



Dated: 04.09.2021

To  
General Manager,  
BSE Limited,  
25th Floor, P.J. Towers,  
Dalal Street, Mumbai-400001

**Sub: Submission of Annual Report for the year 2020-21**

Dear Sir,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report of the company for the Financial Year 2020-21.

The aforesaid information has also been uploaded on the website of the Company at [www.emeraldfin.com](http://www.emeraldfin.com).

This is for your information and records.

**For Emerald Leasing Finance &  
Investment Company Limited**

A handwritten signature in blue ink, appearing to read "Amarjeet Kaur".

**(Amarjeet Kaur)  
Company Secretary cum Compliance Officer**





***EMERALD LEASING FINANCE  
AND  
INVESTMENT COMPANY LIMITED***

**38TH ANNUAL REPORT  
2020-2021**

**[www.emeraldfin.com](http://www.emeraldfin.com)**

# **FINANCING MADE SIMPLE BY SMART TECHNOLOGY**



# **Vision:**



***To be a world-class finance company and online marketplace.***



***To establish an end to end digital neo bank.***

# Our Distribution Partners:

 <p>AXIS BANK</p>	 <p>बैंक ऑफ़ बड़ौदा Bank of Baroda</p>	 <p>CAPITAL FLOAT</p>	 <p>केनरा बैंक Canara Bank</p>
 <p>Cholamandalam</p>	 <p>DHFL Changing Rules Changing Lives</p>	 <p>DCB BANK</p>	 <p>Edelweiss Ideas create, values protect</p>
 <p>Fullerton India</p>	 <p>HDB FINANCIAL SERVICES</p>	 <p>HDFC BANK We understand your world</p>	 <p>HDFC WITH YOU, RIGHT THROUGH</p>
 <p>ICICI Bank</p>	 <p>IDFC FIRST Bank</p>	 <p>ICICI Lombard — GENERAL INSURANCE —</p>	 <p>ICICI PRUDENTIAL LIFE INSURANCE</p>
 <p>IIFL</p>	 <p>Indiabulls HOME LOANS Ab Ghar Aa Jao</p>	 <p>IndusInd Bank</p>	 <p>kotak Kotak Mahindra Bank</p>
 <p>L&amp;T Finance</p>	 <p>MAGMA HOUSING FINANCE</p>	 <p>NeoGrowth NeoGrowth Credit Pvt. Ltd.</p>	 <p>न्यू इन्डिया एशरन्स NEW INDIA ASSURANCE</p>

## BOARD OF DIRECTORS

Mr. Sanjay Aggarwal	-	Managing Director
Mrs. Anubha Aggarwal	-	Non Executive Director
Mr. Deepak Gour	-	Independent Director
Mr. Raman Aggarwal	-	Independent Director

### REGISTRAR & TRANSFER AGENT

M/S Mas Services Limited,  
T-34, 2nd Floor, Okhla Industrial Area,  
Phase-II, New Delhi – 110020  
Ph No. : 01126387281/82/83  
Email : sm@masserv.com  
Website : www.masserv.com

### STATUTORY AUDITOR

M/s. K. Singh & Associates  
Chartered Accountants  
2706/B, MIG Super, Sector 70,  
Mohali – 160 070  
E-mail: kultarsingh@caks.in  
Website: www.caks.in

### COMPANY SECRETARY

Mrs. Anju Sharma (Upto 31.10.2020)  
Mrs. Amarjeet Kaur (from 01.01.2021)

### BANKERS

- ❖ The Punjab State Co-op Bank Limited
- ❖ Kotak Mahindra Bank Limited
- ❖ Capital Small Finance Bank
- ❖ ICICI Bank Ltd
- ❖ IDFC BANK Limited
- ❖ Canara Bank

### CHIEF FINANCIAL OFFICER

Ms. Sheetal Kapoor

### SECRETARIAL AUDITOR

Mr. Anil Negi

### REGISTERED OFFICE

SCO 7, Industrial Area, Phase-II,  
Behind Plot No. 410  
Chandigarh - 160 002  
Tel: 0172-4005659  
Fax: 0172-4603859  
Email- [cs@emeraldfin.com](mailto:cs@emeraldfin.com)  
Website: [www.emeraldfin.com](http://www.emeraldfin.com)  
CIN - L65993CH1983PLC041774

### INVESTOR COMPLIANTS

[cs@emeraldfin.com](mailto:cs@emeraldfin.com)  
[info@emeraldfin.com](mailto:info@emeraldfin.com)

# Contents

❖ NOTICE .....	3
❖ DIRECTORS' REPORT .....	19
❖ MANAGEMENT DISCUSSION & ANALYSIS REPORT .....	38
❖ REPORT ON CORPORATE GOVERNANCE .....	59
❖ GENERAL SHAREHOLDER INFORMATION .....	71
❖ INDEPENDENT AUDITORS' REPORT .....	81
❖ BALANCE SHEET .....	91
❖ PROFIT AND LOSS ACCOUNT .....	93
❖ CASH FLOW STATEMENT .....	107
❖ NOTES TO FINANCIAL STATEMENTS .....	109

## **CONSOLIDATED FINANCIAL STATEMENTS**

❖ INDEPENDENT AUDITORS' REPORT .....	115
❖ BALANCE SHEET .....	122
❖ PROFIT AND LOSS ACCOUNT .....	124
❖ CASH FLOW STATEMENT .....	138
❖ NOTES TO FINANCIAL STATEMENTS .....	140
❖ LOCATION MAP .....	141
❖ PROXY FORM .....	142
❖ ATTENDANCE SLIP .....	143

## **NOTICE**

NOTICE is hereby given that 38<sup>th</sup> Annual General Meeting of the shareholders of M/s Emerald Leasing Finance and Investment Company Limited will be held on Thursday 30<sup>th</sup> day of September, 2021 at 10:00 A.M. at Registered Office at SCO 7, First Floor, Industrial Area, Phase-II, Chandigarh.

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2021 and the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditor's thereon.
2. To receive, consider and adopt the audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2021 and the Report of the Auditors thereon.
3. To declare dividend of Rs. 0.10 per share for the financial year ended 31st March, 2021
4. To appoint a Director in place of Mrs. Anubha Aggarwal (DIN 02557154), who retires by rotation and being eligible, offers himself for reappointment.

### **SPECIAL BUSINESS:**

#### **5. TO INCREASE THE AUTHORISED SHARE CAPITAL**

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

**"RESOLVED THAT** pursuant to Sections 13, 61 and 64 of the Companies Act, 2013, and any other applicable provisions and the relevant rules framed there under and in accordance with the provisions of the Articles of Association of the Company, the authorised share capital of the Company be and is hereby increased from Rs. 40,00,00,000/- (Rupees Forty Crores) divided into 4,00,00,000 (Four Crore) equity shares of Rs. 10/- each, to Rs. 50,00,00,000/- (Rupees Fifty Crores) divided into 5,00,00,000 (Five Crore) equity shares of Rs. 10/- each, by creating additional 1,00,00,000 (One Crore) equity shares of Rs. 10/- each and consequently the Clause V of the Memorandum of Association of the Company be and is hereby altered by substituting the following new Clause V in place of existing Clause thereof:

V. The Authorised Share Capital of the Company is Rs. 50,00,00,000/- (Rupees Fifty Crores only) divided into 5,00,00,000 (Five Crore only) Equity Shares of Rs. 10/- (Rupees Ten only) each."

**RESOLVED FURTHER THAT** the new equity shares shall rank *pari passu* with the existing shares."

#### **6. ALTERATION IN THE CLAUSE NO. 4(1) OF THE ARTICLES OF ASSOCIATION**



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

**“RESOLVED THAT** pursuant to section 14 of the Companies Act, 2013, Article No. 4(1) of the Articles of Association of the Company be altered by substituting it with the following new clause:

4 (I) The Authorised Share Capital of the Company is Rs. 50,00,00,000/- (Rupees Fifty Crores only) divided into 5,00,00,000 (Five Crore only) Equity Shares of Rs. 10/- (Rupees Ten only) each.”

## **7. TO APPROVE RELATED PARTY TRANSACTIONS**

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

**“RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 read with Companies (Meeting of Board and Its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and provisions of Regulation 23(8) of the SEBI (Listing Obligations and Disclosure Requirement), 2015 including statutory modification(s) or re- enactment thereof for the time being in force and as may be enacted from time to time, approval of the members be and is hereby accorded to Board of Directors to enter into contracts/arrangements with each of the related party as given in explanatory statement for the transactions of availing or rendering of any services and other transactions which will be in ordinary course of business and at arm's length upto the maximum value of transactions as mentioned hereinbelow:

<b>Name of Related party</b>	<b>Particulars of contract/arrangement</b>
Eclat Net Advisors Pvt. Limited	availing or rendering of services upto Rs. 7.5 crores p.a.
Eclat Capital and Finance Limited	availing or rendering of services upto Rs. 7.5 crores p.a.
Reliable Capital & Financial Services	availing or rendering of services upto Rs. 7.5 crores p.a.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do or cause to be done all such acts, deeds and things, settle any queries, difficulties, doubts that may arise with regard to any transactions with the related party, make such changes to the terms and conditions as may be considered necessary or desirable in order to give effect to this resolution in the best interest of the Company.”

Place: Chandigarh  
Date: 27.08.2021

By order of the Board of Directors  
for **EMERALD LEASING FINANCE AND  
INVESTMENT COMPANY LIMITED**

**SANJAY AGGARWAL  
(MANAGING DIRECTOR)  
DIN: 02580828**

**NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and to vote on a poll instead of himself/herself. The proxy need not be a member of the company. A blank form of proxy is attached herewith and, if intended to be used, it should be returned duly completed at the registered office of the company not less than forty eight hours before the scheduled time of the commencement of 38th annual general meeting.
2. A person can act as proxy on behalf of members not exceeding fifty in number and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. However, a member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. Every member entitled to vote at the meeting, or on any resolution to be moved there at, shall be entitled during the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the company, provided not less than three days notice in writing of the intention so to inspect is given to the company.
4. The Shareholders/Proxies are requested to produce at the Registration Counter(s) the attendance slip sent along with this Report, duly completed and signed, for admission at the meeting hall. However, in case of non-receipt of Notice of AGM, members are requested to write to the Company at its Registered Office for issuing the duplicate of the same or download the same from Company's website [www.emeraldfin.com](http://www.emeraldfin.com)
5. Location map of the Venue of the Annual General Meeting is attached to this Annual Report.
6. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020.
7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
8. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.emeraldfin.com](http://www.emeraldfin.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).

9. In compliance with the MCA Circulars, the Company has published a public notice by way of an advertisement made dated 31.08.2021 in Jansatta (In Hindi) and Financial Express (In English), advising the members whose e-mail ids are not registered with the Company, its Registrar and Share Transfer Agent (RTA) or Depository Participant(s) (DPs), as the case may be, to register their e-mail ids with them.
10. Corporate Members are encouraged to attend the AGM through their Authorized Representatives. They are requested to send by e-mail, a certified copy of the Board resolution / Power of Attorney authorizing their representative to attend and vote on their behalf in the Meeting.
11. In accordance with Section 20 of the Companies Act, 2013 service of documents on members by a company is allowed through electronic mode. Accordingly, as a part of Green Initiative, soft copy of the Annual Report 2020-21 is being sent to all the members whose email address (es) are registered with the Company/Depository Participant(s) unless any member has requested for a hard copy of the same. Further, in accordance with Listing Regulations and Section 136 of the Companies Act, 2013 including Rule 10 of the Company (Accounts) Rules, 2014 the hard copies of Annual Report 2020-21 is being sent to all other members who have not registered their email address(es). Members, who have not yet registered their email address with the Company/RTA/Depository Participant, are requested to do the same at the earliest.  
The Notice of the 38<sup>th</sup> Annual General Meeting and the Annual Report 2020-21 will also be available on the Company's website [www.emeraldfin.com](http://www.emeraldfin.com) for downloading by the members. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during business hours.
12. The Company's Registrar and Share Transfer Agent for its Share Registry Work (Physical and Electronic) are M/s MAS Services Limited having their office at T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi – 110020 (INDIA) Ph No. 01126387281/82/83
13. The Register of Members and Transfer Books of the Company will be closed from 26-09-2021 to 30-09-2021 (both days inclusive) for the purpose of AGM.  
  
The record date i.e. Friday, 24<sup>th</sup> September, 2021 has been fixed for ascertaining entitlement for the payment of Final Dividend
14. SEBI, vide its notification dated 8th June, 2018, and further amendment dated 30th November, 2018, has prescribed that w.e.f. 1st April, 2019, the securities of listed companies can be transferred only in dematerialized form. Accordingly, Members holding shares in physical form are requested to convert their holding(s) in dematerialized form.
15. Members can avail the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail this facility may send their nomination to Company's Registrar and Share Transfer Agent, M/s MAS Services Limited, in the prescribed Form SH13, which is available on the website of the Company

(www.emeraldfin.com). Members holding shares in electronic mode may contact their respective Depository Participants for availing this facility.

16. The Securities and Exchange Board of India has notified that the shareholders/ transferee of shares (including joint holders) holding shares in physical form are required to furnish a certified copy of their Income Tax Permanent Account Number (PAN) card to the Company / RTA while transacting in the securities market including transfer, transmission or any other corporate action. Accordingly, all the shareholders/ transferees of shares (including joint holders) in physical form are requested to furnish a certified copy of their PAN Card to the Company/ RTA while transacting in the securities market including transfer, transmission or any other corporate action.
17. In view of COVID-19 pandemic, the physical meeting of shareholders will be convened with all safety measures. In case any member wants to avail the facility of video conferencing(VC)/other audio video mode (OAVM) for attending the annual general meeting, such member shall intimate the company atleast 7 days before the meeting so that the facility of VC can be provided.
18. Members are requested to:
  - i. Intimate their latest bank account details viz. name and address of the branch of the bank with 9 digit MICR code of the branch & 11 digit IFSC code, type of account and account number, to the respective depository participant in case shares are held in demat mode and to the Company's Registrar and Share Transfer Agent, M/s MAS Services Limited, in case shares are held in physical mode for payment of dividend through ECS / to incorporate this information on the dividend warrants and thus prevent fraudulent encashment of the warrants.
  - ii. Intimate changes, if any, pertaining to their registered addresses, e-mail address, telephone/mobile numbers, nomination, power of attorney etc. to their respective depository participant in case shares are held in demat mode and to the Company's Registrar and Share Transfer Agent, M/s MCS Share Transfer Agent Limited, in case shares are held in physical mode.
  - iii. Quote their folio numbers/Client ID/ DP ID in all correspondence.
  - iv. Consolidate their holdings into one folio in case they hold shares under multiple folios in the identical order of names.
19. For receiving all shareholder communications faster in future, including annual reports, the shareholders are requested to kindly register / update their e-mail address with their respective Depository Participant, where shares are held in electronic mode. If, shares are held in physical form, shareholders are advised to register their e-mail address with Company's Registrar and Share Transfer Agent, M/s MAS Services Limited with the copy of the signed request letter mentioning the name and address of the Member, self-attested copy of the PAN card, and self-attested copy of any document (e.g.: Driving License, Election Identity Card, Passport) in support of the address of the Member.
20. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form

and with Registrar and Share Transfer Agents of the Company (RTA) i.e. M/s MAS Services Limited in case the shares are held by them in physical form.

21. SEBI vide its Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018 has mandated that for making dividend payments, companies whose securities are listed on the stock exchanges shall use electronic clearing services (local, regional or national), direct credit, real time gross settlement, national electronic funds transfer etc. The Company and its Registrar and Share Transfer Agent are required to seek relevant bank details of members from depositories/ investors for making payment of dividends in electronic mode. Further, pursuant to MCA General Circular 20/2020 dated 5th May, 2020, companies are directed to credit the dividend of the members directly to the bank accounts of the members using Electronic Clearing Service. Accordingly, members are requested to provide or update (as the case may be) their bank details with the respective depository participants for the shares held in dematerialized form and with the Registrar & Share Transfer Agent in respect of shares held in physical form. In case of non-availability or non-updation of bank account details of the shareholders, the Company shall ensure payment of dividend to such member post normalization of postal services in the Country vide dispatch of dividend warrant/ cheque, as the case may be.
22. The Register of Members of the Company will remain closed from 26.09.2021 to 30.09.2021 (both days inclusive) for determining the name of members eligible for dividend on equity shares, if declared at the Meeting and the dividend if declared will be credited within 30 days of AGM to those members whose name shall appear on the Register of Members of the Company on 24.09.2021 end of day. In respect of shares held in electronic form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owner as on that date. As mentioned in the preceding note, in case of non-availability or non-updation of bank account details of the shareholders, the Company shall ensure payment of dividend to such member post normalization of postal services in the Country vide dispatch of dividend warrant/ cheque, as the case may be.
23. Unclaimed Dividends:

Members of the Company are requested to note that as per the provisions of Section 124(5) and Section 124(6) of the Act, dividends not encashed/claimed by the Member of the Company, within a period of seven years from the date of declaration of dividend, shall be transferred by the Company to the Investor Education and Protection Fund (IEPF), also all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the Demat Account of IEPF Authority notified by the MCA ('IEPF DematAccount'). In view of this, members/ claimants are requested to claim their dividends from the company within the stipulated timeline.

- b) Details of Unclaimed Dividend and Shares attached thereto on Website:

The details of the unpaid/unclaimed dividend are available on the website of the Company i.e. [www.emeraldfin.com](http://www.emeraldfin.com)

It is in the Members' interest to claim any unencashed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to the Members' account on time.

24. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions in writing to the Secretary of the Company by 15th September, 2021 at [cs@emeraldfin.com](mailto:cs@emeraldfin.com).
25. Details required under regulation 36(3) of SEBI (LODR) Regulation 2015 in respect of the Directors seeking appointment/re-appointment at the AGM, is separately annexed hereto. The Directors seeking appointment/reappointment have furnished the declaration under Rule 14 of the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Section 164(2) of the Companies Act, 2013 and other requisite declarations for their appointment / re-appointment.
26. Members holding shares in physical form and desirous of making a nomination or cancellation/ variation in nomination already made in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to submit to the RTA of the Company M/s MAS Services Ltd the prescribed Form SH 13 for nomination and Form SH 14 for cancellation/ variation as the case may be. Members holding shares in demat mode may contact their respective Depository Participant for availing this facility.
27. Members are advised to refer to the Shareholders General Information as provided in the Annual Report. In terms of the provisions of Section 107 and 108 of the Companies Act, 2013, since the resolutions as set out in this Notice are being conducted through e-voting, the said resolutions will not be decided on a show of hands at the Meeting.
28. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company at least 7 days before the date of AGM through email on [cs@emeraldfin.com](mailto:cs@emeraldfin.com). The same will be replied by the Company suitably.
29. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Act, The Register of Contracts or Arrangements in which the Directors are interested under section 189 of the Act and all other documents referred to the Notice will be available for inspection in electronic mode. Members can inspect the same by sending email to [cs@emeraldfin.com](mailto:cs@emeraldfin.com).
30. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.emeraldfin.com](http://www.emeraldfin.com) and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the BSE Limited.
31. Mr. Kanwaljit Singh, Membership number F 5901, a Practicing Company Secretary has been appointed as the Scrutinizer for conducting the e-voting process and voting at Annual General Meeting in a fair and transparent manner.

### 32. **E-VOTING:**

In terms of provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the items of Business given in the Notice of Annual General Meeting may be transacted through electronic voting system.

#### **THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING**

- (i) The voting period begins on 27.09.2021 at 9.00 A.M. and ends on 29.09.2021 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23.09.2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

- (iv) In terms of SEBI circular **no. SEBI/HO/CFD/CMD/CIR/P/2020/242** dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
----------------------	--------------

<p>Individual Shareholders holding securities in Demat mode with <b>CDSL</b></p>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
<p>Individual Shareholders holding securities in demat mode with <b>NSDL</b></p>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a</li> </ol>



	<p>mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
<p>Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b></p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

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

(v) Login method for e-Voting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,

- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,  
 c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

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

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant Emerald Leasing Finance & Investment Company Limited on which you choose to vote.

- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz: [cs@emeraldfin.com](mailto:cs@emeraldfin.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

Place: Chandigarh  
Date: 27.08.2021

By order of the Board of Directors  
for **EMERALD LEASING FINANCE AND  
INVESTMENT COMPANY LIMITED**

**SD/-  
SANJAY AGGARWAL  
(MANAGING DIRECTOR)  
DIN: 02580828**

## EXPLANATORY STATEMENT PURSUANT TO PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

### ITEM NO. 5 & 6

The present Authorized Share Capital of the Company is Rs. 40,00,00,000/- (Rupees Forty Crores Only) divided into 4,00,00,000 (Four Crore) equity shares of face value of Rs. 10/- (Rupees Ten) each. In order to augment resources by way of issue of shares etc., it is hereby proposed to increase the Authorised Share Capital to Rs. 50,00,00,000/- (Rupees Fifty Crores Only) by addition of 1,00,00,000 (One Crore) equity shares of the face value of Rs. 10/- (Rupees Ten) each. The management is considering further issue of share capital, so it is proposed to increase the Authorised Share Capital from Rs. 40 Crore to Rs. 50 crore commensurate with the business requirements. Consequent to the increase of Authorized Share Capital, the Authorized Share Capital Clause contained in Clause V of the Memorandum of Association of the Company and article 4(1) of Articles of Association needs to be altered

Your Directors recommend the Resolution set out at Sl. No. 5 & 6 for the approval of the shareholders of the Company.

None of the director or key managerial personnel or any of their relative is directly or indirectly interested in the resolution except to the extent of their shareholding in the Company.

### ITEM NO. 7

Eclat Net Advisors Pvt. Ltd. ("ENAPL"), is a subsidiary of Emerald Leasing Finance & Investment Company Limited (ELFICL). Mr. Sanjay Aggarwal, Managing Director and Mrs. Anubha Aggarwal, Director of the company is a Director and a wholetime director respectively in ENAPL. Eclat Capital and Finance Limited and ELFICL have common Directors as Mr. Sanjay Aggarwal and Mrs. Anubha Aggarwal and Reliable Capital & Financial Services is a proprietorship firm in which Mrs. Anubha Aggarwal is the Proprietor. They fall under the definition of 'Related Party' within the meaning of Section 2 (76) of the Companies Act, 2013 and Regulation 2 (1)(zb) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"). The Board of Directors of the Company had, on the recommendation of the Audit Committee, passed a resolution at its meeting held on 30<sup>th</sup> June, 2021, approving availing or rendering of services upto a value of Rs. 7.5 Crore to and from Eclat Net Advisors Pvt. Limited, Eclat Capital and Finance Limited and Reliable Capital & Financial Services.

The provisions of Section 188 of Companies Act, 2013 and Regulation 23(4) of Listing Regulations, 2015 requires prior approval of shareholders in case the Paid-up Share Capital of the Company is Rs.10 crores or more.

The following disclosure(s) for rendering of any services to the related party is made in accordance with the provisions of Section 188 of the Companies Act, 2013 and Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014:

a	Name of the related party	Eclat Net Advisors Pvt. Limited
b	Name of the director or key managerial personnel who is related, if any	Mr. Sanjay Aggarwal, Managing Director and Mrs. Anubha Aggarwal, Director

c	Nature of relationship	A company in which Sanjay Aggarwal, and Mrs. Anubha Aggarwal, are directors and members.
d	Nature, material terms, monetary value and particulars of the contract or arrangement	availing or rendering of services upto Rs. 7.5 crores
e	Any other information relevant or important for the members to take a decision on the proposed resolution	The transaction for entering into agreement for providing services with its related parties is on 'arm's length' basis and is advantageous for the Company considering the experience of the related party and shall be in compliance with Section 188 and other applicable provisions of the Companies Act, 2013 and the rules thereto.

a	Name of the related party	Eclat Capital and Finance Limited
b	Name of the director or key managerial personnel who is related, if any	Mr. Sanjay Aggarwal, Managing Director and Mrs. Anubha Aggarwal, Director
c	Nature of relationship	A company in which Sanjay Aggarwal, and Mrs. Anubha Aggarwal, are directors and members.
d	Nature, material terms, monetary value and particulars of the contract or arrangement	availing or rendering of services upto Rs.7.5 crores
e	Any other information relevant or important for the members to take a decision on the proposed resolution	The transaction for entering into agreement for providing services with its related parties is on 'arm's length' basis and is advantageous for the Company considering the experience of the related party and shall be in compliance with Section 188 and other applicable provisions of the Companies Act, 2013 and the rules thereto.

a	Name of the related party	Reliable Capital & Financial Services
b	Name of the director or key managerial personnel who is related, if any	Mrs. Anubha Aggarwal, Proprietor
c	Nature of relationship	Mrs. Anubha Aggarwal, who is the proprietor, is also a director and member in Emerald Leasing Finance & Investment Company Limited, Eclat Net Advisors Pvt. Ltd. And Eclat Capital and finance Limited
d	Nature, material terms, monetary value and particulars of the contract or arrangement	availing or rendering of services upto Rs7.5 crores
e	Any other information relevant or important for the members to take a decision on the proposed resolution	The transaction for entering into agreement for providing services with its related parties is on 'arm's length' basis and is advantageous for the Company considering the experience of the related party and shall be in compliance with Section 188 and other applicable provisions of the Companies Act, 2013 and the rules thereto.

