transfer 31-03-2021	1	0.0000	1	0.0000	
17	HARI MOHAN BANGUR	0	0.0000			11360
	01-04-2020	2	0.0000	2	0.0000	
	30/06/2020 - Transfer 31-03-2021	2	0.0000	2	0.0000	
18	CAST SOLUTIONS LTD.	0	0.0000			11361
	01-04-2020	1	0.0000	1	0.0000	
	03/04/2020 - Transfer 31-03-2021	1	0.0000	1	0.0000	
19	CEM LOGISTICS LTD.	0	0.0000			11362
	01-04-2020	1	0.0000	1	0.0000	
	03/04/2020 - Transfer 31-03-2021	1	0.0000	1	0.0000	
20	SHREEMAN INVESTMENTS PVT. LTD.	0	0.0000			11365
	01-04-2020	1	0.0000	1	0.0000	
	30/06/2020 - Transfer 31-03-2021	1	0.0000	1	0.0000	

SI No	Name	Shareholding at the beginning [01/04/2020]/end of the year [31/03/2021]		Cumulative Shareholding during the year [01/04/2020 to 31/03/2021]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
21	RAJESH VANIJYA PVT. LTD.					11366
	01-04-2020	0	0.0000			
	30/06/2020 - Transfer 31-03-2021	1 1	0.0000 0.0000	1 1	0.0000 0.0000	
22	PRASHANT BANGUR					11367
	01-04-2020	0	0.0000			
	30/06/2020 - Transfer 31-03-2021	2 2	0.0000 0.0000	2 2	0.0000 0.0000	
23	RANU BANGUR					11368
	01-04-2020	0	0.0000			
	30/06/2020 - Transfer 31-03-2021	1 1	0.0000 0.0000	1 1	0.0000 0.0000	
24	RAJKAMAL DEVI BANGUR					11369
	01-04-2020	0	0.0000			
	30/06/2020 - Transfer 31-03-2021	20051 20051	0.1512 0.1512	20051 20051	0.1512 0.1512	
25	RAMGOPAL HOLDINGS PVT.LTD.					11371
	01-04-2020	0	0.0000			
	30/06/2020 - Transfer 31-03-2021	1 1	0.0000 0.0000	1 1	0.0000 0.0000	
26	INDIA PAINT & COMMERCIAL CO. LTD.					AAACI6546C
	01-04-2020	1	0.0000			
	30/06/2020 - Transfer 31-03-2021	-1 0	0.0000 0.0000	0 0	0.0000 0.0000	
27	NEWA INVESTMENTS PVT LTD					AAACN8961G
	01-04-2020	1101890	8.3102			
	30/06/2020 - Transfer 31-03-2021	-1035090 66800	7.8065 0.5038	66800 66800	0.5038 0.5038	
28	THE VENKTESH CO LTD					AAACT9722F
	01-04-2020	821521	6.1958			
	30/06/2020 - Transfer 31-03-2021	-750001 71520	5.6564 0.5394	71520 71520	0.5394 0.5394	
29	DIDU INVESTMENTS PVT LTD					AABCD1810F
	01-04-2020	720620	5.4348			
	30/06/2020 - Transfer 31-03-2021	-679300 41320	5.1232 0.3116	41320 41320	0.3116 0.3116	
30	KHEMKA PROPERTIES PVT.LTD.					AABCK0954B
	01-04-2020	1	0.0000			
	30/06/2020 - Transfer 31-03-2021	-1 0	0.0000 0.0000	0 0	0.0000 0.0000	

SI No	Name	Shareholding at the beginning [01/04/2020]/end of the year [31/03/2021]		Cumulative Shareholding during the year [01/04/2020 to 31/03/2021]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
31	RAGINI FINANCE LTD. 01-04-2020 30/06/2020 - Transfer 31-03-2021	375275 -375275 0	2.8303 2.8303 0.0000	0 0	0.0000 0.0000	AABCR2321R
32	RAJESH VANIJYA P LTD 01-04-2020 30/06/2020 - Transfer 31-03-2021	84001 -1 84000	0.6335 0.0000 0.6335	84000 84000	0.6335 0.6335	AABCR6316C
33	THE DIDWANA INVESTMENT CO. LTD. 01-04-2020 30/06/2020 - Transfer 31-03-2021	673760 -673760 0	5.0814 5.0814 0.0000	0 0	0.0000 0.0000	AABCT1524C
34	MANNAKRISHNA INVESTMENTS PVT LTD 01-04-2020 05/06/2020 - Transfer 12/06/2020 - Transfer 26/06/2020 - Transfer 30/06/2020 - Transfer 31-03-2021	1237442 2449 100 25000 -1162898 102093	9.3325 0.0185 0.0008 0.1885 8.7704 0.7700	1239891 1239991 1264991 102093 102093	9.3510 9.3518 9.5403 0.7700 0.7700	AACCM2323H
35	ASISH CREATIONS PRIVATE LIMITED 01-04-2020 30/06/2020 - Transfer 31-03-2021	909599 -909399 200	6.8600 6.8585 0.0015	200 200	0.0015 0.0015	AADCA3805D
36	RAMGOPAL HOLDINGS PVT.LTD. 01-04-2020 30/06/2020 - Transfer 31-03-2021	1 -1 0	0.0000 0.0000 0.0000	0 0	0.0000 0.0000	AADCR5146E
37	KARMAYOG PROPERTIES PVT. LTD. 01-04-2020 30/06/2020 - Transfer 31-03-2021	1 -1 0	0.0000 0.0000 0.0000	0 0	0.0000 0.0000	AAECK0295L
38	SHREE CAPITAL SERVICES LTD 01-04-2020 30/06/2020 - Transfer 31-03-2021	3880759 -3683959 196800	29.2679 27.7837 1.4842	196800 196800	1.4842 1.4842	AAGCS5082D
39	SURYADEWATA PROPERTIES PVT.LTD. 01-04-2020 30/06/2020 - Transfer 31-03-2021	1 -1 0	0.0000 0.0000 0.0000	0 0	0.0000 0.0000	AALCS9109G

SI No	Name	Shareholding at the beginning [01/04/2020]/end of the year [31/03/2021]		Cumulative Shareholding during the year [01/04/2020 to 31/03/2021]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
40	SHREEMAN INVESTMENTS PVT. LTD.	1	0.0000			AAOCS5216M
	01-04-2020					
	30/06/2020 - Transfer	-1	0.0000	0	0.0000	
	31-03-2021	0	0.0000	0	0.0000	
41	SCL ENERGY LIMITED	1	0.0000			AAQCS4591P
	01-04-2020					
	30/06/2020 - Transfer	-1	0.0000	0	0.0000	
	31-03-2021	0	0.0000	0	0.0000	
42	SHREECAP HOLDINGS PVT. LTD.	1	0.0000			AARCS8248L
	01-04-2020					
	30/06/2020 - Transfer	-1	0.0000	0	0.0000	
	31-03-2021	0	0.0000	0	0.0000	
43	RAJKAMAL DEVI BANGUR	1961332	14.7920			ADAPB2150P
	01-04-2020					
	30/06/2020 - Transfer	-20051	0.1512	1941281	14.6408	
	31-03-2021	1941281	14.6408	1941281	14.6408	
44	HARI MOHAN BANGUR	2	0.0000			ADJPB0982E
	01-04-2020					
	30/06/2020 - Transfer	-2	0.0000	0	0.0000	
	31-03-2021	0	0.0000	0	0.0000	
45	RANU BANGUR	134801	1.0166			AEJPB0396R
	01-04-2020					
	30/06/2020 - Transfer	-1	0.0000	134800	1.0166	
	31-03-2021	134800	1.0166	134800	1.0166	
46	PRASHANT BANGUR	282642	2.1316			AHAPB4776F
	01-04-2020					
	30/06/2020 - Transfer	-2	0.0000	282640	2.1316	
	31-03-2021	282640	2.1316	282640	2.1316	

