

**SERA INVESTMENTS & FINANCE INDIA LIMITED**  
(Formely known as Kapashi Commercial Limited)

**DATE: August 22, 2022**

**To**  
**BSE Ltd.**  
Floor 25, P. J. Towers  
Dalal Street,  
Mumbai - 400 001

**SUB.: Notice of the 37<sup>th</sup> Annual General Meeting and Annual Report of the Company for the  
Financial Year 2021-22  
Scrip Code: 512399**

Dear Sir,

We would like to inform you that the 37<sup>th</sup> Annual General Meeting ("AGM") of the Company will be held on Tuesday, September 13, 2022 at 12.30 p.m. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), in compliance with the applicable circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India to transact the business mentioned in the Notice of 37<sup>th</sup> Annual General Meeting.

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company along with the Notice of Annual General Meeting ("AGM") for the financial year 2021-22 which is being sent through electronic mode to the Members.

Kindly take the above information on your record.

Thanking You,

Yours faithfully,

**For, SERA INVESTMENTS & FINANCE INDIA LIMITED**  
(Formerly Known as KAPASHI COMMERCIAL LIMITED)

  
**SAGAR SAMIR SHAH**  
**WHOLE-TIME DIRECTOR**  
**DIN-03082957**



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**ANNUAL REPORT  
2021-22**

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**SERA INVESTMENTS  
&  
FINANCE INDIA LIMITED**

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# CHAIRMAN'S MESSAGE

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**Dear Shareholders,**

I hope that this finds you well and your loved ones are safe and in good health. I want to begin by extending my heartfelt gratitude towards the medical fraternity and governments across nations for their contribution and resilience during the Covid-19 pandemic. A multitude of initiatives were undertaken by the governments towards the disaster management and addressing the economic disruptions. The timely rollout of vaccinations, stringent measures to curb the spread of the virus and effective medical recourses offered to patients have helped the world in gradually coming close to normalcy. The last two years were probably the most challenging in history as the eruption of the pandemic brought about a set of completely unprecedented challenges. It is fair to say that none of the economies across the globe were immune to the disruptions it brought forth, including India.

Banks as well as non-banking financial institutions, I believe, are better placed than their counterparts in many other

sectors. As per RBI assessment, they have sufficient capital buffers to withstand negative shocks from the geopolitical tension and resultant inflationary pressure and supply chain bottlenecks.

The Company is committed towards attracting and retaining best talents. This has led us towards excellence and newer achievements. We value opinions and respect team's dedication towards building a more inclusive workplace. We continue to recognise and reward excellent performance while also supporting our employees' physical, emotional, and financial well-being.

While we acknowledge the progress that has been made, we also understand that we still have a long way to go. Our people are our most valuable asset, with their commitment and dedication, I am confident that we will continue to live up to the expectations by providing long-term value, and generate sustainable long-term growth. We are entering the fiscal 2022-23 with a strong balance sheet, we have the right strategy in place and a clear roadmap for the year ahead. Combined with committed, hard-working colleagues led by a talented and experienced leadership team, I believe we are well placed for the future.

I sincerely thank all the employees for their unwavering commitment towards the Company in the thick and thin of the journey. I also thank all the stakeholders who have shown support and rendered well-wishes for the Company.

I have no doubts that the new financial year will bring its own challenges and opportunities and that this fine team will be up and running to face them.

We commit ourselves to enhance the shareholder's value as always.

Warm regards,

**SHWETA SAMIR SHAH**  
CHAIRMAN



## OUR MANAGEMENT TEAM

**SHWETA SAMIR SHAH**

CHAIRMAN AND MANAGING DIRECTOR  
PROMOTER AND EXECUTIVE DIRECTOR

**SAGAR SAMIR SHAH**

WHOLE-TIME DIRECTOR  
PROMOTER AND EXECUTIVE DIRECTOR

**MUNJAL MAHENDRABHAI PATEL**

DIRECTOR

**MANISH INDRAVADAN MEHTA**

INDEPENDENT AND NON-EXECUTIVE DIRECTOR  
(RESIGNED WITH EFFECT FROM JUNE 16, 2022)

**JAYESH RASIKLAL SHAH**

NON-EXECUTIVE AND INDEPENDENT DIRECTOR

**BARKHA BALKRUSHNAN DESMUKH**

INDEPENDENT AND NON-EXECUTIVE DIRECTOR  
(APPOINTED WITH EFFECT FROM JUNE 16, 2022)

**VIPUL SHIRISH SHETH**

NON-EXECUTIVE AND INDEPENDENT DIRECTOR

**PINAJ JAIN**

COMPANY SECRETARY & COMPLIANCE OFFICER

**VIRAJ SAMIRBHAI SHAH**

CHIEF FINANCIAL OFFICER

## OUR COMMITTEES

### AUDIT COMMITTEE

Mrs. Barkha Deshmukh Chairperson

Mr. Sagar Shah Member

Mr. Vipul Sheth Member

### NOMINATION AND REMUNERATION COMMITTEE:

Mr. Vipul Sheth Chairperson

Mr. Munjal Patel Member

Mrs. Barkha Deshmukh Member

### STAKEHOLDERS RELATIONSHIP COMMITTEE

Mrs. Barkha Deshmukh Chairperson

Mr. Sagar Shah Member

Mr. Jayeshkumar Shah Member

## OTHER CORPORATE INFORMATION

### OUR AUDITORS

M/s. Ashit N. Shah & Co.  
Chartered Accountants

### OUR SECRETARIAL AUDITOR

M/s. Vishwas Sharma & Associates  
Company Secretaries

### OUR REGISTRAR AND SHARE TRANSFER AGENT

Purva Sharegistry (India) Pvt. Ltd.,  
9, Shiv Shakti Industrial Estate,  
J. R. Boricha Marg, Opp. Kasturba Hospital,  
Lower Parel (East), Mumbai –400 011.

### OUR REGISTERED OFFICE

206, Second Floor, Ashirwad Paras 1,  
Near Kanti Bharwad PMT,  
Opposite Andaz Party Plot,  
Makarba, Ahmedabad-380051, Gujarat

### OUR BANKERS

HDFC Bank Limited

### CORPORATE IDENTIFICATION NUMBER

L51900GJ1985PLC110976

### EMAIL

kapashicommercial1985@gmail.com

### E-VOTING AGENCY

Central Depository Services (India) Limited  
E-mail: helpdesk.evoting@cdslindia.com  
Phone: 022- 22723333/ 8588

### SCRUTINIZER

CS Vishwas Sharma  
Practicing Company Secretary  
(ACS: 33017 and COP: 16942)  
E-mail: cs.vishwasb@gmail.com

## NOTICE

**NOTICE** is hereby given that the **37<sup>th</sup> Annual General Meeting** of the Members of **SERA INVESTMENTS & FINANCE INDIA LIMITED (Formerly Known as Kapashi Commercial Limited)** will be held on **Tuesday, September 13, 2022 at 12.30 P.M. through Video Conferencing / Other Audio-Visual to transact the following business:**

### ORDINARY BUSINESS:

- 1. TO RECEIVE, CONSIDER AND ADOPT THE AUDITED BALANCE SHEET AS AT MARCH 31, 2022, STATEMENT OF PROFIT & LOSS TOGETHER WITH CASH FLOW STATEMENT AND NOTES FORMING PART THERETO (“FINANCIAL STATEMENTS”) FOR THE YEAR ENDED ON MARCH 31, 2022 AND REPORT OF THE BOARD OF DIRECTORS AND AUDITORS THEREON;**

**RESOLVED THAT** the Audited Balance Sheet as at March 31, 2022, Statement of Profits & Loss together with Cash Flow Statement and Notes forming part thereto (“Financial Statements”) for the financial year ended on March 31, 2022 and the and Report of the Board of Directors and Auditors thereon, as circulated to all the members of the Company and submitted to this meeting, be and are hereby considered, approved and adopted.”

- 2. TO APPOINT A DIRECTOR IN PLACE OF MRS. SHWETA SAMIR SHAH (DIN: 03082967) DIRECTOR WHO RETIRES BY ROTATION AT THIS MEETING AND BEING ELIGIBLE OFFERS HERSELF FOR RE-APPOINTMENT:**

**RESOLVED THAT** pursuant to the provision of Section 152 of the Companies Act, 2013 read with rules made thereunder (including any statutory modification and re-enactment thereof) and other applicable provisions, if any, Mrs. Shweta Samir Shah (DIN: 03082967) who retires by rotation, be and is hereby re-appointed as a Director liable to retire by rotation.”

### SPECIAL BUSINESS:

- 3. TO APPOINT MRS. BARKHA BALKRUSHNAN DESHMUKH (DIN: 08562935) AS AN INDEPENDENT DIRECTOR OF THE COMPANY:**

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

**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactments thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b), 17, and 25 (2A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”). Mrs. Barkha Balkrushnan Deshmukh (DIN: 08562935), who, on the recommendation of the Nomination and Remuneration Committee, was appointed as an Additional Director (Independent) by the Board of Directors at its meeting held on June 16, 2022, in terms of Sections 161 (1) of the Act and whose term of office expires at this Annual General Meeting (AGM) and who has submitted a declaration that she meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, be and is hereby appointed as an Independent Director of the Company to hold the office for a term of Five (5) years with effect from June 16, 2022 to June 15, 2027 and that she will not be liable to retire by rotation.”

**RESOLVED FURTHER THAT** any of the Board of directors, be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

#### Registered Office

**206, Second Floor Ashirwad Paras-1,  
Near KantiBharwad PMT,  
Opposite Andaz Party Plot,  
Makarba, Ahmedabad-380009, Gujarat  
Place: Ahmedabad  
Date: August 09, 2022**

**By order of Board of Directors  
SERA INVESTMENTS & FINANCE INDIA LIMITED  
(Formerly Known as Kapashi Commercial Limited)**

Sd/-  
**SHWETA SAMIR SHAH  
MANAGING DIRECTOR  
DIN: 03082967**

Sd/-  
**SAGAR SAMIR SHAH  
WHOLE-TIME DIRECTOR  
DIN: 03082957**

#### NOTES:

- The Annual General Meeting (AGM) will be held on Tuesday, September 13, 2022 at 12.30 p.m. (IST) through Video Conferencing (VC)/ other Audio-Visual Means (OAVM) in compliance with the applicable provisions.
- In view of disruptions caused by COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) has, vide General Circular No. 14/2020 dated April 8, 2020, General Circular No.17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020 and General Circular No. 02/2021 dated January 13, 2021 (collectively “MCA Circulars”), permitted companies to conduct Annual General Meeting (AGM) through video conferencing or other audio visual means (VC/OAVM) till December 31, 2021, subject to compliance with various conditions mentioned therein. Similarly, SEBI vide Circular No. 79 dated May 12, 2020 and Circular No. 11 dated January 15, 2021 granted certain relaxations pertaining to dispatch of hard copies of Annual Reports and Proxy Forms to listed entities who conduct their AGM through electronic mode till December 31, 2021. Further, MCA vide General Circular No. 02/2022 dated May 5, 2022 extended the option to conduct the AGM through VC till December 31, 2022. Similarly, SEBI vide Circular No. 62 dated May 13, 2022 extended the relaxations pertaining to dispatch of hard copies of Annual Reports and Proxy Forms to listed entities who conduct their AGM through

electronic mode till December 31, 2022 subject to certain conditions. Incompliance with the MCA Circulars, SEBI Circulars and applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 37<sup>th</sup> AGM of your Company is being convened and conducted through VC. The 37<sup>th</sup> Annual General Meeting ('AGM') of the members will be held through VC/OAVM. Hence, members can attend and participate in the Annual General Meeting through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 19 and 20 and available at the Company's website at [www.kapashicommercial.com](http://www.kapashicommercial.com).