Mr. Sanjay Aggarwal, Managing Director and Mrs. Anubha Aggarwal, Director of the company are concerned or interested in the resolution

The Board recommends passing of the proposed Resolution.

**INFORMATION REGARDING DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/ REAPPOINTMENT IN ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36 OF THE SEBI (LODR) REGULATIONS AND THE SECRETARIAL STANDARDS, FORMING PART OF THE CORPORATE GOVERNANCE REPORT**

<b>Name of Director</b>	Mrs. Anubha Aggarwal
<b>Date of original appointment</b>	26-10-2017
<b>Date of Birth</b>	09-08-1970
<b>Designation</b>	Director

Mrs. Anubha Aggarwal is a Non Executive Director of the Company.

**Expertise in Specific Functional Area:**

**Mrs. Anubha Aggarwal** is the promoter and director of the company. She holds a bachelor degree in Arts. She also holds a Diploma. She has an experience of more than 12 years in the field of financial Services and consultancy. She is a proprietor of Reliance Capital & Financial Services from past 11 years, which deals in financial services.

**Qualification:** B.A. Diploma Holder

**List of other Directorships:**  
1. Eclat Capital & Finance Limited  
2. Eclat Net Advisors Private Limited

**Names of other listed entities in which person also holds the directorship** NIL

**Chairman/Member of the Committee of the Directors of Emerald Leasing Finance and Investment Company Ltd:** 1

**Chairman/Member of the Committee of the Directors of other Companies** None

**Shareholding in the Company as on the date of this** : 1902452 Equity Shares

Relationship between directors inter-se and relationship with Manager and other KMP: - Mr. Sanjay Aggarwal, Managing Director of the company is spouse of Mrs. Anubha Aggarwal.

Terms of reappointment: Reappointment as Non executive no independent director liable to retire by rotation.

Remuneration: NIL

Remuneration sought to be paid: NIL

No. of meetings of Board attended during the FY 2020-21: 15

Justification for appointment and Remuneration: She has an experience of more than 12 years in the field of financial Services and consultancy. She is a proprietor of Reliance Capital & Financial Services from past 11 years, which deals in financial services.

## **DIRECTORS' REPORT**

Dear Members,

Your Directors have pleasure in presenting before you their 38<sup>th</sup> Annual Report together with the Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2021.

### **FINANCIAL RESULTS:-**

The standalone financial results of the Company for the year under review are summarized for your consideration:

<b>Particulars</b>	<b>2020-2021 (Amount in Lacs)</b>	<b>2019-2020 (Amount in Lacs)</b>
Gross Income	262.298	180.723
Expenses	126.721	107.590
Profit Before Exceptional item, Depreciation and Tax	135.598	71.858
Exceptional Item-CSR	0.750	0.00
Profit Before Depreciation and Tax	134.827	73.133
Depreciation	1.979	1.275
Net Profit Before Tax	132.848	71.858
Provision for Tax	32.168	13.938
Net Profit After Tax	100.680	57.920
Basic EPS	1.113	0.640
Diluted EPS	1.113	0.640

### **STATE OF COMPANY'S AFFAIRS/ BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/HIGHLIGHTS/OPERATIONS**

As the Company has been granted NBFC License by RBI, Emerald is focused mainly on giving loans to credit worthy SMEs. Company has elaborate system of vetting any loan proposal. Whereby, we study the financials, past track records and promoter's credibility. We have granted loans ranging from INR 5000 onwards. Current Loan Portfolio of the organization is performing very well.

Further to this the company has entered into partnership with various Fintech platforms to offer small ticket loans to merchants and individuals across India.

As the Promoters of the Company are into financial services from last 31 years, they have wide knowledge about credit worthiness of various clients.

Company is also in syndication of big tickets loans for various financial institutions. Last Year we have earned a revenue of INR 80,63,125/- through syndication business only.

We have floated a subsidiary by the name of Eclat Net Advisors Private Limited in March 2015. The Company acts as Direct Selling Agent for various financial institutions pan India through its online portal.



Contribution towards CSR : The company is actively and voluntarily contributing to Corporate Social Responsibility. During the current year the contribution of the company was INR 75000/-.

**DIVIDEND :-**

Your Directors have recommended dividend of INR 0.10 per share in the current financial year.

**RESERVE:**

Entire amount of Net Profit has been transferred to Profit and Loss Surplus account, which appears under the head "Reserves and Surplus." An amount of INR 20.136 Lakhs has been transferred to Statutory Reserve Fund u/s 45 IC @20% .

**DIRECTORS:-**

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mrs. Anubha Aggarwal (DIN 02557154), Director of the Company retires by rotation in the ensuing Annual General Meeting and being eligible offer herself for re-appointment.

**DECLARATION BY INDEPENDENT DIRECTORS**

All Independent Directors of the Company have given declarations that they meet the criteria of Independence as laid down under Section 149 (6) of the Companies Act, 2013 and Regulation 25 of SEBI (LODR) Regulations.

**KEY MANAGERIAL PERSONNEL**

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

Mr. Sanjay Aggarwal	Managing Director
Mrs. Anubha Aggarwal	Non-executive, Non- Independent Director , Member
Ms. Sheetal Kapoor	Chief Financial Officer
Mrs. Amarjeet Kaur	Company Secretary

During the year under review, Ms. Anju Sharma, Company Secretary of the company has resigned from the company w.e.f. 31.10.2020. Mrs. Amarjeet Kaur, a member of ICSI (membership no. ACS 17273) has been appointed as Company Secretary cum compliance officer of the company w.e.f. 01.01.2021.

**SHARE CAPITAL**

The Company has increased its Authorised Share Capital from Rs. 35,00,00,000 to Rs. 40,00,00,000/- by adding 50,00,000 Equity Shares of Rs. 10/- each during the year under review. The paid up share capital of the company is Rs. 9,04,36,500/- for the period ended March 31, 2021. Also, the company has also taken permission to issue shares by way of right issue upto Rs. 100 crores in the EGM held on 08.04.2019 and has concluded the issue of INR 20 Crores in May 2021.

- The Company has not bought back any of its securities during the year under review.

- The Company has not issued any Sweat Equity Shares during the year under review.
- No Bonus Shares were issued during the year under review.

**OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Your Company has zero tolerance policy in case of sexual harassment at workplace and is committed to provide a healthy environment to each and every employee of the company. The Company has in place "Policy for Prevention and Redressal of Sexual Harassment" in line with the requirements of sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (hereinafter referred to as 'the said Act') and Rules made there under. As per the provisions of Section 4 of the said Act, the Board of Directors has constituted the Internal Complaints Committee (ICC) at the Registered Office, Works to deal with the Complaints received by the company pertaining to gender discrimination and sexual harassment at workplace.

Further, as per the provisions of Section 21 & 22 of the said Act, the Report in details of the number of cases filed under Sexual Harassment and their disposal for the financial year under review, is as under:

Sr.No	No. of cases pending as on the beginning of the financial year under review	No. of complaints filed during the financial year under review	No. of cases pending as on the end of the financial year under review
1.	NIL	NIL	NIL

**EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS**

The company has taken the permission to issue shares by way of right issue upto Rs. 100 crores in the EGM held on 08.04.2019, and pursuant to the permission, has allotted 2,00,00,000 Equity Shares on Right Issue basis on 4<sup>th</sup> May, 2021 thereby increasing the paid up share capital to 2,90,43,650. The Company has got the listing and trading approvals for the increased capital also.

**MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAS OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

There has been no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and on the date of this report for the period ended March 31, 2021.

**MAJOR CHANGES HAPPENING DURING THE FINANCIAL YEAR**

Your Directors wish to inform that there have not been any changes during the Financial Year under review:

- a. In the nature of Company's business
- b. Generally in the class of business in which the Company has an interest.

**LISTING AND LISTING REGULATIONS :-**

The equity shares of the company are listed on the Bombay Stock Exchange (BSE). During the year, Company executed Uniform Listing Regulations in accordance with the requirements of SEBI circular DCS/COMP/12/2015-16 dated October 13, 2015, with BSE Limited.

The Company has also formulated the new Policies as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The company is regular in paying the listing fee.

#### **INSIDER TRADING:**

The Board of Directors has adopted The Code Of Conduct For Prevention Of Insider Trading in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Insider trading policy of the company lays down guidelines and procedures to be followed and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO**

The requisite information has been given by way of an Annexure D-1 to this Report.

#### **CORPORATE GOVERNANCE:-**

Though the provisions of corporate governance are not applicable to the company for the year ending 31.03.2021, your Company is still committed to maintain the highest standards of Corporate Governance. A copy of corporate governance is attached as annexure D-10.

#### **BUSINESS RESPONSIBILITY REPORT**

Regulation 34 (2) (f) the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the Company.

#### **POLICY ON DIRECTORS APPOINTMENT AND POLICY ON REMUNERATION**

Pursuant to the requirement under Section 134(3)(e) and Section 178(3) of the Companies Act, 2013, the policy on appointment of Board members including criteria for determining qualifications, positive attributes, independence of a Director and the policy on remuneration of Directors, KMP and other employees is attached as Annexure D-2, which forms part of this report.

#### **MANAGEMENT DISCUSSION & ANALYSIS REPORT:**

Management Discussion & Analysis Report for the year under review, as stipulated under Part B of Schedule V to the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section as Annexure D-3 forming part of this Annual Report.

#### **PARTICULARS OF REMUNERATION OF DIRECTORS/ KMP/EMPLOYEES:-**

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Companies Act 2013, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard. The details under Section 197 (12) of the Companies Act, 2013 read with Rules 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given as Annexure D-4.

### **NUMBER OF MEETINGS OF BOARD**

During the year 2020-21, 16 Board Meetings were held including one meeting of Independent Directors on the following dates:.

Date of Board Meeting	No. of Directors	Present
15.07.2020	4	4
14.08.2020	4	2
01.09.2020	4	2
06.09.2020	4	4
15.09.2020	4	4
26.09.2020	4	2
13.10.2020	4	3
13.11.2020	4	4
16.11.2020	4	2
18.11.2020	4	3
01.01.2021	4	2
19.01.2021	4	3
21.01.2021	4	3
12.02.2021	4	4
12.02.2021 (Ind. Director meeting)	2	2
31.03.2021	4	2

### **PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

Pursuant to applicable provisions of the Companies Act, 2013 and the Listing Regulations with Stock Exchanges, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors. Accordingly, following is the criteria for evaluation:-

- a. Criteria for evaluation of the Board of Directors as a whole:
  - i. The Frequency of Meetings
  - ii. Quantum of Agenda
  - iii. Administration of Meetings
  - iv. Flow and quantity of Information from the Management to the Board

- v. Number of Committees and their role.
- vi. Overall performance of the Company
- b. Criteria for evaluation of the Individual Directors including Independent Directors;
  - i. Experience and ability to contribute to the decision making process
  - ii. Problem solving approach and guidance to the Management
  - iii. Attendance and Participation in the Meetings
  - iv. Personal competencies and contribution to strategy formulation
  - v. Contribution towards statutory compliances, monitoring of controls and Corporate Governance

The Independent Directors had met separately on 12.02.2021 without the presence of Non-Independent Directors and the members of management and discussed, inter-alia, the performance of non-Independent Directors and Board as a whole and the performance of the Chairman of the Company after taking into consideration the views of Executive and Non-Executive Directors.

The Nomination and Remuneration Committee has also carried out evaluation of every Director's performance. The performance evaluation of all the Independent Directors have been done by the entire Board, excluding the Director being evaluated. On the basis of performance evaluation done by the Board, it shall be determined whether to extend or continue their term of appointment, whenever the respective term expires. The Directors express their satisfaction with the evaluation process.

#### **STATUTORY AUDITORS & AUDITORS REPORT:-**

M/s K. Singh & Associates, Chartered Accountants, Chandigarh, was appointed as Statutory Auditors of the Company in the last Annual General Meeting to hold office till the conclusion of Annual General Meeting to be held in the year 2022.

The Auditors' Report being self-explanatory requires no comments from the Directors. Further, there are no reservations, qualifications or adverse remarks in the Audit Report given by them in respect of the Financial Year 2020-21.

#### **SECRETARIAL AUDITORS AND THEIR REPORT**

Mr. Anil Negi (M. No. 46547), a Company Secretary in practice having CP No. 17213, was appointed as Secretarial Auditor of the Company for the financial year 2020-21 and 2021-22 pursuant to Section 204 of the Companies Act, 2013. The Secretarial Audit Report submitted by him in the prescribed form MR- 3 is attached as Annexure D-5 and forms part of this report.

#### **FRAUDS REPORTED BY AUDITORS**

There are no frauds reported by auditors under sub-section (12) of section 143 including those which are reportable to the Central Government.

#### **COST AUDIT**

As per the Cost Audit Orders, Cost Audit is not applicable to the Company.

#### **CONSOLIDATED FINANCIAL STATEMENTS**

Your Directors have pleasure in attaching the Consolidated Financial Statements pursuant to Section 129(3) of the Companies Act, 2013 (Act) and SEBI Listing Regulations and prepared in accordance with the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in this regard.

#### **INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY**

As required pursuant to provisions of section 134(1) (e) of the Act, the Company has a well placed, proper and adequate internal financial control system, commensurate with the size, scale and complexity of its operations. The scope and authority of the internal Audit function is well defined in the Organization. The internal financial control system ensures that all assets are safeguarded and protected and that the transactions are authorized, recorded and reported correctly.

#### **DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT**

The Company has in place comprehensive risk assessment and minimization procedures, which are reviewed by the Board periodically. During the year, as per the requirements of Listing Agreement with the Stock Exchanges, a Risk Management Committee was constituted by the Board of Directors with responsibility of preparation of Risk Management Policy, reviewing and monitoring the same on regular basis, to identify and review critical risks on regular basis. The risks faced by the Company and their minimization procedures are assessed by the Board. Further, the Company identifies risks, and control systems are instituted to ensure that the risks in each business process are mitigated. The Board provides oversight and reviews the Risk Management Policy on a regular basis. In the opinion of the Board there has been no identification of elements of risk that may threaten the existence of the Company.

#### **SUBSIDIARIES/ASSOCIATES**

The Company has a subsidiary M/s Eclat Net Advisors Pvt. Ltd.(CIN:U74140CH2015PTC035473) as defined in the Companies Act, 2013. Report on the performance and Financial position of the subsidiary in the specified format AOC-1 is annexed to the Directors' Report as Annexure D-6.

#### **DEPOSITS**

The Company has neither accepted nor renewed any deposits during the Financial Year 2020-21 in terms of Chapter V of the Companies Act, 2013. Information in this regard, therefore, is nil. There was no non compliance of provisions of chapter V of the Companies Act, 2013.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERNS STATUS AND COMPANY'S OPERATIONS IN FUTURE**

The Company has not received any significant or material orders passed by any Regulatory Authority, Court or Tribunal which shall impact the going concern status and Company's operations in future.

### **CORPORATE SOCIAL RESPONSIBILITY**

The Company is not covered under section 135 of Companies Act, 2013 hence details regarding policy on Corporate Social Responsibility is not applicable to the Company.

### **AUDIT COMMITTEE**

Your Directors wish to inform that in Compliance with Section 177 of the Companies Act, 2013 and Regulation 18 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, an audit committee has been duly constituted. The Audit Committee as on March 31, 2021 comprises of the following Directors:

Mr. Raman Aggarwal	Independent Director, Chairman
Mr. Sanjay Aggarwal	Managing Director, Member
Mrs. Anubha Aggarwal	Non - Executive , Non-Independent Director, Member

Details of the Audit Committee have been separately given in the corporate governance report. Further, all recommendations of Audit Committee were accepted by the Board of Directors.

### **NOMINATION & REMUNERATION COMMITTEE**

In terms of Regulation 19 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the provisions of section 178 of the Companies Act, 2013, Nomination & Remuneration Committee as on March 31, 2021 comprises of the following Directors:

Mr. Deepak Gour	Independent Director, Chairman
Mrs. Anubha Aggarwal	Non-executive, Non - independent Director, Member
Mr. Raman Aggarwal	Independent Director, Member

The details of Remuneration Policy and the Committee are furnished in the Report on Corporate Governance, which is annexed herewith.

### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

In terms of Regulation 20 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted Stakeholders Relationship Committee with following composition as on 31.03.2021:-

Mrs. Anubha Aggarwal	Non-executive, Non - independent Director, Chairperson
Mr. Raman Aggarwal	Independent Director, Member
Mr. Sanjay Aggarwal	Managing Director, Member

**EXTRACT OF ANNUAL RETURN**

The extract of Annual Return as on March 31, 2021 in the prescribed Form No. MGT-9, pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014 is attached herewith as Annexure D-7 and forms part of this Report.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

Pursuant to Section 134(3)(g) of the Companies Act, 2013 particulars of loans, guarantees or investments under Section 186 of the Act as at end of the Financial Year 2020-21 are not applicable to the company as company is a non banking finance company, Though the information is attached as Annexure D-8 which forms part of this report.

**CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188(1) OF THE COMPANIES ACT, 2013**

With reference to Section 134(3)(h) of the Companies Act, 2013, all contracts and arrangements with related parties under Section 188(1) of the Act, entered by the Company during the financial year, were in the ordinary course of business and on an arm's length basis. Hence, provisions of Section 188 (1) are not applicable. However, as these transactions were in the ordinary course of business and on an arm's length basis, in the opinion of the Board these transactions are justified to be executed. The detail of these transactions is given in Annexure D-9, which forms part of this report.

During the year, the Company had not entered into any contract or arrangement with related parties which could be considered 'material' according to the policy of the Company on Materiality of Related Party Transactions. Your attention is also drawn to the Related Party disclosures set out in Note no. 25 of the Financial Statements.

**VIGIL MECHANISM**

The Company has established a Vigil Mechanism cum Whistle Blower Policy in terms of Section 177 (10) of the Companies Act, 2013 and also in terms of Regulation 22 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The detail of the said Vigil Mechanism cum Whistle Blower Policy is given in the Corporate Governance Section, which is annexed herewith. The Vigil Mechanism cum Whistle Blower Policy is also available on the Company's website <http://www.emeraldfin.com/wp-content/uploads/2015/03/Whistle-Blower-Policy.pdf>.

**DIRECTORS' RESPONSIBILITY STATEMENT:-**

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had 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 and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;



- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **COMPLIANCE**

The company has devised proper systems to ensure compliance of all laws applicable to the company and the compliance reports issued by the Departmental Heads are placed before the Board every Quarter confirming compliance by the Company with all applicable Laws.

### **CEO/CFO CERTIFICATION**

In accordance with Regulation 17 (8) read with Part B of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to corporate governance norms the Managing Director has submitted necessary certificate to the Board of Directors stating the particulars specified under the said Clause. The certificate has been reviewed by the Audit Committee and taken on record by the Board of Directors.

### **DEMATERIALIZATION OF SHARES**

As mentioned in Company's earlier Annual Reports, the Company's equity shares are in compulsory Demat mode in terms of SEBI Guidelines. This has been facilitated through arrangement with NSDL and CDSL. About 94.62% of the shares of the Company are already in dematerialized form. M/s Mas Services Limited, New Delhi is acting as the Registrar and Share Transfer Agents for this purpose and acts as common share agency in terms of SEBI Guidelines.

### **TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

### **COMPLIANCE WITH THE SECRETARIAL STANDARDS**

The company has duly complied with the applicable Secretarial Standards during the financial year 2020-21.

### **SUMS DUE TO MICRO, SMALL & MEDIUM ENTERPRISES**

There is no liability towards principal and interest payable to Micro, Small & Medium Enterprises as on 31st March, 2021.

### **CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC)**

No Insolvency resolution process has been initiated/ filed by a financial or operational creditor or by the company itself under the IBC before the NCLT.

**ACKNOWLEDGEMENT:-**

Your Directors wish to express their sincere appreciation to valued Clients, Reserve Bank of India Company's Bankers, Government Agencies and Employees of the company for their continued support & co-operation.

**For & On Behalf of the Board**

**Sd/-**

**(Sanjay Aggarwal)  
MANAGING DIRECTOR  
(DIN 02580828)**

**For & On Behalf of the Board**

**Sd/-**

**(Anubha Aggarwal)  
DIRECTOR  
(DIN 02557154)**

PLACE: CHANDIGARH

Date: 27.08.2021

**ANNEXURE D-1 TO THE DIRECTORS' REPORT:-**

**A. Conservation of Energy :**

Though energy does not form a significant portion of the cost for the Company yet wherever possible and feasible, continuous efforts are being put for conservation of energy and minimize power cost. The Energy conservation measures include replacement of incandescent lights with low power consuming LED lights and compact Fluorescent Lights, replacement of old electrical units with new energy efficient units. Staff of the Company is regularly educated about conservation of power.

**B. Technology Absorption:**

The company is in service industry and exposure of technology is not very significant. The Company continues to absorb and upgrade modern technologies in its operations and back end support functions like Accounts, Human Resource Management, Operations and Compliance functions.

**C. Foreign exchange earnings and outgo:**

There is no foreign exchange earnings and outgo during the financial year.

**ANNEXURE D- 2 TO THE DIRECTORS' REPORT****NOMINATION AND REMUNERATION POLICY**

This Nomination and Remuneration Policy has been formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulations of SEBI (LODR) Regulations, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

**1. OBJECTIVE**

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation under SEBI (LODR) Regulations. The Key Objectives of the Committee would be:

- 1.1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- 1.2. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- 1.3. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- 1.4. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- 1.5. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- 1.6. To devise a policy on Board diversity
- 1.7. To develop a succession plan for the Board and to regularly review the plan;

**2. DEFINITIONS**

- 2.1. **Act** means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- 2.2. **Board** means Board of Directors of the Company.
- 2.3. **Directors** mean Directors of the Company.
- 2.4. **Key Managerial Personnel** means

- 2.4.1. Chief Executive Officer or the Managing Director or the Manager;
- 2.4.2. Whole-time director;
- 2.4.3. Chief Financial Officer;
- 2.4.4. Company Secretary; and
- 2.4.5. such other officer as may be prescribed.

2.5. **Senior Management** means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

2.6. "**Remuneration**" means money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

### 3. **ROLE OF COMMITTEE**

#### 3.1. **Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee**

The Committee shall:

- 3.1.1. Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- 3.1.2. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- 3.1.3. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

#### 3.2. **Policy for appointment and removal of Director, KMP and Senior Management**

##### 3.2.1. **Appointment criteria and qualifications**

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level in line with the Business of the Company, the Industry Structure which the Company operates in and recommend to the Board his / her appointment.

b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment to ensure that he/she is able to discharge his duties in a diligent manner. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

c) The Chief Financial Officer of the Company shall be a person with requisite professional qualification who can understand the finance and accounts. The Company Secretary of the Company shall necessarily be a member of Institute of Company Secretaries of India. For any other position in the Senior Management, where

a specific educational qualification is desirable to discharge the functions and duties attached to that particular position, the person shall necessarily be holding that qualification.

d) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

### 3.2.2. Term / Tenure

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.

- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

### 3.2.3. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly) on the basis of following criteria:-

- a. Criteria for evaluation of the Board of Directors as a whole:
  - vi. The Frequency of Meetings
  - vii. Quantum of Agenda
  - viii. Administration of Meetings
  - ix. Flow and quantity of Information from the Management to the Board
  - x. Number of Committees and their role.
  - xi. Overall performance of the Company
- b. Criteria for evaluation of the Individual Directors including Independent Directors;
  - xii. Experience and ability to contribute to the decision making process

- xiii. Problem solving approach and guidance to the Management
- xiv. Attendance and Participation in the Meetings
- xv. Personal competencies and contribution to strategy formulation
- xvi. Contribution towards statutory compliances, monitoring of controls and Corporate Governance

#### **3.2.4. Removal**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder or due to other valid reasons as recorded in writing by the Committee, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

#### **3.2.5. Retirement**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

### **3.3. Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel**

#### **3.3.1. General:**

- a) The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b) The remuneration to be paid to the Whole-time Directors and shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.
- c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director. Further, in case of KMP and Senior Management, the increments shall be allowed not only on the basis of performance of the Company alone but shall also includes various factors like individual performance vis a vis individual KRA, diligence in achievement of KRAs, Industry trends, economic situation, future growth prospects etc
- d) Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

### **3.3.2. Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:**

#### 1) Remuneration to Managing Director / Whole-time Directors:

a. The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

b. The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

c. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, the Company shall pay Remuneration with the previous approval of the Central Government.

d. Provisions for excess remuneration:

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

#### 2. Remuneration to Non- Executive / Independent Directors:

a. The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

b. All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

c. An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.

d. Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:

i. The Services are rendered by such Director in his capacity as the professional; and

ii. In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

e. The Nomination and Remuneration Committee of the Company, shall determine the stock options and other share based payments to be made to Non Executive Non Independent Directors.