**Attachment D**

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

SI No	Name	Shareholding at the beginning [01/04/2020]/end of the year [31/03/2021]		Cumulative Shareholding during the year [01/04/2020 to 31/03/2021]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	BANK OF INDIA * 01-04-2020 31-03-2021	9620 9620	0.0726 0.0726	9620	0.0726
2	UNITED INDIA INSURANCE CO.LTD. 01-04-2020 31-03-2021	128485 128485	0.9690 0.9690	128485	0.9690
3	N.L.MANDHANA & S.N LOYA 01-04-2020 31-03-2021	15725 15725	0.1186 0.1186	15725	0.1186
4	GENERAL INSURANCE CORPN OF INDIA 01-04-2020 31-03-2021	12400 12400	0.0935 0.0935	12400	0.0935
5	LIFE INSURANCE CORPORATION OF INDIA 01-04-2020 31-03-2021	210310 210310	1.5861 1.5861	210310	1.5861
6	THE NEW INDIA ASSURANCE CO LTD 01-04-2020 31-03-2021	27805 27805	0.2097 0.2097	27805	0.2097
7	NATIONAL INSURANCE COMPANY LTD 01-04-2020 31-03-2021	27175 27175	0.2049 0.2049	27175	0.2049
8	THE ORIENTAL INSURANCE CO LTD 01-04-2020 31-03-2021	27930 27930	0.2106 0.2106	27930	0.2106
9	MAHENDRA GIRDHARILAL 01-04-2020 31-03-2021	15635 15635	0.1179 0.1179	15635	0.1179
10	AJAY KUMAR 01-04-2020 05/06/2020 - Transfer 19/02/2021 - Transfer 31-03-2021	22000 -100 -35 21865	0.1659 0.0008 0.0003 0.1649	21900 21865 21865	0.1652 0.1649 0.1649
11	PREYA HARDIK SHAH # 01-04-2020 05/06/2020 - Transfer 26/06/2020 - Transfer 16/10/2020 - Transfer 06/11/2020 - Transfer 27/11/2020 - Transfer 18/12/2020 - Transfer 31/12/2020 - Transfer 08/01/2021 - Transfer 31-03-2021	27135 -100 -26700 500 200 800 250 -200 1800 3685	0.2046 0.0008 0.2014 0.0038 0.0015 0.0060 0.0019 0.0015 0.0136 0.0278	27035 335 835 1035 1835 2085 1885 3685 3685	0.2039 0.0025 0.0063 0.0078 0.0138 0.0157 0.0142 0.0278 0.0278

\*Not in the list of Top 10 shareholders as on 01/04/2020 The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2021.

#Ceased to be in the list of Top 10 shareholders as on 31/03/2021. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2020.

**Attachment E****V. INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness as at the beginning of the financial year (01.04.2020)</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
Addition	-	-	-	-
Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness as at the end of the financial year (31.03.2021)</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

**Attachment F****VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration MD/WTD and/or Manager (also CFO)**

Sl. No.	Particulars of Remuneration	K.K. Thakur (₹/Lac)	Total Amount (₹/Lac)
1	Gross Salary		
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	15.67	15.67
	b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-
	c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- Others	-	-
5	Others	1.38	1.38
	<b>TOTAL (A)</b>	<b>17.05</b>	<b>17.05</b>
	Ceiling as per the Act	₹245.11 Lacs (being 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)	

**Attachment G**
**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

## B. Remuneration to other Directors

Sl. No.	Particulars of Remuneration	Ashok Bhandari (₹/ Lac)	Ravi Goeka (₹/ Lac)	Sudip Kumar Mukherjee (₹/ Lac)	Gourav Periwal (₹/ Lac)	Total Amount (₹/ Lac)
1	<b>Independent Directors</b>					
	• Fee for attending board / committee meetings	-	0.22	0.26	-	0.48
	• Commission	-	-	-	-	-
	• Others	-	-	-	-	-
	<b>TOTAL (1)</b>	-	<b>0.22</b>	<b>0.26</b>	-	<b>0.48</b>
2	<b>Other Non-Executive Directors</b>					
	• Fee for attending board / committee meetings	0.24	-	-	0.17	0.42
	• Commission	-	-	-	-	-
	• Others	-	-	-	-	-
	<b>TOTAL (2)</b>	<b>0.24</b>	-	-	<b>0.17</b>	<b>0.42</b>
	<b>TOTAL (B) = (1)+(2)</b>	<b>0.24</b>	<b>0.22</b>	<b>0.26</b>	<b>0.17</b>	<b>0.90</b>
	<b>Total Managerial Remuneration</b>					<b>17.95</b>
	Overall ceiling as per the Act	₹539.24 Lac (being 11% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)				

\*Total remuneration to Managing Directors / Whole-time Directors / Manager and other Directors (being total of A and B)

**Attachment H**
**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

## C. Remuneration to Key Managerial Personnel other than MD/WTD/Manager i.e. Company Secretary

Sl. No.	Particulars of Remuneration	R.R. Dalmia (₹/ Lac)	Total Amount (₹/ Lac)
1	Gross Salary		
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	1.40	1.40
	b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-
	c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- Others	-	-
5	Others		
	<b>TOTAL</b>	<b>1.40</b>	<b>1.40</b>

**INDEPENDENT AUDITORS' REPORT**

To the Members of  
DIGVIJAY FINLEASE LIMITED

**Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statements of Digvijay Finlease Limited. ("the Company"), which comprise the Balance Sheet as at 31st March 2021, the Statement of Profit and Loss, Statement of Change in Equity and Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, and the profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter**

We draw your attention to Note No- 35 to the financial statement which explains the uncertainties and the management's assessment of the financial impact due to the lock-downs and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve.

Our opinion is not modified in respect of this matter.

**Information other than the 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 Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

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

assurance conclusion thereon.

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

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

### **Responsibility of Management for Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder.

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

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

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

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

#### **Other Matter**

Due to COVID 19 pandemic and the consequential nationwide lockdown announced by the Central and State Government including the travel restrictions, maintenance of social distancing etc., and the audit team could not visit the Company. We have performed the audit from remote location, on the basis of data, scan copies, documents, management estimates, assumptions, certificates and other information supplied electronically by the management on online platform. We have relied on Management assurance of the authenticity, completeness and accuracy of these records electronically submitted to us.

Our opinion is not modified in respect of this matter.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), we give in the

“Annexure A” statement on the matters specified in paragraphs 3 and 4 of the Order.

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), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on 31st March, 2021 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with 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 remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- (h) With respect to the other matters to be included in the Auditors 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 disclosed the impact of pending litigations on its financial position in its financial statements as stated in Note 30.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **D. K. Chhajer & Co.**  
*Chartered Accountants*  
Firm Registration No. 304138E  
**(Tapan Kumar Mukhopadhyay)**  
*Partner*  
Membership No. 017483  
Place: Kolkata  
Date: 23.08.2021

**ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT**

on the financial statements for the year ended 31st March, 2021

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.  
(b) The Property, Plant & Equipment of the Company have been physically verified by the Management at reasonable intervals and no material discrepancies have been noticed on such verification.  
(c) The title deeds of immovable properties acquired on amalgamation are held in the name of the Transferor Company and the Company is in the process of taking steps for registration of the same in its name of the Company.
- ii. The Company is in the business of Non-Banking Financial activities and does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the Order are not applicable.
- iii. The Company has not granted any loans, secured or unsecured, to companies,LLPs, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii)[(a), (b) and (c)] of the said Order are not applicable to the Company.
- iv. According to the information and explanations given to us, the Company has not given any loans, made investments, provided guarantees and security covered by the provision of Section 185. In respect of other loans etc. the same are in accordance with the provisions of section 186 of the Companies Act, 2013.
- v. 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 there under. Therefore, the provision of clause 3(v) of the order is not applicable on the Company.
- vi. The Central Government of India has not prescribed the maintenance of Cost Records under sub-section (1)of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, goods and service tax, duty of customs, cess and other material statutory dues, as applicable, with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March 2021 for a period of more than six months from the date of becoming payable.  
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales tax, wealth tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess which have not been deposited on account of any dispute:-

Nature of Statute	Nature of Dues	Amount in Lakhs	Period for which the amount is related	Forum where dispute is pending
Income Tax Act	Income Tax Demand	0.88	A.Y:-15-16	Commissioner of Income Tax (Appeals)
Income Tax Act	Income Tax Demand	68.37	A.Y:-17-18	Commissioner of Income Tax (Appeals)

- viii. The company does not have any borrowings from any financial institution or bank or government nor has it issued any debentures as at the balance sheet date, so the provisions of Clause 3(viii) of the Order are not applicable.
- ix. The Company has not raised any money by way of initial public offer/further public offer (including debt instruments)/term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company
- x. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act, 2013.
- xii. As the Company is not a Nidhi Company, the provisions of clause 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and records of the Company, transactions with related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been properly disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. No money was raised through preferential allotment/private placements of shares/fully/partly convertible debentures during the year under review, hence, the provisions of Clause 3(xiv) of the said order is not applicable to the Company.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or person connected with them
- xvi. The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the registration has been obtained.