3. 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 the Circulars issued by the Ministry of Corporate Affairs dated May 05, 2020, January 13, 2021, December 08, 2021, December 14, 2021 and May 05, 2022, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the Annual General Meeting. 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 venue voting system on the date of the Annual General Meeting will be provided by CDSL.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the Annual General Meeting through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the Annual General Meeting without restriction on account of first come first served basis. Instructions and other information for members for attending the AGM through VC/OAVM are given in this notice under Note No. 24.
5. The attendance of the Members attending the Annual General Meeting through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to the Circular No. 14/2020 dated April 08, 2020 issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this Annual General Meeting. Accordingly, the facility for appointment of proxies by the members will not be available for the Annual General Meeting and hence, the Proxy Form and Attendance Slip are not annexed to this Notice.
7. However, the Body Corporates are entitled to appoint authorized representatives to attend the Annual General Meeting through VC/OAVM and participate thereat and cast their votes through e-voting. Body Corporates whose authorized representatives are intending to attend the Meeting through VC/OAVM are requested to send mail to the Company at email id at [kapashicommercial1985@gmail.com](mailto:kapashicommercial1985@gmail.com), a certified copy of Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting and through E-Voting.
8. In line with the aforesaid Ministry of Corporate Affairs (MCA) Circulars and SEBI Circular dated May 12, 2020, the Notice of Annual General Meeting along with Annual Report for the Financial Year 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Pursuant to Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and in line with the MCA Circulars, the Notice calling AGM and Annual Report for the Financial Year 2021-22 has been uploaded on the website of the Company at [www.kapashicommercial.com](http://www.kapashicommercial.com). The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the Notice of Annual General Meeting is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. [www.evotingindia.com](http://www.evotingindia.com).
9. The Annual General Meeting has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with the Ministry of Corporate Affairs issued General Circular No. 14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 05, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10/2021 dated June 23, 2021, General Circular No. 20/2021 dated December 08, 2021 and General Circular No. 03/2022 dated May 05, 2022.
10. In continuation of this Ministry of Corporate Affairs issued General Circular No. 03/2022 dated May 05, 2022 and after due examination, it has been decided to allow companies whose Annual General Meetings were due to be held in the year 2022, to conduct their Annual General Meetings on or before December 31, 2022, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 May 05, 2020.
11. The helpline number regarding any query / assistance for participation in the Annual General Meeting through VC/OAVM is 1800225533.
12. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to the Ordinary and Special Business to be transacted at the Annual General Meeting is annexed hereto.
13. The attendance of the Members attending the Annual General Meeting through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
14. Information regarding appointment/re-appointment of Directors and Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 with respect to the special business and/ or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 set out in the Notice is annexed hereto.

15. Pursuant to Section 91 of the Companies Act, 2013 and Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of members and share transfer books of the Company will remain closed from Wednesday, September 07, 2022 to Tuesday, September 13, 2022 (both days inclusive) for the purpose of Annual General Meeting.
16. As the Annual General Meeting of the Company is held through VC/OAVM, we therefore request the members to submit questions, if any, atleast 10 days advance but not later than September 7, 2022 relating to the business specified in this Notice of AGM on the email id at [kapashicommercial1985@gmail.com](mailto:kapashicommercial1985@gmail.com) so as to enable the management to keep the information ready.
17. The Securities and Exchange Board of India (SEBI) has mandated the Submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or the Registrar and Share Transfer Agent.
18. Members are requested to intimate changes, if any. Pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.,
  - a. For shares held electronic form: to their Depository Participants (DPs)
  - b. For shares held in physical form: to the Company/Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 03, 2021.
19. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transportation.

Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4. It may be noted that any service request can be processed only after the folio is KYC Compliant.
20. As per the provisions of Section 72 of the Companies Act, 2013 and the SEBI Circular, the facility for making nomination is available for the Members in respect of shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form No. ISR-3 or SH-14 as the case may be. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to the Company/Registrar and Transfer Agent in case the shares are held in physical form.
21. Members are requested to notify any changes, in their address to the Company's Registrar & Share Transfer Agent, M/s. Purva Sharegistry (India) Pvt. Ltd., at 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Opposite Kasturba Hospital, Lower Parel (East), Mumbai-400011, Maharashtra.
22. In case of joint holders, the Members whose name appears as the first holder in the order of name as per the Register of Members of the Company will be entitled to vote during the AGM.
23. Those Shareholders whose email ids are not registered can get their email id registered as follows:
  - a. Members holding shares in demat form can get their email id registered by contacting their respective Depository Participant.
  - b. Members holding shares in the physical form can get their email id by contacting our Registrar and Share Transfer Agent "M/s. Purva Sharegistry (India) Pvt. Ltd." on their email id at [support@purvashare.com](mailto:support@purvashare.com) or by sending the duly filled in E-Communication registration form enclosed with this Notice to our RTA on their email id at [support@purvashare.com](mailto:support@purvashare.com).
24. Members who wish to inspect the Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and relevant documents referred to in this Notice of AGM and Explanatory Statement on the date of AGM will be available for inspection in electronic mode can send an email to [kapashicommercial1985@gmail.com](mailto:kapashicommercial1985@gmail.com).
25. Since the Annual General Meeting will be held through VC / OAVM, the Route Map is not annexed in this Notice.
  - (a) 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 PANcard), AADHAR (self attested scanned copy of Aadhar Card) by email to [kapashicommercial1985@gmail.com](mailto:kapashicommercial1985@gmail.com)
  - (b) For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [kapashicommercial1985@gmail.com](mailto:kapashicommercial1985@gmail.com).

**26. THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING ANNUAL GENERAL MEETING AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**

- i. The voting period begins on Saturday, September 10, 2022 at 09.00 a.m. to Monday, September 12, 2022 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 Thursday, September 06, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- iii. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 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 (hereinafter referred as ‘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:**

<b>TYPE OF SHAREHOLDERS</b>	<b>LOGIN METHOD</b>
Individual Shareholders holding securities in Demat mode with CDSL	1) Users of who have opted for CDSL’s 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 URLs for users to login to Easi/Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.
	2) After successful login the Easi/Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/NSDL/KARVY/LINK INTIME as per information provided by Issuer/ Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers’ site directly.
	3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi./Registration/EasiRegistration">https://web.cdslindia.com/myeasi./Registration/EasiRegistration</a> .
	4) Alternatively, the user can directly access E-Voting page by providing Demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the Annual General Meeting.
Individual Shareholders holding securities in demat mode with NSDL	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting& voting during the meeting.
	2) If the user is not registered for IDeAS e-services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> . Select “Register Online for IDeAS” Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a> .



TYPE OF SHAREHOLDERS	LOGIN METHOD
	3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	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's website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL`	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:athelpdesk.evoting@cdslindia.com">athelpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:atevoting@nsdl.co.in">atevoting@nsdl.co.in</a> or call at toll free no.: 1800 1020990 and 1800 224430

- v. Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders & physical shareholders
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on Shareholders
  - 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. Members 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) a voted on an earlier voting of any company, then your existing password is to be used
  - 6) If you are a first time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.
Dividend Bank Details OR 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. • 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 (iv).

- 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 Members 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 of the Company.



- 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. Shareholders can also cast their vote using CDSL's mobile app m-Voting. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting through your mobile.
- xvii. Note for Non – Individual Shareholders and Custodians
  - 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, 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, if 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 addresses are not registered with the depositories for obtaining login credentials for e-voting for the resolutions proposed in this notice:

  - a. 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.
  - b. For Demat shareholders -, please provide Demat account details (CDSL-16-digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN(self-attested scanned copy of PAN card), AADHAR(self-attested scanned copy of Aadhar Card) to Company/RTA email id.
  - In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 022-23058542/43.

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

**27. THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ON THE DAY OF THE ANNUAL GENERAL MEETING ON E-VOTING SYSTEM ARE AS UNDER:-**

- a. The procedure for e-Voting on the day of the Annual General Meeting is same as the instructions mentioned above for remote e-voting.
- b. Only those Members/ shareholders, who will be present in the Annual General Meeting through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available in the Annual General Meeting.
- c. If any Votes are casted by the members through the e-voting available during the Annual General Meeting and if the same members have not participated in the meeting through VC/OAVM facility, then the votes casted by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members participating in the meeting.
- d. Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the Annual General Meeting.

**28. INSTRUCTION FOR MEMBERS FOR ATTENDING THE ANNUAL GENERAL MEETING THROUGH VC/OAVM ARE AS UNDER: -**

1. The procedure for attending meeting & e-voting on the day of the Annual General Meeting is same as the instructions mentioned above for Remote e-voting.

## SERA INVESTMENTS & FINANCE INDIA LIMITED

2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
  3. Member will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
  4. Members are encouraged to join the Meeting through Laptops for better experience.
  5. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
  6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
  7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request in advance at least 7 days before Annual General Meeting mentioning their name, demat account number/folio number, email id, mobile number at [kapashicommercial1985@gmail.com](mailto:kapashicommercial1985@gmail.com).
  8. Shareholders who would like to express their views/have questions may send their questions in advance in advance at least 7 days before AGM mentioning their name demat account number/folio number, email id, mobile number at [kapashicommercial1985@gmail.com](mailto:kapashicommercial1985@gmail.com). The same will be replied by the company suitably
  9. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
29. **PROCESS AND MANNER FOR MEMBERS OPTING FOR VOTING THROUGH ELECTRONIC MEANS:**
1. The Members whose names appear in the Register of Members / List of Beneficial Owners as on Tuesday, September 06, 2022 (cut – off date) are entitled to avail the facility of remote e-voting as well as voting at the Annual General Meeting. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
  2. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the Annual General Meeting and prior to the Cut-off date i.e. Tuesday, September 06, 2022 shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through the PollPaper at the Annual General Meeting by following the procedure mentioned in this part.
  3. The remote e-voting will commence on Saturday, September 10, 2022 at 09.00 a.m. to Monday, September 12, 2022 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 Tuesday, September 06, 2022, may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter. The e-voting module shall be disabled by CDSL for voting thereafter.
  4. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.