#### 3) Remuneration to Key Managerial Personnel and Senior Management:



- a) The remuneration to Key Managerial Personnel and Senior Management shall be in compliance with the applicable provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The Nomination and Remuneration Committee of the Company, shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.
- c) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.
- d) The Incentive pay shall be in the form of Performance Bonus and shall be decided based upon the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

#### **4. MEMBERSHIP OF COMMITTEE**

- 4.1 The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.
- 4.2 Minimum two (2) members shall constitute a quorum for the Committee meetings.
- 4.3 Membership of the Committee shall be disclosed in the Annual Report.
- 4.4 Term of the Committee shall be continued unless terminated by the Board of Directors.

#### **5. CHAIRPERSON**

- 5.1 Chairperson of the Committee shall be an Independent Director.
- 5.2 Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- 5.3 In the absence of the Chairperson of the Committee, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- 5.4 Chairman of the Nomination and Remuneration Committee meeting would be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

#### **6. FREQUENCY OF MEETINGS**

The meeting of the Committee shall be held at such regular intervals as may be required. However, it shall be ensured that such minimum number of meetings of the committee are held as required under the Companies Act, 2013 and Rules framed thereunder or under the listing Regulations.

#### **7. COMMITTEE MEMBERS' INTERESTS**

- 7.1 The disclosure of Interest and participation in the meetings by a member of the Committee shall be as per the provisions of the Act and Rules made thereunder from time to time.
- 7.2 The Committee may invite such executives, professionals, consultants or experts as it considers appropriate, to be present at the meetings of the Committee.

#### **8. SECRETARY**

The Company Secretary of the Company shall act as Secretary of the Committee.

**9. VOTING**

**9.1** Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

**9.2** In the case of equality of votes, the Chairman of the meeting will have a casting vote.

**10. MINUTES OF COMMITTEE MEETING**

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee or the chairman of the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

**ANNEXURE D-3 TO THE DIRECTORS' REPORT**

**MANAGEMENT DISCUSSION & ANALYSIS REPORT**

**BUSINESS REVIEW**

In Emerald, we are mainly funding to known & credit worthy clients. Mostly these clients are such with whom we had long relationships. The effectiveness of this marketing strategy can be seen from the fact that we had very negligible bad debt from the recently sourced portfolio.

Further, we are syndicating funds for various corporate & SME clients through various Banks and financial institutions. These clients are mainly sourced through referrals from various channels.

As the Company has been granted NBFC License by RBI, Emerald is focused mainly on giving loans to credit worthy SMEs. Company has elaborate system of vetting any loan proposal. Whereby, we study the financials, past track records and promoter's credibility. We have granted loans ranging from INR 5000 onwards. Our Current Loan Portfolio is performing very well. As the Promoters of the Company are into financial services from last 31 years, they have wide knowledge about credit worthiness of various clients.

Further to this the company has entered into partnership with various Fintech platforms to offer small ticket loans to merchants and individuals across India.

**FINANCIALS**

The financial performance of the Company for the financial year ended March 31, 2021 are given in the directors report.

**SWOT Analysis**

<p><b>STRENGTHS</b></p> <ul style="list-style-type: none"> <li>• Good portfolio quality</li> <li>• Low debt company</li> <li>• Experienced management team</li> <li>• Scalable business model</li> <li>• Excellent customer service</li> </ul>	<p><b>WEAKNESS</b></p> <ul style="list-style-type: none"> <li>• Not enough penetration in market.</li> <li>• Strength of the staff.</li> <li>• Scale of operation</li> </ul>
<p><b>OPPORTUNITIES</b></p> <ul style="list-style-type: none"> <li>• Growth Potential</li> <li>• Potential to provide other value added services</li> <li>• Increased disposable income of middle-class</li> <li>• Tie ups with leading Fintechs</li> </ul>	<p><b>THREATS</b></p> <ul style="list-style-type: none"> <li>• Increased competition</li> <li>• Economic factors leading to recession</li> <li>• Volatility in markets likely to affect revenues and increase the cost of capital</li> <li>• Pandemic slowed down the growth pace.</li> </ul>

**INDUSTRY STRUCTURE & DEVELOPMENT**

Indian economy is going through a period of rapid 'financial liberalisation'. Today, the 'intermediation' is being conducted by a wide range of financial institutions through a plethora of customer friendly financial products.

Emerald leasing finance & Investment Company Limited today has emerged as a strong & reliable player in a fiercely competitive market of financial services.

Emerald leasing finance & Investment Company Limited has built a strong presence in the market through its cumulative experience, strong network as well as sound systems and processes. The company's long-term aspiration is to play a significant role in meeting the financial requirements of retail customers as well as corporate clients.

### INFORMATION TECHNOLOGY

Our company constantly upgrades its technology both in terms of hardware and software. This also helped installing a good management information system for the management to get timely information for decision making.

### INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Our Company has built adequate systems of internal controls towards achieving efficiency and effectiveness in operations, optimum utilization of resources, and effective monitoring thereof as well as compliance with all applicable laws. The internal control mechanism comprises a well-defined organization structure, documented policy guidelines, predetermined authority levels and processes commensurate with the level of responsibility.

### HUMAN RESOURCES

Our Company continues to lay great stress on its most valuable resource -people. Continuous training, both on the job and in an academic setting, is a critical input to ensure that employees at all levels are fully equipped to deliver a wide variety of products and services to the customer of the company.

### RESPONSIBILITY FOR THE MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Board of Directors have reviewed the Management Discussion and Analysis prepared by the Management. Statement in this report of the Company's objective, projections, estimates, exceptions, and predictions are forward looking statements subject to the applicable laws and regulations. The statements may be subjected to certain risks and uncertainties.

The Company assumes no responsibility in respect of forward looking statements that may be amended or modified in future on the basis of subsequent developments, information or events.

### OTHER KEY INDICATORS

Ratios	2020-21	2019-20	2018-19	% Increase/ Decrease	Reason for change
Debtors Turnover Ratio	3.98	3.80	3.08	0.05%	Because of delayed receipt of payment from debtors.
Inventory Turnover Ratio	-	-	-		
Interest Coverage Ratio	7.19	5.02	5.79	43.23%	Because of increase in EBITA margin.
Current Ratio	0.76	1.72	12.32	-55.81%	Due to increase in current liabilities as compared to that of current

					assets
Debt Equity Ratio	0.20	0.15	0.06	33.33%	Because of increase in Debt and no infusion of fresh capital.
Operating Profit Margin	0.60	0.50	0.51	20%	Due to Increase in Revenue during the year
Net Profit Margin	0.38	0.32	0.31	18.75%	Because of increase in revenue during the year as compared to expenses.

#### **ANNEXURE D-4 TO THE DIRECTORS' REPORT**

#### **DETAILS UNDER SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

(i) Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2020-21, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and other Executive Director and Company Secretary during the financial year 2020-21.

<b>Sr. No.</b>	<b>Name of Director/KMP</b>	<b>Designation</b>	<b>The Ratio of the remuneration of each Director to the median remuneration of the employees</b>	<b>The percentage increase in remuneration</b>
1.	Sanjay Aggarwal	Chairman cum Managing Director	1.99	20%
2.	Anubha Aggarwal	Wholetime Director	NIL	NIL
3.	Sheetal Kapoor	CFO	1.66	4.17%
4.	Amarjeet Kaur	CS	0.36	100%

ii. The percentage increase in the median remuneration of Employees for the financial year was 1.27%

iii. The Company has 15 permanent Employees on the rolls of Company as on 31st March, 2021.

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

Average percentage decrease made in the salaries of Employees other than the managerial personnel in the financial year was 3.815%.

v. Affirmation that the remuneration is as per the remuneration policy of the Company:

It is affirmed that the remuneration is as per the 'Remuneration Policy for Directors, Key Managerial Personnel and other employees' adopted by the Company.

**Top Ten Employee Information**

Name	Salary	Qualification	Experience	Last Employment	No. of shares held in the company
Geeta Ray Rana	22,000	Bachelor In Arts	6 Years	Competent Finman Pvt. Ltd.	-
Anil Kumar	20,000	Bachelor In Arts	9 Years	Eclat Capital Services	-
Devender Vatsal	20,000	B.Tech	8 Years	Modicorp Ltd	-
Manoj Kumar Verma	20,000	Bachelor In Arts	6 years	Eclat Net Advisors Private Ltd	-
Vipin Kumar	20,000	Bachelor In Arts	5 Years	Eclat Capital Finance Limited	-
Mahesh	18,000	Bachelor In Arts	4 Year	Eclat Management Services	-
Mamta	18,000	Bachelor In Arts	4 Year	Eclat Management Services	-
Ritu Bansal	18,000	Masters in Arts	5 Years	Paul Merchants	-
Navneet Kaur	17,000	Masters In Commerce	6 Years	Karvy Financial Services	255
Renu	15,000	Bachelor In Arts	5 Years	Manav Mangal High School	-

**ANNEXURE D-5 TO THE DIRECTORS' REPORT****Form No. MR-3****SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

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

To,

The Members,  
Emerald Leasing Finance and Investment Company Limited,  
S.C.O. 7, Industrial Area,  
Phase 2, Chandigarh.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by EMERALD LEASING FINANCE AND INVESTMENT COMPANY LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the EMERALD LEASING FINANCE AND INVESTMENT COMPANY LIMITED'S books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by EMERALD LEASING FINANCE AND INVESTMENT COMPANY LIMITED ("the Company") for the financial year ended on March 31, 2021 under the provisions of below mentioned regulations, which were shared with me. It is informed that due to prevailing nationwide lockdown in light of COVID-19, I was not able to carry out physical inspection of the said records:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2013.
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and the amendments thereof: Not Applicable, as none of the securities of the company were delisted during the audit period.
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
- e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014- Not Applicable as the company has not provided any share based benefits to the employees during the year.
- f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and Chapter V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015- Not applicable as the company has not issued any debt securities during the financial year under review.
- g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client- Not applicable as the company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review.
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- Not applicable as the company has not bought back any of its securities during the financial year under review.

(vi) The major provisions and requirements prescribed under all applicable Labour laws viz. The Payment of Wages Act, 1936, The Minimum Wages Act, 1948, The Payment of Bonus Act, 1965, Employee's State Insurance Act, 1948, Employees Provident Fund and Miscellaneous Provisions Act, 1952, Payment of Gratuity Act, 1972 etc.

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 being listed on BSE Limited.

During the period under review the Company has complied with the provisions of the act, rules, regulations, guidelines, standards, etc. mentioned above.

Based on our examination and the information received and records maintained, I further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors of the company during the audit period.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. All decisions are carried out through majority, while the dissenting members' views, if any, are captured and recorded as part of the minutes.



4. The company has proper board processes.

Based on the compliance mechanism established by the company and on the basis of the compliance certificate(s) issued by the Company Secretary/ Officers and taken on record by the board of directors in their meeting(s), I am of an opinion that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period under review:

1. The authorized share capital of the company was increased from Rs. 35.00 Crores to Rs. 40.00 Crores with the approval of the members vide Extra-Ordinary Resolution in EGM dated 26.10.2020.
2. Pursuant to the permission taken from the members in the EGM dated 08.04.2019 for further increase of share capital, the company fixed the Record date as 28.01.2021 for Right issue of shares. the size of the Issue was fixed at 2,00,00,000 equity shares of INR 10 each at a price of INR 10 per Rights Equity Share i.e. at par aggregating to INR 20,00,00,000 (Rupees Twenty Crores Only), The Rights Entitlements Ratio is fixed at 42 equity shares for every 19 Equity shares (**42:19**) held by the shareholders as on the Record Date ("**Eligible Shareholders**"), with a right to renounce

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

- (i) Major decisions under Section 180 of the Companies Act, 2013.
- (ii) Redemption / buy-back of securities.
- (iii) Merger / amalgamation / reconstruction etc.
- (iv) Foreign technical collaborations.

Anil Negi  
M. No. 46547  
C.P. No. 17213

Place: Shimla  
Date : 14.08.2021

UDIN: A046547C000784999

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

"Annexure-A"

To,

The Members,  
Emerald Leasing Finance and Investment Company Limited,  
S.C.O. 7, Industrial Area,  
Phase 2, Chandigarh.

My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records, based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. I believe that the processes and practices, we followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the extent of verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Shimla  
Date : 14.08.2021

UDIN: A046547C000784999

Anil Negi  
M. No. 46547  
C.P. No. 17213

**ANNEXURE D-6 TO THE DIRECTORS' REPORT**

**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**

**Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

	<b>Particulars</b>	<b>Details</b>
1	Name of the subsidiary	Eclat Net Advisors Pvt. Ltd.
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01-04-2020- 31-03-2021
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
4	Share capital	1,10,75,580.00
5	Reserves & surplus	5,10,00,891.37
6	Total assets	7,54,63,409.22
7	Total Liabilities	1,33,86,937.85
8	Investments	Nil
9	Turnover	2,82,89,073.24
10	Profit before taxation	52,87,607.90
11	Provision for taxation	14,16,600.00
12	Profit after taxation	38,71,007.90
13	Proposed Dividend	5,53,783.00
14	% of shareholding	81.26%

**Notes:** The following information shall be furnished at the end of the statement:

**Part "B": Associates and Joint Ventures**

**Nil**

**ANNEXURE D-7 TO THE DIRECTORS' REPORT**

As on financial year ended on 31.03.2021

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management &amp; Administration) Rules, 2014.

## I. REGISTRATION &amp; OTHER DETAILS:

1.	CIN	L65993CHPLC041774
2.	Registration Date	22/11/1983
3.	Name of the Company	EMERALD LEASING FINANCE AND INVESTMENT COMPANY LIMITED
4.	Category/Sub-category of the Company	OTHER FINANCIAL SERVICES
5.	Address of the Registered office & contact details	SCO 7 INDUSTRIAL AREA PHASE 2 CHANDIGARH 160002
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/S MAS SERVICES LIMITED, T-34, 2ND FLOOR, OKHLA INDUSTRIAL AREA, PHASE-II, NEW DELHI – 110020 PH NO. : 01126387281/82/83 Email : <a href="mailto:sm@masserv.com">sm@masserv.com</a>
8.	Email Id of the Company	E-mail : <a href="mailto:info@emeraldfin.com">info@emeraldfin.com</a>
9.	Website	<a href="http://www.emeraldfin.com">www.emeraldfin.com</a>

II. **PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY** (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Commission Income	99711	48.58%
2	Interest Income	99711	49.69%
3	Dividend	99711	1.72%

III. **PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

S.No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/SUBSIDIARY/ ASSOCIATE	%OF SHARES HELD	Applicable Section
1	Éclat Net Advisors Pvt. Ltd. Add.: SCO No. 7, Ind Area, Phase -2, Chandigarh	U74140CH 2015PTCO 35473	Subsidiary	81.26 %	2(87)

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

## Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-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. Promoter s</b>									
(1) <b>Indian</b>									
a) Individual/ HUF	6006452	-	6006452	66.42	6006452	-	6006452	66.42	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A)</b>	<b>6006452</b>	<b>-</b>	<b>6006452</b>	<b>66.42</b>	<b>6006452</b>	<b>-</b>	<b>6006452</b>	<b>66.42</b>	<b>-</b>
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds		-				-			-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>		-				-			-
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	765000	50000	815000	9.01	782247	50000	832247	9.20	(0.19)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	247049	171301	418350	4.63	398032	171301	569333	6.30	(1.67)

ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	1538174	265000	1803174	19.94	1363124	265000	1628124	18.00	1.94
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	450	-	450	0.00	1650	-	1650	0.02	(0.02)
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	224	-	224	0.00	5844	-	5844	0.06	(0.06)
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	<b>2550897</b>	<b>486301</b>	<b>3037198</b>	<b>33.58</b>	<b>2550897</b>	<b>486301</b>	<b>3037198</b>	<b>33.58</b>	<b>-</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>2550897</b>	<b>486301</b>	<b>3037198</b>	<b>33.58</b>	<b>2550897</b>	<b>486301</b>	<b>3037198</b>	<b>33.58</b>	<b>-</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									-
<b>Grand Total (A+B+C)</b>	<b>8557349</b>	<b>736301</b>	<b>9043650</b>	<b>100.00</b>	<b>8557349</b>	<b>736301</b>	<b>9043650</b>	<b>100.00</b>	<b>-</b>

## B) Shareholding of Promoter-

SNo	Shareholder's Name	Shareholding at the beginning of the year i.e. <b>01.04.2020</b>			Shareholding at the end of the year i.e. <b>31.03.2021</b>			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Sanjay Aggarwal	1928500	21.32	-	1928500	21.32	-	-
2	Anubha Aggarwal	1902452	21.04	-	1902452	21.04	-	-
3	Anu Aggarwal	445500	4.93	-	445500	4.93	-	-
4	Ram Swaroop Aggarwal	1730000	19.13	-	1730000	19.13	-	-

## C) Change in Promoters' Shareholding (please specify, if there is no change):

SNo	Shareholding of each Promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Sanjay Aggarwal				
	At the beginning of the year	1928500	21.32	1928500	21.32
	Bought during the year	-	-	1928500	21.32

	Sold during the year	-	-	1928500	21.32
	At the end of the year	1928500	21.32	1928500	21.32
2	Mrs. Anubha Aggarwal				
	At the beginning of the year	1902452	21.04	1902452	21.04
	Bought during the year	-	-	1902452	21.04
	Sold during the year	-	-	1902452	21.04
	At the end of the year	1902452	21.04	1902452	21.04
3	Mrs. Anu Aggarwal				
	At the beginning of the year	445500	4.93	445500	4.93
	Bought during the year	-	-	445500	4.93
	Sold during the year	-	-	445500	4.93
	At the end of the year	445500	4.93	445500	4.93
4	Mr. Ram Swaroop Aggarwal				
	At the beginning of the year	1730000	19.13	1730000	19.13
	Bought during the year	-	-	1730000	19.13
	Sold during the year	-	-	1730000	19.13
	At the end of the year	1730000	19.13	1730000	19.13

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

SNo	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	M/S AGR Investments Limited				
	At the beginning of the year	750,000	8.29	750,000	8.29
	Bought during the year	-	-	750,000	8.29
	Sold during the year	(700)	(0.01)	749300	8.28
	At the end of the year	749300	8.29	749300	8.28
2	MR. KAMAL KAMAL MEHTA				
	At the beginning of the year	-	-	-	-
	Bought during the year	167126	1.85	167126	1.85
	Sold during the year	-	-	167126	1.85
	At the end of the year	167126	1.85	167126	1.85
3	MR. RADHA KRISHNA AGARWAL				
	At the beginning of the year	150000	1.66	150000	1.66
	Bought during the year	-	-	150000	1.66
	Sold during the year	-	-	150000	1.66
	At the end of the year	150000	1.66	150000	1.66

4	MRS. NAVNEET KAUR				
	At the beginning of the year	140000	1.55	140000	1.55
	Bought during the year	-	-	140000	1.55
	Sold during the year	-	-	140000	1.55
	At the end of the year	140000	1.55	140000	1.55
5	MRS. SHWETA AHLUWALIA				
	At the beginning of the year	110,000	1.2	110,000	3.61
	Bought during the year	-	-	110,000	1.22
	Sold during the year	-	-	110,000	1.22
	At the end of the year	110,000	1.22	110,000	1.22
6	MRS. DIMPLE SINGLA				
	At the beginning of the year	100,000	1.11	100,000	1.11
	Bought during the year	-	-	100,000	1.11
	Sold during the year	-	-	100,000	1.11
	At the end of the year	100,000	1.11	100,000	1.11
7	MR. ATUL ARORA				
	At the beginning of the year	100,000	1.11	100,000	1.11
	Bought during the year	-	-	100,000	1.11
	Sold during the year	-	-	100,000	1.11
	At the end of the year	100,000	1.11	100,000	1.11
8	MR. HARINDER KUMAR SAHU				
	At the beginning of the year	-	-	-	0.00
	Bought during the year	84986	0.94	84986	0.94
	Sold during the year	-	-	84986	0.94
	At the end of the year	84986	0.94	84986	0.94
9	MRS. POOJA SHARMA				
	At the beginning of the year	-	-	-	-
	Bought during the year	55926	0.62	55926	0.62
	Sold during the year	-	-	55926	0.62
	At the end of the year	55926	0.62	55926	0.62
10	MRS. NIDHI ARORA				
	At the beginning of the year	148500	1.64	148500	1.64
	Bought during the year	-	-	84986	0.94
	Sold during the year	96763	(1.07)	51737	0.57
	At the end of the year	51737	0.57	51737	0.57



**E) Shareholding of Directors and Key Managerial Personnel:**

SNo	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Sanjay Aggarwal				
	At the beginning of the year	1928500	21.32	1928500	21.32
	Bought during the year	-	-	1928500	21.32
	Sold during the year	-	-	1928500	21.32
	At the end of the year	1928500	21.32	1928500	21.32
2	Mrs. Anubha Aggarwal				
	At the beginning of the year	1902452	21.04	1902452	21.04
	Bought during the year	-	-	1902452	21.04
	Sold during the year	-	-	1902452	21.04
	At the end of the year	1902452	21.04	1902452	21.04
3	Mr. Deepak Gour				
	At the Beginning of the year	-	-	-	-
	Bought during the year	53685	0.59	53685	0.59
	Sold during the year	-	-	53685	0.59
	At the end of the year	53685	0.59	53685	0.59
4	Ms. Sheetal Kapoor				
	At the Beginning of the year	2000	0.02	2000	0.02
	Bought during the year	-	-	2000	0.02
	Sold during the year	-	-	2000	0.02
	At the end of the year	2000	0.02	2000	0.02

V. **INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment. - NIL

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	NIL	1,51,03,150.36	NIL	1,51,03,150.36
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	NIL	1,51,03,150.36	NIL	1,51,03,150.36
<b>Change in Indebtedness during the financial year</b>	NIL	NIL	NIL	NIL
* Addition	NIL	1,70,00,000.00	NIL	1,70,00,000.00
* Reduction	NIL	1,42,17,632.55	NIL	1,42,17,632.55
<b>Net Change</b>	NIL	27,82,367.45	NIL	27,82,367.45
<b>Indebtedness at the end of the financial year</b>	NIL	NIL	NIL	NIL
i) Principal Amount	NIL	1,78,85,517.81	NIL	1,78,85,517.81
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	NIL	1,78,85,517.81	NIL	1,78,85,517.81

VI. **REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		<b>Sanjay Aggarwal (MD)</b>		
1	Gross salary	3,00,000	-	3,00,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL

4	Commission - as % of profit - others, specify...	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL
	Total (A)	3,00,000	NIL	3,00,000
	Ceiling as per the Act			

**B. Remuneration to other directors - NIL**

SN.	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	NIL	NIL	NIL	NIL	NIL
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (1)	NIL	NIL	NIL	NIL	NIL
2	Other Non-Executive Directors	NIL	NIL	NIL	NIL	NIL
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	NIL	NIL	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act					

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	1,46,000	2,50,000	3,76,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-

	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	1,46,000	2,50,000	3,76,000

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>B. DIRECTORS</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

**ANNEXURE D-8 TO THE DIRECTORS' REPORT: -**

<b>Details of Guarantees</b>			
Sr. No.	Name of Entity/Person	Amount	Purpose
1	No Guarantees have been given during the Financial year 2020-21		
<b>Details of Investments</b>			
Sr. No.	Name of Entity/Person	Amount in Rs.)	Purpose
1	Eclat Net Advisors Private Limited	899990	To Promote online business through its Subsidiary Company

**ANNEXURE D-9 TO THE DIRECTORS' REPORT****FORM NO. AOC -2**

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

Form for Disclosure 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 transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis. – **NIL**
2. Details of contracts or arrangements or transactions at Arm's length basis

a)

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	M/s Eclat Net Advisors Private Limited
b)	Nature of contracts/ arrangements/ transaction	Investment made in Equity of Subsidiary Company (Eclat Net Advisors Pvt Ltd) -899990 shares of Rs. 10/- each.
)	Duration of the contracts/ arrangements/ transaction	NA
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Investment in equity shares at par
e)	Justification for entering into such contracts or arrangements or transactions'	Starting up online/ offline syndication business through its subsidiary company
f)	Date of approval by the Board	16.03.2015
g)	Amount paid as advances, if any	NIL
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

b)

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	<ul style="list-style-type: none"> <li>• Mr. Sanjay Aggarwal, Managing Director</li> <li>• Mrs. Anubha Aggarwal, Relative of Managing Director</li> </ul>
b)	Nature of contracts/ arrangements/ transaction	<ul style="list-style-type: none"> <li>• Rent paid to Sanjay Aggarwal ( Managing Director)</li> </ul>
c)	Duration of the contracts/ arrangements/ transaction	As Mutually agreed
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Transactions with promoter at market value INR 1.20 lacs

e)	Justification for entering into such contracts or arrangements or transactions'	Good Office at reasonable rate.
f)	Date of approval by the Board	26.10.2017
g)	Amount paid as advances, if any	NIL
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

c)

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	<ul style="list-style-type: none"> <li>Mr. Sanjay Aggarwal, Managing Director</li> </ul>
b)	Nature of contracts/ arrangements/ transaction	<ul style="list-style-type: none"> <li>Managerial Remuneration paid to Mr. Sanjay Aggarwal ( Managing Director)</li> </ul>
c)	Duration of the contracts/ arrangements/ transaction	Till resignation from the designation of MD.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	INR 1,00,000 per month (actually paid 3,00,000/- during F.Y. 2020-21)
e)	Justification for entering into such contracts or arrangements or transactions'	Reasonable Transaction
f)	Date of approval by the Board	14.08.2019
g)	Amount paid as advances, if any	NIL
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

**ANNEXURE D-10****REPORT ON CORPORATE GOVERNANCE****1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

Though provisions of corporate governance are not applicable to the company but company firmly believes in the principal of good Corporate Governance and is committed in adopting the best global practice of Corporate Governance. That is why the company is voluntarily complying with regulations of corporate governance as far as it can. The Company fully realizes the rights of its shareholders to information on the performance of the Company and considers itself a trustee of its shareholders. The Company provides detailed information on various issues concerning the Company's business and financial performance, to its shareholders.