For **D. K. Chhajer & Co.**  
*Chartered Accountants*  
 Firm Registration No. 304138E  
**(Tapan Kumar Mukhopadhyay)**  
*Partner*  
 Membership No. 017483  
 Place: Kolkata  
 Date: 23.08.2021

**ANNEXURE 'B' TO INDEPENDENT AUDITOR'S REPORT**

on the 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 over financial reporting of **Digvijay Finlease Limited** ("the Company") as of 31st March, 2021 in conjunction with our audit of financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our

audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **D. K. Chhajjer & Co.**  
*Chartered Accountants*  
Firm Registration No. 304138E  
**(Tapan Kumar Mukhopadhyay)**  
*Partner*  
Membership No. 017483  
Place: Kolkata  
Date: 23.08.2021

## BALANCE SHEET AS AT 31ST MARCH, 2021

Particulars	Note	(Rs in Lakhs)	
		As at 31st March, 2021	As at 31st March 2020
<b>ASSETS</b>			
<b>Financial Assets</b>			
(a) Cash and Cash Equivalent	4	34.97	690.85
(b) Loan	5	7.00	17.00
(c) Investments	6	12,90,281.13	7,87,883.15
(d) Other Financial Assets	7	86.55	168.40
<b>TOTAL</b>		<b>12,90,409.65</b>	<b>7,88,759.40</b>
(a) Bank Balance other than Cash and Cash Equivalent	8	18,040.89	91.14
(b) Current Tax Assets (net)	9	19.60	106.41
(c) Deferred Tax Assets (net)	10	–	675.75
(d) Property, Plant & Equipment	11	519.22	522.24
(e) Other Non-Financial Assets	12	98.97	9.27
<b>TOTAL</b>		<b>18,678.68</b>	<b>1,404.81</b>
<b>TOTAL - ASSETS</b>		<b>13,09,088.33</b>	<b>7,90,164.21</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>Financial Liabilities</b>			
(a) Other Financial Liabilities	13	6.00	2.01
<b>Non-Financial Liabilities</b>			
(a) Provisions	14	13.49	11.84
(b) Current Tax Liability(Net)	9	–	–
(c) Deferred Tax Liability (Net)	10	59,206.86	–
(d) Other Non-Financial Liabilities	15	0.69	0.69
<b>TOTAL</b>		<b>59,227.04</b>	<b>14.54</b>
<b>Equity</b>			
(a) Share Capital	16	1,325.94	1,325.94
(b) Other Equity	17	12,48,535.35	7,88,823.73
<b>TOTAL</b>		<b>12,49,861.29</b>	<b>7,90,149.67</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>13,09,088.33</b>	<b>7,90,164.21</b>

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

In terms of our report attached  
For **D K Chhajer & Co.**  
Chartered Accountants  
Firm Registration No. 304138E

**Tapan Kumar Mukhopadhyay**  
Partner  
Membership No.017483  
Place: Kolkata  
Date: 23.08.2021

For and behalf of the board

**Ashok Bhandari**  
Director  
DIN: 00012210

**S. K. Mukherjee**  
Director  
DIN: 00029362

**K.K. Thakur**  
Manager & CFO

**R.R. Dalmia**  
Company Secretary

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021**

Particulars	Note No. No.	(Rs in Lakhs)	
		Year ended 31st March 2021	Year ended 31st March 2020
<b>Revenue from Operations</b>			
(a) Interest Income	18	91.60	85.17
(b) Dividend Income	19	425.99	6,753.31
(c) Net Gain on Fair Value Changes	20	10.12	–
(d) Net Profit on Sale of Investments	21	119.64	45.13
(e) Other Income	22	0.04	15.28
<b>Total Income (I)</b>		<b>647.39</b>	<b>6,898.89</b>
<b>Expenses</b>			
(a) Employee Benefit expenses	23	32.72	35.87
(b) Depreciation, Amortisation and Impairment	11	3.03	5.59
(c) Net Loss on Sale of Investments	20	–	37.68
(d) Other Expenses	24	272.09	2,209.95
<b>Total Expenses (II)</b>		<b>307.84</b>	<b>2,289.09</b>
<b>Profit/(Loss) before Tax (I-II)</b>		<b>339.55</b>	<b>4,609.80</b>
<b>Tax Expense</b>			
(a) Current Tax		600.00	(0.01)
Less: Tax charged in OCI		468.13	–
	25	131.87	(0.01)
(b) Deferred Tax		0.84	46.94
(c) Income Tax relating to previous years		52.35	–
<b>Tax Expense</b>		<b>185.06</b>	<b>46.93</b>
<b>Profit/(Loss) for the Year (III)</b>		<b>154.48</b>	<b>4,562.87</b>
<b>Other Comprehensive Income</b>			
(i) <i>Items that will not be reclassified to Profit/(Loss)</i>			
(a) Equity Instruments through OCI	26	5,19,381.41	(48,605.52)
(b) Income tax relating to Items that will not be reclassified to Profit/(Loss)	(A)	(59,767.02)	5,723.29
Add: Current Tax transferred from P/L	(B)	(468.13)	–
Total (A+B)		(60,235.14)	–
(ii) <i>Items that will be reclassified to Profit/(Loss)</i>			
(a) Financial Instruments through OCI	26	525.62	(238.93)
(b) Income tax relating to Items that may be reclassified to Profit/(Loss)		(114.74)	27.72
<b>Other Comprehensive Income for the year (i + ii) (IV)</b>		<b>4,59,557.15</b>	<b>(43,093.45)</b>
<b>Total Comprehensive Income for the Year (III+IV)</b>		<b>4,59,711.63</b>	<b>(38,530.58)</b>
<b>Earnings per equity share (Face Value Rs. 10/- each)</b>			
Basic & Diluted (Rs.)	27	1.17	34.41

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

In terms of our report attached

For and behalf of the board

 For **D K Chhajer & Co.**

Chartered Accountants

Firm Registration No. 304138E

**Ashok Bhandari**

Director

DIN: 00012210

**S. K. Mukherjee**

Director

DIN: 00029362

**Tapan Kumar Mukhopadhyay**

Partner

Membership No.017483

Place: Kolkata

Date: 23.08.2021

**K.K. Thakur**  
 Manager & CFO

**R.R. Dalmia**  
 Company Secretary

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

## a. Equity Share Capital

Particulars	Note	Number
Equity shares of Rs. 10 each issued, subscribed and fully paid	16	
<b>At 1st April, 2019</b>		<b>1,32,59,420</b>
Issue of Share Capital		
<b>At 31st March, 2020</b>		<b>1,32,59,420</b>
Issue of Share Capital		
<b>At 31st March, 2021</b>		<b>1,32,59,420</b>

## b. Other Equity

Particulars	Reserve & Surplus				Equity Instruments Through OCI	Financial Instruments Through OCI	Total
	Capital Reserve	Statutory Reserve	Securities Premium	Retained Earnings			
As at 31st March, 2019	313.08	5,540.76	2,177.08	19,731.41	7,99,586.64	5.33	8,27,354.30
Profit/(Loss) for the Year	-	-	-	4,562.87	-	-	4,562.87
Other Comprehensive Income for the Year	-	-	-	-	(42,882.23)	(211.21)	-43,093.45
Transfer to Reserve Fund	-	912.57	-	-912.57	-	-	-
<b>Balance as on 31st March, 2020</b>	<b>313.08</b>	<b>6,453.34</b>	<b>2,177.08</b>	<b>23,381.70</b>	<b>7,56,704.40</b>	<b>(205.88)</b>	<b>7,88,823.73</b>
Profit/(Loss) for the Year	-	-	-	154.48	-	-	154.48
Other Comprehensive Income for the Year	-	-	-	-	4,59,146.27	410.88	4,59,557.15
Transfer to Reserve Fund	-	30.90	-	(30.90)	-	-	-
Balance as on 31st March, 2021	313.08	6,484.23	2,177.08	23,505.30	12,15,850.66	205.00	12,48,535.36

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

In terms of our report attached  
For **D K Chhajer & Co.**  
*Chartered Accountants*  
Firm Registration No. 304138E