The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. Tuesday, September 06, 2022.

The Board of Directors of the Company has appointed Mr. CS Vishwas Sharma, Practicing Company Secretary, Proprietor of M/s. Vishwas Sharma & Associates (Membership No. ACS: 33017; COP No: 16942), to scrutinize the e-voting during the AGM and remote e-voting process prior to AGM in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.

If you have any queries or issues regarding attending Annual General Meeting & 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, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N. M. Joshi Marg, Lower Parel (East), Mumbai-400013, Maharashtra or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**Registered Office**  
**206, Second Floor Ashirwad Paras-1,**  
**Near KantiBharwad PMT,**  
**Opposite Andaz Party Plot,**  
**Makarba, Ahmedabad-380009, Gujarat**  
**Place: Ahmedabad**  
**Date: August 09, 2022**

**By order of Board of Directors**  
**SERA INVESTMENTS & FINANCE INDIA LIMITED**  
**(Formerly Known as Kapashi Commercial Limited)**

Sd/-  
**SHWETA SAMIR SHAH**  
**MANAGING DIRECTOR**  
**DIN: 03082967**

Sd/-  
**SAGAR SAMIR SHAH**  
**WHOLE-TIME DIRECTOR**  
**DIN: 03082957**

**DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015:**

(Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

NAME OF DIRECTORS	SHWETA SAMIR SHAH	BARKHA BALKRUSHNAN DESHMUKH
DIN	03082967	08562935
Date of Birth	17/11/1969	07/10/1993
Date of Appointment	20/07/2018	
Qualification and experience in specific functional area	Mrs. Shweta Samir Shah is a Commerce Graduate (B.Com). She possesses more than 5 years of rich and diversified experience in Business Mangement and Administration.	Mrs. Barkha Balkrushnan Deshmukhis a commerce graduate (B.Com) and bachelor in Law (L.L.B) and an Associate member of the Institute of Company Secretaries of India. Currently she is independently practising as a Company Secretary and She holds dynamic professional qualifications and experience of about more than 5 (five) years.  She is engaged in providing services in matters relating to Company Law, Securities Laws, Due Diligence, Mergers and Acquisitions, Listings and Capital Market etc and in solving complexity relating to various Corporate Law matters.
Skills and capabilities required for the role and the manner in which the proposed person meets such requirement	Not Applicable	Mrs. Barkha Balkrushnan Deshmukh fulfils the conditions specified in the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 16 (1)(b) of the Listing Regulations for his re-appointment as an Independent Director of the Company, is independent of the management and possesses appropriate skills, experience and knowledge.
Directorship held in other companies*	Nil	1. Gujchem Distillers India Limited
Membership / Chairmanships of Committee in other Public Companies	Nil	Chairmanship of Committee in other Public Companies: 1. Gujchem Distillers India Limited a) Audit Committee b) Nomination and Remuneration Committee c) Stakeholders Relationship Committee
Number of shares held in the company	10,24,875	Nil
Relationship with any Director(s) of the Company	Mrs. Shweta Samir Shah is the Mother of Mr. Sagar Samir Shah, Whole-Time Director of the Company.	Mrs. Barkha Balkrushnan Deshmukh is not related to any of the Directors on the Board.

\*Pvt. Companies excluded

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**Opposite Andaz Party Plot,**  
**Makarba, Ahmedabad-380009, Gujarat**  
**Place: Ahmedabad**  
**Date: August 09, 2022**

**By order of Board of Directors**  
**SERA INVESTMENTS & FINANCE INDIA LIMITED**  
**(Formerly Known as Kapashi Commercial Limited)**

Sd/-  
**SHWETA SAMIR SHAH**  
**MANAGING DIRECTOR**  
**DIN: 03082967**

Sd/-  
**SAGAR SAMIR SHAH**  
**WHOLE-TIME DIRECTOR**  
**DIN: 03082957**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:****ITEM NO. 3:**

Mrs. Barkha Balkrushnan Deshmukh (DIN: 08562935) has been appointed as an Additional Director under the category of Independent Director of the Company by the Board of Directors with effect from June 18, 2022 under section 161 of the Companies Act, 2013, Mrs. Barkha Balkrushnan Deshmukh (DIN: 08562935) who shall hold the office upto the date of ensuing Annual General Meeting. However, she is eligible for appointment as a Director. Due notice under section 160 of the Act has been received to propose her as a candidate for the office of Director of the Company.

The Brief profile and specific areas of expertise of Mrs. Barkha Balkrushnan Deshmukh in terms of Regulation 36 (3) of the Listing Regulations are provided as Annexure to this Notice.

She has also given the declaration to the board that she fulfills the criteria of independence as provided under section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations, (ii) is not restrained from acting as a Director by virtue of any Order passed by SEBI or any such authority and (iii) is eligible to be appointed as a Director in terms of Section 164 of the Act. She has also given her consent to act as a Director.

In the opinion of the Board, Mrs. Barkha Balkrushnan Deshmukh is a person of integrity possesses relevant expertise and fulfills the conditions specified in the Act and the SEBI Listing Regulations for being appointment as an Independent Director and she is independent of the management. Accordingly, the Board recommends the appointment of Mrs. Barkha Balkrushnan Deshmukh as an Independent Director as proposed in the Resolution set out at Item No. 3 for approval by the Members for term of 5 (Five) years.

Mrs. Barkha Balkrushnan Deshmukh (DIN: 08562935) shall not be liable to determination by retirement of Directors by rotation, in terms of Section 149 (13) of the Companies Act, 2013 and the relevant rules made thereunder.

None of the Directors and Key Managerial Personnel of the Company except Mrs. Barkha Balkrushnan Deshmukh and her relatives are concerned or interested in this resolution.

**Registered Office**  
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**Makarba, Ahmedabad-380009, Gujarat**  
**Place: Ahmedabad**  
**Date: August 09, 2022**

**By order of Board of Directors**  
**SERA INVESTMENTS & FINANCE INDIA LIMITED**  
**(Formerly Known as Kapashi Commercial Limited)**

**Sd/-**  
**SHWETA SAMIR SHAH**  
**MANAGING DIRECTOR**  
**DIN: 03082967**

**Sd/-**  
**SAGAR SAMIR SHAH**  
**WHOLE-TIME DIRECTOR**  
**DIN: 03082957**

## DIRECTOR'S REPORT

To,  
THE MEMBERS OF  
**SERA INVESTMENTS & FINANCE INDIA LIMITED**  
(Formerly Known as Kapashi Commercial Limited)

Your Directors are presenting Thirty Seventh Annual report on the affairs of the Company together with the Audited Statement of Accounts for the year ended on March 31, 2022.

### FINANCIAL PERFORMANCE

The summarized financial performance of the Company is summarized below;

(₹ In Lakhs)

Particulars	For the year ended March 31,2022	For the year ended March 31,2021
Revenue from Operations	305.01	30.17
<b>Other Income</b>	-	-
Total Income	305.01	30.17
Less: Total Expenditure	413.71	63.74
Profit/ (loss) before Taxation	(108.70)	(33.57)
Less: Current Tax	-	-
Less: Prior year Tax Provisions	-	-
Less: Deferred Tax Liability	-	0.61
<b>Profit/(loss) after taxation</b>	<b>(108.70)</b>	<b>(34.17)</b>
Add: Balance brought forward	-	-
<b>Profit available for appropriation</b>	<b>(108.70)</b>	<b>(34.17)</b>
Less: Appropriation:	-	-
Transfer to Special Reserve u/s. 45I of RBI Act.	-	-
Transfer to General Reserve	-	-
Interim Dividend	-	-
Tax on Interim Dividend	-	-
Proposed Dividend	-	-
Provision for Tax on Proposed Dividend	-	-
Less: Additional depreciation charged due to change in useful life	-	-
<b>Balance carried forward to Balance Sheet</b>	<b>(108.70)</b>	<b>(34.17)</b>

**Note:** Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification / disclosure.

The Financial Statements of the Company are prepared in accordance with Indian Accounting Standards (IND AS) including the Rules notified under the relevant provisions of the Companies Act, 2013, form part of the Annual Report and Accounts.

### HIGHLIGHTS OF THE FINANCIAL SUMMARY:

The total revenue of the Company for the year ended on March 31, 2022 stood at ₹ 305.01 lacs as compared to total revenue of ₹ 30.17 lacs in previous year. The Company incurred loss of ₹ 499.29 lacs for the year ended on March 31, 2022 as compared to profit of ₹ 233.51 lacs in previous year.

### DIVIDEND

In order to conserve the resources for the future, the Board of Directors has not recommended any dividend for the year.

### TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Since there was no unpaid/unclaimed dividend, the provisions of Section 125 of the Companies Act, 2013 do not apply.

### TRANSFER TO RESERVES

Due to loss, The Company has not transferred any amount to General Reserves for the year ended March 31, 2022.

## SERA INVESTMENTS & FINANCE INDIA LIMITED

### CHANGE OF REGISTERED OFFICE:

During the year under review, there was no change in address of Registered office of the Company.

### CHANGE OF NAME:

The Board of Directors of the Company in their meeting held on Thursday, February 17, 2022 considered and decided to change the name of the Company from Kapashi Commercial Limited to Sera Investments & Finance India Limited subject to necessary approvals.

The Members of the Company has approved the change of name as proposed by the Board of Directors through Postal Ballot resolution which shall be deemed to have been passed on the last day of e-voting dated March 27, 2022. The Company has also taken No Objection Certificate (NOC) from the Reserve Bank of India (RBI) as the Company is Non-Banking Finance Company and completed necessary compliances with RBI. Further, the Equity shares of the Company are listed on Bombay Stock Exchange (BSE) and Company has obtained necessary approvals from Stock Exchange i.e. BSE Limited. After change of name, the name of the Company on BSE Limited is reflected as Sera Investments & Finance India Limited with Scrip ID as SERA.