The Company continues to commit itself to maintain the standards of integrity, transparency, accountability and equity in all facets of its operations and all its interactions with its stakeholders including the shareholders, employees and government. The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself for increasing long-term shareholders value, keeping in view the needs and interests of all its stakeholders.

The Company is committed to transparency in all its dealings and places emphasis on business ethics.

**2. BOARD OF DIRECTORS****(i) Composition and category of Directors**

The strength of Board was 4 (Four) Directors as on 31st March 2021. The Board consisted of One Managing Director, One non-Executive non-independent Director, Two Independent Directors.

The Independent Directors with their diverse knowledge, vast experience and relevant expertise brings in their independent judgment, knowledgeable and professional view to the deliberations and decisions of the Board.

The non-executive Directors did not have any material pecuniary relationship or transaction with the Company during the year 2020-2021 or even after the close of Financial year upto the date of this report.

The Company has an executive Chairman and the Company meets the requirements relating to the composition of Independent and non-Independent Directors of the Board of Directors. The Composition of the Board as on 31.03.2021 is given below:

- |                         |   |
|-------------------------|---|
| 1. Mr. Sanjay Aggarwal  | - Executive Chairman cum Managing Director  |
| 2. Mrs. Anubha Aggarwal | - Non-Executive, Non - Independent Director |
| 3. Mr. Raman Aggarwal   | - Non-Executive Independent Director        |
| 4. Mr. Deepak Gour      | - Non Executive Independent Director        |

**(ii)** The attendance at Board Meetings and at the Last Annual General Meeting and the No. of Other Directorships and Committee Memberships/Chairmanships of Directors is given below :-



NAME		Sanjay Aggarwal	Anubha Aggarwal	Raman Aggarwal	Deepak Gaur
CATEGORY		Executive	Non-Executive	Independent & Non Executive Director	Independent & Non Executive Director
<b>Board Meetings attended during the year</b>		15	15	8	8
<b>Attendance at the AGM held on 30.09.2020</b>		YES	YES	YES	Yes
<b>*No. of other Boards in which Member or chairperson</b>		1	1	1	-
<b>Names of the listed entities where the person is a director and the category of directorship</b>		NIL	NIL	PAISALO DIGITAL LIMITED-Independent Director	NIL
<b>No. of other Board Committees in which Member or Chairperson</b>	<b>Member</b>	NIL	NIL	1	NIL
	<b>Chairperson</b>	NIL	NIL	1	NIL

**\*Note:**

1. For the above purpose, all public limited companies, whether listed or not, have been included and all other companies including private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 has been excluded.
2. For the purpose of membership & Chairmanship in a Committee only Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee have been considered.
3. The above composition and the information is as at 31.03.2021.

None of the Directors of the Board serve as Member of more than 10 Committees nor do they Chair more than 5 Committees.

**(iii) Number of Board Meetings held, dates on which held:**

Total 16 Board meetings including one independent directors meeting were held during the period from 1st April, 2020 to March 31, 2021 on the following dates:

15.07.2020, 14.08.2020, 01.09.2020, 06.09.2020, 15.09.2020, 26.09.2020, 13.10.2020, 13.11.2020, 16.11.2020, 18.11.2020, 01.01.2021, 19.01.2021, 21.01.2021, 12.02.2021 and 31.03.2021.

And the meeting of independent directors was held on 12.02.2021

During the year under review, the gap between two meetings did not exceed 120 days as per SEBI (LODR) Regulations, 2015 and Section 173 of the Companies Act, 2013 except for the first quarter which was as per the relaxations given by MCA and SEBI due to COVID-19 pandemic

**(iv) Chart on the Core skills/expertise/competence of Directors**

Name of Director	Category	Core skills/expertise/competence
Sanjay Aggarwal	Managing Director	Mr. Sanjay Aggarwal holds Bachelor's degree in Commerce from Punjab University and is a qualified Chartered Accountant. He has over 22 years of experience in project finance, loan syndication & capital restructuring..
Anubha Aggarwal	Non-executive Non-independent Director	Mrs. Anubha Aggarwal holds a bachelor degree in Arts and a Diploma holder. She has an experience of more than 12 years in the field of financial Services and consultancy. She is a proprietor of Reliance Capital & Financial Services from past 11 years, which deals in financial services.
Raman Aggarwal	Non-executive Independent Director	Mr. Raman Aggarwal Post Graduate Degree in Urban Planning from School of Planning & Architecture, B.E in Civil Engineering. He has more than 24 years of working experience in Non Banking Finance Companies (NBFCs) sector. He is a member of the Key Advisory Group on NBFCs to Ministry of Finance, Govt of India., Director, Association of Leasing and Financial Services, Mumbai and President, Delhi Hire Purchase & Leasing Companies Association.
Deepak Gour	Non-executive Independent Director	A Commerce Graduate from Delhi University and Fellow member of Institute of Chartered Accountants. His training and experience includes IPO audit for Omaxe Limited (Leading Real Estate Company), special post procurement review for World Bank and Audit of Price Waterhouse (PwC), Ofc Ltd., Hellmann Worldwide Logistics India Pvt Ltd, Honeywell International India Pvt. Ltd, Hazira Group of Companies, Hazira Group of Companies, Max Healthcare Institute Limited, Hindustan Unilever Limited, Genpact Limited, Concurrent Audit (Corporation Bank).

**RELATIONSHIP OF DIRECTORS INTER SE**

- Mr. Sanjay Aggarwal is the Managing Director of the Company.
- Mrs. Anubha Aggarwal is spouse of Mr. Sanjay Aggarwal
- No other directors are related to each other in any manner.

**(v) Shareholding of Non Executive Directors:**

Name of the Director	Category	Shareholding
Mrs. Anubha Aggarwal	Non-executive Non-independent Director	1902452
Mr. Deepak Gour	Non-executive Independent Director	53685

**(vi) Opinion of the Board about Independent Directors:** In the opinion of the Board, the Independent Directors satisfy the criteria to be appointed as such in the company.

### **(vii) Information placed before the Board**

The Agenda is circulated well in advance to the Board Members. The items in the Agenda are backed by comprehensive background information to facilitate meaningful discussions and to enable the Board to take efficient decisions. The Board of Emerald Leasing Finance and Investment Company Limited is presented with all relevant information on various vital matters affecting the working of the company in addition to the matters set out in the SEBI (LODR), 2015. Also, extensive information is provided on various critical matters such as Risk Assessment, Growth, Expansion, Related party transactions, sales, financial performance, foreign exchange exposure, Appointment of Key Management personnel, legal proceedings, share transfer compliance, quarterly financial results, significant labour and human relation matters.

### **3. AUDIT COMMITTEE**

#### **TERMS OF REFERENCE:**

##### **Powers of the Audit Committee**

The powers of the Audit Committee shall include the following:

1. To investigate any activity within the terms of reference
2. To seek information from any employee
3. To obtain outside legal or other professional advice
4. To secure attendance of outsiders with relevant expertise, if it considers necessary

##### **Role of Audit Committee**

The role of the audit committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval

6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- 7) Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- 8) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- 9) Discussion with internal auditors any significant findings and follow up there on.
- 10) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- 11) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- 12) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- 13) To review the functioning of the Whistle Blower mechanism, in case the same is existing.
- 14) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- 15) Carrying out any other function which the Board of Directors of the Company can refer to Audit Committee from time to time.
- 16) the recommendation for appointment, remuneration and terms of appointment of auditors of the company,
- 17) review and monitor the auditor's independence and performance, and effectiveness of audit process;
- 18) examination of the financial statement and the auditors' report thereon,
- 19) approval or any subsequent modification of transactions of the company with related parties,
- 20) scrutiny of inter-corporate loans and investments;
- 21) valuation of undertakings or assets of the company, wherever it is necessary,
- 22) evaluation of internal financial controls and risk management systems;
- 23) monitoring the end use of funds raised through public offers and related matters.

#### **Review of information by Audit Committee**

The Audit Committee shall review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

#### **Composition of Audit Committee**

As on 31.03.2021, the Audit Committee of the Company comprises of 3 directors including 2 non-executive Independent Directors, who are well qualified and financially literate. Following is the composition of the Audit Committee:

Mr. Raman Aggarwal	Independent Director, Chairman
Mr. Sanjay Aggarwal	Managing Director, Member
Mrs. Anubha Aggarwal	Non-executive, Non-Independent Director, Member

Mr. Raman Aggarwal is the Chairman who has relevant accounts and Finance related expertise as well as qualification. Ms. Anubha Aggarwal and Mr. Sanjay Aggarwal are other two members. All of them are having knowledge and expertise in accounts and finance.

The Audit Committee meetings are also attended by Chief Financial Officer, Head of Internal Audit and representatives of Statutory Auditors. The Company Secretary acts as a Secretary of the Committee.

#### **Meetings of Audit Committee and attendance during the year 2020-21**

4 meetings of the Audit Committee have been held during the year 2020-21 on the following dates:

15.07.2020, 15.09.2020, 13.11.2020 and 12.02.2021

The attendance at the Audit Committee Meetings during the period from 01.04.2020 till 31.03.2021 is given below:

Name	Title	No. of Meetings held	No. of Meetings attended
Mr. Raman Aggarwal	Independent Director, Chairman	4	4
Mr. Sanjay Aggarwal	Managing Director, Member	4	4
Mrs. Anubha Aggarwal	Non-Executive, Non-Independent Director, Member	4	4

## **5. NOMINATION AND REMUNERATION COMMITTEE**

### **BRIEF DESCRIPTION OF TERMS OF REFERENCE**

Nomination and Remuneration Committee of the Board of Directors is in place in terms of Section 178 of the Companies Act, 2013, SEBI (LODR), Regulations 2015 and RBI Guidelines. The Committee, earlier known as Nomination Committee was reconstituted as Nomination and Remuneration Committee in terms of Section 178 of the Companies Act, 2013. The Committee has been formed with a view to carry out the objectives as enshrined in these respective Statutes. The terms of reference of the Nomination and Remuneration Committee include:-

- a. To identify persons who are qualified to become directors and who may appointed in Senior Management in accordance with the criteria laid down in the Companies Act, 2013, Rules framed thereunder from time to time, SEBI (LODR), Regulations 2015 and RBI Guidelines.

- b. To make recommendations to the Board about appointment and removal of Directors and Senior Management
- c. To carry out evaluation of every Director's performance.
- d. To formulate criteria for determining qualifications, positive attributes and independence of a Director
- e. To formulate and recommend to the Board a Nomination and Remuneration Policy.

**COMPOSITION:-**

Following was the composition of the Nomination and Remuneration Committee as on 31-03-2021:

Name	Title	No. of Meetings held	No. of Meetings attended
Mr. Deepak Gour	Independent Director, Chairman	2	2
Mrs. Anubha Aggarwal	Non-executive Non-Independent Director, Member	2	2
Mr. Raman Aggarwal	Independent Director, Member	2	2

During the year two meetings of Nomination and Remuneration Committee was held on 01.01.2021 and 31.03.2021.

**4. STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The Stakeholders' Relationship Committee of the Board has been constituted to look into complaints like transfer of shares, non-receipt of Balance Sheet, non-receipt of Annual Report etc. The Committee is headed by Mrs. Anubha Aggarwal, who is a Non Executive Director. Mr. Raman Aggarwal, Non-executive Independent Director and Mr. Sanjay Aggarwal, Managing Director are other Members of the Committee.

**COMPOSITION:**

Following is the composition of the Stakeholders' Relationship Committee:

Mrs. Anubha Aggarwal	Non-executive Director, Member
Mr. Raman Aggarwal	Independent Director, Member
Mr. Sanjay Aggarwal	Managing Director, Member

During the year one meeting Stakeholders' Relationship Committee was held on 13.10.2020.

**NAME AND DESIGNATION OF COMPLIANCE OFFICER**

The Company Secretary Mrs. Amarjeet Kaur is the Compliance Officer of the Company. The Compliance Officer can be contacted at:

[cs@emeraldfin.com](mailto:cs@emeraldfin.com), [emerald\\_finance@yahoo.com](mailto:emerald_finance@yahoo.com)

TEL: 0172-4603957

FAX: 0172-4603859

**PECUNIARY RELATIONSHIPS OF DIRECTORS WITH THE COMPANY:** Mr. Sanjay Aggarwal, Managing Director of the company is getting rent for the Registered Office of the company. None of the other Directors hold any pecuniary relationship with the company.

**BIFURCATION OF THE REMUNERATION PAID TO THE EXECUTIVE DIRECTORS:**

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Sanjay Aggarwal (MD)		
1	Gross salary	3,00,000	-	3,00,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission - as % of profit - others, specify...	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL
	Total (A)	3,00,000	NIL	3,00,000
	Ceiling as per the Act			

**5. GENERAL BODY MEETINGS**

(i) Location and time of Annual General Meetings held in the last 3 years:

YEAR	2018	2019	2019	2020	2020
Type of Meeting	AGM	AGM	EGM	AGM	EGM
Date	28.09.2018	28.09.2019	08.04.2019	30.09.2020	26.10.2020
Venue	SCO 7 Industrial Area Phase 2 Chandigarh 160002	SCO 7 Industrial Area Phase 2 Chandigarh 160002	SCO 7 Industrial Area Phase 2 Chandigarh 160002	SCO 7 Industrial Area Phase 2 Chandigarh 160002	SCO 7 Industrial Area Phase 2 Chandigarh 160002
Time	9.00 A.M	9.00 A.M	9.30 A.M	9.00 A.M.	9.00 A.M.
Special Resolution passed	Yes	YES	YES	NO	YES

(ii) Details of the Special Resolutions passed in the last three Annual General Meetings

**Year 2018**

**AGM - 28.09.2018**

1. Appointment of Mrs. Anubha Aggarwal as director of the company.

**Year 2019**

**EGM - 08-04-2019**

1. To Increase the Authorized Share Capital.
2. Further Issue of Equity Shares of the Company through Right Issue.

**AGM - 28.09.2019**

1. Re-appointment of Mr. Raman Aggarwal (DIN: 00116103) as an Independent Director of the Company.
2. Re-appointment of Mr. Deepak Gaur (DIN: 06445299) as an Independent Director of the Company.
3. Re-appointment of Mr. Sanjay Aggarwal as the Managing Director of the company

**YEAR 2020**

**EOGM-26.10.2020**

1. TO INCREASE THE AUTHORISED SHARE CAPITAL
2. TO INCREASE BORROWING POWERS OF THE BOARD AND AUTHORIZATION LIMIT TO SECURE THE BORROWINGS UNDER SECTION 180(1)(C) AND 180(1)(A) OF THE COMPANIES, ACT, 2013

**6. DISCLOSURES**

**(i) Related Party Transactions**

No material significant related party transactions have taken place during the year under review that may have potential conflict with the interests of the Company at large. Further, details of related party transactions form part of Notes to the Accounts of the Annual Report. While entering into the above transactions, the Company had made full disclosures before the Board Meetings as well as Audit Committee Meetings and interested directors duly disclosed their interest in the said Board Meetings. The details of the Related Party Transactions, entered by the Company in the ordinary course of business at Arm's length basis are given in the Directors Report. The company has framed its Policy on dealing with Related Party Transactions and the same is available on its website <http://www.emeraldfin.com/wp-content/uploads/2015/03/POLICY-FOR-DEALING-WITH-RELATED-PARTY-TRANSACTIONS.pdf>



(ii) **Details of Non-Compliances:**

There is no non-compliance by the Company and there are no penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any matter related to capital markets, during the last three years.

(iii) **Whistle Blower Policy**

The 'Whistle Blower Policy' cum Vigil Mechanism is in place which is reviewed by the Audit Committee on regular basis and the text of the same is given at the end of this Corporate Governance Report. No personnel has been denied access to the Audit Committee. The same is also available on the Website of the Company <http://www.emeraldfin.com/wp-content/uploads/2015/03/Whistle-Blower-Policy.pdf>

(iv) **Compliance With Mandatory Requirements Of**

The Company has complied with all the mandatory conditions of Corporate Governance and is planning to adopt non-mandatory requirements also in a phased manner.

(v) **Disclosure of Accounting Treatment**

The Financial statements of Company are prepared as per the prescribed Accounting standards and reflects true and fair view of the business transactions in the Corporate Governance.

(vi) **Reconciliation Of Share Capital Audit**

A reconciliation of Share Capital Audit was carried out by a qualified practicing Company secretary on quarterly basis for reconciling the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued & listed capital. The audit inter alia confirms that the total issued/paid up capital is in agreement with the total number of shares held in physical form and the total number of dematerialized shares with NSDL & CDSL.

(vii) **Code For Prevention Of Insider Trading**

The Company has instituted a comprehensive Code of Conduct for Prevention of Insider Trading for its designated employees, in compliance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time. After these Regulations having been amended by SEBI in 2015, the Code of Fair Disclosure and Prevention of Insider Trading Code under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015 have been adopted and displayed on the website of the Company [www.emeraldfin.com](http://www.emeraldfin.com). These Codes lay down guidelines vide which it advises the designated employees on procedures to be followed and disclosures to be made, while dealing with the shares of the Company and caution them of the consequences of violations.

(viii) **Material Subsidiaries**

The Company has Eclat Net Advisors Pvt. Ltd. (CIN :U74140CH2015PTC035473) as subsidiary company.

(vii) **Disclosure Regarding Appointment Or Re-appointment Of Directors:**

Mrs. Anubha Aggarwal, Director of the Company retires by rotation in the ensuing Annual General Meeting and being eligible offer herself for re-appointment. Her brief Resume is already given as part of the Notice of Annual General Meeting.

(ix) **COMPLIANCE WITH NON-MANDATORY REQUIREMENTS**

**1. The Board**

The Chairman of the Company is an executive Director. His office is maintained at the company's expense and also allowed reimbursement of expenses incurred in performance of his duties.

**2. Shareholder Rights**

Since the Company publishes its Quarterly Results in Newspapers (English and Hindi) having wide circulation and the results are also displayed on the website of the Company and the stock Exchanges, the Company does not send any declaration of half yearly performance to the shareholders.

**3. Audit Qualifications**

There are no Audit qualifications on the Financial Statements of the Company for the year 2020-2021.

**4. Separate posts of Chairman and CEO**

At the moment, the post of Chairman and Managing Director is occupied by single person and there no post of CEO of the Company.

**5. Reporting of Internal Auditor**

At the moment, the reporting of the internal Audit is not directly to the Audit Committee however, the significant findings of the internal audit are placed before the Audit Committee on regular basis.

**(x) Code of Conduct**

(i) The Board of Directors has laid down Code of Conduct for all Board Members and Senior Management of the Company. The copy of Code of Conduct as applicable to the Directors (including Senior Management of the Company) is uploaded on the website of the Company [www.emeraldfin.com](http://www.emeraldfin.com)

(ii) The Members of the Board of Directors and Senior Management personnel have affirmed compliance with the Code applicable to them during the year ended March 31, 2021. The Annual Report of the Company contains a Certificate duly signed by the Managing Director in this regard.

**(xi) Board Disclosures - Risk Management**

The Company manages risks as an integral part of its decision making process. The Company has laid down procedures to inform the Board of Directors about the Risk Management and its minimization procedures. The Audit Committee and the Board of Directors review these procedures periodically.

**(xii) Proceeds from public issues, rights issues, preferential issues, etc.**

During the year under review, no money has been raised by the Company by way of Public Issues, Rights Issues, Preferential Issues Etc.

**7. Management Discussion & Analysis Report:**

Management Discussion & Analysis Report forms part of the Annual Report and include discussions on various matters specified under Part B of Schedule V to the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**8. MEANS OF COMMUNICATIONS**

**a. Quarterly Results :**

The Quarterly, Half yearly and Annual Results of the Company are sent to Bombay Stock Exchange in accordance with the Listing Regulations. The said Results are normally published in English and Hindi newspapers and also displayed on Company's website [www.emeraldfin.com](http://www.emeraldfin.com)

**b. Presentations to the Institutional Investors or to the Analysts:**

No presentations have been made to institutional investors or to the analysts during the year under review.

**c. BSE Corporate Compliance and Listing Centre:-**

All periodical compliance filings like Shareholding Pattern, Corporate Governance Report, Quarterly Results etc. are filed electronically with the Listing Centre of BSE. Company is also regular in paying annual listing fee.

## 9. GENERAL SHAREHOLDER INFORMATION

AGM : Date, time	September 30, 2021 10:00AM																																									
AGM venue	SCO 7 Industrial Area, Phase 2 Chandigarh 160002																																									
Financial year	1 <sup>st</sup> April, 2020 to 31 <sup>st</sup> , March, 2021																																									
Date of Book closure	September 26, 2021 to September 30, 2021																																									
Dividend Payment Date	Till 30.10.2021																																									
Listing on Stock Exchanges	BSE Ltd.																																									
ISIN	INE030Q01015																																									
Scrip Code	538882																																									
Market Price Data: High, Low during each month in last financial year	Month	High Price	Low Price																																							
	Apr-20	11.89	10.45																																							
	May-20	12.49	11.25																																							
	Jun-20	13.74	10.57																																							
	Jul-20	10.05	5.76																																							
	Aug-20	8.82	5.73																																							
	Sep-20	13.60	9.02																																							
	Oct-20	13.00	10.64																																							
	Nov-20	12.69	10.04																																							
	Dec-20	17.40	10.60																																							
	Jan-21	17.35	11.40																																							
Performance in comparison to broad-based indices such as BSE Sensex, CRISIL index etc.	<table border="1"> <caption>Performance Comparison Data (Estimated from Chart)</caption> <thead> <tr> <th>Month</th> <th>Emerald Closing</th> <th>BSE SENSEX closing</th> </tr> </thead> <tbody> <tr><td>1</td><td>~0</td><td>~35,000</td></tr> <tr><td>2</td><td>~0</td><td>~32,000</td></tr> <tr><td>3</td><td>~0</td><td>~35,000</td></tr> <tr><td>4</td><td>~0</td><td>~38,000</td></tr> <tr><td>5</td><td>~0</td><td>~38,000</td></tr> <tr><td>6</td><td>~0</td><td>~38,000</td></tr> <tr><td>7</td><td>~0</td><td>~40,000</td></tr> <tr><td>8</td><td>~0</td><td>~45,000</td></tr> <tr><td>9</td><td>~0</td><td>~48,000</td></tr> <tr><td>10</td><td>~0</td><td>~45,000</td></tr> <tr><td>11</td><td>~0</td><td>~48,000</td></tr> <tr><td>12</td><td>~0</td><td>~50,000</td></tr> </tbody> </table>			Month	Emerald Closing	BSE SENSEX closing	1	~0	~35,000	2	~0	~32,000	3	~0	~35,000	4	~0	~38,000	5	~0	~38,000	6	~0	~38,000	7	~0	~40,000	8	~0	~45,000	9	~0	~48,000	10	~0	~45,000	11	~0	~48,000	12	~0	~50,000
Month	Emerald Closing	BSE SENSEX closing																																								
1	~0	~35,000																																								
2	~0	~32,000																																								
3	~0	~35,000																																								
4	~0	~38,000																																								
5	~0	~38,000																																								
6	~0	~38,000																																								
7	~0	~40,000																																								
8	~0	~45,000																																								
9	~0	~48,000																																								
10	~0	~45,000																																								
11	~0	~48,000																																								
12	~0	~50,000																																								
Registrar and Transfer Agents	MAS Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi – 110020, Tel.: 01126387281/82/83																																									
Share Transfer System	<p>To expedite the share transfer process in the physical segment, the process is undertaken by Common Registry M/s MAS Services Limited, New Delhi. Share Transfers are processed and approved by them and taken note of by Share Transfer Committee, i.e. Stakeholders' Relationship Committee. The said Committee of the Company meets on regular basis to review the work of Transfer, transmission and issue of duplicate share certificates etc. The shares of the Company are traded in dematerialized form only.</p> <p>Presently, the share transfers, which are received in physical form, are processed and the share certificates returned within a period of 15 days from the date of receipt by the RTA, subject to documents being valid and complete in all respects.</p>																																									

		All requests for dematerialization of shares are processed and the confirmation is given to the Depositories within 15 days by RTA subject to documents being valid and complete in all respects. Grievances received from Members and other miscellaneous correspondence on change of address, mandates etc. are processed by the Registrar within 15 days.
Dematerialization of shares and liquidity	of	Liquidity:-94.62% of the shareholding of the Company has been dematerialized as on 31.03.2021 and there is sufficient liquidity in the stock.
Address correspondence	for	The Company Secretary, SCO-7, Industrial Area, Phase II, behind Plot No. 410, Chandigarh -160002 Ph. 0172-4603957, Fax 0172-4603859 Email: cs@emeraldfin.com

(a) **Distribution of Shareholding (No. of Shares) as on March 31, 2021 is as under:-**

No. of Shares	No. of Shareholders	% of Shareholders	Total No. of Shares	% of Holding
1 TO 5000	779	80642	80643	0.892
5001 TO 10000	64	6.625	50376	0.557
10001 TO 20000	24	2.484	37229	0.412
20001 TO 30000	15	1.553	39933	0.442
30001 TO 40000	9	0.932	33138	0.366
40001 TO 50000	8	0.828	37319	0.413
50001 TO 100000	28	2.899	225906	2.498
100001 AND ABOVE	39	4.037	8539106	94.421
<b>TOTAL</b>	<b>966</b>	<b>100.00</b>	<b>9043650</b>	<b>100.00</b>

Shareholding Pattern as on 31<sup>st</sup> March, 2021:-

Category	No. of Shares held
Promoters	6006452
Institutional Investors	0
Mutual Funds & UTI	0
Banks, Financial Institutions and Insurance Companies	0
FII's	0
Others	0
Private Corporate Bodies	832247
Indian Public	2203301
NRIs/OCBs	1650
Trust	0

**10. Total Fees for all services paid by the listed and its subsidiaries.**

The detail of payment of total fees to the Statutory Auditor is as under:

Statutory Audit	37500/-
Allied Fees	47500/-
Total	85000/-

**11. CEO/CFO CERTIFICATION**

In terms of the requirements of SEBI (LODR), 2015, the Managing Director and the CFO have submitted necessary certificate to the Board of Directors stating the particulars specified under the said Clause. The certificate has been reviewed by the Audit Committee and taken on record by the Board of Directors.