**Tapan Kumar Mukhopadhyay**  
Partner  
Membership No.017483  
Place: Kolkata  
Date: 23.08.2021

For and behalf of the board

**Ashok Bhandari**  
*Director*  
DIN: 00012210

**S. K. Mukherjee**  
*Director*  
DIN: 00029362

**K.K. Thakur**  
*Manager & CFO*

**R.R. Dalmia**  
*Company Secretary*

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2021

Particulars	(Rs in Lakhs)	
	Year ended 31st March 2021	Year ended 31st March 2020
<b>A. Cash Flow From Operating Activities</b>		
Net Profit before Tax	339.55	4,609.80
Adjustments for :		
Depreciation	3.03	5.59
Allowance for doubtful loan	–	2,000.00
Provision for standards assets	(0.02)	(15.28)
Interest Income	(91.60)	(85.17)
Dividend income	(425.99)	(6,753.31)
Net (Gain)/Loss on Fair Value Changes of investment	(10.12)	37.68
Net (Gain)/Loss on Sale of Investments	(119.64)	(45.13)
	<b>(644.33)</b>	<b>(4,855.62)</b>
Operating Profit/(Loss) before working Capital Changes	(304.79)	(245.82)
Adjustments for :		
(Increase)/Decrease in Other Financial Assets	2.22	(8.07)
(Increase)/Decrease in Loan	10.00	3,459.50
(Increase)/Decrease in Other Non-Financial Assets	–	(0.34)
Increase/(Decrease) in Other Financial Liabilities	3.99	1.38
Increase /( Decrease) in Provision	1.67	2.06
Increase /( Decrease) in Other Non-Financial Liabilities	(0.00)	0.63
	17.87	<b>3,455.16</b>
Cash Generated from Operations	<b>(286.91)</b>	<b>3,209.34</b>
Net Income Tax (Paid)/Refund	(76.19)	(53.04)
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES (A)</b>	<b>(363.10)</b>	<b>3,156.30</b>
<b>B. Cash Flow From Investing Activities</b>		
Purchase of Property, Plant & Equipment	–	(79.70)
Sale of Mutual Funds	4,771.33	16,819.34
Purchase of Mutual Funds	(1,093.60)	(19,994.32)
Purchase of Shares	(6,369.65)	(8,972.91)
Sale of Shares	19,830.62	2,036.45
Investment in Fixed Deposit	(17,949.75)	344.18
Interest Received	12.31	672.27
Dividend Received	505.96	6,677.43
	<b>292.77</b>	<b>(2,497.26)</b>
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES (B)</b>		
<b>C. Cash Flow From Financing Activities</b>		
<b>NET CASH FROM /(USED IN) FINANCING ACTIVITIES (C)</b>		
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<b>(655.87)</b>	<b>659.04</b>
Cash and Cash Equivalents at the beginning of the Year	690.85	31.81
<b>Cash and Cash Equivalents at the end of the Year</b>	<b>34.97</b>	<b>690.85</b>

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

In terms of our report attached  
For **D K Chhajer & Co.**  
Chartered Accountants  
Firm Registration No. 304138E

**Tapan Kumar Mukhopadhyay**  
Partner  
Membership No.017483  
Place: Kolkata  
Date: 23.08.2021

For and behalf of the board

**Ashok Bhandari**  
Director  
DIN: 00012210

**S. K. Mukherjee**  
Director  
DIN: 00029362

**K.K. Thakur**  
Manager & CFO

**R.R. Dalmia**  
Company Secretary

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021

### 1. Corporate Information

Digvijay Finlease Limited (“the Company”) is a public unlisted company, limited by share incorporated on 1st May, 1992 and domiciled in India. The Company is carrying on business as a “Non-Banking Financial Company” (NBFC). The Company is engaged mainly in investment in shares in securities & financial activity. The Company is registered with Reserve Bank of India as NBFC. The Company’s registered office is at 21, Strand Road Kolkata – 700 001.

### 2. Basis of Preparation of Financial Statements

- a. **Statement of compliance-** The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other provisions of the Companies Act, 2013 (“the Act”).

For all periods up to and including the year ended 31st March, 2019, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP). The financial statements for the year ended 31st March, 2020 are the first financials of the Company prepared in accordance with Ind AS. The date of transition to Ind AS is 1st April, 2018. The figures for the year ended 31st March, 2019 were restated in the previous year under Ind AS to provide comparability.

b. **Basis of Measurement**

The financial statements have been prepared on historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities that are measured at fair value/ amortised cost. (Refer note 3.3 below). The financial statements are presented in Indian Rupees (INR) which is also its functional currency.

### 3. SIGNIFICANT ACCOUNTING POLICIES

#### 3.1. Recognition of interest income

Interest income for all financial instruments measured at fair value through profit or loss (FVTPL) is recognised using the contractual interest rate.

#### 3.2. Recognition of Dividend Income

Dividend income (including from Investments measured at FVTOCI) is recognised when the Company’s right to receive the payment is established. This is established when it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

### 3.3 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### (i) Financial Assets -

##### ☞ Recognition And Initial Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

##### ☞ Classification and Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt Instruments at Amortized Cost;
- Debt Instruments at Fair Value Through Other Comprehensive Income (FVOCI);
- Debt Instruments at Fair Value Through Profit or Loss (FVTPL); and
- Equity Instruments measured at Fair Value Through Other Comprehensive Income (FVOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

- o Debt Instruments at Amortized Cost: A debt instrument is measured at the amortized cost if both the following conditions are met:
  - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
  - The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

- o Debt Instruments at FVOCI: A debt instrument is measured at the FVOCI if both of the following conditions are met:
  - The objective of the business model is achieved by collecting contractual cash flows and selling the financial assets; and
  - The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in Other Comprehensive Income. However, the interest income, losses & reversals, and foreign exchange gains and losses are recognised in the Statement of Profit and Loss. Interest calculated using the EIR (Effective Rate Interest) method is recognized in the Statement of Profit and Loss as investment income.

- o *Measured at FVTPL:* FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as amortized cost or as FVOCI, is classified as FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity Instruments measured at FVOCI: All equity investments in scope of Ind AS – 109 are measured at fair value. Equity instruments which are, held for trading are classified as FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in Other Comprehensive Income subsequent changes in the fair value. The Company makes such election on an instrument-by instrument basis. The classification is made on initial recognition and is irrevocable. In case the Company decides to classify an equity instrument as FVOCI, then all fair value changes on the instrument are recognized in the Other Comprehensive Income. There is no reclassification of the amounts from Other Comprehensive Income to profit or loss, even on sale of investment. Dividends on investments are credited to profit or loss.

- o *Equity Investments: Investments in subsidiaries, associates and joint ventures are carried at cost less accumulated impairment, if any.*

☞ *Derecognition*

The Company derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

☞ *Impairment of Financial Assets*

The Company assesses at the end of the reporting period whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

**(ii) Financial Liabilities**

☞ *Recognition And Initial Measurement*

Financial liabilities are initially measured at fair value. All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

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

☞ *Subsequent Measurement*

Financial liabilities are measured subsequently at amortized cost or FVTPL.

A financial liability is classified as FVTPL if it is classified as held for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR (Effective Rate Interest) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR (Effective Rate Interest) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

☞ *Derecognition*

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

☞ *Offsetting Financial Instruments*

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize 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 counterparty.

### **3.4 Cash and cash equivalents**

Cash and cash equivalent comprise of cash at banks & on hand and net of outstanding bank overdrafts, if any.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at banks & on hands and net of bank overdrafts, if any.

### **3.5. Bank Balance other than Cash and cash equivalents**

Bank Balance other than Cash and cash equivalents comprise of term deposits.

### **3.6. Property, plant and equipment (PPE)**

PPE are stated at cost (including incidental expenses directly attributable to bringing the asset to its working condition for its intended use) less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to PPE is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Advances paid towards the acquisition of PPE, outstanding at each reporting date are shown under other non-financial assets. The cost of property, plant and equipment not ready for its intended use at each reporting date are disclosed as capital work-in-progress.

Subsequent expenditure related to the asset are added to its carrying amount or recognised as a separate asset only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised.

### **3.7 Depreciation**

Depreciation on Property, Plant and Equipment is provided on written down value method (WDV) to write down their residual values over their estimated useful life specified in Schedule II of the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

### **3.8 Impairment of non-financial assets**

The Company assesses at each reporting date to determine if there is any indication of impairment, based on internal/external factors. If any such indication exists, then an impairment review is undertaken and the recoverable amount is calculated as the higher of fair value less costs of disposal and the asset's value in use.

### **3.9 Employee Benefits Expenses**

#### **3.9.1 Short Term Employee Benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences, which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

#### **3.9.2. Defined contribution schemes**

A defined contribution plan is a post-employment benefit plan under which the Company pays specified monthly contributions to Provident Fund. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

### **3.10. Taxes**

Income tax expense represents the sum of current tax and deferred tax.

**3.10.1 Current Tax**

The current tax is based on taxable profit for the year under the Income Tax Act, 1961. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

**3.10.2 Deferred tax**

Deferred tax is recognized on all temporary differences between the tax bases of assets and liabilities and their carrying amounts in the Company's financial statements except when the deferred tax arises from the initial recognition of goodwill or initial recognition of an asset or liability in a transaction that is not a business combination and affects neither the accounting nor taxable profits or loss at the time of transaction. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets are recognized for deductible temporary differences, the carry forward of unused tax credits and unused tax losses to the extent it is probable that future taxable profits will be available against which the deductible temporary difference, the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets (including MAT credit available) is reviewed at each reporting date and is adjusted to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in the Statement of Profit and Loss, except when the same relate to items that are recognised in Other Comprehensive Income or directly in Equity, in which case, the current and deferred tax relating to such items are also recognised in Other Comprehensive Income or directly in Equity respectively.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

**3.11. Provisions, Contingent Liabilities and assets**

Provisions are recognised when the enterprise has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control

of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

### 3.12. Earnings per Share

Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

### 3.13. Cash-flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

### 3.14. USE OF ESTIMATES, JUDGEMENTS AND ADJUSTMENT

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses, and disclosures of contingent assets and liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed in the paragraphs that follow.