The Change of name of the Company has become effective from April 30, 2022 pursuant to new certificate of incorporation issued by Registrar of Companies, Gujarat.

### CHANGE IN THE NATURE OF THE BUSINESS

The Company is registered with Reserve Bank of India (RBI) as Non-Banking Financial Company and, there is no change in the nature of the business of the Company during the year. However, the Company has amended its main object clause of Memorandum of Association (MOA) and added more objects relating to NBFC activities in addition of the existing main object of MOA of the Company through Postal Ballot dated February 17, 2022.

### PUBLIC DEPOSITS

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the period under review. Hence, the requirement for furnishing the details of deposits which are not in compliance with Chapter V of the Act is not applicable.

### SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company during the year under review.

### BOARD OF DIRECTORS:

#### (a) Composition of Board

Name of Directors	Designation	Category	No. of Board Meeting held during the year	No. of Board Meeting attended during the year
Mrs. Shweta Samir Shah	Managing Director	Promoter, Executive Director	6	6
Mr. Sagar Samir Shah (Appointed with effect from June 14, 2021)	Whole-Time Director	Promoter, Executive Director	6	5
Mr. Bhushan Gajaria (From June 14, 2021 till August 07, 2021)	Director	Independent, Non Executive Director	6	0
Mr. Munjal Mahendrabhai pat	Director	Promoter, Non-Executive Director	6	5
Mr. Jayesh Rasiklal Shah	Director	Independent, Non Executive Director	6	5
Mr. Manish Indravardhan Mehta (Resigned with effect from June 16, 2022)	Director	Independent, Non Executive Director	6	6
Mr. Vipul Shirish Sheth (Appointed with effect from August 07, 2021)	Director	Independent, Non Executive	6	4
Mrs. Barkha Balkrushnan Deshmukh (Appointed with effect from June 16, 2022)	Director	Independent, Non Executive	6	0

#### (b) Inductions and Cessation during the year

There were following inductions made in Management and Board during the year:

- Mr. Sagar Samir Shah was appointed as an Additional Director under the Category of Whole-Time Director with effect from June 14, 2021.
- Mr. Sagar Samir Shah was regularized from Additional Director under the Category of Whole-Time Director to Whole-Time Director by the members in Annual General Meeting held on September 23, 2021.



- Mr. Bhushan Gajaria was appointed as Additional Director under the Category of Independent Director with effect from June 14, 2021 and he resigned from the office of Additional Director under the Category of Independent Director with effect from August 07, 2021.
- Mr. Vipul Shirish Sheth was appointed as Additional Director under the Category of Independent Director with effect from August 07, 2021.
- Mr. Vipul Shirish Sheth was regularized from Additional Director under the Category of Independent Director to Independent Director by the members in Annual General Meeting held on September 23, 2021.

However, the following inductions made by the board of directors after the end of financial year ended on March 31, 2022:

- Mrs. Barkha Balkrushnan Deshmukh (DIN: 08562935) has been appointed as an Additional Director under the Category of the Independent Director of the Company with effect from June 16, 2022.
- Mr. Manish Indravadan Mehta (DIN: 08516146) has resigned from the position of Independent Director of the Company with effect from June 16, 2022.

**(c) Retirement by rotation:**

As per the provisions of Section 152 of the Companies Act, 2013, Mrs. Shweta Samir Shah (DIN: 03082967) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for reappointment. Your Directors recommend his reappointment.

**(d) Declaration of Independence**

Mr. Jayeshkumar Rasiklal Shah (DIN: 08218502), Mr. Manishkumar Indravan Mehta (DIN: 08516146) and Mr. Vipul Sheth (DIN: 01644188) were Independent Directors the Company during the financial year ended on March 31, 2022. However, Mrs. Barkha Balkrushnan Deshmukh has been appointed as an Independent Director and Mr. Manishkumar Indravan Mehta (DIN: 08516146) had resigned from the office of Independent Director of the Company with effect from June 16, 2022 and the Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules issued there under as well as Regulation 16(1)(b) of Listing Regulations (including any Statutory modification(s) or re-enactment(s) for the time being in force).

The Board is of the opinion that all Independent Directors of the Company possess requisite qualifications, experience, expertise and they hold highest standards of integrity.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board / Committee of the Company.

**(e) Evaluation of Board's Performance**

Pursuant to provisions of the Companies Act and the Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, performance of the Chairman, the Committees and independent Directors without Participation of the relevant Director. The Nomination and Remuneration Committee of the Board continuously evaluates the performance of the Board and provides feedback to the Chairman of the Board. The independent directors had a separate meeting without the presence of any non-independent directors and management and considered and evaluated the Board's performance, performance of the Chairman and other non-independent directors and shared their views with the Chairman. The Board had also separately evaluated the performance of the Committees and independent directors without participation of the relevant director.

**(f) Profile of Directors Seeking Appointment / Reappointment**

As required under regulation 36(3) of SEBI (LODR), 2015, particulars of the Directors retiring and seeking reappointment at the ensuing Annual General Meeting is annexed to the notice convening 37<sup>th</sup> Annual General Meeting.

**NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR**

During the year 2021-22, the Board of Directors met Six (6) times on April 08, 2021, June 14, 2021, August 07, 2021, October 27, 2021, January 18, 2022 and February 17, 2022 in respect of said meetings proper notices were given and proceedings were properly recorded and signed in the Minute Book maintained for the purpose.

**KEY MANAGERIAL PERSONNEL**

As on the date of this report, the following are the key Managerial Personnel of the company:

1. Mrs. Shweta Samir Shah, Managing Director
2. Mr. Sagar Samir Shah, Whole-Time Director (with effect from June 14, 2021)
3. Ms. Viraj Samirbhai Shah, Chief Financial Officer
4. Mrs. Pinaj Jain, Company Secretary & Compliance Officer.

**INDEPENDENT DIRECTORS' MEETING**

The Independent Directors met on June 14, 2021 and February 17, 2022 to discuss the performance evaluation of the Board, Committees, Chairman and the individual Directors.

The Independent Directors reviewed the performance of the non-independent Directors and Board as whole. The performance of the Chairman taking into account the views of executive Directors and Non-Executive Directors and assessed the quality, quantity and timeline of flow of information between company management and Board.

**STATEMENT ON FORMAL ANNUAL EVALUATION OF BOARD**

Nomination and Remuneration Committee annually evaluates the performance of individual Directors, Committees, and of the Board as a whole in accordance with the formal system adopted by it. Further, the Board also regularly in their meetings held for various purposes evaluates the performance of all the Directors, committees and the Board as a whole. The Board considers the recommendation made by Nomination and Remuneration Committee in regard to the evaluation of board members and also tries to discharge its duties more effectively. Each Board member's contribution, their participation was evaluated and the domain knowledge they bring. They also evaluated the manner in which the information flows between the Board and the Management and the manner in which the board papers and other documents are prepared and furnished.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under section 134(3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (i) in the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) 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 as at March 31, 2022 and of the profit and loss of the company for that period;
- (iii) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) The directors had prepared the annual accounts on a going concern basis; and
- (v) 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.
- (vi) 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.

**AUDITORS:**

The matters related to Auditors and their Reports are as under:

**(a) STATUTORY AUDITORS:**

The present Auditors of the Company are M/s. Ashit N Shah & Co., Chartered Accountants, having registration number FRN No. 100624W were appointed as Statutory Auditors of the Company to hold office from the conclusion of 35<sup>th</sup> Annual General Meeting (AGM) till the conclusion of the 40<sup>th</sup> Annual General Meeting of the Company to be held in the year 2025.

In accordance with the Companies Amendment Act, 2017, enforced on 7<sup>th</sup> May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

**(B) AUDIT REPORT:**

During the year 2021-22, no frauds have either occurred or noticed and/or reported by the Statutory Auditors under Section 143(12) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (as amended from time to time).

The Notes to the financial statements referred in the Auditors Report are self-explanatory. There are no qualifications or reservations or adverse remarks or disclaimers given by Statutory Auditors' of the Company and therefore do not call for any comments under Section 134 of the Companies Act, 2013. The Auditors' Report is enclosed with the financial statements in this Annual Report.

During the year under review, the Auditors havenot reported any matter under Section 143 (12)of the Act and therefore no detail is required to bedisclosed under Section 134 (3) (ca) of the Act.

**(c) COST AUDITOR:**

As the cost audit is not applicable to the Company, therefore the Company has not appointed the Cost Auditor pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014.



**(d) INTERNAL AUDITOR:**

The Board of Directors has on the recommendation of Audit Committee, and pursuant to the provision of Section 138 of the Companies Act 2013, has appointed Mr. Amit Uttamchandani, Proprietor of M/s. Amit Uttamchandani & Associates, as an Internal Auditor of the Company.

**(e) SECRETARIAL AUDITOR**

Pursuant to Section 204 of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, the Board has Appointed Mr. Vishwas Sharma, proprietor of M/s. Vishwas Sharma & Associates, Practising Company Secretaries having Membership No. 33017 and Certificate of Practice No. 16942 as the Secretarial Auditor of your Company to conduct Secretarial Audit for the Financial Year 2021-22.

**(f) SECRETARIAL AUDIT REPORT:**

Provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, mandates to obtain Secretarial Audit Report from Practising Company Secretary. Mr. Vishwas Sharma, proprietor of M/s. Vishwas Sharma & Associates, Practising Company Secretaries had been appointed to issue Secretarial Audit Report for the Period ended on March 31, 2022. Secretarial Audit Report issued by M/s. Vishwas Sharma & Associates, Practising Company Secretaries for the year ended on March 31, 2022. Secretarial Audit Report issued by M/s. Vishwas Sharma & Associates, Practising Company Secretaries in Form MR-3 attached and marked as Annexure "A" for the period under review, forms part of this report. The said report does not contains any observation or qualification

**COMPANY SECRETARY AND COMPLIANCE OFFICER:**

Mrs. Pinaj Jain has been appointed as Whole Time Company Secretary and Compliance Officer of the company.

**INCREASE IN AUTHORISED SHARE CAPITAL**

The Authorized share capital of the Company is ₹ 10,00,00,000 consisting of 1,00,00,000 Equity Shares of ₹ 10 each.

During the year under review, there was no change in the Authorised Share Capital of the Company.

**INCREASE IN ISSUED, SUBSCRIBED & PAID-UP SHARE CAPITAL**

As on the date of Directors Report, the Issued, Subscribed and paid Up Capital of the Company is ₹ 10,00,00,000 consisting of 1,00,00,000 Equity Shares of ₹ 10 each.

There was no change in the Issued, Subscribed and paid Up Capital Share Capital of the Company during the year under review.