**12 SUBSIDIARY COMPANIES**

The Company has Eclat Net Advisors Pvt. Ltd. (CIN:U74140CH2015PTC035473) as Subsidiary Company. Mrs. Anubha Aggarwal, Director & Mr. Sanjay Aggarwal, Promoter Director are also directors on the Board of the

Subsidiary Company. The company has formulated a policy for determining 'material' subsidiaries and such policy shall be disclosed on the company's website under the web link [www.emeraldfin.com](http://www.emeraldfin.com). No asset of the subsidiary is sold, disposed off or leased during the previous financial year.

### **13 FAMILIARISATION PROGRAMME**

Your Company follows a structured orientation and familiarization programme through various programs/presentations for Independent Directors with a view to update them on the Company's policies and procedures on a regular basis. Periodic presentations are made at the Board Meetings on Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities and risk management and such other areas as may arise from time to time. The details of familiarization programme have been posted on the website of the Company under the web link <https://www.emeraldfin.com/wp-content/uploads/2017/09/FAMILIARIZATION-PROGRAM-FOR-INDEPENDENT-DIRECTORS-OF-EMERALD-LEASING-FINANCE-AND-INVESTMENT-COMPANY-LIMITED.pdf>

### **VIGIL MECHANISM & WHISTLE BLOWER POLICY**

#### **Whistle Blower Policy**

#### **A. INTRODUCTION**

**Emerald Leasing Finance & Investment Company Limited** (herein referred as "Emerald") is committed to its "vision statement" of upholding its Financial Services Brand creating an ethos of trust across all constituents, developing a culture of empowerment and a spirit of enterprise within the company thereby becoming the most preferred employer in the financial sector.

Consistent with the Vision Statement, **Emerald** is committed to maintain and provide to all its employees and directors highest standards of transparency, probity and accountability. **Emerald** endeavors to develop a culture where it is safe and acceptable for all employees and director to raise / voice genuine concern in good faith and in a responsible as well as effective manner.

#### **B. APPLICABILITY OF THE POLICY AND ITS EFFECTIVE DATE**

This Policy which has been in existence, as amended from time to time, applies to all employees and directors of the **Emerald** including those who are on probation from immediate effect.

The effective date of the Policy for each member of the **Emerald** will be decided by the Board of Directors of the respective companies by drawing reference to this policy with appropriate changes and/or adopting a whistle blowing policy on the same lines as this policy.

#### **C. WHISTLE BLOWER**

Any employee or director or any other person that the company through the Audit Committee of the Board may wish to extent this policy including suppliers, vendors, Service provider or by whatever name called (hereinafter referred to as "Whistle blower"), who in good faith raises genuine concern or reports evidence of activity by the company or its employees or director that may constitute:

1. Instances of corporate fraud;
2. Unethical business conduct;
3. a violation of Central or State laws, rules, regulation and / or any other regulatory or judicial directives;
4. Any unlawful act, whether criminal or civil;
5. Malpractice;
6. Serious irregularities;
7. Impropriety , abuse or wrong doing;
8. Deliberate breaches and non-compliance with the company's policies;
9. Questionable accounting / audit matters / financial malpractice; (collectively referred to as "the concerns") If one is acting in good faith it does not matter if one is mistaken.

#### **D. REPORTING**

If whistle blower has become aware of any concern, he must immediately report through such means or methods as may be communicated by the Audit Committee or through e-mail, telephone, or a letter sent by mail, courier or fax, the facts to any or all of the following persons clearly indicating that this reporting of the concerns is under policy :

1. Any member of the Audit Committee or such other persons as may be communicated by the Audit Committee from time to time.

If any of the members of the Audit Committee have a conflict of interest in a given case, they should recuse with the matter on hand.

The company will not insist the Whistle Blower to prove that his/her concern is true.

#### **E. INVESTIGATION**

All concerns under this policy will be investigated and all information disclosed during the course of investigation will remain confidential, except as necessary to conduct the investigation and take any remedial action in accordance with applicable laws/ Company policies.

#### ***PROCEDURE:***

Once any concern has been raised/ reported , the Administrator shall take the following :

1. Obtain full details and clarification of the concern;
2. Consider ordering investigation by the company's internal auditors or any other investigation agency or person, external or internal including the police;
3. Fully investigate into the allegation with the assistance where appropriate of other individuals/ bodies

#### **F. DISCIPLINARY ACTION**

Audit committee shall oversee that appropriate disciplinary actions are taken as per the prevailing Human Resources policies of the Company. Actions however may be taken by the concerned business team/ unit or any other department/ committee in turn shall appropriately apprise the Board of Directors, wherever deemed necessary.

#### **G. UNTRUE CONCERNS**



If a Whistle Blower reports/ raises a Concern in good faith, which is not confirmed by subsequent investigation, no action will be taken against that Whistle Blower. In making a disclosure, the Whistle Blower shall exercise due care to ensure the accuracy of the information. In case of repeated frivolous complaints being filed by an employee of director (if he/she chooses to disclose his/her name), the Audit Committee may take suitable action against the concerned employee or director including reprimand.

#### **H. DISCRIMINATION**

The company strictly prohibits discrimination, retaliation or harassment of any kind against a Whistle Blower who based on his reasonable belief that such conduct or practices have occurred or are occurring, report that information. If a Whistle Blower believes that he/she has been subjected to discrimination, retaliation or harassment for having reported concern under this Policy, he/she must report such fact to any member of the Audit Committee.

**DECLARATION OF THE MANAGING DIRECTOR**

This is to certify that the Company has laid down code of conduct for all Board Members and Senior Management of the Company and the copies of the same is uploaded on the website of the Company [www.emeraldfin.com](http://www.emeraldfin.com). Further certified that the Members of the Board of Directors and Senior Management personnel have affirmed having complied with the code applicable to them during the year ended March 31, 2021.

Place: CHANDIGARH  
Date: 30.06.2021

SD/-  
SANJAY AGGARWAL  
Managing Director

**Disclosures under Para A of Schedule V of Listing Regulations**

SR. NO.	In the account of	Disclosures of amounts at the year end and the maximum amount of loans/ advances/ Investments outstanding during the year.
1	Holding Company	<ul style="list-style-type: none"> <li>• Loans and advances in the nature of loans to subsidiaries by name and amount. Eclat Net Advisors Private Limited and amount is Rs. 1,02,99,311 and as on 31.03.2021 the balance outstanding is NIL</li> <li>• Loans and advances in the nature of loans to associates by name and amount. NIL</li> <li>• Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount : NIL</li> </ul>
2	Subsidiary	Same disclosures as applicable to the parent company in the accounts of subsidiary company <b>NA</b>
3	Holding Company	Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan. : <b>NIL</b>

For details of transactions of the Company with the person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company, if any, kindly refer to "Related Party Transaction" provided in notes to financial statements.

**Place: CHANDIGARH**  
**Date: 30.06.2021**

**SD/-**  
**SANJAY AGGARWAL**  
**Managing Director**

**NON APPLICABILITY OF SUBMISSION OF REPORT ON CORPORATE GOVERNANCE AS PER EXEMPTION  
GIVEN IN REGULATION 15 (2) (A) OF CHAPTER IV OF SEBI (LODR) REGULATIONS, 2015**

To  
The Members of  
Emerald Leasing Finance and Investment Company Limited

This is to certify that in terms of Regulation 15 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provisions regarding Corporate Governance under the LODR regulations are not applicable to the company Emerald Leasing Finance and Investment Company Limited during the financial year ended on 31.03.2021 since, the paid up share capital of the company is less than Rs. 10.00 Crores and the Networth of the company has been less than Rs. 25.00 Crores for the previous financial years as per the Audited financial statements and as on the financial year ended on March 31, 2021.

The company still committed to maintain the highest standards of Corporate Governance and a report on corporate governance complying voluntarily with Corporate Governance norms is included as Annexure D-10 in the Annual Report.

Place: CHANDIGARH  
Date: 30.06.2021

SD/-  
SANJAY AGGARWAL  
Managing Director

**CEO and CFO DECLARATION**

**The Board of Directors of,  
Emerald Leasing Finance & Inv. Co Ltd.,  
SCO-7, Industrial Area,  
Phase II, Behind Plot No.410,  
Chandigarh -160002**

**Date: 30.06.2021**

We hereby certify that for the financial year ending 31-03-2021, on the basis of review of financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

1. These Statements of Emerald Leasing Finance & Investment Company Limited for the Financial year ending 31-03-2021, do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and we have taken steps from time to time to rectify these deficiencies.
5. We further certify that we have indicated to the Auditors and the Audit Committee that:
  - a) there have been no significant changes in internal control over financial reporting during the year;
  - b) there have been no significant changes in accounting policies during the year and
  - c) there have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Sd/-

**Sanjay Aggarwal  
(Managing Director)**

Sd/-

**Sheetal Kapoor  
(Chief Financial Officer)**

## **INDEPENDENT AUDITORS' REPORT**

**To the Members of  
Emerald Leasing Finance and Investment Co. Limited.**

### **Report on the Standalone Financial Statements as per Ind AS**

#### **Opinion**

We have audited the accompanying standalone financial statements of Emerald Leasing Finance and Investment Co. Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss, Statement of change in Equity and Cash Flow Statement for the year then ended, and 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 standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021 and its Profit and its Cash Flow 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 there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and change in equity of the Company in accordance with the Accounting principles generally accepted in India, including the Indian Accounting Standard Ind AS specified under Section 133 of the Act, read with the provision of the Companies ( Indian accounting Standards) Rules, 2015 as amended . This responsibility includes the maintenance of

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

In preparing the standalone financial statements, management is responsible for assessing the company ability to continue as a going concern disclosing as applicable, matter relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operation, or has no realistic alternative but to do so.

Those board of directors are responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibility**

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.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirement's**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:-
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.



d) in our opinion, the financial statements comply with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies(Accounts) Rules, 2014;

e) On the basis of written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of section 164(2) of the Companies Act, 2013.

f) with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such control, refer to our separate report in Annexure "B and

g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of Companies (Audit and Auditors)Rules, 2014 in our opinion and to the best of our information and according to explanations given to us:

- i. There is no pending litigations against /for the Company.
- ii. There is no long term contracts including derivative contracts and
- iii There is no Pending dues to Investor Education and Protection Fund.

**FOR K SINGH & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**Firm No. 012458N**

**PLACE:CHANDIGARH**  
**DATED:30/06/2021**

**Kultar Singh**  
**Partner**  
**Membership No. 091673**  
**UDIN: 21091673AAAABK1715**

**Annexure A to the Independent Auditors' Report**

Referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' section of our report of even date. We report that:

1.(a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us, the company does not have any immovable properties in its name. Therefore para 3 (1) (c) are not applicable

2. The company is a service company, primarily engaged in financial activities according there are no inventories with the company therefore clause (ii) is not applicable

3. According to information and explanations given to us, the company has not granted unsecured loan to companies, firms. Limited Liability Partnerships or other parties covered under section 189 of the companies Act. 2013 accordingly, the provisions of clause 3(iii) (a) to (c) of the order is not applicable to the company and hence cannot be commented upon.

4. The company has not given any loans to directors or to any other persons in which the director is interested or given any guarantee or provided any security in connection with any loan taken by him or such person as covered under section 185 and 186 of the Companies act 2013

5 The Company has not accepted deposits. Hence the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under are not applicable to the Company.

6. The Company is not required to maintain cost records as specified by the Central Government under sub section (1) of section 148 of the Act. Therefore, the provisions of para 3(vi) of the Order is not applicable to the Company.

7.(a) Based on our audit procedures and on the information and explanations given by the management, we report that there were no undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Cess and any other statutory dues, required to be deposited.

(b) Based on our audit procedures and on the information and explanations given by the management, there are no dues outstanding in respect of Income Tax, Goods and Service Tax, Cess or any other Statutory dues, to be deposited on account of any dispute.

8. The Company has obtained loans during from financial institution and bank, however there was no default in repayment of dues. The company has not taken any loan from Government or debenture holders during the year.

9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year, therefore, the provisions of para 3(ix) of the Order is not applicable to the Company.

10. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

11. The Company has paid managerial remuneration during the financial year ending 31<sup>st</sup> March 2021 hence the necessary approval and mandated as per the provisions of section 197 read with schedule V of the Companies Act 2013 has been obtained.

12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company, therefore, the provisions of para 3(xii) of the Order is not applicable to the Company.

13. According to the information and explanations given to us and based on our examination of the records of the Company, there are no transactions with the related parties which requires compliance of sections 177 and 188 of the Act.

14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him, therefore, the provisions of para 3(xv) of the Order is not applicable to the Company.

16. The Company is NBFC and registered under section 45-IA of the Reserve Bank of India Act, 1934.

- [i] (a) The Company has been granted certificate of registration from Reserve Bank of India under Section 45IA of the Reserve Bank of India Act, 1934.
- (b) The company is entitled to continue and hold the certificate of registration in terms of asset/income pattern as at 31<sup>st</sup> March 2021.
- (c) Considering the asset/income pattern of the company we are of the opinion that the company is not an Asset Finance Company.

- [ii] As per information and explanation given to us the Board of Directors have passed a resolution for the non-acceptance of any deposits from public.
- [iii] As it appears from our examination of the books of account, the company has not accepted any deposits from public during the year under review.
- [iv] The Company has given Loans & Advances and has complied with the Prudential Norms relating to income recognition accounting standards, asset classification and provisioning for bad and doubtful debts as applicable as on 31-03-2021.

**FOR K.SINGH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm No. 012458N**

**PLACE: Chandigarh  
DATED:30/06/2021**

**KULTAR SINGH  
PARTNER  
Membership No. 091673  
UDIN: 21091673AAAABK1715**

## **Annexure - B to the Auditors' Report**

### **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 Emerald Leasing Finance and Investment Company Limited ("the Company") as of 31<sup>st</sup> March, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> 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 ICAI.

for **K Singh & Associates**

*Chartered Accountants*

Firm's Registration Number: 012458N

**CA. Kultar Singh**

*Partner*

Membership Number: 091673

Place of Signature: Chandigarh

Date: 30<sup>th</sup> June, 2021

UDIN: [21091673AAAABK1715](#)

EMERALD LEASING FINANCE & INVESTMENT COMPANY LIMITED					
BALANCE SHEET AS AT 31ST MARCH 2021					
	PARTICULARS	NOTE	As at 31st March 2021 (INR in Lakh)		As at 31st March, 2020 (INR in Lakh)
	<b>ASSETS</b>				
(1)	<b>Non-current assets</b>				
	(a) Property, Plant and Equipment	3	2.791		4.962
	(b) Non-current investment	4	90.000		90.000
			<b>92.791</b>		<b>94.962</b>
(2)	<b>Current assets</b>				
	(a) Financial Assets		-		-
	(i) Trade receivables	5	15.991		47.507
	(ii) Cash and cash equivalents	6	171.585		27.903
	(iii) Bank balances other than (ii) above				
	(iv) Loans	7	1,263.591		1,027.595
	(vi) Others (to be specified)	8	10.718		10.947
	(vii) Security Deposit	9	25.998	-	5.998
	(viii) Deferred Tax Asset	10	0.088		
	(b) Misc Expenditure	11	19.333	-	20.352
			<b>1,507.304</b>	-	<b>1,140.302</b>
	<b>Total Assets</b>		<b>1,600.095</b>		<b>1,235.264</b>
	<b>EQUITY AND LIABILITIES</b>				
(1)	<b>Equity</b>				
	(a) Equity Share capital	11	904.365	-	904.365
	(b) Share Application		25.090		-
	(c) Other Equity	12	197.543		123.608
			<b>1,126.998</b>		<b>1,027.973</b>
(2)	<b>Non-current liabilities</b>				
	(a) Financial Liabilities				
	(i) Borrowings	13	178.855		151.031
			<b>178.855</b>		<b>151.031</b>
(3)	<b>Current liabilities</b>				
	(a) Other current liabilities	14	256.642		39.815



	<b>(b) Provisions</b>	<b>15</b>		37.580	-	16.425
	<b>(c) Current tax liabilities (net)</b>	<b>16</b>		0.020		0.020
				<b>294.242</b>		<b>56.260</b>
						-
	<b>Total Equity and Liabilities</b>			<b>1,600.095</b>		<b>1,235.264</b>
	Significant Accounting Policies & Notes on Financial Statements	<b>1 to 36</b>		-	-	-

As per our report of even date attached.

**For and on behalf of the Board**

**For K. SINGH & ASSOCIATES**  
Chartered Accountants  
Firm No 012458N

**Sanjay Aggarwal**  
Managing Director  
DIN No: 02580828

**Anubha Aggarwal**  
Director  
DIN No. 02557154

**Kultar Singh**  
Partner  
Membership No. - 091673

**Sheetal Kapoor**  
CFO

**Amarjeet Kaur**  
Company Secretary

Place : Chandigarh  
Dated : 30-06-2021

EMERALD LEASING FINANCE & INVESTMENT COMPANY LIMITED					
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2021					
	PARTICULARS	NOTE	Year Ended 31st March 2021 (INR in Lakh)		Year Ended 31st March, 2020 (INR in Lakh)
I	Revenue from Operations	17	261.064		179.410
II	Other income	18	1.234		1.313
III	<b>Total Income</b>		<b>262.298</b>		<b>180.723</b>
IV	<b>EXPENSES</b>				
	Employee-benefits expenses	19	35.522		36.312
	Finance costs	20	21.585		17.894
	Depreciation and amortization expenses	21	1.979		1.275
	Other expenses	22	69.614		53.384
	<b>Total expenses</b>		<b>128.700</b>		<b>108.865</b>
V	<b>Profit/ (Loss) before Exceptional Items &amp; Tax (I-IV)</b>		<b>133.598</b>		<b>71.858</b>
VI	<b>Exceptional Items</b>		-		-
	1. Corporate Social Responsibility		0.750		-
VII	<b>Profit/(Loss) Before Tax (V-VI)</b>		132.848		71.858
VIII	<b>Tax expense</b>				
	(1)Current Tax	15	32.256		13.846
	(2)Deferred tax	23	(0.088)		0.092
IX	<b>Profit/(Loss) for the period from continuing operations (VII-VIII)</b>		<b>100.680</b>		<b>57.920</b>
X	<b>Profit/(Loss) for the period from discontinued operations</b>		-		-
XI	<b>Tax expense of discontinued operations</b>		-		-
XII	<b>Profit/(Loss) for the period from discontinuing operations after tax (X-XI)</b>		-		-
XIII	<b>Profit/(Loss) for the period (IX+XII)</b>		<b>100.680</b>		<b>57.920</b>
XIV	<b>Other comprehensive Income</b>				
	A (i) Items that will not be reclassified to profit or loss		-		-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-		-
	B (i) Items that will be reclassified to profit or loss		-		-
	(ii) Income tax relating to items that will be		-		-

	reclassified to profit or loss			
XV	<b>Total comprehensive income for the period (XIII+XIV)</b> (Comprising Profit (Loss) and Other Comprehensive Income for the period)		<b>100.680</b>	<b>57.920</b>
XVI	<b>Earning per equity share</b> ( from continuing operation) (1)Basic (2)Diluted		<b>1.113</b> <b>1.113</b>	<b>0.640</b> <b>0.640</b>
XVII	<b>Earning per equity share</b> ( from discontinued operation) (1)Basic (2)Diluted		- -	- -
XVIII	<b>Earning per equity share</b> ( from discontinued and continuing operation) (1)Basic (2)Diluted		<b>1.113</b> <b>1.113</b>	<b>0.640</b> <b>0.640</b>
	Significant Accounting Policies & Notes on Financial Statements	<b>1 to 36</b>		

As per our report of even date attached.