#### (i) Useful Economic Lives and Impairment of Other Assets

The estimated useful life of property, plant and equipment (PPE) is based on a number of factors including the effects of obsolescence, usage of the asset and other economic factors (such as known technological advances).

The Company reviews the useful life of PPE at the end of each reporting date and any changes could affect the depreciation rates prospectively.

The Company also reviews its property, plant and equipment for possible impairment if there are events or changes in circumstances that indicate that the carrying value of the assets may not be recoverable. In assessing the property, plant and equipment for impairment, factors leading to significant reduction in profits, such as the Company's business plans and changes in regulatory environment are taken into consideration.

(ii) Contingencies and Commitments

In the normal course of business, contingent liabilities may arise from litigation, taxation and other claims against the Company. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such liabilities are disclosed in the notes but are not provided for in the financial statements.

Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position or profitability.

(iii) Fair Value Measurements and Valuation Processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in the notes to the financial statements.

(iv) Recognition of Deferred Tax Assets For Carried Forward Tax Losses and Unused Tax Credit

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilised. In addition significant judgement is required in assessing the impact of any legal or economic limits.

## Notes to the Financial Statements for the year ended 31st March, 2021

## NOTE 4:- CASH &amp; CASH EQUIVALENT

Particular	(Rs in Lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
Cash on Hand	4.01	4.01
Balances with Banks- current accounts	30.96	686.84
	<b>34.97</b>	<b>690.85</b>

## NOTE 5:- LOAN

Particular	(Rs in Lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
<i>Unsecured Loan, measured at Amortised Cost</i>		
Intercompany Loans (Refer Note 5.1)	2,000.00	2,010.00
Loan to Others	7.00	7.00
	<u>2,007.00</u>	<u>2,017.00</u>
Less: Impairment loss allowance	2,000.00	2,000.00
	<b>7.00</b>	<b>17.00</b>
Loan outside India		
Loan in India	7.00	17.00

5.1 Out of the above, Rs. 20 crore loan was given to a company in FY 2018-19 against whom Insolvency proceedings have been initiated by a lender in NCLT in Dec 2019. Therefore, loss allowance has been provided. Due to pandemic, the Company could not initiate legal action against the borrower for recovery.

## NOTE 6: INVESTMENT

Particular	(Rs in Lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
<b>Investment measured at FVTPL</b>		
i) Mutual funds	418.78	3,966.76
<b>Investment measured at FVOCI</b>		
i) Preference Shares	1,942.85	2,657.08
ii) Equity Shares	12,87,919.50	7,81,259.31
<b>Total</b>	<b>12,90,281.13</b>	<b>7,87,883.15</b>
Investment outside India	-	-
Investment in India	12,90,281.13	7,87,883.15

**Notes to the Financial Statements for the year ended 31st March, 2021**
**6.1 Details of investments are as follows :-**
**Mutual funds**

Particulars	Face Value	As at 31st March, 2021		As at 31st March, 2020	
		Units	Amount (Rs in Lakhs)	Units	Amount (Rs in Lakhs)
UTI Arbitrage Fund-Regular Dividend Plan	10	–	–	3,41,878	54.49
UTI Equity Arbitrage Fund	10	–	–	37,94,807	1,003.07
Kotak Equity Arbitrage Fund	10	–	–	28,62,111	802.76
HDFC Arbitrage Fund	10	–	–	90,43,892	2,056.58
HDFC liquid DP Growth Plan	10	75	3.03	–	–
HDFC Liquid fund	10	4	0.16	–	–
HDFC Overnight Fund	1,000	971	29.70	925	27.46
ICICI Prudential Floating Interest Fund - Growth	100	9,346	30.31	7,261	21.80
ICICI Prudential Overnight Fund Growth	10	3,18,489	352.62	–	–
ICICI Prudential Overnight Fund Direct Plan Growth	100	557	0.62	557	0.60
Aditya Birla Sun Life	100	454	2.34	–	–
<b>Sub Total</b>		–	<b>418.78</b>	–	<b>3,966.76</b>

**Equity Instrument**

Particulars	Face Value	As at 31st March, 2021		As at 31st March, 2020	
		Units	Amount (Rs in Lakhs)	Units	Amount (Rs in Lakhs)
<b>Quoted (Fully Paid-Up)</b>					
3M india Ltd	10	7,880	2,398.41	7,880	1,483.64
Agro Tech Foods Ltd.	10	–	–	38,570	147.45
Asian Paints Limited	2	–	–	1,94,500	3,241.34
Bajaj Auto Ltd	10	–	–	24,760	500.73
Bayer Cropscience Limited	10	–	–	8,100	279.93
Bharat Forge Ltd	2	–	–	1,06,500	250.22
Bosch Ltd.	10	9,569	1,348.12	9,569	899.06
Cummins India Ltd	2	–	–	10,000	32.67
EPL Limited	10	6,55,200	1,547.58	–	–
Foseco India Ltd	10	14,377	164.34	14,377	129.66
Gillette India Ltd	10	–	–	2,232	122.09
GSK Consumer Healthcare Ltd. (Refer 6.2 (i))	10	–	–	18,948	1,889.92
Hindustan Unilever (Refer 6.2 (i))	1	83,181	2,022.55	–	–
HDFC Bank Ltd	1	1,23,800	1,849.14	1,23,800	1,067.03
HDFC Ltd.	2	44,500	1,111.65	44,500	726.73
Infosys Limited	5	60,410	836.86	–	–

## Notes to the Financial Statements for the year ended 31st March, 2021

Particulars	Face Value	As at 31st March, 2021		As at 31st March, 2020	
		Units	Amount (Rs in Lakhs)	Units	Amount (Rs in Lakhs)
ICICI Lombard General Insurance Co Ltd	10	–	–	1,27,745	1,381.75
India Cements Ltd	10	–	–	10,25,700	1,085.70
J K Lakshmi Cement Ltd	5	–	–	25,000	49.00
Kansai Nerolac Paints Ltd.	1	5,80,681	3,490.18	5,80,681	2,249.85
Kokuyo Camlin Ltd.	1	–	–	1,26,215	50.99
Kotak Mahindra Bank Ltd	5	–	–	1,00,000	1,296.05
Marico Ltd	1	–	–	86,500	237.75
Maruti Suzuki Ltd	5	26,400	1,810.83	26,400	1,132.11
Motherson Sumi Systems Ltd	1	–	–	9,83,630	600.51
MRF Ltd	10	–	–	935	543.84
N.B.I. Industrial Finance Co. Ltd.	5	4,71,478	9,233.90	4,71,478	6,651.14
Nestle India Ltd	10	30,593	5,251.35	30,593	4,986.84
New Central Jute Mills Co. Ltd.	10	9	0.00	9	0.00
Orient Cement Ltd	1	16,46,700	1,610.47	1,60,600	71.79
P& G Hygiene & Healthcare Ltd	10	6,603	837.19	6,603	678.09
Sanofi India Ltd	10	–	–	6,082	380.33
SBI Cards and Payment Services Ltd	10	–	–	5,659	35.01
Schaeffler India Ltd ( Fag Bearing Ltd )	10	11,294	614.63	11,294	419.76
Shree Cement Ltd.	10	42,34,780	12,47,794.86	42,34,780	7,43,049.32
Shree Synthetics Ltd.	10	–	–	–	–
United Sprits Ltd	2	1,51,900	845.10	1,51,900	736.11
Wabco India Ltd	5	–	–	1,576	96.79
Whirlpool of India Ltd.	10	79,522	1,770.64	79,522	1,446.43
<b>Sub Total</b>			<b>12,84,537.80</b>		<b>7,77,949.63</b>

6.2 i) 63,181 Equity Shares of Hindustan Unilever received in lieu of 18,948 Equity Shares of GSK Consumer Healthcare Ltd.