The Company has issued 50,00,000 (Fifty Lacs) Fully Convertible Warrants ("Warrants") each convertible into, or exchangeable for 1 (one) fully paid-up equity share of the Company having face value of ₹ 10/- ( Rupees Ten Only) ("Equity Share") each at an issue price of ₹ 57/- per Warrant including Premium of ₹ 47/- each on preferential basis which was approved by the members through Postal Ballot resolution which shall be deemed to have been passed on the last day of e-voting dated March 27, 2022.

Further, the Company has allotted 50,00,000 (Fifty Lacs only) Equity Shares of the Company at a price of ₹ 57/- per share including Premium of ₹ 47/- per share to the allottees upon conversion of 50,00,00 warrants as earlier issued and allotted on preferential basis to Promoter and Non-Promoter Group under the terms of SEBI (Issue of Capital & Disclosures Requirement) Regulation, 2018 in the Board meeting held on April 25, 2022.

**POSTAL BALLOT**

During the year, pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory amendment(s) or re-enactment(s) made thereunder), your Company passed the following resolution through postal ballot as per the details below:

Date of Postal ballot Notice : February 17, 2022

Date of declaration of result : March 28, 2022

Voting period : Saturday, February 26, 2022 to Sunday, March 27, 2022

Date of approval : Sunday, March 27, 2022

Description of Resolution	Type of Resolution	No. of votes polled	No. of votes casted in favour	No. of votes casted against		
To Consider and Approve alteration of Main Object Clause of Memorandum of Association of the Company	Special Resolution	44,25,810	44,25,754	99.9976%	28	0.0024%
To Consider and Approve Change of name of the Company	Special Resolution	44,25,810	44,25,810	100%	0	0%
Issue of Fully Convertible Warrants on Preferential Basis	Special Resolution	44,25,810	44,25,810	100%	0	0%

**LISTING**

The Equity Shares of the Company are continued to be listed and actively traded on the Bombay Stock Exchange Limited (BSE). The listing fees payable for the Financial Year 2021-22 has been paid to the Stock Exchanges (BSE).

**DEMATERIALIZATION OF SHARES:**

As on March 31, 2022, there were 49,95,370 Equity Shares dematerialized through depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited, which represents about 99.91% of the total issued, subscribed and paid-up capital of the Company.

**PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO****A. CONSERVATION OF ENERGY:**

- i. the steps taken or impact on conservation of energy : Nil
- ii. the steps taken by the company for utilizing alternate sources of energy : None
- iii. the capital investment on energy conservation equipments : Nil

**B. TECHNOLOGY ABSORPTION**

- i. the efforts made towards technology absorption : None
- ii. the benefits derived like product improvement, cost reduction, product development or import Substitution: None
- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
  - a) The details of technology imported: None
  - b) The year of import: N.A.
  - c) Whether the technology been fully absorbed: N.A.
  - d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: N.A
  - e) The expenditure incurred on Research and Development: Nil

**C. FOREIGN EXCHANGE EARNING & OUTGO :**

- i. Foreign Exchange Earning : NIL
- ii. Foreign Exchange Outgo :NIL

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

Pursuant to section 186(11) of the Companies Act, 2013 ("the Act"), the provisions relating to disclosure in the Financial Statements of the full particulars of the loans made and guarantees given or securities provided is not applicable to the company.

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:**

The Company has not entered and executed any related party transactions during the year under review as per the provisions of Section 188 of the Act and Rules made thereunder read with Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Your directors draw attention of the members to notes to the financial statements which inter-alia set out related party disclosures. The Policy on materiality of related parties' transactions and dealing with related parties as approved by the Board may be accessed on your Company's website at [www.kapashicommercial.com](http://www.kapashicommercial.com)

**ANNUAL RETURN:**

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company shall be available on the website of the Company at [www.kapashicommercial.com](http://www.kapashicommercial.com).

**DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL**

No orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

**DISCLOSURE OF VARIOUS COMMITTEES OF BOARD OF DIRECTORS****(a) AUDIT COMMITTEE:**

The Audit Committee of Directors was constituted pursuant to the provisions of Section 177 of the Companies Act, 2013. The composition of the Audit Committee is in conformity with the provisions of the said section.

➤ **The details of composition of Audit Committee are as follows:**

Name of the Directors	Designation	Category	Number of meetings held	Number of meeting attended
* Mr. Manish Mehta (till June 16, 2022)	Chairperson	Non-Executive, Independent Director	5	5
**Mrs. Barkha Deshmukh (with effect from June 16, 2022)	Chairperson	Non-Executive, Independent Director	0	0
Mr. Sagar Shah	Member	Promoter, Executive Director	5	5
Mr. Vipul Sheth	Member	Promoter, Non-Executive Director	5	5

The Committee was reconstituted on June 16, 2022 due to changes in the Board of directors of the Company as below:

\*Mr. Manish Mehta ceased to be Chairperson of this committee with effect from June 16, 2022.

\*\*Mrs. Barkha Deshmukh was inducted as Chairperson of this committee with effect from June 16, 2022.

**Presence of Chairman of the Audit Committee:**

Mr. Manish Mehta, Chairman of the Audit Committee was present in the Annual General Meeting held on September 23, 2021 during the Financial Year 2020-21.

**Recommendations by the Audit Committee:**

All the recommendations made by the Audit Committee are accepted and implemented by the Board of Directors.

The broad terms of reference of the Audit Committee are as under:

- Reviewing 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
- Recommending the appointment, remuneration and terms of appointment of external Auditor.
- Review and monitor the auditor's independence and performance and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the company with related parties.
- Scrutiny of inter-corporate loans and investments
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Monitoring the end use of funds raised through public offers and related matters.
- Reviewing with management the Annual financial statements and half yearly and Quarterly financial results before submission to the Board.
- Reviewing periodically the adequacy of the internal control system.
- Discussions with Internal Auditor on any significant findings and follow up there on.

➤ **Meetings:**

During the Financial Year 2021-22, the Member of Audit Committee met Five times viz. on April 08, 2021, June 14, 2021, August 07, 2021, October 27, 2021 and January 18, 2022.

**(b) NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee of Directors was constituted pursuant to the provisions of Section 178 of the Companies Act, 2013. The composition of the Committee is in conformity with the provisions of the said section.

➤ The details of composition of Nomination and Remuneration Committee are as follows:

Name of the Directors	Designation	Category	Number of meeting held	Number of meeting attended
Mr. Vipul Sheth	Chairperson	Non-Executive, Independent Director	3	3
*Mr. Manish Mehta	Member	Non-Executive, Independent Director	3	3
**Mrs. Barkha Deshmukh (with effect from June 16, 2022)	Member	Non-Executive, Independent Director	0	0
Mr. Munjal Patel	Member	Promoter, Non- Executive Director	3	2

The Committee was reconstituted on June 16, 2022 due to changes in the Board of directors of the Company as below:

\*Mr. Manish Mehta ceased to be Chairperson of this committee with effect from June 16, 2022.

\*\*Mrs. Barkha Deshmukh was inducted as Chairperson of this committee with effect from June 16, 2022.

The broad terms of reference of the Nomination and Remuneration Committee are as under:

- Formulation of the criteria for determining the qualifications, positive attributes and independence of Director;
- Devising a policy on Board diversity;
- Formulation of Remuneration policy;
- Review the structure, size and composition of the Board;
- Identifying and selection of candidates for appointment as Directors;
- Identifying potential individuals for appointment as Key Managerial Personnel and Senior Management;
- Formulation of criteria for evaluation of Independent Directors and the Board.

➤ **Meetings:**

During the Financial Year 2021-22, the Members of Nomination and Remuneration Committee met three times on June 14, 2021, August 07, 2021 and February 17, 2022.

➤ **Policy on Directors' Appointment & Remuneration**

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration of Directors, Key Managerial Personnel and other employees. The said policy is accessible on the Company's official website at the following link [www.kapashicommercial.com](http://www.kapashicommercial.com).

We affirm that the remuneration paid to the Directors is as per the terms laid out in the Remuneration Policy of the Company.

➤ **Annual Evaluation of Board, Committees and Individual Directors:**

Pursuant to the provisions of the Act, Listing Regulations, 2015 and the Remuneration Policy of the Company, the Board of Directors/ Independent Directors/ Nomination and Remuneration Committee (as applicable) has undertaken an evaluation of its own performance, the performance of its Committees and of all the individual Directors including the Chairman of the Board of Directors based on various parameters relating to roles, responsibilities and obligations of the Board, effectiveness of its functioning, contribution of Directors at meetings and the functioning of its Committees. Such evaluation is presented to the Nomination and Remuneration Committee and the Board of Directors (as applicable).

Directors express their satisfaction with the evaluation process.

**(c) STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee is constituted in compliance with the requirements of Section 178 of the Companies Act, 2013. Company Secretary is the Compliance Officer, who acts as the Secretary to the Committee and the Members of the Committee are:

Sr. No.	Name of the Directors	Designation	Category	Number of meeting held	Number of meeting attended
1	*Mr. Manish Mehta	Chairperson	Non-Executive, Independent Director	1	1
2.	**Mrs. Barkha Deshmukh (with effect from June 16, 2022)	Chairperson	Non-Executive, Independent Director	0	0
3	Mr. Sagar Shah	Member	Promoter, Executive Director	1	1
4	Mr. Jayeshkumar Shah	Member	Non-Executive, Independent Director	1	1

The Committee was reconstituted on June 16, 2022 due to changes in the Board of directors of the Company as below:

\*Mr. Manish Mehta ceased to be Chairperson of this committee with effect from June 16, 2022.

\*\*Mrs. Barkha Deshmukh was inducted as Chairperson of this committee with effect from June 16, 2022.

The broad terms of reference of the Stakeholders Relationship Committee are as under:

1. Oversee and review all matters connected with the transfer of the Company's securities.
2. Monitor redressal of investors' / shareholders' / security holders' grievances.
3. Oversee the performance of the Company's Registrar and Transfer Agents.
4. Recommend methods to upgrade the standard of services to investors.
5. Carry out any other function as is referred by the board from time to time or enforced by any statutory notification/ amendment or modification as may be applicable.

➤ **Meetings:**

During the Financial Year 2021-22, the Member of Stakeholders Relationship Committee met One time on February 17, 2022.

➤ **Investors' Complaints:**

No. of Complaints pending as on April 01, 2021	Nil
No. of Complaints identified and reported during Financial Year 2021-22	Nil
No. of Complaints disposed during the year ended March 31, 2022	Nil
No. of pending Complaints as on March 31, 2022	Nil

Mrs. Pinaj Jain is the Compliance Officer of the Company for the above purpose.