**For and on behalf of the Board**

**For K. SINGH & ASSOCIATES**  
**Chartered Accountants**  
**Firm No 012458N**

**Sanjay Aggarwal**  
**Managing Director**  
**DIN No: 02580828**

**Anubha Aggarwal**  
**Director**  
**DIN No. 02557154**

**Kultar Singh**  
**Partner**  
**Membership No. - 091673**  
**Place : Chandigarh**  
**Dated : 30-06-2021**

**Sheetal Kapoor**  
**CFO**

**Amarjeet Kaur**  
**Company Secretary**

## EMERALD LEASING FINANCE &amp; INVESTMENT COMPANY LIMITED

## 3. FIXED ASSETS SCHEDULE FOR THE YEAR ENDED 31ST MARCH 2021

S.No.	PARTICULARS	GROSS BLOCK				DEPRECIATION					NET BLOCK	
		AS ON 01.04.2020	ADDITION DURING THE YR.	AJUSTME NT/SOLD DURING	AS ON 31.3.2021	AS ON 01.04.2020	PROVIDED DURING THE YR.	TRANSFER TO GENERAL RESERVE	ON SALE / ADJUSTMENTS YR.	TOTAL UP TO 31.3.2021	AS ON 31.3.2021	AS ON 31.03.2020
<b>FIXED ASSETS</b>												
1.	Computers	3.361	-	-	3.361	1.460	0.819	-	-	2.279	1.082	1.912
2.	Printer	2.583	-	-	2.583	0.513	0.861	-	-	1.374	1.209	2.070
3.	Mobile	0.450	-	-	0.450	0.110	0.150	-	-	0.260	0.190	0.340
4.	UPS	0.322	-	-	0.322	0.110	0.108	-	-	0.218	0.104	0.210
7.	Invertor	0.240	-	-	0.240	0.010	0.024	-	-	0.034	0.206	0.220
6.	Air Conditioners	0.309	-	0.192	0.117	0.100	0.017	-	-	0.117	-	0.210
<b>TOTAL</b>		<b>7.265</b>	<b>-</b>	<b>0.192</b>	<b>7.073</b>	<b>2.303</b>	<b>1.979</b>	<b>-</b>	<b>-</b>	<b>4.282</b>	<b>2.791</b>	<b>4.962</b>
		<b>3.893</b>	<b>3.372</b>	<b>-</b>	<b>7.265</b>	<b>0.860</b>	<b>1.270</b>	<b>0.170</b>	<b>-</b>	<b>2.300</b>	<b>4.962</b>	<b>3.030</b>

<b>EMERALD LEASING FINANCE &amp; INVESTMENT COMPANY LIMITED</b>			
<b>NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 Continued</b>			
The Previous period figures have been regrouped/reclassified, where ever necessary to conform to the current period presentation			
	<b>PARTICULARS</b>	<b>Year Ended 31st March 2021 (INR in Lakh)</b>	<b>Year Ended 31st March, 2020 (INR in Lakh)</b>
<b>4</b>	<b>NON-CURRENT INVESTMENTS</b>		
	<b>Others Investments</b>		
	<b>Unquoted</b>		
	<b>a)Subsidiaries</b>		
	1)8,99,990 Equity Shares (Previous Year 8,99,990 Shares) of INR10/- each of Eclat Net Advisors Pvt. Ltd.	90.000	90.000
	<b>Total</b>	<b>90.000</b>	<b>90.000</b>
<b>5</b>	<b>TRADE RECEIVABLES</b>		
	<b>(Unsecured and Considered Good)</b>		
	Accrued Interest on Unsecured Loans	2.907	38.182
	Commission and Fees Receivables	13.084	9.325
	Others		
	<b>TOTAL</b>	<b>15.991</b>	<b>47.507</b>
<b>6</b>	<b>Cash and Cash Equivalents</b>		
	Cash in hand	1.338	0.063
	Balance with banks	118.772	10.739
	Cheque Received But Not Yet Credited	25.776	5.234
	FLDG	25.699	11.867
	<b>TOTAL</b>	<b>171.585</b>	<b>27.903</b>
<b>7</b>	<b>Loans</b>		
	<b>Unsecured:</b>		
	Loans to Body corporates/ Firms/ Individuals	1,097.900	1,027.595
	Digital Debtors	165.691	-
	<b>Total</b>	<b>1,263.591</b>	<b>1,027.595</b>
<b>8</b>	<b>Others</b>		
	TDS Receivables	10.259	10.947
	GST Input Receivable	0.459	-
	<b>TOTAL</b>	<b>10.718</b>	<b>10.947</b>
<b>9</b>	<b>Security Deposit</b>		
	Security Deposit	25.998	5.998

	<b>TOTAL</b>	<b>25.998</b>	<b>5.998</b>
<b>10</b>	<b>Deferred Tax Assets</b>		
	Deferred Tax Assets	0.088	-
	<b>TOTAL</b>	<b>0.088</b>	<b>-</b>
<b>11</b>	<b>Misc Expenditure</b>		
	Misc Expenditure	19.333	20.352
	<b>TOTAL</b>	<b>19.333</b>	<b>20.352</b>

<b>12</b>	<b>SHARE CAPITAL</b>		
	<b>AUTHORISED</b>		
	4,00,00,000 Equity Shares of INR 10/- each (Previous Year-3,50,00,000 Equity Shares of INR 10/- each)	4,000.000	3,500.000
		<b>4,000.000</b>	<b>3,500.000</b>
	<b>ISSUED, SUBSCRIBED AND PAID UP CAPITAL</b>		
	90,43,650 Equity Shares INR 10/- Each fully paid (Previous Year 90,43,650 Equity Shares of INR 10/- Each fully paid up)	904.365	904.365
	<b>TOTAL</b>	<b>904.365</b>	<b>904.365</b>
	<b>SHARE APPLICATION</b>		
	(Received Applications for 2,50,897 Equity Shares INR 10/- each)	25.090	-
	<b>TOTAL</b>	<b>25.090</b>	<b>-</b>

The detail of Shareholders holding more than 5% shares:

	Name of the Shareholders	As at 31st MARCH, 2021		As at 31st MARCH, 2020	
		No of Shares	% held	No of Shares	% held
1	Sanjay Aggarwal	1928500	0.213	1928500	0.213
2	Anubha Aggarwal	1902452	0.210	1902452	0.210
3	R.S Aggarwal	1730000	0.191	1730000	0.191
4	AGR Investment Limited	750000	0.083	750000	0.083

The reconciliation of number of shares outstanding is set out below.

Particulars	As at 31st MARCH, 2021	As at 31st MARCH, 2020
	No of Shares	No of Shares
Equity Shares at the beginning of the period	9,043,650	9,043,650

Add : Shares issued during the period	-	-
Equity Shares at the end of the period	9,043,650	9,043,650

<b>12</b>	<b>Statement of Change in Equity For the year ended 31st March 2021 A. Equity Share Capital</b>		
	<b>Balance as at April 1, 2020</b>	<b>Change in Equity Share Capital during the year</b>	<b>Balance as at 31st March 2021</b>
	904.365	-	904.365
	<b>Balance as at April 1, 2019</b>	<b>Change in Equity Share Capital during the year</b>	<b>Balance as at 31st March, 2020</b>
	904.365	-	904.365

<b>13</b>	<b>B. Other Equity (Amount in Rupees)</b>							
	<b>Particulars</b>	<b>Reserves and Surplus</b>					<b>Total</b>	
		<b>Capital Reserve</b>	<b>Securities Premium Reserve</b>	<b>Revaluation Reserve</b>	<b>General Reserve/ P&amp;L Reserve</b>	<b>Statutory Reserve Fund</b>		<b>Debt Instruments through other comprehensive income</b>
	Balance as at April 1, 2020	-	-	-	105.078	18.530	-	123.608
	Change in accounting policy/ prior period errors	-	-	-	-	-	-	-
	Residual Value	-	-	-	-	-	-	-
	Profit (loss) for the year	-	-	-	100.680	-	-	100.680
	Other comprehensive income for the year	-	-	-	-	-	-	-
	Total comprehensive income for the year	-	-	-	100.680	-	-	100.680
	<b>Transactions with owners in capacity as owners</b>							
	Dividends	-	-	-	(22.609)	-	-	(22.609)
	Transferred to retained earnings Reserve fund u/s 45IC @20%	-	-	-	(20.136)	20.136	-	-
	Less: Provision for Standard Assets(0.25% of outstanding Loans)	-	-	-	(2.745)	-	-	(2.745)
	Previous Year Provision Add Back	-	-	-	(1.391)	-	-	(1.391)
	Others	-	-	-	-	-	-	-
	Balance as at March 31, 2021	-	-	-	158.877	38.666	-	197.543
	<b>(Amount in Rupees)</b>							
	<b>Particulars</b>	<b>Reserves and Surplus</b>					<b>Total</b>	

	Capital Reserve	Securities Premium Reserve	Revaluation Reserve	General Reserve/ P&L Reserve	Statutory Reserve Fund	Debt Instruments through other comprehensive income	
Balance as at April 1, 2019	-	-	-	59.151	6.944	-	66.095
Residual Value	-	-	-	(0.169)	-	-	(0.169)
Profit (loss) for the year	-	-	-	57.930	-	-	57.930
Other comprehensive income for the year	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	57.761	-	-	57.761
<b>Transactions with owners in capacity as owners</b>							
Dividends	-	-	-	-	-	-	-
Transferred to retained earnings	-	-	-	(11.586)	11.586	-	-
Reserve fund u/s 45IC @20%	-	-	-	-	-	-	-
Provision for Standard Assets(0.25% of outstanding Loans)	-	-	-	(2.579)	-	-	(2.579)
Previous Year Provision Add Back	-	-	-	2.781	-	-	2.781
Bonus Shares	-	-	-	-	-	-	-
Movement during the year	-	-	-	(0.450)	-	-	(0.450)
<b>Balance as at March 31, 2020</b>	-	-	-	105.078	18.530	-	123.608

<b>14</b>	<b>LONG TERM BORROWINGS</b>		
	<b>Unsecured</b>		
	Loans from Financial Institutions	155.348	117.597
	Loans from Banks	23.507	33.434
	<b>Total</b>	<b>178.855</b>	<b>151.031</b>
<b>15</b>	<b>OTHER CURRENT LIABILITIES</b>		
	Duties and Taxes	6.292	(0.803)
	Audit Fees Payable	0.375	0.375
	Income Tax Deducted as Source Payable	4.049	2.822
	Expenses Payable	12.509	33.656
	Salaries Payable	2.300	3.765
	Unpaid Dividend	0.772	
	Security Deposits	230.345	
	<b>Total</b>	<b>256.642</b>	<b>39.815</b>



<b>16</b>	<b>PROVISIONS</b>		
	Provision for taxation	32.256	13.846
	Provision for Standard Assets (0.25% of outstanding Loans)	5.324	2.579
	<b>Total</b>	<b>37.580</b>	<b>16.425</b>
<b>17</b>	<b>CURRENT TAX LIABILITIES</b>		
	Deferred tax liabilities	0.020	0.020
	<b>Total</b>	<b>0.020</b>	<b>0.020</b>
<b>EMERALD LEASING FINANCE &amp; INVESTMENT COMPANY LIMITED</b>			
<b>NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 Continued</b>			
The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation			
	<b>PARTICULARS</b>	<b>As at 31st March, 2021 (INR in Lakh)</b>	<b>As at 31st March, 2020 (INR in Lakh)</b>
<b>18</b>	<b>Revenue from Operations</b>		
	Interest Income	129.729	120.531
	Dividend	4.500	11.250
	Commission and Fees Based Income	126.835	47.629
	<b>TOTAL</b>	<b>261.064</b>	<b>179.410</b>
<b>19</b>	<b>OTHER INCOME</b>		
	Other Operating Income	0.033	0.774
	Interest on Income Tax Refund	-	0.132
	Interest on FLDG	1.201	0.407
	<b>TOTAL</b>	<b>1.234</b>	<b>1.313</b>
<b>20</b>	<b>EMPLOYEE BENEFITS EXPENSE</b>		
	Salary	32.522	33.812
	Salaries to Managing Director	3.000	2.500
	<b>TOTAL</b>	<b>35.522</b>	<b>36.312</b>
<b>21</b>	<b>FINANCE COSTS</b>		
	Interest on Loan From Banks	3.667	4.744
	Interest on Loan From NBFC	17.918	13.150
	<b>TOTAL</b>	<b>21.585</b>	<b>17.894</b>
<b>22</b>	<b>DEPRECIATION AND AMORTIZATION EXPENSE</b>		
	Depreciation on Tangible Assets	1.979	1.275
	<b>TOTAL</b>	<b>1.979</b>	<b>1.275</b>
<b>23</b>	<b>OTHER EXPENSES</b>		

	Administrative Overheads		
	Advertisement & Promotion	3.831	0.540
	Annual Listing Fee	3.326	3.625
	Audit fee	0.584	0.375
	Other Allied Fees	0.361	0.250
	Balances written off	-	0.124
	Commission Paid	19.965	14.977
	Input Tax credit reversal	0.160	
	Interest and Other Financial Overhead	0.224	0.588
	Internet Marketing Expenses	2.218	5.250
	Legal Fees	3.500	-
	Loss on sale of assets	0.005	
	Misc Exp W/off	4.769	4.582
	Office Expenses	1.232	0.678
	Postage & Telegraph	0.996	0.487
	Printing & Stationery	1.150	0.634
	Processing Fee	2.570	2.628
	Professional Fees	11.896	7.189
	Rates Fees & Taxes	2.222	8.736
	Payment Gateway Fees	3.229	-
	Rent	1.308	1.200
	Repair and Maintenance	-	0.199
	Software Usage Fees (BSE)	5.450	-
	Telephone Expenses	0.281	0.375
	Travelling Expenses	0.337	0.947
	<b>GRAND TOTAL</b>	<b>69.614</b>	<b>53.384</b>
<b>24</b>	<b>DEFERRED TAX</b>		
	Deferred Tax	0.088	0.092
	<b>TOTAL</b>	<b>0.088</b>	<b>0.092</b>
<b>25</b>	<b>Contingent Liabilities not provided for Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
a)	Bills Discounted with bank since not realized	Nil	Nil
b)	Bank Guarantees/Counter Guarantee issued	Nil	Nil
c)	Estimated amount of contract remaining to be executed	Nil	Nil
d)	Letter of Credit un-expired	Nil	Nil
<b>26</b>	<b>Related Party Disclosures</b>		
	As per INDAS 24, the disclosure of transactions with the related parties are given below.		
<b>(i)</b>	<b>List of related parties with whom transactions have taken place.</b>		
	<b>S.No. Name of the Related Party Relationship</b>		
	1. Eclat Net Advisors Private Limited Subsidiary		
	2. Mr. Sanjay Aggarwal Key Managerial Personnel		
	3. Mrs. Anubha aggarwal Key Managerial Personnel		
	4. Mrs. Amarjeet Kaur Key Managerial Personnel		

5.	Ms. Sheetal Kapoor	Key Managerial Personnel
II)	<b>Disclosure in Respect of Material Related Party Transactions during the year:</b>	
1	Rent paid to Managing Director Mr. Sanjay Aggarwal during the year - INR 1,20,000 for the premises of registered cum corporate office taken on rent.	
2	Salary paid to Managing Director Mr. Sanjay Aggarwal during the year - INR 3,00,000.	
3	Investment received by way of Equity :	
a.	R.S. Aggarwal	: Rs. 17300000 ( 1730000 Equity shares of Rs. 10/- each)
b.	Anu Aggarwal	: Rs. 445500 (4455000 Equity shares of Rs. 10/- each)
c.	Sanjay Aggarwal	: Rs. 19285000 (1928500 Equity Shares of Rs. 10/- each)
d.	Anubha Aggarwal	: Rs. 19024520 (1902452 Equity Shares of Rs. 10/- each)
4	Company has granted a Short term loan to Eclat Net Advisors Private Limited, which is a Subsidiary of the company. Outstanding amount of which as on 31-03-2021 is NIL	

<b>27</b>	<b>Disclosure as required under INDAS 108 -Operating Segments</b>	
	The company has only one reportable primary segment i.e. NBFC Activity and hence no separate segment disclosures made.	
	<b>Particulars</b>	<b>Total</b>
		<b>As on 31.03.2021</b>
		<b>As on 31.03.2020</b>
	<b>Revenue</b>	
	External Sales	261.064
	Inter-segment sales	-
	<b>Total Revenue</b>	261.064
	<b>Result</b>	
	Segment result	(128.700)
	<b>Operating Profit</b>	132.364
	Interest expenses	-
	Interest income	-
	Other income	1.234
	Foreign exchange gain/(loss)	-
	Income tax (Current+Deferred)	(32.168)
	<b>Net Profit (inclusive other comprehensive income)</b>	<b>101.430</b>
		<b>57.920</b>

<b>Other Information</b>	<b>As on 31.03.2021</b>	<b>As on 31.03.2020</b>
Segment assets	1,600.095	1,235.264
Unallocated corporate assets	-	-
<b>Total assets</b>	<b>1,600.095</b>	<b>1,235.264</b>
Segment liabilities	473.097	207.291
Unallocated corporate liabilities	-	-
<b>Total liabilities</b>	<b>473.097</b>	<b>207.291</b>
<b>Capital Expenditure</b>	-	-
Depreciation	1.979	1.275

<b>28</b>	<b>Financial Instruments-Accounting classifications and fair value measurements</b>
-----------	---

The fair value of the assets and liabilities are included at the amount at which the instrument could be exchanged in current transaction between willing parties, other than in force or liquidation sale.

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

1. Fair Value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial instruments approximate their carrying amounts largely due to the short term maturities of these instruments.
  2. Financial Instruments with fixed and variable interest rates are evaluated by the company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to the account for the expected losses of these receivables.
- The company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:
- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities  
 Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly  
 Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

28.1	Particulars	Carrying amount As at 31- March-2020	Fair Value		
			Level 1	Level 2	Level 3
	<b>Financial Assets at fair value through profit or loss</b>				
	Investments in debt instruments	-	-	-	-
	<b>Financial assets at fair value through other comprehensive income</b>				
	Investments in debt instruments	-	-	-	-
	Investments in equity instruments	-	-	-	-
	<b>Total</b>	-	-	-	-
	<b>Financial assets at amortised cost</b>				
	Investments in debt instruments	-	-	-	-
	Investments in subsidiaries and joint venture	90.000	-	-	90.000
	Bank deposits	-	-	-	-
	Trade receivables	47.507	-	-	-
	Cash and Bank balances	27.903	-	-	-
	<b>Total</b>	<b>165.410</b>	-	-	<b>90.000</b>
	<b>Financial liabilities at amortised cost</b>				
	Term loans	-	-	-	-
	Finance lease obligations	-	-	-	-
	Short term borrowings	151.031	-	-	-
	Trade Payables	-	-	-	-
	Other financial liabilities (non-current)	39.815	-	-	-
	Other financial liabilities (current)	16.445	-	-	-
	<b>Total</b>	<b>207.291</b>	-	-	-

28.2	Particulars	Carrying amount As at 31- MARCH-2021	Fair Value		
			Level 1	Level 2	Level 3
	<b>Financial Assets at fair value through profit or loss</b>				
	Investments in debt instruments				
	<b>Total</b>	-	-	-	-
	<b>Financial assets at fair value through other comprehensive income</b>				
	Investments in debt instruments				
	Investments in equity instruments	-			
	<b>Total</b>	-	-	-	-
	Financial assets at amortised cost	-	-	-	-
	Investments in debt instruments	-	-	-	-
	Investments in subsidiaries and joint venture	90.000	-	-	90.000
	Bank deposits	-	-	-	-
	Trade receivables	15.991	-	-	-
	Cash and Bank balances	171.585	-	-	-
	<b>Total</b>	<b>277.576</b>	-	-	<b>90.000</b>
	Financial liabilities at amortised cost				
	Term loans	-	-	-	-
	Finance lease obligations	-	-	-	-
	Short term borrowings	178.855	-	-	-
	Trade Payables	-	-	-	-
	Other financial liabilities (non-current)	256.642	-	-	-
	Other financial liabilities (current)	37.600	-	-	-
	<b>Total</b>	<b>473.097</b>	-	-	-

<b>29</b>	<b>Financial Risk Management Objectives and Policies</b>
	The Company's financial risk management is an integral part of how to plan and execute its business strategies.
	<b>Market risk</b>
	Market risk is the risk of loss of future earnings, fair value or future cash flows arising out of change in the price of a financial instrument. These include change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings. The Board provides oversight and reviews the Risk management policy on a quarterly basis.
	<b>Interest rate risk</b>
	The company is not exposed to significant interest rate risk as at the respective reporting dates.
	<b>Credit risk</b>
	Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of account receivables. Individual risk limits are set accordingly.
	The Company considers the probability of default upon initial recognition of asset and whether there has been a

significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The company considers reasonable and supportive forward-looking information.

Financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in a repayment plan with the company.

#### Liquidity Risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's finance department is responsible for maintenance of liquidity (including quasi liquidity), continuity of funding as well as timely settlement of debts. In addition, policies related to mitigation of risks are overseen by senior management. Management monitors the Company's net liquidity position on the basis of expected cash flows vis a vis debt service fulfillment obligation.

#### Maturity profile of financial liabilities

The table below provides details regarding the maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at March 31, 2021	Less than 1 year/ On Demand	1 to 5 years	More than 5 years
Finance lease obligations	-	-	-
Deposits payable	-	-	-
Long term borrowings	-	178.855	-
Short term borrowings	-	-	-
Trade payables	256.642	-	-
Other financial liabilities	37.600	-	-
As at March 31, 2020	Less than 1 year/ On Demand	1 to 5 years	More than 5 years
Finance lease obligations	-	-	-
Deposits payable	-	-	-
Long term borrowings	-	151.031	-
Short term borrowings	-	-	-
Trade payables	39.815	-	-
Other financial liabilities	16.445	-	-

	Particulars	Foreign Currency		Local Currency	
<b>30</b>	<b>Exposure in Foreign Currency</b>				
(A)	Outstanding overseas exposure not being hedged against adverse currency fluctuation				
	i) Export Receivable	CY	USD	-	-
<b>31</b>	<b>Disclosure as required by INDAS 33- Earning Per Share.</b>				
	<b>Particulars</b>	<b>Year ended 31st March, 2021</b>		<b>Year ended 31st March, 2020</b>	
	Net Profit After tax	100.680		57.920	
	Weighted Average number of equity shares for Basic EPS(Nos.)	9,043,650		9,043,650	

Face Value Per share	INR 10/-	INR 10/-
Basic EPS (INR)	1.113	0.640
Diluted EPS (INR)	1.113	0.640

- 32** As per INDAS 36 impairment of Assets, the company has assessed the conditions of all assets used in its operation and is of the opinion that there is no impairment of assets, hence no provision was made.
- 33** In the opinion of the management current assets, loan and advances are of the value stated, if realized in the ordinary course of business.
- 34** **Assets Taken on Operating Lease**  
The office premises has been taken on operating lease on annual basis and is annually renewable. The lease Agreements does not have any escalation clause for renewal of lease. There are no Sub-Leases and leases are generally cancellable in nature.
- 35** The Balances of debtors and creditors, loan and advances are subject to confirmation and their pending reconciliation. Such balances are reflected in the balance sheet as appearing in the books of accounts.
- 36** Disclosure As per Clause 32 of Listing agreement with the stock exchanges:  
a) Loan and advances to subsidiary.

Name of Company	Relationship	31/03/2021	INR In Lacs Maximum balance outstanding during year ending 31st March 2021
Eclat Net Advisors Private Limited	Subsidiary	NIL	102.993

As per our report of even date attached.

**For K. SINGH & ASSOCIATES**  
**Chartered Accountants**  
**Firm No 012458N**

**Kultar Singh**  
**Partner**  
**Membership No. - 091673**

**Place : Chandigarh**  
**Dated : 30-06-2021**

**For and on behalf of the Board**

**Sanjay Aggarwal**  
**Managing Director**  
**DIN No: 02580828**

**Sheetal Kapoor**  
**CFO**

**Anubha Aggarwal**  
**Director**  
**DIN No. 02557154**

**Amarjeet Kaur**  
**Company Secretary**

<b>EMERALD LEASING FINANCE &amp; INVESTMENT COMPANY LIMITED</b>				
Regd. Office: SCO 7 Industrial Area Phase 2 Chandigarh 160002				
CIN : L65993CH1983PLC041774				
<b>CASH FLOWS FOR THE YEAR ENDED 31.03.2021</b>				
PARTICULARS		Year Ended 31st March 2021		Year Ended 31st March, 2020
		(INR in Lakhs)		(INR in Lakhs)
<b>1. CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>NET PROFIT BEFORE TAX</b>		<b>133.598</b>	-	<b>71.858</b>
<b>Add:</b>				
Depreciation		1.979		1.275
Miscellaneous Expenses Written Off		4.769		4.582
Financial Expenses		21.585		17.894
		<b>28.333</b>		<b>23.751</b>
<b>Less:</b>				
Deferred Tax Liability		(0.088)		0.092
Provision for Tax		32.256		13.846
Income tax adjustment during the year		1.391		(2.781)
Others		0.750		0.450
Provision for Standard Asset		2.745		2.579
Dividend Paid		22.609		-
		<b>59.663</b>		<b>14.186</b>
<b>Operating profit for working capital changes</b>		<b>102.268</b>		<b>81.423</b>
(Increase) / Decrease in Trade Receivable		31.516		(11.360)
(Increase) / Decrease in Loans & Advances		(235.996)		(380.830)
(Increase) / Decrease in Other Current Assets		(19.859)		-
Increase / (Decrease) in Trade Payables & Others		237.982		28.863
<b>Cash Generated from / (used in) operating activities</b>		<b>115.911</b>		<b>(281.904)</b>
Direct Taxes paid / deducted at source		-		-
<b>Net cash generated from / (used in) operating activities</b>	<b>(A)</b>	<b>115.911</b>		<b>(281.904)</b>
<b>2. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Misc Expenditure		(3.750)		(18.348)
Sale of Fixed Assets		0.192		(3.370)
<b>Net Cash from / (used in) Investing Activities</b>	<b>(B)</b>	<b>(3.558)</b>		<b>(21.718)</b>
<b>3. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceed from Share Application money		25.090		-
Proceeds from Unsecured Loans		27.824		90.954
Interest Paid		(21.585)		(17.894)
<b>Net Cash from / (used in) Financing Activities</b>	<b>(C)</b>	<b>31.329</b>		<b>73.060</b>



<b>4. NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	<b>(A)+(B)+(C)</b>	<b>143.682</b>		<b>(230.562)</b>
<b>5. CASH &amp; CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR</b>		27.903		258.465
<b>6. CASH &amp; CASH EQUIVALENTS AS AT THE END OF THE YEAR</b>		<b>171.585</b>		<b>27.903</b>
Cash and Cash equivalents ( Year end)		171.585		27.903
FLDG		25.699		11.867
Balances with banks with restatement (including cc & od balances)		118.772		10.739
Cheques in Hand		25.776		5.234
Cash in Hand		1.338		0.063
<b>Reconciliation of Cash and Cash equivalents</b>				
Cash and Cash equivalents as per Balance Sheet		171.585		27.903
Balances with banks in CC Accounts		-		-
Balances with banks in OD Accounts		-		-
<b>TOTAL</b>		<b>171.585</b>		<b>27.903</b>

**Sanjay Aggarwal**  
**Managing Director**  
**DIN No: 02580828**

**Anubha Aggarwal**  
**Director**  
**DIN No. 02557154**

**Place : Chandigarh**  
**Dated : 30-06-2021**

**Sheetal Kapoor**  
**CFO**

**Amarjeet Kaur**  
**Company Secretary**

**Auditor's Certificate**

We have examined the attached cash flow statement of Emerald Leasing Finance & Investment Company Limited for the year ended 31st March 2021. The Statement has been prepared by the company in accordance with the requirement of the listing agreement Clause 32 with Stock Exchange and is based on and derived from the audited accounts of the Company for the year ended 31st March 2021.