**Notes to the Financial Statements for the year ended 31st March, 2021**

Particulars	Face Value	As at 31st March, 2021		As at 31st March, 2020	
		Units	Amount (Rs in Lakhs)	Units	Amount (Rs in Lakhs)
<b>Unquoted (Fully Paid-Up)</b>					
Alfa Buildhome Pvt. Ltd.	10	2,600	31.97	2,600	27.70
Aqua infra Projects Ltd.	10	8,20,185	689.12	8,20,185	689.12
Asish Creations Pvt. Limited	10	2,17,000	522.36	2,17,000	478.44
Cast Solutions Ltd	10	1	0.01	1	0.01
Cem Logistics Pvt Ltd	10	1	0.05	1	0.05
Didu Investments Pvt Ltd	10	1,667	7.22	1,667	5.55
Karmayog Properties Pvt Ltd	10	15,59,000	1,696.97	15,59,000	1,714.28
Newa Investments Pvt Ltd	10	15,000	113.29	15,000	94.93
Ragini Finance Ltd	10	29,000	217.64	29,000	198.54
Ramgopal Holdings Pvt. Ltd.	10	2,23,750	78.58	2,23,750	78.27
Ragini Properties Pvt Ltd	10	79,600	7.76	79,600	7.76
SCL Energy Ltd	10	100	0.01	100	0.00
Shree Cement Marketing Limited	10	5,000	1.30	5,000	0.88
Shreecap Holdings Pvt Ltd	10	7,000	1.14	7,000	0.76
Shreeman Investments Pvt Ltd	10	10,000	1.42	10,000	1.44
Shree Cement East Bengal Foundation	10	1,000	0.10	-	-
Suryadewata Prop. Pvt Ltd	10	5,800	6.99	5,800	6.19
The Kamla Co Ltd	10	25,000	5.77	25,000	5.77
<b>Sub Total</b>			<b>3,381.70</b>		<b>3,309.68</b>
<b>Preference Shares</b>					
<b>Quoted (Fully Paid-Up)</b>					
2.95% Zee Entertainment Enterprises Ltd - NCPS	2(4)	6,19,92,247	1,177.85	6,19,92,247	1,828.77
<b>Unquoted (Fully Paid -Up)</b>					
9% Cast Solutions Pvt Ltd - NCNCRP	100	70,000	70.00	70,000	70.00
9% CEM Logistics Pvt. Ltd.-NCNCRP	100	5,30,000	530.00	5,30,000	530.00
5% Tanushree Logistics Pvt. Ltd.- NCNCRP-redeemable in 2020	100	1,65,000	165.00	1,65,000	228.31
<b>Sub Total</b>			<b>1,942.85</b>		<b>2,657.08</b>
<b>TOTAL INVESTMENT</b>			<b>12,90,281</b>		<b>7,87,883</b>

## Notes to the Financial Statements for the year ended 31st March, 2021

(Rs in Lakhs)

**NOTE 7:-OTHER FINANCIAL ASSETS**

Particular	As at 31st March, 2021	As at 31st March, 2020
Dividend Receivable	68.81	148.78
Interest accrued on Loan	7.52	7.17
Security Deposits	3.18	3.18
Advance to Staff	4.45	1.60
Other Advances	2.59	1.97
Other Financial Assets	–	5.70
	<b>86.55</b>	<b>168.40</b>

**NOTE 8:- BANK BALANCE OTHER THAN CASH & CASH EQUIVALENT**

Particular	As at 31st March, 2021	As at 31st March, 2020
Fixed Deposits with Bank (maturing after period of three months)	20.00	40.00
Fixed deposit (maturing within a period of three months)	18,020.89	51.14
	<b>18,040.89</b>	<b>91.14</b>

**NOTE 9:-CURRENT TAX ASSETS**

Particular	As at 31st March, 2021	As at 31st March, 2020
Advance Tax	917.70	2,659.21
Less: Provision for Tax	(898.10)	(2,552.80)
	<b>19.60</b>	<b>106.41</b>

**NOTE 10:-DEFERRED TAX (ASSETS)/LIABILITIES (NET)**

Particular	As at 31st March, 2021	As at 31st March, 2020
<b>Deferred Tax Liabilities</b>		
- On Fair value Gain of investment (FVTOCI)	59,964.48	82.73
- On Fair value Gain of investment (FVTPL)	–	–
	59,964.48	82.73
<b>Deferred Tax Assets</b>		
- Property, Plant & Equipment	0.07	0.09
- Provision for Gratuity	2.71	2.20
- Provision for Leave Salary	1.20	1.07
- On Fair value Gain of investment (FVTPL)	4.82	6.29
- MAT Credit	748.82	748.82
	757.62	758.48
<b>Deferred Tax (Assets)/ Liabilities (Net)</b>	<b>59,206.86</b>	<b>(675.75)</b>

**Notes to the Financial Statements for the year ended 31st March, 2021**

(Rs in Lakhs)

**NOTE 11: PROPERTY, PLANT & EQUIPMENT**

Particulars	Land	Building	Furniture & Fixtures	Data Processing Equipments	Fax Machine	TOTAL
<b>Gross Block (Deemed Cost)</b>						
<b>As at 31st March, 2019</b>	435.76	22.05	0.05	0.20	0.01	458.07
Additions	79.68	–	0.02	–	–	79.70
Sale/Deduction	–	–	–	–	–	–
<b>As at 31st March, 2020</b>	515.44	22.05	0.07	0.20	0.01	537.77
Additions	–	–	–	–	–	–
Sale/Deduction	–	–	–	–	–	–
<b>As at 31st March, 2021</b>	515.44	22.05	0.07	0.20	0.01	537.77
Accumulated Depreciation						
<b>As at 31st March, 2020</b>	–	15.40	0.00	0.12	–	15.53
For the year	–	3.00	0.00	0.03	–	3.03
Adjustment	–	–	–	–	–	–
<b>As at 31st March, 2021</b>	–	18.40	0.01	0.15	–	–
Net Book Value						
<b>As at 31st March, 2021</b>	515.44	3.66	0.06	0.05	0.01	519.22
<b>As at 31st March, 2020</b>	515.44	6.65	0.06	0.08	0.01	522.24

**NOTE 12:-OTHER NON-FINANCIAL ASSETS**

Particular	<b>As at 31st March, 2021</b>	As at 31st March, 2020
Interest accrued on Bank Deposits	81.44	2.50
IT Refund Receivable	17.53	6.77
	<b>98.97</b>	<b>9.27</b>

**NOTE 13:-OTHER FINANCIAL LIABILITIES**

Particular	<b>As at 31st March, 2021</b>	As at 31st March, 2020
Other Payable - For Expenses	6.16	2.01
	<b>6.16</b>	<b>2.01</b>

## Notes to the Financial Statements for the year ended 31st March, 2021

## NOTE 14:-PROVISIONS

Particular	(Rs in Lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
Provision for Employee Benefits:		
a) Gratuity	9.32	7.91
b) Leave Salary	4.11	3.85
Contingent Provision against Standard Assets	0.06	0.08
	<b>13.49</b>	<b>11.84</b>

## 14.1 Movement in provisions:

Particular	Provision for Leave Salary	Provision for Gratuity
<b>As At 1st April, 2019</b>	3.09	6.61
Provision Utilised	-	-
Provision Reversed	-	-
Provision Created	0.76	1.30
<b>Balance As At 31st March, 2020</b>	<b>3.85</b>	<b>7.91</b>
Provision Utilised	-	-
Provision Reversed	-	-
Provision Created	0.26	1.41
<b>Balance As At 31st March, 2021</b>	<b>4.11</b>	<b>9.32</b>

## NOTE 15:-OTHER NON-FINANCIAL LIABILITIES

Particular	As at 31st March, 2021	As at 31st March, 2020
Statutory Dues	0.69	0.69
	<b>0.69</b>	<b>0.69</b>

## NOTE 16: EQUITY SHARE CAPITAL

Particular	As at 31st March, 2021	As at 31st March, 2020
<b>Authorised:</b>		
2,00,00,000 (31st March, 2020: 2,00,00,000 ) Equity Shares of Rs. 10 /- each	2,000.00	2,000.00
<b>Issued, Subscribed &amp; Fully Paid:</b>		
1,32,59,420 (31st March, 2020: 1,32,59,420 ) Equity Shares of Rs 10/- each	1,325.94	1,325.94
	<b>1,325.94</b>	<b>1,325.94</b>

**Notes to the Financial Statements for the year ended 31st March, 2021****16.1 Terms/ rights attached to Equity Shares**

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share. Dividend, if any, proposed by the board of directors is subject to approval of the shareholders in the ensuing AGM. In the event of liquidation of the company, the holders of equity shares will be entitled to the remaining assets of the company after distribution of all preferential amounts in proportion to the no. of equity shares held by them.