➤ **Presence of Chairman of the Stakeholders' Relationship Committee:**

Mr. Manish Mehta, Chairman of the Stakeholder's Relationship Committee was present in the Annual General Meeting held on September 23, 2021 during the Financial Year 2020-21.

➤ **Share Transfer and Shareholder's/Investor's Grievance Committee:**

The Share Transfer and Shareholder's/Investor's Grievance Committee comprises of Mr. Manish Mehta as the Chairman of the Committee, Mr. Sagar Shah and Mr. Jayeshkumar Shah as Members of the Committee. The Share Transfer and Shareholder's/Investor's Grievance Committee meets as and when required to consider the transfer proposals and attend to Investors' grievances, transmission of shares, split, consolidation, issue of duplicate share certificate, re-materialization of shares etc.

**COMPLIANCE**

The Company has complied with the mandatory requirements as stipulated under the Listing Regulations. The Company has submitted the quarterly compliance status report to the stock Exchange within the prescribed time limit.

**STATE OF THE COMPANY'S AFFAIRS**

Discussion on the state of affairs of the Company has been covered as part of the Management Discussion and Analysis (MDA) in "Annexure-B" as stipulated under Regulation 34 of Listing Regulations is presented in a separate section forming part of this Annual Report.

**MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT**

The Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2) (e) of the Listing Regulations is given as an Annexure "B" to this report.

**VIGIL MECHANISM/WHISTLER BLOWER POLICY**

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has established vigil mechanism/Whistle Blower Policy for Directors and employees of the Company to report genuine concerns regarding unethical behavior, actual or suspected fraud or violation of the Company's code of conduct and ethics Policy. The said mechanism also provides for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

The Board of Directors of the Company frequently reviews the vigil mechanism/whistle blower policy in order to ensure adequate safeguards to employees and Directors against victimization.

The said policy is also available on the website of the Company at [www.kapashicommercial.com](http://www.kapashicommercial.com).

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

In order to prevent sexual harassment of women at work place, the Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Your Director's state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Company has complied with the provisions relating to the constitution of internal complaints committee under the aforesaid Act.

**ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

**DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

**MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which this financial statements relate and the date of this report.

**SIGNIFICANT AND MATERIAL ORDER PASSED BY REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY’S OPERATIONS IN FUTURE**

No significant and material order was passed by regulators or courts or tribunals impacting the going concern status and company’s operations in future.

**PARTICULARS REGARDING EMPLOYEES**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended are annexed hereto marked as ‘Annexure C’ and forms part of this report

**STATEMENT REGARDING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT**

The Company does not have any Risk Management Policy or any statement concerning development and implementation of risk management policy of the company as the elements of risk threatening the Company’s existence are very minimal.

**COMPLIANCE WITH THE PROVISIONS OF SECRETARIAL STANDARD:**

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively. The Company confirms Compliance with the applicable requirements of Secretarial Standards 1 and 2.

**VARIOUS POLICIES OF THE COMPANY:**

In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 the Company has formulated, implemented various policies. All such Policies are available on Company’s website ([www.kapashicommercial.com](http://www.kapashicommercial.com)) under the Policies sub-caption of the Investor Caption. The policies are reviewed periodically by the Board and updated based on need and requirements.

<b>Name of the Policy</b>	<b>Brief Description</b>
Whistle Blower or Vigil Mechanism Policy	The policy is meant for directors, employees and stakeholders of the Company to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company’s code of conduct and ethics amongst others.
Policy for Related Party Transactions	The policy regulates all transactions taking place between the Company and its related parties in accordance with the applicable provisions.
Policy for determination of materiality of events	This policy applies for determining and disclosing material events taking place in the Company.
Code of conduct for Director(s) and Senior Management Personnel	The Policy is aimed to formulate a Code of Conduct for the Directors and Senior Management Personnel to establish highest standard of their ethical, moral and legal conduct in the business affairs of the Company.
Nomination and Remuneration Policy	The policy formulates the criteria for determining qualifications / competencies / positive attributes and independence related to the appointment, removal and remuneration of a Director(Executive / Non-Executive) and also the criteria for determining the remuneration of the Directors, Key Managerial Personnel and other employees covered under the prescribed criteria, if any.
Code of Conduct for Prohibition of Insider Trading	The Policy provides for framework for dealing with the securities of the Company in mandated manner.

**CORPORATE GOVERNANCE**

As per the provisions of SEBI (Listing Obligations and Disclosures requirement) Regulation, 2015, the annual report of the listed entity shall contain Corporate Governance Report and it is also further provided that if the Company is not having the paid up share capital exceeding ₹ 10 crores and Net worth exceeding ₹ 25 crores, the said provisions are not applicable. As our Company does not have the paid up share capital exceeding ₹ 10 crores and Net worth exceeding ₹ 25 crores, the Corporate Governance Report is not applicable and therefore not provided by the Board.

**CORPORATE SOCIAL RESPONSIBILITY (CSR):**

The provision of section 135(1) of Companies Act 2013 i.e. Corporate Social Responsibility is not applicable on the company. Therefore the company has not constituted CSR committee.



**INSOLVENCY AND BANKRUPTCY CODE:**

During the Financial year ended on March 31, 2022, there is no application made or any proceeding pending under the Insolvency and Bankruptcy code, 2016.

**THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:**

Not applicable during the year under review.

**ENCLOSURES:**

The following are the enclosures attached herewith and forms part of the Director's Report:

- a. Annexure A: Secretarial Auditors Report in Form No. MR-3;
- b. Annexure B : Management Discussion and Analysis Report;
- c. Annexure C: Details of personnel/particulars of employees;

**ACKNOWLEDGEMENT**

Your Directors place on record their sincere appreciation and gratitude for the assistance and generous support extended by all Government Authorities, Financial Institutions, Banks, Customers and Vendors during the year under review. Your Directors wish to express their immense appreciation for the devotion, commitment and contribution shown by the employees of the company while discharging their duties.

**Registered Office**  
**206, Second Floor Ashirwad Paras-1,**  
**Near KantiBharwad PMT,**  
**Opposite Andaz Party Plot,**  
**Makarba, Ahmedabad-380009, Gujarat**  
**Place: Ahmedabad**  
**Date: August 09, 2022**

**By order of Board of Directors**  
**SERA INVESTMENTS & FINANCE INDIA LIMITED**  
**(Formerly Known as Kapashi Commercial Limited)**

**Sd/-**  
**SHWETA SAMIR SHAH**  
**MANAGING DIRECTOR**  
**DIN: 03082967**

**Sd/-**  
**SAGAR SAMIR SHAH**  
**WHOLE-TIME DIRECTOR**  
**DIN: 03082957**

**ANNEXURE - "A"**  
**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2022.**  
**[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies**  
**(Appointment and Remuneration Personnel) Rules, 2014]**

To,  
 The Members,  
**SERA INVESTMENTS & FINANCE INDIA LIMITED**  
 (Formerly Known as Kapashi Commercial Limited)  
 AHMEDABAD

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SERA INVESTMENTS & FINANCE INDIA LIMITED** (CIN: L51900GJ1985PLC110976). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 ('Audit Period') 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 the Company for the financial year ended on March 31, 2022 according to the provisions of:

- i. The Companies Act, 2013 (**the Act**) and the rules made there under;
- 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 Borrowing. (not applicable to the company during the audit period);
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (**not applicable to the company during the audit period**);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**not applicable to the company during the audit period**);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**not applicable to the company during the audit period**);
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**not applicable to the company during the audit period**);

I have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances of other specific applicable Acts, Laws and Regulations to the Company as mentioned hereunder;

- a) Reserve Bank of India Act, 1934 and rules made there under.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015



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

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Board takes decision by majority of directors while the dissenting directors' views are captured and recorded as part of the minutes.

**I further report 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, the Company has passed following resolution through postal ballot.

1. Approved alteration of main object clause of memorandum of association of the company
2. Approved change of name of the company
3. Approved Issue of fully convertible warrants on preferential basis

**I further report that** the Company has altered Memorandum of Association (MOA) by adding new objects in addition to the existing main object of the Company by alteration of Clause -III A of Memorandum of Association of the Company, during the reporting period.

**I further report that** the Company through Postal Ballot process on 27/03/2022 (Deemed date of Resolution) approved the change the name of the Company from Kapashi Commercial Limited to Sera Investments & Finance India Limited subject to necessary approvals. The Change of name of the Company became effective from April 30, 2022 on issue of new certificate of incorporation by Registrar of Companies, Gujarat. The said change of name became effective after the reporting audit period.

**I further report that** the Company through Postal Ballot process on 27/03/2022 (Deemed date of Resolution) approved to issue 50,00,000 (Fifty Lacs) Convertible Warrants ("Warrants") each convertible into, or exchangeable for 1 (one) fully paid-up equity share of the Company having face value of Rs.10/- (Rupees Ten Only) ("Equity Share") each at an issue price of Rs.57/- per warrant including Premium of Rs. 47/- each on preferential basis. However the allotment and conversion of warrants into equity shares has been completed after the reporting period therefore I hereby reported that during the reporting period there were no instances of:

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

**For, M/S. VISHWAS SHARMA & ASSOCIATES**  
Company Secretaries

**Vishwas Sharma**

Proprietor

ACS NO: 33017

COP NO: 16942

UDIN: A033017D000768501

Place: Ahmedabad

Date: August 09, 2022

## SERA INVESTMENTS & FINANCE INDIA LIMITED

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

### ANNEXURE TO SECRETARIAL AUDIT REPORT

To,  
The Members,  
**SERA INVESTMENTS & FINANCE INDIA LIMITED**  
(Formerly Known as Kapashi Commercial Limited)  
AHMEDABAD

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 the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representations 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, and Standards is the responsibility of management. My examination was limited to the 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.

**For, M/S. VISHWAS SHARMA & ASSOCIATES**  
Company Secretaries

**Vishwas Sharma**

Proprietor

ACS NO: 33017

COP NO: 16942

UDIN: A033017D000768501

Place: Ahmedabad  
Date: August 09, 2022

## ANNEXURE - "B"

### MANAGEMENT DISCUSSION & ANALYSIS REPORT

In terms of the provisions of Regulation 34(2) (e) of the Listing Regulations, the Management's discussion and analysis are as follows.

#### 1. COMPANY OVERVIEW:

Sera Investments & Finance India Limited (Formerly Known as Kapashi Commercial Limited) is a Non-Banking Financial Company (NBFC) serving the credit requirements of people. The Company offers a range of financial services. The Company competes directly with the informal moneylenders and pawnbrokers.