**For K. SINGH & ASSOCIATES**  
**Chartered Accountants**  
**Firm No 012458N**

**Place : Chandigarh**  
**Dated : 30-06-2021**

**Kultar Singh**  
**Partner**  
**Membership No. - 091673**

**Note 1 Corporate Information**

M/s Emerald Leasing Finance and Investment Company Limited (the 'Company') is a Listed Limited Company domiciled in India and incorporated under the provisions of the Companies Act on 22-11-1983. The Company is a NBFC registered with RBI vide certificate No B -06.00615 dated 15<sup>th</sup> Dec 2018 as amended.

**Note 2 Summary of Significant Accounting Policies****2.1. Basis of Preparation and Presentation****a) Statement of compliance**

The Company has adopted Indian Accounting Standards (Ind AS) with effect from 1<sup>st</sup> April, 2017, with transition date of 1<sup>st</sup> April, 2016, pursuant to notification issued by Ministry of Corporate Affairs dated 16<sup>th</sup> February, 2015, notifying the Companies (Indian Accounting Standards) Rules, 2015. Accordingly, the financial statements comply with Ind AS as prescribed under section 133 of the Companies Act, 2013 (the "Act"), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements for the year ended 31<sup>st</sup> March 2021 are prepared under Ind AS.

**b) Functional and presentation currency**

The management has determined the currency of the primary economic environment in which the Company operates i.e., functional currency, to be 'Indian Rupees' [INR (Rs.)]. The financial statements are presented in INR (Rs.) which is Company's functional and presentational currency.

**c) Basis of measurement**

The financial statements have been prepared on the historical cost basis except for the following items

Items	Measurement Basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

**d) Critical accounting estimates and judgments**

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

### **Judgements**

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements.

## **2.2. Significant accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and in preparing the opening Ind AS Balance Sheet as at 1<sup>st</sup> April, 2016 for the purposes of the transition to Ind AS.

### **a) Current and non-current classification**

All assets and liabilities are classified into current and non-current.

#### **Assets**

An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is expected to be realised within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

#### **Liabilities**

A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is due to be settled within 12 months after the reporting date; or
- The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of financial liabilities some part of which may be noncurrent. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**Operating cycle**

The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle being a period of 12 months for the purpose of classification of assets and liabilities as current and non-current.

**b) 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 initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets are initially measured 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.

**Classification and subsequent measurement**

Classification

For the purpose of subsequent measurement, the Company classifies financial assets in following categories:

- Financial assets at amortized cost;
- Financial assets at fair value through profit or loss (FVTPL)

A financial asset being 'debt instrument' is measured at the amortized cost if both of the following conditions are met

- The financial 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.

A financial asset being equity instrument is measured at FVTPL.

All financial assets not classified as measured at amortized cost are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

ii. **Financial liabilities**

Recognition and initial measurement

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial liabilities are initially measured at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the liability.

c) **Equity share capital**

Proceeds from issuance of ordinary shares are recognised as equity share capital in equity. Incremental costs directly attributable to the issuance of new equity shares are recognized as a deduction from equity, net of any tax effects.

d) **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, bank balances and any deposits with original maturities of three months or less (that are readily convertible to known amounts of cash and cash equivalents and subject to an insignificant risk of changes in value). However, for the purpose of the statement of cash flows, in addition to above items, any bank overdrafts / cash credits that are integral part of the Company's cash management, are also included as a component of cash and cash equivalents.

e) **Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of trade discounts, GST or any other taxes as applicable from time to time.

The Company assesses its revenue arrangements against specific criteria, i.e., whether it has exposure to the significant risks and rewards associated with the rendering of services, in order to determine if it is acting as a principal or as an agent.

**Sale of Services**

Revenue from the sale of services is recognized when the services has been provided to the client and are invoiced, at which time all the following conditions are satisfied:

1. the Company has transferred to the buyer the significant risks and rewards of ownership of the goods or services;
2. the Company retains neither continuing managerial involvement to the degree usually associated with services provided.
3. the amount of revenue can be measured reliably;
4. it is probable that the economic benefits associated with the transaction will flow to the Company; and

5. the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Interest income**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**Dividend income**

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

**f) Income tax**

Income tax expense comprises current and deferred tax. It is recognised in statement of profit and loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

**Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

**Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on reversal of temporary differences. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be

used. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Minimum Alternative Tax ('MAT') expense under the provisions of the Income Tax Act, 1961 is recognized as an asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Company and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Company becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is written down to reflect the amount that is reasonably certain to be set off in future years against the future income tax liability. MAT Credit Entitlement has been presented as Deferred Tax in Balance Sheet.

**g) Earnings per share**

The Company presents basic and diluted earnings per share (EPS) data for its equity shares. 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 period.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

## **INDEPENDENT AUDITORS' REPORT**

To the Members of  
**Emerald Leasing Finance and Investment Co. Limited.**

### **Report on the Consolidated Financial Statements as per Ind AS**

#### **Opinion**

We have audited the accompanying Consolidated financial statements of **Emerald Leasing Finance and Investment Co. Limited** ("the Company"), which comprise Consolidated the Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss, Consolidated Statement of change in Equity and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021 and its Profit and its Cash Flow 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 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 there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance including other Consolidated comprehensive income, Consolidated cash flows and Consolidated change in equity of the Company in accordance with the Accounting principles generally accepted in India, including the Indian Accounting Standard Ind AS specified under Section 133 of the Act, read with the provision of the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding



the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that we are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentations of the financial statements that give a true and fair view and free from material misstatement, whether due to fraud or error.

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

Those respective board of directors of the companies included in the Group and of its associates are also responsible for overseeing the company's financial reporting process of the Group and its associates.

### **Auditor's Responsibility on Consolidated Ind As Financial Statements**

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

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Other Matters**

We did not audit the financial statements / financial information of One (1) subsidiaries, whose financial statements / financial information reflect total assets of Rs. 754.634 Lacs as at 31st March, 2021, total revenues of Rs. 282.89 Lacs and net cash flows amounting to Rs.4.69 Lacs for the year ended on that date, considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit/loss of Rs. NIL for the year ended 31st March, 2021, as considered in the consolidated financial statements, in respect of NIL associates, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, and associates, is based solely on the reports of the other auditors.

### **Report on Other Legal and Regulatory Requirement's**

3. As required by section 143(3) of the Act, based on our audit report and on the consideration of report of

the other auditors on separate financial statements and other financial information of subsidiaries as noted in the "other matters" paragraph we report, to the extent applicable, 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 purpose of our audit of the consolidated IND AS financial statements

b) In our opinion proper books of account as required by law have been kept by the Holding Company including relevant records relating to the preparation of the aforesaid consolidated IND AS financial statements so far as it appears from our examination of those books and records of the Holding Company a report of the other auditors).

c) The Consolidated Balance Sheet, Consolidated Statement of Consolidated Profit and Loss, Consolidated Cash Flow Statement, consolidated statement of Changes in the Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of Consolidated Ind AS Financial Statements;

d) In our opinion the Consolidated financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies none of the directors of the Group's companies, its associates incorporated in India is disqualified as on March 31, 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 control, refer to our separate report in Annexure "A" and

g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to explanations given to us:

i. The Holding Company nor its subsidiary as per report of other auditor has no pending litigations.

ii. The Holding company nor its subsidiary have any long term contracts including derivative contracts which there were any material foreseeable losses.

iii. There are no amounts which are required to be transferred, to the Investor Education and Protection Fund by the Holding company.

h) The Holding Company is NBFC and registered under section 45-IA of the Reserve Bank of India Act, 1934.

[i]

(a) The holding Company has been granted certificate of registration from Reserve Bank of India under

Section 45IA of the Reserve Bank of India Act, 1934.

(b) The holding company is entitled to continue and hold the certificate of registration in terms asset/income pattern as at 31<sup>st</sup> March 2021.

(c) Considering the asset/income pattern of the holding company we are of the opinion that the company is not an Asset Finance Company.

[ii] As per information and explanation given to us the Board of Directors have passed a resolution for non-acceptance of any deposits from public.

[iii] As it appears from our examination of the books of account, the company has not accepted any deposits from public during the year under review.

[iv] The Company has given Loans & Advances and has complied with the Prudential Norms relating income recognition accounting standards, asset classification and provisioning for bad and doubtful debts applicable as on 31-03-2021

**FOR K SINGH & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**Firm No. 012458N**

**Kultar Singh**  
**Partner**  
**Membership No. 091673**  
**[UDIN: 21091673AAAAABL9083](#)**

**PLACE: Chandigarh**  
**DATED: 30/06/2021**

### **Annexure – “A” to the Auditors’ Report**

#### **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 **Emerald Leasing Finance and Investment Co. Limited** (“the Holding Company”) and its subsidiaries as of 31<sup>st</sup> March, 2021 in conjunction with our audit of its standalone financial statements of the Company for the year ended on that date.

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

The Respective Board of Directors of the Holding Company and the subsidiaries, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). The 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 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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

### **Opinion**

In our opinion, the Holding Company and its subsidiaries, has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> 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 ICAI.

*for K Singh & Associates*

*Chartered Accountants*

Firm's Registration Number: 012458N

**CA. Kulltar Singh**

*Partner*

Membership Number: 091673

Place of Signature: New Delhi

Date: 30<sup>th</sup> June, 2021

[UDIN: 21091673AAAAABL9083](#)

**EMERALD LEASING FINANCE & INVESTMENT COMPANY LIMITED  
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2021**

	<b>PARTICULARS</b>	<b>NOTE</b>	<b>As at 31st March, 2021 (INR in Lakh)</b>	<b>As at 31st March, 2020 (INR in Lakh)</b>
	<b>ASSETS</b>			
(1)	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	3	5.393	7.962
			<b>5.393</b>	<b>7.962</b>
(2)	<b>Current assets</b>			
	<b>(a) Financial Assets</b>			
	(i) Trade receivables	4	49.629	92.788
	(ii) Cash and cash equivalents	5	460.324	159.395
	(iii) Loans	6	1,671.091	1,629.971
	(iv) Others (to be specified)	7	32.223	42.220
	(v) Security Deposits	8	25.998	5.998
	(vi) Deferred Tax Assets (Net)	9	0.663	0.340
	<b>(b) Misc Expenditure</b>	10	19.408	20.452
			<b>2,259.336</b>	<b>1,951.164</b>
	<b>Total Assets</b>		<b>2,264.729</b>	<b>1,959.126</b>
	<b>EQUITY AND LIABILITIES</b>			
(1)	<b>Equity</b>			
	(a) Equity Share capital	11	904.365	904.365
	(b) Share Application		25.090	
	(c) Other Equity	12	686.968	587.115
	(d) Minority Interest		41.340	34.086
			<b>1,657.763</b>	<b>1,525.566</b>
(2)	<b>Non-current liabilities</b>			
	<b>(a) Financial Liabilities</b>			
	(i) Borrowings	13	268.608	258.516
			<b>268.608</b>	<b>258.516</b>
(3)	<b>Current liabilities</b>			
	(a) Other current liabilities	14	286.592	137.529
	(b) Provisions	15	51.746	37.495
	(c) Current Tax liabilities (net)	16	0.020	0.020
			<b>338.358</b>	<b>175.044</b>
	<b>Total Equity and Liabilities</b>		<b>2,264.729</b>	<b>1,959.126</b>
	Significant Accounting Policies & Notes on Financial Statements	1 to 35	-	-

As per our report of even date attached.

**For K. SINGH & ASSOCIATES**  
**Chartered Accountants**  
**Firm No 012458N**

**Kultar Singh**  
**Partner**  
**Membership No. - 091673**

**Place : Chandigarh**  
**Dated : 30-06-2021**

**For and on behalf of the Board**

**Sanjay Aggarwal**  
**Managing Director**  
**DIN No: 02580828**

**Sheetal Kapoor**  
**CFO**

**Anubha Aggarwal**  
**Director**  
**DIN No. 02557154**

**Amarjeet Kaur**  
**Company Secretary**



<b>EMERALD LEASING FINANCE &amp; INVESTMENT COMPANY LIMITED</b>				
<b>CONSOLIDATED STATEMENT OF PROFIT &amp; LOSS FOR THE YEAR ENDED 31ST MARCH 2021</b>				
	<b>PARTICULARS</b>	<b>NOTE</b>	<b>As at 31st March, 2021 (INR in Lakh)</b>	<b>As at 31st March, 2020 (INR in Lakh)</b>
I	Revenue from Operations	<b>17</b>	543.875	782.142
II	Other income	<b>18</b>	1.313	4.646
III	<b>Total Income</b>		<b>545.188</b>	<b>786.788</b>
IV	<b>EXPENSES</b>			
	Employee-benefits expenses	<b>19</b>	95.699	106.008
	Finance costs	<b>20</b>	38.924	44.134
	Depreciation and amortization expenses	<b>21</b>	3.418	3.125
	Other expenses	<b>22</b>	216.203	469.579
	<b>Total expenses</b>		<b>354.244</b>	<b>622.846</b>
V	<b>Profit/ (Loss) before Exceptional Items &amp; Tax (I-IV)</b>		<b>190.944</b>	<b>163.942</b>
VI	<b>Exceptional Items</b>		-	-
	Corporate Social responsibility		1.810	-
VII	<b>Profit/(Loss) Before Tax (V-VI)</b>		189.134	163.942
VIII	<b>Tax expense</b>			
	(1)Current Tax	<b>15</b>	46.422	34.916
	(2)Deferred tax	<b>23</b>	(0.323)	(0.008)
	(3) Income Tax Adjustment for previous year		3.645	-
IX	<b>Profit/(Loss) for the period from continuing operations (VII-VIII)</b>		<b>139.390</b>	<b>129.034</b>
X	<b>Profit/(Loss) for the period from discontinued operations</b>		-	-
XI	<b>Tax expense of discontinued operations</b>		-	-
XII	<b>Profit/(Loss) for the period from discontinuing operations after tax (X-XI)</b>		-	-
XIII	<b>Profit/(Loss) for the period (XI+XII)</b>		<b>139.390</b>	<b>129.034</b>
XIV	<b>Other comprehensive Income</b>			
	A (i) Items that will not be reclassified to profit or loss	<b>23</b>	-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-

XV	<b>Total comprehensive income for the period (XIII+XIV)</b> (Comprising Profit (Loss) and Other Comprehensive Income for the period)		<b>139.390</b>		<b>129.034</b>
XVI	<b>Earning per equity share</b> ( from continuing operation)				
	(1)Basic		<b>1.541</b>		<b>1.427</b>
	(2)Diluted		<b>1.541</b>		<b>1.427</b>
XVII	<b>Earning per equity share</b> ( from discontinued operation)				
	(1)Basic		-		-
	(2)Diluted		-		-
XVIII	<b>Earning per equity share</b> ( from discontinued and continuing operation)				
	(1)Basic		<b>1.541</b>		<b>1.427</b>
	(2)Diluted		<b>1.541</b>		<b>1.427</b>
	Significant Accounting Policies & Notes on Financial Statements	<b>1 to 35</b>			

As per our report of even date attached.

For and on behalf of the Board

**For K. SINGH & ASSOCIATES**  
Chartered Accountants  
Firm No 012458N

**Kultar Singh**  
Partner  
Membership No. - 091673

Place : Chandigarh  
Dated : 30-06-2021

**Sanjay Aggarwal**  
Managing Director  
DIN No: 02580828

**Sheetal Kapoor**  
CFO

**Anubha Aggarwal**  
Director  
DIN No. 02557154

**Amarjeet Kaur**  
Company Secretary

**EMERALD LEASING FINANCE & INVESTMENT COMPANY LIMITED**
**3. FIXED ASSETS SCHEDULE FOR THE PERIOD ENDED 31ST MARCH 2021**

S.No.	PARTICULARS	GROSS BLOCK				DEPRECIATION					NET BLOCK	
		AS ON 01.04.2020	ADDITION DURING THE YR.	AJUSTMENT/S OLD DURING THE YEAR	AS ON 31.03.2021	AS ON 01.04.2020	PROVIDED DURING THE YR.	TRANSFER TO GENERAL RESERVE	ON SALE / ADJUSTMENTS DURING THE YR.	TOTAL UP TO 31.03.2021	AS ON 31.03.2021	AS ON 31-03-2020
<b>FIXED ASSETS</b>												
1. Computers	9.741	0.326	-	10.067	6.510	1.459	-	-	7.969	2.098	3.242	
2. Printer	4.347	-	-	4.347	1.763	1.141	-	-	2.904	1.443	2.580	
3 Air Conditioner	1.713	0.360	-	2.073	0.830	0.184	-	-	1.014	1.059	0.880	
4 UPS	0.361	0.019	-	0.380	0.130	0.123	-	-	0.253	0.127	0.230	
5. Mobile	1.136	-	-	1.136	0.430	0.367	-	-	0.797	0.339	0.700	
6. Invertor	0.240	-	-	0.240	0.010	0.024	-	-	0.034	0.206	0.230	
6. Software	0.217	0.336	0.192	0.361	0.120	0.120	-	-	0.240	0.121	0.100	
		-										
<b>TOTAL</b>	<b>17.755</b>	<b>1.041</b>	<b>0.192</b>	<b>18.604</b>	<b>9.793</b>	<b>3.418</b>			<b>13.211</b>	<b>5.393</b>	<b>7.962</b>	
	<b>14.343</b>	<b>3.412</b>		<b>17.755</b>	<b>6.503</b>	<b>3.120</b>	<b>0.170</b>		<b>9.793</b>	<b>7.962</b>	<b>7.840</b>	

<b>EMERALD LEASING FINANCE &amp; INVESTMENT COMPANY LIMITED</b>			
<b>CONSOLIDATED NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 Continued</b>			
The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation			
	<b>PARTICULARS</b>	<b>As at 31st March, 2021 (INR in Lakh)</b>	<b>As at 31st March, 2020 (INR in Lakh)</b>
<b>4</b>	<b>TRADE RECEIVABLES</b>		
	<b>(Unsecured and Considered Good)</b>		
	Accrued Interest on Unsecured Loans	6.784	70.553
	Commission and Fee Based Income Receivables	42.845	22.235
	<b>TOTAL</b>	<b>49.629</b>	<b>92.788</b>
<b>5</b>	<b>Cash and Cash Equivalents</b>		
	Cash in hand	6.023	3.531
	Balance with banks	402.826	76.583
	Cheques in Hand	25.776	67.414
	FLDG With Agile Finserv and Usha Financial Services Ltd	25.699	11.867
	<b>TOTAL</b>	<b>460.324</b>	<b>159.395</b>
<b>6</b>	<b>Loans</b>		
	<b>Unsecured:</b>		
	Loans to Body corporate/ Firms/ Individuals	1,505.400	1,629.971
	Digital Debtors	165.691	
	<b>Total</b>	<b>1,671.091</b>	<b>1,629.971</b>
<b>7</b>	<b>Others</b>		
	TDS Receivables (F.Y. 2020-21)	20.519	38.895
	Income Tax Refund (F.Y. 2019-20)	8.050	3.325
	GST Input Receivable	3.654	
	<b>TOTAL</b>	<b>32.223</b>	<b>42.220</b>
<b>8</b>	<b>Security Deposits</b>		
	Security Deposits	25.998	5.998
	<b>TOTAL</b>	<b>25.998</b>	<b>5.998</b>
<b>9</b>	<b>Deferred Tax Assets</b>		
	Deferred Tax Asset	0.663	0.340
	<b>TOTAL</b>	<b>0.663</b>	<b>0.340</b>
<b>10</b>	<b>Misc Expenditure</b>		
	Misc Expenditure	19.408	20.452

<b>TOTAL</b>		<b>19.408</b>	<b>20.452</b>
<b>11</b>	<b>SHARE CAPITAL</b>		
	<b>AUTHORISED</b> 3,500,00,000 Equity Shares of INR 10/- each (Previous Year 400,00,000 Equity Shares of INR 10/- each)	4,000.000	3,500.000
		<b>4,000.000</b>	<b>3,500.000</b>
	<b>ISSUED, SUBSCRIBED AND PAID UP CAPITAL</b> 9043650 Equity Shares INR 10/- Each fully paid (Previous year 9043650 Equity Shares INR 10/- each)	904.365	904.365
	<b>TOTAL</b>	<b>904.365</b>	<b>904.365</b>
	<b>SHARE APPLICATION</b> (Received Applications for 2,50,897 Equity Shares INR 10/- each)	25.090	-
	<b>TOTAL</b>	<b>25.090</b>	<b>-</b>

The detail of Shareholders holding more than 5% shares:

	<b>Name of the Shareholders</b>	<b>As at 31st March, 2021</b>		<b>As at 31st March, 2020</b>	
		<b>No of Shares</b>	<b>% held</b>	<b>No of Shares</b>	<b>% held</b>
1	Sanjay Aggarwal	1928500	21.32%	1928500	21.32%
2	Anubha Aggarwal	1902452	21.04%	1902452	21.04%
3	R.S Aggarwal	1730000	19.13%	1730000	19.13%
4	AGR Investment Limited	750000	8.29%	750000	8.29%

The reconciliation of number of shares outstanding is set out below.

<b>Particulars</b>	<b>As at 31st March, 2021</b>	<b>As at 31st March, 2020</b>
	<b>No of Shares</b>	<b>No of Shares</b>
Equity Shares at the beginning of the year	9043650	9043650
Add : Shares issued during the year		
Equity Shares at the end of the year	9043650	9043650

11 A. Equity Share Capital			
	<b>Balance as at 1st April ,2020</b>	<b>Change in Equity Share Capital during the year</b>	<b>Balance as at 31st March, 2021</b>
	904.365	-	904.365
	<b>Balance as at April 1,2019</b>	<b>Change in Equity Share Capital during the year</b>	<b>Balance as at 31st March, 2020</b>
	904.365	-	904.365

12 B. Other Equity (Amount in Rupees)							
Particulars	Reserves and Surplus						Total
	Capital Reserve	Securities Premium Reserve	Revaluation Reserve	General Reserve /P&L Reserve	Retained Earning	Debt Instruments through other comprehensive income	
Balance as at April 1,2020	-	288.739	-	247.407	50.969	-	587.115
Change in accounting policy/ prior period errors	-	-	-	-	-	-	-
Restated balance at the begning of the reporting period	-	288.739	-	247.407	50.969	-	587.115
Profit (loss)for the year	-	-	-	139.390	-	-	139.390
Residual value of assets	-	-	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	139.390	-	-	139.390
<b>Transactions with owners in capacity as owners</b>							
Dividends	-	-	-	(28.147)	-	-	(28.147)
Transferred to retained earnings Reserve fund u/s 45IC @20%	-	-	-	(27.878)	27.878	-	-
Bonus Shares	-	-	-	-	-	-	-
Provision for Standard Asset	-	-	-	(2.745)	-	-	(2.745)
Previous Year Provision Add Back	-	-	-	(1.391)	-	-	(1.391)
Others	-	-	-	-	-	-	-
Minority Interest	-	-	-	(7.254)	-	-	(7.254)
<b>Balance as at March 31, 2021</b>	-	288.739	-	319.382	78.847	-	686.968

Particulars	(Amount in Rupees)						Total
	Reserves and Surplus						
	Capital Reserve	Securities Premium Reserve	Revaluation Reserve	General Reserve /P&L Reserve	Retained Earning	Debt Instruments through other comprehensive income	
Balance as at April 1, 2019	-	288.739	-	175.229	25.160	-	489.128
Change in accounting policy/ prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	288.739	-	175.229	25.160	-	489.128
Profit (loss) for the year	-	-	-	129.034	-	-	129.034
Residue Value of Asset	-	-	-	(0.169)	-	-	(0.169)
Other comprehensive income for the year	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	128.865	-	-	128.865
<b>Transactions with owners in capacity as owners</b>							
Dividends	-	-	-	(16.691)	-	-	(16.691)
Transferred to retained earnings Reserve fund u/s 45IC @20%	-	-	-	(25.809)	25.809	-	-
Bonus Shares	-	-	-	-	-	-	-
Provision for Standard Asset	-	-	-	(2.579)	-	-	(2.579)
Previous Year Provision Add Back	-	-	-	2.781	-	-	2.781
Others	-	-	-	(1.070)	-	-	(1.070)
Minority Interest	-	-	-	(13.319)	-	-	(13.319)
<b>Balance as at March 31, 2020</b>	-	288.739	-	247.407	50.969	-	587.115

<b>13</b>	<b>LONG TERM BORROWINGS</b>		
	<b>Unsecured</b>		
	Loans from Financial Institutions	160.679	160.340
	Loans from Banks	107.929	98.176
	<b>Total</b>	<b>268.608</b>	<b>258.516</b>
<b>14</b>	<b>OTHER CURRENT LIABILITIES</b>		
	Duties and Taxes	12.915	27.444
	Audit Fees Payable	0.699	0.725