**16.2 Reconciliation of the number and amount of Equity Shares**

Particular	In Number	Amount (Rs in Lakhs)
As at 31st March, 2019	13,259,420	132,594,200
As at 31st March, 2020	13,259,420	132,594,200
As at 31st March, 2021	13,259,420	132,594,200

**16.3 Details of Shareholders holding more than 5% Equity shares in the Company**

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. of shares	% holding	No. of shares	% holding
Asish Creations Pvt. Ltd.	9,09,599	6.86%	9,09,599	6.86%
Didu Investments Pvt. Ltd.	7,20,620	5.43%	7,20,620	5.43%
Mannakrishna Investments Pvt. Ltd.	12,64,491	9.54%	12,37,442	9.33%
Newa Investments Pvt. Ltd.	11,01,890	8.31%	11,01,890	8.31%
Shree Capital Services Ltd.	38,80,759	29.27%	38,80,759	29.27%
The Didwana Investment Co. Ltd.	6,73,760	5.08%	6,73,760	5.08%
The Venkatesh Co. Ltd.	8,21,521	6.20%	8,21,521	6.20%
Rajkamal Devi Bangur	19,61,332	14.79%	19,61,332	14.79%

## Notes to the Financial Statements for the year ended 31st March, 2021

NOTE 17: OTHER EQUITY	(Rs in Lakhs)	
Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Reserve &amp; Surplus</b>		
Capital Reserve	313.08	313.08
Securities Premium	2,177.08	2,177.08
Statutory Reserve		
Opening Balance	6,453.34	5,540.76
Add: Transfer from retained earnings	30.90	912.57
Closing Balance	6,484.23	6,453.34
Retained Earnings		
Opening Balance	23,381.71	19,731.41
Add: Profit for the year	154.48	4,562.87
Less: Transfer to Statutory Reserve	(30.90)	(912.57)
Closing Balance	23,505.29	23,381.71
	(A)	32,325.20
<b>Equity Instruments Through OCI</b>		
Opening Balance	7,56,704.41	7,99,586.64
Add:- Fair Value Gain/(Loss) during the Year (Net of Tax)	4,59,146.27	(42,882.23)
Closing Balance	(B) 12,15,850.67	7,56,704.41
<b>Financial Instruments Through OCI</b>		
Opening Balance	(205.88)	5.33
Add:- Fair Value Gain/(Loss) during the Year (Net of Tax)	410.88	(211.21)
Closing Balance	(C) 205.00	(205.88)
<b>TOTAL</b>	<b>(A+B+C) 12,48,535.35</b>	<b>7,88,823.73</b>

**Capital Reserve**

This reserve represents the difference between value of the net assets transferred. Consideration received for such assets in excess of original cost and excess value is received in amalgamation.

**Securities Premium**

This reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

**Statutory Reserve**

Statutory Reserve represents the Reserve Fund created under Section 45 IC of the Reserve Bank of India Act, 1934. Accordingly an amount representing 20% of Profit for the period is transferred to the fund for the year.

**Retained Earnings**

**Notes to the Financial Statements for the year ended 31st March, 2021**

This reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

**Equity Instruments through Other Comprehensive Income**

This reserve represents the cumulative gains (net of losses) arising on the revaluation of equity instruments measured at fair value through Other Comprehensive Income, net of tax.

Cumulative Realised Gain on Sale Of Equity Instrument

Particular	Realised Gain (Rs in Lakhs)
Opening Balance	
Realised Gain of 18-19	3,246.63
Realised Gain of 19-20	387.65
Realised Gain of 20-21	4,544.72
Closing Balance	<u>8,178.99</u>

**Financial Instruments through Other Comprehensive Income**

This reserve represents the cumulative gains (net of losses) arising on the revaluation of preference instruments measured at fair value through Other Comprehensive Income, net of tax. On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.

**NOTE 18:- INTEREST INCOME**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Interest on Fixed Deposits	90.81	8.37
<u>Interest on Loans</u>	0.79	76.80
	<u>91.60</u>	<u>85.17</u>

**NOTE 19:- DIVIDEND INCOME**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Dividend Income from		
a) Mutual Fund	0.55	83.66
b) Preference Shares	143.48	213.42
c) Equity Shares	281.96	6,456.23
	<u>425.99</u>	<u>6,753.31</u>

## Notes to the Financial Statements for the year ended 31st March, 2021

## NOTE 20:- NET GAIN ON FAIR VALUE CHANGE

(Rs in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Net Gain/(Loss) on Financial Instruments at Fair Value through Profit/(Loss)	10.12	(37.68)
	<b>10.12</b>	<b>(37.68)</b>

## NOTE 21:- NET GAIN ON SALE OF INVESTMENT

Particulars	As at 31st March, 2021	As at 31st March, 2020
Mutual Fund	119.64	45.13
	<b>119.64</b>	<b>45.13</b>

## NOTE 22:- OTHER INCOME

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for Standard Assets Written Back	0.02	15.28
Miscellaneous Income	0.02	0.00
	<b>0.04</b>	<b>15.28</b>

## NOTE 23:- EMPLOYEE BENEFIT EXPENSE

Particulars	As at 31st March, 2021	As at 31st March, 2020
Salaries and Allowances	29.96	31.59
Gratuity Gratuity	1.41	1.30
Leave Salary	0.26	1.10
Staff Welfare expenses	1.09	1.87
	<b>32.72</b>	<b>35.87</b>

**Notes to the Financial Statements for the year ended 31st March, 2021**

Particulars	(Rs in Lakhs)	
	<b>As at 31st March, 2021</b>	As at 31st March, 2020
Advertisement Charges	0.03	0.02
Bank Charges	0.06	0.02
Communication Charges	1.65	2.85
CSR Expenditure [Refer Note 24.1]	30.65	79.00
Custodian Fees	0.53	0.53
Depository Charges	0.02	0.28
Directors Meeting Fees	0.90	1.26
Donations	200.00	100.00
Filing Fees	0.07	0.13
Goods & Services Tax	0.16	0.29
Miscellaneous Expenses	0.36	0.40
Payment to Auditors [Refer Note-24.2]	0.34	0.55
Printing & Stationary	2.81	2.56
Professional & Legal Charges	1.88	5.98
Allowance for doubtful loan	-	2,000.00
Rates & Taxes	0.05	0.05
Rent	2.19	2.19
Repairs & Maintenance - Others	4.25	5.64
Securities Transaction Tax	25.65	7.76
Travelling & Conveyance	0.49	0.46
	<b><u>272.09</u></b>	<b><u>2,209.95</u></b>

**Note 24.1-Details of CSR expenditure:**

Particulars	<u>2020-21</u>	<u>2019-20</u>
(a) Gross amount required to be spent by the Company during the Year	<u>30.55</u>	<u>78.92</u>
(b) Amount spent during the Year	<u>30.65</u>	<u>79.00</u>

## Notes to the Financial Statements for the year ended 31st March, 2021

Particulars	(Rs in Lakhs)	
	2020-21	2019-20
For Statutory Audit	0.24	0.23
For Tax Audit	0.06	0.06
For Other Services	0.04	0.26
	<b>0.34</b>	<b>0.55</b>

**NOTE 25:- TAX EXPENSE**

25.1 Amount recognised in profit or loss	31st March, 2021	31st March, 2020
<b>Current tax:</b>		
Income tax for the year	600.00	–
Charge/(credit) in respect of current tax for earlier years	–	(0.01)
<b>Total Current Tax</b>	<b>600.00</b>	<b>(0.01)</b>
<b>Deferred tax:</b>		
Origination and reversal of temporary differences	0.84	(6.74)
MAT Credit Utilised/(Availed)	–	53.68
Total Deferred Tax	0.84	46.94
<b>Total tax expenses</b>	<b>600.84</b>	<b>46.93</b>

**25.2 Amount recognised in other comprehensive income**

The tax (charge)/ credit arising on income and expenses recognised in other comprehensive income is as follows:

**Deferred tax**

On items that will not be reclassified to profit or loss

Related to fair value change in equity instruments (FVTOCI)	(59,767.02)	5,723.29
Related to fair value change in financial instruments (FVTOCI)	(114.74)	27.72

## Notes to the Financial Statements for the year ended 31st March, 2021

	(Rs in Lakhs)	
25.3 Reconciliation of effective tax rate	31st March, 2021	31st March, 2020
The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax	339.55	4,609.80
Tax Rate	29.12%	27.82%
Income tax expense calculated	98.88	1,282.45
Expenses disallowed	76.00	624.04
Effect of tax relating to expenses allowed on payment basis	–	(0.09)
Effect of tax relating to uncertain tax positions	0.84	(6.74)
Effect of income not taxable	0.00	(1,883.02)
Tax due to Ind AS adjustments	(14.06)	20.96
Tax at differential rate	481.53	9.89
Income tax relating to earlier years	0.00	(0.01)
Other differences	(0.55)	(0.53)
<b>Tax expenses</b>	<b>600.84</b>	<b>46.93</b>

25.4 The tax rate used for the year 2020-21 reconciliations above is the corporate tax rate of 29.12%% (25% + surcharge @ 12% and education cess @ 4%) (2019-20: 27.82% (25%+7%+4%)) payable on taxable profits under the Income Tax Act, 1961.