#### 2. ECONOMIC REVIEW

##### 2.1 Indian economic Review

The Indian economy started FY2021-22 with a sombre note owing to the spread of the delta variant which had a much sharper impact on the health of the population. The easing of COVID-related restrictions, accelerated vaccination campaign, and a strong policy response from the Government of India and the reserve bank were critical in ensuring this recovery. The RBI continued to maintain an accommodative stance throughout the year, aiding the recovery process. However, the growth stunted towards the second half of the year, largely driven by the global supply chain disruptions and an inflationary environment, driven by the steep increase in crude and other commodity prices.

##### Outlook:

As per the latest estimates by CRISIL, India's Gross Domestic Product ('GDP') is expected to report a growth of 7.3% in FY 2022-23, in line with the RBI's expectation of 7.2% Real Growth. The growth projections face downsides risks emanating from the increased duration of the war as well as growing inflation.

#### 3. INDUSTRY REVIEW

##### 3.1 Financial services industry

India has a diversified financial sector consisting of commercial banks, insurance companies, non-banking financial companies, housing finance companies, cooperatives, pension funds, mutual funds, and other smaller financial entities. The financial services industry plays an important role in ensuring the efficiency of capital allocation and driving high-return investments. In addition, the industry plays an important role in enabling more people to have access to capital.

##### Union Budget 2021-22 highlights:

The recent Union budget 2021-22 gave a boost to the financial services industry by:

- a. Privatisation of PSBs and government insurance companies and allowing greater FDI in insurance.
- b. Bolstering of Asset Reconstruction Company (ARC) set-up to reduce NPAs in India.
- c. Increased Capex at a y-o-y rate of 35.4% to crowd in private capital.

##### 3.2 NBFC Sector

Non-banking financial companies (NBFCs) are a crucial component of the Indian finance industry and serve the financial needs of less-banked population such as the unorganised section such as the micro, small and medium enterprises (MSMEs). NBFCs enjoy a competitive edge in their superior understanding of regional dynamics, well-developed collection systems, and personalised services in the drive to expand financial inclusion in India. Lower transaction costs, quick decision-making, customer orientation, and prompt provision of services have typically differentiated NBFCs from banks. As a result, over the last decade, the NBFCs have become an increasingly important part of the Indian financial services sector.

#### 4. SWOT ANALYSIS OF NBFC SECTOR:

##### Strength

##### Diversification:

NBFCs offer a wide range of financial products and services including personal loans, commercial vehicle finance, housing loans, infrastructure finance, gold loans, microfinance, money transfer, insurance, education funding, and many more customised finance solutions. The diversity of products and services offered enables them to focus on under-served populations of the economy, and create a niche market for themselves.

##### Technology Adoption:

The recent few years have seen the emergence of integration of the NBFCs business operations with technology, to bring in productivity and efficiency. This enables companies operating in this space to offer simple, efficient, and cost-effective services such as credit score calculation, customer onboarding, loan disbursement, and collection among others.

**Weaknesses:****Regulatory Restrictions:**

The informal nature of the NBFC sector increases its regulatory risk. One of the ways this increased regulatory risk can be observed is the frequency of regulatory changes brought in by the RBI. A consequence of frequent regulatory changes are compliance costs that are borne by individual NBFCs, which reduces their ability to be competitive and protect their margins.

**Opportunity:**

- Increased penetration in the MSME segment with better integration of technology into business models
- Synergistic alliance with FinTech to increase market penetration.
- Development of more sophisticated financial products and services to serve the needs of the customer.
- Tapping into the fast-growing e-commerce segment.
- Diversify assets by targeting new profitable segments and developing the capabilities required to serve the segments.
- A new wave of entrepreneurship creating a new demand for capital and financial services from NBFCs.

**Threats:**

- High cost of funds
- Inferior credit profile of borrowers
- Restrictions on deposit-taking NBFCs

**5. SEGMENT-WISE OR PRODUCT WISE PERFORMANCE:**

The Company operates in only single segment. Hence segment wise performance is not applicable.

**6. RISK MANAGEMENT:**

Risk management is an integral part of the Company. Credit Risk, Interest Rate Risk, Market Risk, Liquidity Risk, and Operational Risk are the primary hazards.

If these risks are not successfully managed, they could affect Company's financial stability and operations. Keeping this in mind, the Company consistently enhances and applies the risk management policies and procedures for the efficient execution of all its operations. The primary purpose of risk management processes is to efficiently measure and monitor risks and contain them within acceptable limits.

**Credit Risk:**

Credit risk is the prospect of losses resulting from a decline in the creditworthiness of borrowers or other counterparties.

Credit risk management frameworks, rules, processes, and systems are in place for the Company. The Company's loan/collateral evaluation system and procedures are highly organised. The process of evaluating the creditworthiness of customers, a clear and fair assessment of the collateral, and prudential loan-to-value limitations, prudential individual and group exposure restrictions, industry limits, etc. are essential to the management of credit risk.

The management of credit risk also involves exposure caps based on borrower group, region, and industry. Credit Risk Management also includes portfolio diversification, monthly post-disbursement monitoring, credit audits, borrower relationship management, and remedial action.

**Operational Risk:**

Operational risks are those that result from insufficient or failed internal procedures, people, and systems, or from external events. As a part of the Company's lending operations, the Company uses decentralised loan approval technologies to facilitate a quick loan approval procedure. The Company is under process to develop clearly defined loan approval processes and procedures to mitigate operational risks.

The Company carries out Investment and major part of such investment activities are done in listed company and have a vision of short term as well as long term. Market volatility and some time analysis to carry investment decision have its risk of financial loss. Generally, the management takes a very analyzed and informed investment decision to mitigate its operational risk.

In addition, the Board of Directors has developed a "Whistleblower Policy."

**Business Risk:**

As an NBFC, the Company is exposed to numerous external risks that have a direct impact on its sustainability and profitability. Industry Risk and Competition Risk are the two most prevalent. The changeable macroeconomic conditions and fluctuating sector dynamics in many commercial segments may lead to loan asset impairment. The Company has a team whose responsibility is to regularly study economic and sector trends. Due to rising competition in the financial markets, the Company's business growth is contingent on its capacity to compete. In accordance with market trends and practises, the Company has designed customised loan products to increase market penetration.

**Regulatory Risk:**

The Company strictly adheres to and complies with all periodic regulations imposed by regulators such as the RBI and SEBI. The Company has zero tolerance for noncompliance with regard to the Capital Adequacy, Fair Practices Code, Asset Classification and Provisioning Norms, and filing of all mandatory returns to authorities.

The recent proposal of the RBI to close the regulatory gap between large, systemically significant NBFCs and banks may result in NBFCs adopting regulations similar to those of banks.

**External Risk:**

Ukraine Conflict has had a global effect on the credit market, resulting in surging commodities prices and expansive financial sanctions that threaten the world economy that already weakened by the Covid-19 outbreak.

**Human Resource:**

The Company's success depends on the Company's employees. The Company believes that individuals achieve at their highest level in companies with which they sense a true connection. The personnel' abilities, expertise, diversity, and productivity enables the Company to fulfil its obligations. The Company focuses on expanding organisational abilities and enhancing organisational efficacy by employing competent and motivated workers. Employee empowerment has been essential to propelling the Company to the next level of development. Additionally, the Company defines and adopts best industry practises relating to Health, Safety, Security, and Environment, which define the core of its business and ensure the development of a culture in which its workers drive these standards.

**Internal Control:**

The Company has implemented a sufficient system of internal control to preserve all of its assets and guarantee operational excellence. Additionally, the system precisely documents every transaction detail and assures regulatory compliance. Further, the Company employs a staff of internal auditors to ensure that all transactions are correctly authorised and reported. The Board's Audit Committee evaluates the reports. Where required, reinforce internal control systems and initiate corrective actions.

**Cautionary Statement:**

Certain statements in the Management Discussion and Analysis describing the Company's objectives, predictions may be 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results may vary significantly from the forward-looking statements contained in this document due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India, volatility in interest rates, new regulations and Government policies that may impact the Company's business as well as its ability to implement the strategy. The Company does not undertake to update these statements.

**7. RATIO SIGNIFICANT CHANGES:**

There is no significant change in the revenue of the company in comparison to the last year.

**Registered Office**  
**206, Second Floor Ashirwad Paras-1,**  
**Near KantiBharwad PMT,**  
**Opposite Andaz Party Plot,**  
**Makarba, Ahmedabad-380009, Gujarat**  
**Place: Ahmedabad**  
**Date: August 09, 2022**

**By order of Board of Directors**  
**SERA INVESTMENTS & FINANCE INDIA LIMITED**  
**(Formerly Known as Kapashi Commercial Limited)**

**Sd/-**  
**SHWETA SAMIR SHAH**  
**MANAGING DIRECTOR**  
**DIN: 03082967**

**Sd/-**  
**SAGAR SAMIR SHAH**  
**WHOLE-TIME DIRECTOR**  
**DIN: 03082957**

## ANNEXURE - "C"

**DISCLOSURES REGARDING REMUNERATION REQUIRED 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**

Sr. No.	Requirements	Disclosure	
I.	The ratio of remuneration to each director to the median remuneration of the employees for the financial year	MD	Nil
		WTD	
II.	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year	MD	Nil
		WTD	Nil
		CFO	Nil
		CS	Nil
III.	The percentage increase in the median remuneration of employees in the financial year	No Increase	
IV.	The number of permanent employees on the rolls of the Company as on March 31, 2022.	2	
V.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Nil	
VI.	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, it is confirmed	

**Registered Office**  
**206, Second Floor Ashirwad Paras-1,**  
**Near KantiBharwad PMT,**  
**Opposite Andaz Party Plot,**  
**Makarba, Ahmedabad-380009, Gujarat**  
**Place: Ahmedabad**  
**Date: August 09, 2022**

**By order of Board of Directors**  
**SERA INVESTMENTS & FINANCE INDIA LIMITED**  
**(Formerly Known as Kapashi Commercial Limited)**

Sd/-  
**SHWETA SAMIR SHAH**  
**MANAGING DIRECTOR**  
**DIN: 03082967**

Sd/-  
**SAGAR SAMIR SHAH**  
**WHOLE-TIME DIRECTOR**  
**DIN: 03082957**

## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
**Sera Investments & Finance India Limited**  
(Formerly known as Kapashi Commercial Limited)

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of Sera Investments & Finance India Limited ("the Company") which comprise the Balance Sheet as at March 31, 2022 and the Statement of Profit and Loss (including the Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