	Income Tax Deducted as Source Payable	5.660	15.296
	Expenses Payable	33.873	87.117
	Salaries Payable	2.300	6.908
	Cheques issued but not presented for payment	0.028	0.039
	Unclaimed Dividend	0.772	-
	Security deposits	230.345	
	<b>Total</b>	<b>286.592</b>	<b>137.529</b>
<b>15</b>	<b>PROVISIONS</b>		
	Provision for taxation for previous year	-	-
	Provision for taxation	46.422	34.916
	Provision of Standard Assets (0.25% of outstanding Loans)	5.324	2.579
	<b>Total</b>	<b>51.746</b>	<b>37.495</b>
<b>16</b>	<b>CURRENT TAX LIABILITIES</b>		
	Deffered Tax Liabilities	0.020	0.020
	<b>Total</b>	<b>0.020</b>	<b>0.020</b>
<b>17</b>	<b>Revenue from Operations</b>		
	Interest Income	202.611	192.393
	Dividend	4.500	11.250
	Commission and Fees Based Income	336.764	578.499
	<b>TOTAL</b>	<b>543.875</b>	<b>782.142</b>
<b>18</b>	<b>OTHER INCOME</b>		
	Other Operating Income	0.033	3.812
	Interest on Income Tax Refund	-	0.415
	S.balaces w/off	0.079	0.012
	Interest On FLDG	1.201	0.407
	<b>TOTAL</b>	<b>1.313</b>	<b>4.646</b>
<b>19</b>	<b>EMPLOYEE BENEFITS EXPENSE</b>		
	Salary	92.699	103.508
	Salary to Managing Director	3.000	2.500
	<b>TOTAL</b>	<b>95.699</b>	<b>106.008</b>
<b>20</b>	<b>FINANCE COSTS</b>		
	Interest on Loan from Banks	14.035	8.234
	Interest on Loan from NBFC	24.889	35.900
	<b>TOTAL</b>	<b>38.924</b>	<b>44.134</b>



<b>21</b>	<b>DEPRECIATION AND AMORTIZATION EXPENSE</b>		
	Depreciation on Tangible Assets	3.418	3.125
	<b>TOTAL</b>	<b>3.418</b>	<b>3.125</b>
<b>22</b>	<b>OTHER EXPENSES</b>		
	<b>Administrative Overheads</b>		
	Advertisement & Promotion	4.063	0.874
	Annual Listing Fee	3.326	3.625
	Audit fee	1.445	0.925
	Bad debts written off	-	6.875
	Balance written off	-	0.140
	Commission Paid	138.003	390.591
	Electricity & Water expenses	1.878	1.548
	Gensent Rent	0.600	0.720
	Input tax credit reversal	0.253	
	Interest and other Financial Overheads	8.043	0.877
	Internet Marketing Expenses	4.903	19.440
	Income tax Adjustment		1.523
	Legal Fees	3.500	
	Loss on Sale of Assets	0.005	
	Misc Exp W/off	4.794	4.607
	Office Expenses	3.787	3.966
	Payment Gateway Fees	3.229	
	Postage & Telegraph	1.333	1.149
	Printing & Stationery	1.729	1.563
	Processing Fee	2.920	4.266
	Professional Fees	20.461	7.909
	Rates Fees & Taxes	2.730	12.053
	Rent	1.308	1.200
	Repair & Maintenance	1.003	1.426
	Software Usage Fees (BSE)	5.450	
	Telephone Expenses	0.692	0.844
	Travelling Expenses	0.748	3.458
	<b>GRAND TOTAL</b>	<b>216.203</b>	<b>469.579</b>
<b>23</b>	<b>DEFERRED TAX</b>		
	Deferred Tax Asset	(0.323)	(0.008)
	<b>TOTAL</b>	<b>(0.323)</b>	<b>(0.008)</b>
<b>24</b>	<b>Contingent Liabilities not provided for</b>	<b>Current Year</b>	<b>Previous Year</b>
	<b>Particulars</b>		
a)	Bills Discounted with bank since not realized	Nil	Nil
b)	Bank Guarantees/Counter Guarantee issued	Nil	Nil
c)	Estimated amount of contract remaining to be executed	Nil	Nil
d)	Letter of Credit un-expired	Nil	Nil
<b>25</b>	<b>Related Party Disclosures</b>		
	As per INDAS 24, the disclosure of transactions with the related parties are given below.		

(i) **List of related parties with whom transactions have taken place.**

S.No.	Name of the Related Party	Relationship
1	Eclat Net Advisors Private Limited	Subsidiary
2	Mr. Sanjay Aggarwal	Key Managerial Personnel
3	Mrs. Anubha aggarwal	Key Managerial Personnel
4	Mrs. Amarjeet Kaur	Key Managerial Personnel
5	Ms. Sheetal Kapoor	Key Managerial Personnel

(II) **Disclosure in Respect of Material Related Party Transactions during the year:**

- 1 Rent paid to Managing Director Mr. Sanjay Aggarwal during the year - INR 120,000 for the premises of registered cum corporate office taken on rent.
- 2 Salary Paid to Managing Director Mr. Sanjay Aggarwal during the year - INR 3,00,000.
- 3 Investment received by way of Equity :
- |    |                 |   |  |
|----|-----------------|---|--|
| a. | R.S. Aggarwal   | : | Rs. 17300000 ( 1730000 Equity shares of Rs. 10/- each) |
| b. | Anu Aggarwal    | : | Rs. 445500 (4455000 Equity shares of Rs. 10/- each)    |
| c. | Sanjay Aggarwal | : | Rs. 19285000 (1928500 Equity Shares of Rs. 10/- each)  |
| d. | Anubha Aggarwal | : | Rs. 19024520 (1902452 Equity Shares of Rs. 10/- each)  |

- 4 Company has granted a Short term loan to Eclat Net Advisors Private Limited, which is a Subsidiary of the company. Outstanding amount of which as on 31-03-2021 is NIL

26 **Disclosure as required under INDAS 108 - Operating Segments**

The company has only one reportable primary segment i.e. NBFC Activity and hence no separate segment disclosures made.

Particulars	Total	
	As on 31.03.2021	As on 31.03.2020
<b>Revenue</b>		
External Sales	543.875	782.142
Inter-segment sales	-	-
<b>Total Revenue</b>	<b>543.875</b>	<b>782.142</b>
<b>Result</b>		
Segment result	(354.244)	(622.846)
<b>Operating Profit</b>	<b>189.631</b>	<b>159.296</b>
Interest expenses	-	-
Interest income	-	-
Other income	1.313	4.646
Foreign exchange gain/(loss)	-	-
Income tax (Current+Deferred)	(46.099)	(34.908)
<b>Net Profit (inclusive other comprehensive income)</b>	<b>144.845</b>	<b>129.034</b>
<b>Other Information</b>	<b>As on 31-03-2021</b>	<b>As on 31.03.2020</b>
Segment assets	2,264.729	1,959.126
Unallocated corporate assets	-	-
<b>Total assets</b>	<b>2,264.729</b>	<b>1,959.126</b>
Segment liabilities	606.966	433.560
Unallocated corporate liabilities	-	-

	<b>Total liabilities</b>		<b>606.966</b>	<b>433.560</b>
	<b>Capital Expenditure</b>		-	-
	Depreciation		3.418	3.125
<b>27</b>	<b>Financial Instruments-Accounting classifications and fair value measurements</b>			
	The fair value of the assets and liabilities are included at the amount at which the instrument could be exchanged in current transaction between willing parties, other than in force or liquidation sale.			
	<b>The following methods an assumptions were used to estimate the fair values:</b>			
1.	Fair Value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial instruments approximate their carrying amounts largely due to the short term maturities of these instruments.			
2.	Financial Instruments with fixed and variable interest rates are evaluated by the company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to the account for the expected losses of these receivables.			
	The company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:			
	Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities			
	Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly			
	Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data			
<b>27.1</b>	<b>Particulars</b>	<b>Carrying amount As at 31- March-2020</b>	<b>Fair Value</b>	
			<b>Level 1</b>	<b>Level 2</b>
			<b>Level 3</b>	
	<b>Financial Assets at fair value through profit or loss</b>			
	Investments in debt instruments	-	-	-
	<b>Total</b>	-	-	-
	<b>Financial assets at fair value through other comprehensive income</b>			
	Investments in debt instruments	-	-	-
	Investments in equity instruments	-	-	-
	<b>Total</b>	-	-	-
	Financial assets at amortised cost	-	-	-
	Investments in debt instruments	-	-	-
	Investments in subsidiaries and joint venture	-	-	-
	Bank deposits	-	-	-
	Trade receivables	92.788	-	-
	Cash and Bank balances	159.395	-	-
	<b>Total</b>	<b>252.183</b>	-	-
	Financial liabilities at amortised cost	-	-	-
	Term loans	-	-	-
	Finance lease obligations	-	-	-
	Short term borrowings	258.516	-	-
	Trade Payables	137.529	-	-
	Other financial liabilities (non-current)	-	-	-
	Other financial liabilities (current)	37.515	-	-

	<b>Total</b>	<b>433.560</b>	-	-	-
27.2	<b>Particulars</b>	<b>Carrying amount As at 31- MAR-2021</b>	<b>Fair Value</b>		
			<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
	<b>Financial Assets at fair value through profit or loss</b>				
	Investments in debt instruments				
	<b>Total</b>	-	-	-	-
	<b>Financial assets at fair value through other comprehensive income</b>				
	Investments in debt instruments				
	Investments in equity instruments				
	<b>Total</b>	-	-	-	-
	Financial assets at amortised cost	-	-	-	-
	Investments in debt instruments	-	-	-	-
	Investments in subsidiaries and joint venture	-	-	-	-
	Bank deposits	-	-	-	-
	Trade receivables	49.629	-	-	-
	Cash and Bank balances	460.324	-	-	-
	<b>Total</b>	<b>509.953</b>	-	-	-
	Financial liabilities at amortised cost				
	Term loans	-	-	-	-
	Finance lease obligations	-	-	-	-
	Short term borrowings	268.608	-	-	-
	Trade Payables	286.592	-	-	-
	Other financial liabilities (non-current)	-	-	-	-
	Other financial liabilities (current)	51.766	-	-	-
	<b>Total</b>	<b>606.966</b>	-	-	-
<b>28</b>	<b>Financial Risk Management Objectives and Policies</b>				
	The Company's financial risk management is an integral part of how to plan and execute its business strategies.				
	<b>Market risk</b>				
	Market risk is the risk of loss of future earnings, fair value or future cash flows arising out of change in the price of a financial instrument. These include change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings. The Board provides oversight and reviews the Risk management policy on a quarterly basis.				
	<b>Interest rate risk</b>				
	The company is not exposed to significant interest rate risk as at the respective reporting dates.				
	<b>Credit risk</b>				

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of account receivables. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The company considers reasonable and supportive forward-looking information.

Financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in a repayment plan with the company.

#### Liquidity Risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's management is responsible for maintenance of liquidity (including quasi liquidity), continuity of funding as well as timely settlement of debts. In addition, policies related to mitigation of risks are overseen by senior management. Management monitors the Company's net liquidity position on the basis of expected cash flows vis a vis debt service fulfillment obligation.

#### Maturity profile of financial liabilities

The table below provides details regarding the maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at March 31, 2021		Less than 1 year/ On Demand	1 to 5 years	More than 5 years
	Finance lease obligations	-	-	-
	Deposits payable	-	-	-
	Long term borrowings	-	-	-
	Short term borrowings	-	268.608	-
	Trade payables	286.612	-	-
	Other financial liabilities	51.766	-	-
As at March 31, 2020		Less than 1 year/ On Demand	1 to 5 years	More than 5 years
	Finance lease obligations	-	-	-
	Deposits payable	-	-	-
	Long term borrowings	-	-	-
	Short term borrowings	-	258.516	-
	Trade payables	137.529	-	-
	Other financial liabilities	37.515	-	-
Particulars		Foreign Currency	Local Currency	
<b>29</b>	<b>Exposure in Foreign Currency</b>			
(A)	Outstanding overseas exposure not being hedged against adverse currency fluctuation			
	i) Export Receivable	CY      USD	-	-

30	<b>Disclosure as required by INDAS 33- Earning Per Share.</b>	<b>Year ended 31st March 2021</b>	<b>Year ended 31st March, 2020</b>
	<b>Particulars</b>		
	Net Profit After tax	139.390	129.034
	Weighted Average number of equity shares for Basic EPS(Nos.)	9,043,650	9,043,650
	Face Value Per share	INR 10/-	INR 10/-
	Basic EPS (INR)	1.541	1.427
	Diluted EPS (INR)	1.541	1.427
31	As per INDAS 36 impairment of Assets, the company has assessed the conditions of all assets used in its operation and is of the opinion that there is no impairment of assets, hence no provision was made.		
32	In the opinion of the management current assets, loan and advances are of the value stated, if realized in the ordinary course of business.		
33	<b>Assets Taken on Operating Lease</b> The office premises has been taken on operating lease on annual basis and is annually renewable. The lease Agreements does not have any escalation clause for renewal of lease. There are no Sub-Leases and leases are generally cancellable in nature.		
34	The Balances of debtors and creditors, loan and advances are subject to confirmation and their pending reconciliation. Such balances are reflected in the balance sheet as appearing in the books of accounts.		
35	Disclosure As per Clause 32 of Listing agreement with the stock exchanges a) Loan and advances to subsidiary.		
	<b>Name of Company</b>	<b>Relationship</b>	<b>31-Mar-2021</b>
			<b>INR In Lacs Maximum balance outstanding during the year ended 31st March 2021</b>
	Eclat Net Advisors Private Limited	Subsidiary	NIL
			102.993
As per our report of even date attached.			
<b>For K. SINGH &amp; ASSOCIATES</b> <b>Chartered Accountants</b> <b>Firm No 012458N</b>		<b>For and on behalf of the Board</b>	
		<b>Sanjay Aggarwal</b> <b>Managing Director</b> <b>DIN No: 02580828</b>	<b>Anubha Aggarwal</b> <b>Director</b> <b>DIN No. 02557154</b>
<b>Kultar Singh</b> <b>Partner</b> <b>Membership No. - 091673</b>		<b>Sheetal Kapoor</b> <b>CFO</b>	<b>Amarjeet Kaur</b> <b>Company Secretary</b>
<b>Place : Chandigarh</b> <b>Dated : 30-06-2021</b>			

<b>EMERALD LEASING FINANCE &amp; INVESTMENT COMPANY LIMITED</b>				
Regd. Office: SCO 7 Industrial Area Phase 2 Chandigarh 160002				
CIN : L65993CH1983PLC041774				
<b>CONSOLIDATED CASH FLOWS FOR THE YEAR ENDED 31.03.2021</b>				
<b>PARTICULARS</b>		<b>Year Ended</b>		<b>Year Ended</b>
		<b>31st March 2021</b>		<b>31st March 2020</b>
		<b>(INR in Lakhs)</b>		<b>(INR in Lakhs)</b>
<b>1. CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>NET PROFIT BEFORE TAX</b>		<b>190.944</b>		<b>163.942</b>
<b>Add:</b>				
Depreciation		3.418	-	3.125
Miscellaneous Expenses Written Off		4.794	-	4.607
Financial Expenses		38.924	-	44.134
		<b>47.136</b>		<b>51.866</b>
<b>Less:</b>				
Deferred Tax Liability/ Asset		(0.323)		(0.008)
Provision for Tax		46.422		34.916
Income Tax Adjustment during the year		6.846		(2.781)
Provision for Standard Asset		2.745		2.579
Provision for Dividend		28.147		16.691
Others				1.070
		<b>83.837</b>		<b>52.467</b>
<b>Operating profit for working capital changes</b>		<b>154.243</b>		<b>163.341</b>
(Increase) / Decrease in trade receivable		43.159		32.460
(Increase) / Decrease in Loans & Advances		(41.120)		(637.483)
(Increase) / Decrease in Other Current Assets		(10.326)		
Increase / (Decrease) in Trade Payables & Others		163.314		71.073
<b>Cash Generated from / (used in) operating activities</b>		<b>309.270</b>		<b>(370.609)</b>
Direct Taxes paid / deducted at source		-		-
<b>Net cash generated from / (used in) operating activities</b>	<b>(A)</b>	<b>309.270</b>		<b>(370.609)</b>
<b>2. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Misc Expenditure		(3.750)		(18.348)
Purchase of Fixed Assets		(1.041)		(3.410)
Sale of Fixed Assets		0.192		-
Interest Received		-		-
<b>Net Cash from / (used in) Investing Activities</b>	<b>(B)</b>	<b>(4.599)</b>		<b>(21.758)</b>
<b>3. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from Share Application Money		25.090		
Proceeds from Unsecured Loans		10.092		164.895
Interest Paid		(38.924)		(44.130)
<b>Net Cash from / (used in) Financing Activities</b>	<b>(C)</b>	<b>(3.742)</b>		<b>120.765</b>
<b>4. NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	<b>(A)+(B)+(C)</b>	<b>300.929</b>		<b>(271.602)</b>

<b>5. CASH &amp; CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR</b>		159.395		430.997
<b>6. CASH &amp; CASH EQUIVALENTS AS AT THE END OF THE YEAR</b>		<b>460.324</b>		<b>159.395</b>
Cash and Cash equivalents ( Year end)		460.324		159.395
FDLG		25.699		11.867
Balances with banks with restatement (including cc & od balances)		402.826		76.583
Cheque/Drafts in hand		25.776		67.414
Cash in Hand		6.023		3.531
<b>Reconciliation of Cash and Cash equivalents</b>				
Cash and Cash equivalents as per Balance Sheet		460.324		159.395
Balances with banks in CC Accounts		-		-
Balances with banks in OD Accounts		-		-
		<b>460.324</b>		<b>159.395</b>

**Sanjay Aggarwal**  
**Managing Director**  
**DIN No: 02580828**

**Anubha Aggarwal**  
**Director**  
**DIN No. 02557154**

**Place : Chandigarh**  
**Dated : 30-06-2021**

**Sheetal Kapoor**  
**CFO**

**Amarjeet Kaur**  
**Company Secretary**

**Auditor's Certificate**

We have examined the attached cash flow statement of Emerald Leasing Finance & Investment Company Limited for the year ended 31st March 2021. The Statement has been prepared by the company in accordance with the requirement of the listing agreement Clause 32 with Stock Exchange and is based on and derived from the audited accounts of the Company for the year ended 31st March 2021.

**For K. SINGH & ASSOCIATES**  
**Chartered Accountants**  
**Firm No 012458N**

**Place : Chandigarh**  
**Dated : 30-06-2021**

**Kultar Singh**  
**Partner**  
**Membership No. - 091673**



## **EMERALD LEASING FINANCE & INVESTMENT COMPANY LIMITED**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

#### **Note No. 1**

#### **SIGNIFICANT ACCOUNTING POLICIES.-Year ended 31<sup>st</sup> March, 2021.**

##### **a) Principles of Consolidation**

The Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standard (Ind AS) 110, "Consolidated Financial Statements", issued by The Institute of Chartered Accountants of India. The financial statement of Emerald Leasing Finance & Investment Company Limited the parent company of Eclat Net Advisors Private Limited has been combined on 31<sup>st</sup> March, 2021. The Consolidated Financial Statements are prepared by applying on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating inter-group balances and inter-group transactions resulting in unrealized profit or losses.

#### **Note No. 2**

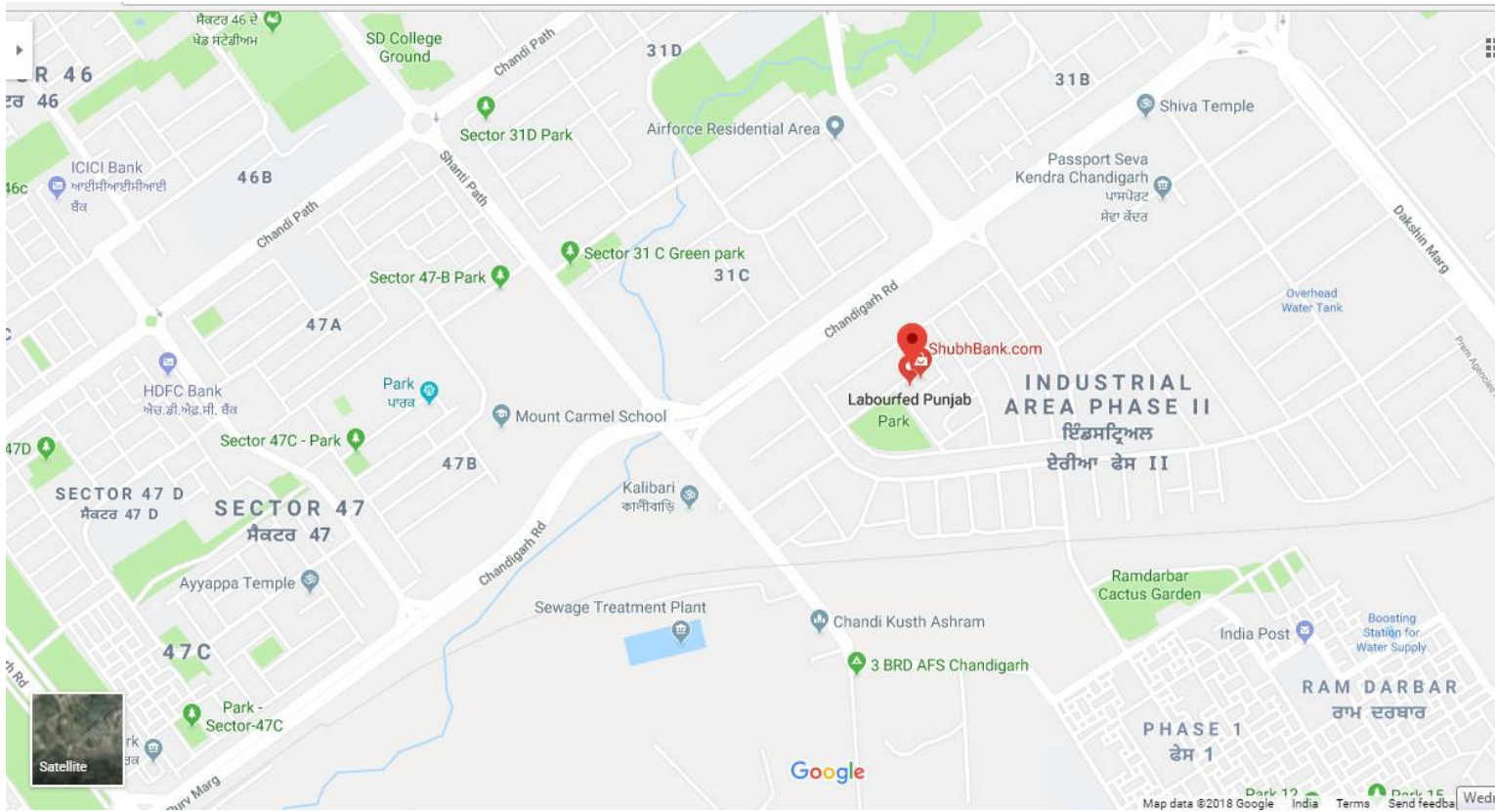
##### **b) Basis of Presentation**

1. The consolidated financial statements relate to Emerald Leasing Finance & Investment Company Limited ("the Company") and its subsidiaries.
2. Notes to these consolidated financial statements are intended to serve as a means of information disclosure and guide to better understanding of the consolidated position of the companies. Recognizing, this purpose, the company has disclosed only such notes from the individual financial statement, which fairly present the needed disclosures.

##### **c) Other Significant Accounting Policies**

These are set out under "Significant Accounting Policies" as given in the standalone financial statements of Emerald Leasing Finance & Investment Company Limited and its subsidiaries.

LOCATION MAP



**Form No. MGT-11**

**Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L65993CH1983PLC041774

Name of the company: EMERALD LEASING FINANCE & INVESTMENT COMPANY LIMITED

Registered office: SCO 7, Industrial Area, Phase-II, Chandigarh - 160 002

Name of the member (s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID:

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name: .....

Address:

E-mail Id:

Signature:....., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the .....Annual general meeting/ Extraordinary general meeting of the company, to be held on the ..... day of ..... At ..... a.m. /p.m. at.....(place) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1.....

2.....

3.....

Signed this..... day of..... 20....

Signature of shareholder

Signature of Proxy holder(s)

Affix  
Revenue  
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

**EMERALD LEASING FINANCE & INVESTMENT COMPANY LIMITED**

Registered Office: Registered office: SCO 7, Industrial Area, Phase-II, Chandigarh - 160 002

**ATTENDANCE SLIP**

for the 38<sup>th</sup> Annual General Meeting  
to be handed over at the registration counter

**Folio No./ DPID & Client ID:**

**Name:**

**Address:**

I/ We hereby record my/our presence at the 38<sup>th</sup> Annual General Meeting of the company on Wednesday, September 30, 2021 at 10.00 A.M at the registered office of the company at SCO 7, Industrial Area, Phase-II, Chandigarh - 160 002

.....  
Name of the Member/ Proxy

.....  
Signature of the member/proxy

**Note:**

1. A member or his duly appointed Proxy wishing to attend the meeting must complete this Attendance slip and hand it over at the entrance.
2. Name of the Proxy in block letters.....(in case the proxy attends the meeting).
3. Members are requested to bring their copies of the Annual Report to the meeting .