## NOTE 26:- OTHER COMPREHENSIVE INCOME

## a) Equity shares measured through OCI

Particulars	2020-21	2019-20
Realised Gain/(Loss)	4,811.61	141.18
Unrealised Gain/(Loss)	5,14,569.81	(48,746.69)
	<b>5,19,381.41</b>	<b>(48,605.52)</b>

## b) Preference Shares measured through OCI

Particulars	2020-21	2019-20
Unrealised Gain/(Loss)	525.62	(238.93)
	<b>525.62</b>	<b>(238.93)</b>

## Notes to the Financial Statements for the year ended 31st March, 2021

(Rs in Lakhs)

## NOTE 27:- EPS

## Earnings Per Share (EPS)

	Year ended 31st March,2021	Year ended 31st March, 2020
i) Net Profit after Tax as per Statement of Profit and Loss	154.48	4,562.87
ii) Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	132.59	132.59
iii) Weighted Average Potential Equity Shares	-	-
iv) Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	132.59	132.59
v) Basic Earnings per Shares (Rs.)	1.17	34.41
vi) Diluted Earnings per Share (Rs.)	1.17	34.41
vii) Face Value per Equity Share (Rs.)	10.00	10.00

## NOTE 28:- SEGMENT REPORTING

The Company has only one line of business i.e.Non Banking Financial activities.There are no separate reportable segments as per Ind As 108.

## NOTE 29:- RELATED PARTY DISCLOSURE

## Name of Related Party

a) Key Management Personnel Mr. K.K Thakur	Designation Manager & CFO
b) Enterprise having significant influence over the Company Shree Capital Services Ltd	

## Related Party Transaction during the Year:

Particulars	Year ended 31st March,2021	Year ended 31st March, 2020
Remuneration to Mr. K. K. Thakur	17.05	13.77
Office Rent Paid to Shree Capital Services Ltd.	0.28	0.57

## NOTE 30:- CONTINGENT LIABILITIES

Particulars	Year ended 31st March,2021	Year ended 31st March, 2020
Contingent liability not provided for income tax demand disputed in appeal	6.39	69.25

**Notes to the Financial Statements for the year ended 31st March, 2021****NOTE 31:- DISCLOSURE WITH REGARD TO MICRO, MEDIUM & SMALL ENTERPRISES**

Based on the information available with the Company, there is no supplier in the aforesaid company. Thus no disclosures relating to principal amounts unpaid as at the period ended 31st March, 2021 together with interest paid /payable are required to be furnished.

**NOTE 32:- CAPITAL MANAGEMENT**

The primary objective of the Company's capital management policy is to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

**NOTE 33:- RISK MANAGEMENT**

The Company has a system-based approach to risk management, anchored to policies & procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities.

The Company's financial liabilities includes Other Financial Liabilities- comprising of general expenses. The Company's principal financial assets include Investments, Cash and Cash Equivalents and Other Financial Assets that are derived directly from its operations.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the underlying business, the Company maintains sufficient cash and liquid investments available to meet its obligation.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. The management also considers the cash flow projections and level of liquid assets necessary to meet these on a regular basis.

<b>Risk</b>	<b>Exposure arising from</b>	<b>Mitigation</b>
Market Risk – Securities Price	Investments in equity securities	Continuous monitoring of performance of investments.
Credit Risk	Failure of either counterparty to abide by the terms of any financial contract.	Rigorous loan approval along with strong NPA monitoring and collection.

## Notes to the Financial Statements for the year ended 31st March, 2021

**Market Risk : Securities Price**

Equity price risk is related to change in market reference price of investments in equity securities held by the Company. The fair value of quoted investments held by the Company exposes the Company to equity price risks. In general, these investments are not held for trading purposes. The fair value of quoted investments in equity, classified as fair value through Other Comprehensive Income as at 31st March, 2021 is Rs. 12,84,537.80 Lacs (31st March, 2020: Rs. 7,77,949.63 crores).

**NOTE 34:- DISCLOSURE ON FINANCIAL INSTRUMENTS**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 3 to the financial statements.

**Categories of Financial Instruments****(Rs in Lakhs)**

Particulars	Note	As at 31st March, 2021	As at 31st March, 2020
<b>Financial Assets</b>			
<b>a) Measured at Amortised Cost</b>			
i) Cash and Cash Equivalents	4	34.97	690.85
ii) Other Bank Balances	8	18,040.89	91.14
iii) Other Financial Assets	7	86.55	168.30
<b>Sub-Total</b>		<b>18,162.41</b>	<b>950.30</b>
<b>b) Measured at Fair Value through OCI (FVOCI)</b>			
i) Investment in Equity Shares	6	12,87,919.50	7,81,259.31
ii) Investment in Preference Shares	6	1,942.85	2,657.08
<b>Sub-Total</b>		<b>12,89,862.35</b>	<b>7,83,916.39</b>
<b>c) Measured at Fair Value through Profit and Loss (FVTPL)</b>			
i) Investment in Mutual Fund	6	418.78	3,966.76
<b>Sub-Total</b>		<b>418.78</b>	<b>3,966.76</b>
<b>Total Financial Assets</b>		<b>13,08,443.54</b>	<b>7,88,833.45</b>
<b>Financial Liabilities</b>			
<b>a) Measured at Amortised Cost</b>			
i) Other Financial Liabilities	13	6.00	2.01
<b>Total Financial Liabilities</b>		<b>6.00</b>	<b>2.01</b>

**Notes to the Financial Statements for the year ended 31st March, 2021****(i) Fair Value Hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standards.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

**(ii) Valuation Technique used to determine Fair Value**

Specific valuation techniques used to value financial instruments include:

- the fair value of investment in quoted equity shares and mutual funds is measured at quoted price or NAV.
- the fair value of level 2 instruments is valued using inputs based on information about market participants assumptions and other data that are available.

**(iii) Fair value of Financial Assets and Liabilities measured at Fair value - recurring Fair Value Measurements (Rs in Lakhs)**

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Level 1	Level 2	Level 1	Level 2
<i>Financial Assets</i>				
Investment in Equity Instruments	12,84,538	3,382	7,77,950	3,310
Investment in Financial Instruments	1,178	765	1,829	765
Investment in Mutual Fund	419	–	3,967	–
<b>Total Financial Assets</b>	<b>12,86,134</b>	<b>4,147</b>	<b>7,83,745</b>	<b>4,075</b>

**(iv) Significant Estimates**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions see (ii) above.

**Notes to the Financial Statements for the year ended 31st March, 2021****NOTE 35:-**

Due to outbreak of COVID 19 globally and in India, the Company's management has made initial assessment of likely adverse impact on business and financial risks, and believes that the impact is likely to be short term in nature. The management does not see any medium to long term risks in the Company's ability to continue as going concern and meeting its liabilities as and when they fall due.

Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

**NOTE 36:-**

Particulars required under Paragraph 18 of the Master Direction Non-Banking Financial Company- Non-Sytemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 are given in the Annexure appended hereto.

**NOTE 37:-**

The previous year figures have been reclassified and regrouped where considered necessary to confirm to this year's presentations.

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

In terms of our report attached  
For **D K Chhajer & Co.**  
*Chartered Accountants*  
Firm Registration No. 304138E

**Tapan Kumar Mukhopadhyay**  
Partner  
Membership No.017483  
Place: Kolkata  
Date: 23.08.2021

For and behalf of the board

**Ashok Bhandari**  
*Director*  
DIN: 00012210

**S. K. Mukherjee**  
*Director*  
DIN: 00029362

**K.K. Thakur**  
*Manager & CFO*

**R.R. Dalmia**  
*Company Secretary*





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

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	NIL	NIL	NIL
(b) Companies in the same group	NIL	NIL	NIL
(c) Other related parties	NIL	NIL	NIL
2. Other than related parties	NIL	88.70	88.70
<b>TOTAL</b>	<b>NIL</b>	<b>88.70</b>	<b>88.70</b>

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

Category	Market Value / Break up/ or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties		
(a) Subsidiaries	NIL	NIL
(b) Companies in the same group	NIL	NIL
(c) Other related parties	NIL	NIL
2. Other than related parties	12,90,281.13	21,961.25
<b>TOTAL</b>	<b>12,90,281.13</b>	<b>21,961.25</b>

**(7) Other information**

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

In terms of our report attached  
For **D K Chhajer & Co.**  
*Chartered Accountants*  
Firm Registration No. 304138E

**Tapan Kumar Mukhopadhyay**  
Partner  
Membership No.017483  
Place: Kolkata  
Date: 23.08.2021

For and behalf of the board

**Ashok Bhandari**  
*Director*  
DIN: 00012210

**S. K. Mukherjee**  
*Director*  
DIN: 00029362

**K.K. Thakur**  
*Manager & CFO*

**R.R. Dalmia**  
*Company Secretary*