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

#### Basis for Opinion

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

#### Other information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that if there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

#### Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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



**Auditor's Responsibility for Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 the Management and Board of Directors.
- 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 Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, based on our audit we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flows dealt with by this report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of written representations received from the directors of the Company as on 31<sup>st</sup> March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting



- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies(Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us :
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (1) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
    - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company
    - or
    - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.(2) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
    - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
    - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and(3) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (d) (i) and (d) (ii) contain any material mis-statement.
  - v. The company has not declared or paid any dividend during the year, hence there is no noncompliance with Section 123 of the Act.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**Place of Signature:** Ahmedabad  
**Date:** 26-05-2022

**For Ashit N Shah & Co**  
Chartered Accountants  
FRN: 100624W  
  
**Ashit N. Shah**  
(Proprietor)  
Membership No. 036857  
**UDIN:** 22036857AKYXUA9249

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

**With reference to the "Annexure A" referred to in the Independent Auditor's Report to the members of the Company on the Ind AS Financial statements for the year ended 31<sup>st</sup> March, 2022, we report the following:**

**(Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date.)**

- i.
  - a.
    - (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
    - (ii) According to the information and explanation given to us, the company does not has any intangible assets.
  - b. According to the information and explanations given to us, company does not have any Property, Plant and Equipment. Accordingly, reporting under clause (i)(b) is not applicable to the Company.
  - c. According to the information and explanations given to us, company does not have any Property, Plant and Equipment. Accordingly, reporting under clause (i)(c) is not applicable to the Company.
  - d. The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
  - e. In our opinion according to the information and explanations given to us, there are no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii.
  - a. The Company's business does not involve inventories and, accordingly, the requirements under clause (ii) (a) of the Order are not applicable to the Company and hence not commented upon.
  - b. According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets, and hence reporting under clause (ii)(b) of the Order is not applicable.
- iii.
  - (a) Since the Company's principal business is to give loans. Accordingly, the provisions of clause iii of the order is not applicable to it.
  - (b) As per the information and explanation made to us the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans and guarantees during the year that are prejudicial to the company's interest and hence, reporting under clause (iii)(b) of the order is not applicable.
  - (c) As per the information and explanation made to us, the Company has not granted any loans or advances in the nature of loans during the year and hence reporting under clause 3(iii)(c) of the order is not applicable
  - (d) As per the information and explanation made to us, the Company has not granted any loans or advances in the nature of loans during the year, hence reporting under clause 3(iii)(d) of the order is not applicable.
  - (e) The Company is a NBFC and hence reporting under clause (iii)(e) of the order is not applicable.
  - (f) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- iv. In our opinion and according to the information and explanations given to us, during the current financial year, the company has not given/made any loan, investment, guarantee and security and accordingly provisions of section 185 and 186 of the Act are not applicable.
- v. In our opinion and according to the information and explanations given to us, the Company being a non-banking financial company registered with the Reserve Bank of India, the provisions of sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted are not applicable to the Company. We are informed by the Management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.
- vi. The Company is not required to maintain cost records under sub-section (1) of section 148 of Companies Act, 2013. Therefore, the provisions of clause vi of the Order are not applicable to the Company.
- vii.
  - a. In our opinion and according to the information and explanations given to us, the company is generally regular in depositing undisputed statutory dues of provident fund, employee state insurance, tax deducted at source and GST. We were informed that operation of the Company did not give rise to duty of customs, duty of excise, value added tax, cess.
  - b. According to the information and explanation given to us, there is no due on account of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax which have not been deposited on account of dispute.
- viii. According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- ix.
  - a. As per the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowing to banks and financial institutions during the year
  - b. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - c. In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purpose for which they were obtained.

- d. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been used for long term investment by the company.
- e. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the company has not taken funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f. In our opinion and according to the information and explanations given to us, during the year the company has not raised loans on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. a. The Company has not raised monies by way of initial public offer or further public offer (including debt instruments) or term loans. Therefore, reporting under paragraph 3(x) of the Order is not applicable.
- b. According to the information and explanations give 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.
- xi. a. To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b. To the best of our knowledge and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c. To the best of our knowledge and according to the information and explanations given to us, Section 177(9) of Companies Act, 2013 is not applicable to company and as per representation received from management there are no whistleblower complaints received during the year. Therefore, reporting under paragraph 3(xi)(c) of the Order is not applicable.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, reporting under paragraph (xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us, based on our examination of the records of the Company and approval has been obtained from audit committee and Board of Directors, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.
- xiv. a. In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b. According to the information and explanations given to us, Company has not appointed internal auditors. Therefore, clause xiv of the order is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. According to the information and explanations given to us, the Company is registered under section 45-IA of the Reserve Bank of India Act, 1934.
- xvii. The Company has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year amounting to ₹ 107.22 Crore and ₹ 32.73 lakhs respectively.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. According to the information and explanations given to us, the Company is not required to spend for CSR as per 135(5) of companies Act, 2013 Hence, reporting under clause 3(xx) of the Order is not applicable.

**For Ashit N Shah & Co**  
Chartered Accountants  
FRN: 100624W

**Ashit N. Shah**  
(Proprietor)

Membership No. 036857

**UDIN:** 22036857AKYXUA9249

**Place of Signature:** Ahmedabad

**Date:** 26-05-2022

**ANNEXURE B TO INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 2(A)(f)) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date.)

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

We have audited the Internal Financial Controls over financial reporting of Sera Investments & Finance India Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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.

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

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing 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.

**For Ashit N Shah & Co**  
Chartered Accountants  
FRN: 100624W

**Ashit N. Shah**  
(Proprietor)

Membership No. 036857

UDIN: 22036857AKYXUA9249

**Place of Signature:** Ahmedabad

**Date:** 26-05-2022

BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2022

[₹ in Thousand]

Sr. No	Particulars	Notes	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
	<b>ASSETS</b>			
<b>1</b>	<b>Financial Assets</b>			
a.	Cash and Cash Equivalents	4	378	1,991
b.	Bank Balance other than (a) above	5	9,512	-
c.	Receivables	6	49,290	-
d.	Loans	7	84,373	49,903
e.	Investments	8	347,661	108,113
<b>2</b>	<b>Non-Financial Assets</b>			
a.	Current tax assets (Net)	9	10,808	179
b.	Deferred tax Assets (Net)	10	17,491	6,991
c.	Other non -financial assets		-	-
	<b>Total Assets</b>		<b>519,513</b>	<b>167,177</b>
	<b>LIABILITIES AND EQUITY</b>			
	<b>LIABILITIES</b>			
<b>1</b>	<b>Financial Liabilities</b>			
a.	Borrowings (Other than Debt Securities)	11	401,517	-
b.	Other financial liabilities		-	-
<b>2</b>	<b>Non-Financial Liabilities</b>			
a.	Current tax liabilities (Net)		-	-
b.	Provisions	12	337	189
c.	Other non-financial liabilities	13	861	261
<b>3</b>	<b>EQUITY</b>			
a.	Equity Share capital	14	50,000	50,000
b.	Other Equity	15	66,798	116,727
	<b>Total Liabilities And Equity</b>		<b>519,513</b>	<b>167,177</b>

See accompanying Notes to the Financial Statements  
As per our report attached

**For Ashit N. Shah & Co**

Chartered Accountants

Firm's Registration Number : 100624W

**Ashit Shah**

Proprietor

Membership No. : 036857

Place : Ahmedabad

Date: 26-05-2022

**For and on behalf of board of directors of  
Sera Investments & Finance India Limited****Sagar S Shah**

Whole Time Director

DIN: 03082957

**Pinaj Jain**

Company Secretary

Mem No: 51875

**Manish Mehta**

Director

DIN: 08516146

**Viraj Shah**

Chief Financial Officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

[₹ in Thousand]

Sr. No	Particulars	Notes	For the period ended 31 <sup>st</sup> March, 2022	For the period ended 31 <sup>st</sup> March, 2021
	<b>Revenue From Operations</b>			
i.	Interest Income	16	30,501	3,017
(I)	Total Revenue from operations		30,501	3,017
(II)	Other Income	17	-	-
(III)	<b>Total Income (I+II)</b>		30,501	3,017
	<b>Expenses</b>			
i.	Finance Costs	18	18,884	3,936
ii.	Employee Benefits Expenses	19	210	144
iii.	Others expenses	20	22,277	2,294
(IV)	<b>Total Expenses (IV)</b>		<b>41,371</b>	<b>6,374</b>
(V)	<b>Profit / (loss) before exceptional items and tax (III - IV)</b>		<b>(10,870)</b>	<b>(3,357)</b>
(VI)	<b>Exceptional items</b>		-	-
(VII)	<b>Profit/(loss) before tax (V -VI )</b>		<b>(10,870)</b>	<b>(3,357)</b>
(VIII)	<b>Tax Expense</b>			
	(i) Current Tax	21	-	-
	(ii) Deferred Tax	21	-	-
	(iii) (Excess)/Short provision for tax relating to prior years	21	-	61
(IX)	<b>Profit / (loss) for the period from continuing operations(VI I -VIII )</b>		<b>(10,870)</b>	<b>(3,418)</b>
(X)	<b>Profit/(loss) for the period (IX+XII)</b>		<b>(10,870)</b>	<b>(3,418)</b>
(XI)	<b>Other Comprehensive Income</b>			
	(A) (i) Items that will not be reclassified to profit or loss		(49,559)	(26,888)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		10,500	6,991
	<b>Subtotal (A)</b>		<b>(39,059)</b>	<b>(19,897)</b>
	(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		-	-
	<b>Subtotal (B)</b>		-	-
	<b>Other Comprehensive Income (A + B)</b>		(39,059)	(19,897)
(XII)	<b>Total Comprehensive Income for the period (XIII+XIV)</b> (Comprising Profit (Loss) and other Comprehensive Income for the period)		(49,929)	(23,315)
(XIII)	<b>Earnings per equity share</b>			
	Basic & Diluted	22	(2.17)	(0.68)

See accompanying Notes to the Financial Statements  
As per our report attached

**For Ashit N. Shah & Co**  
Chartered Accountants  
Firm's Registration Number : 100624W

**Ashit Shah**  
Proprietor  
Membership No. : 036857

**Place :** Ahmedabad  
**Date:** 26-05-2022

**For and on behalf of board of directors of  
Sera Investments & Finance India Limited**

**Sagar S Shah**  
Whole Time Director  
DIN: 03082957

**Pinaj Jain**  
Company Secretary  
Mem No: 51875

**Manish Mehta**  
Director  
DIN: 08516146

**Viraj Shah**  
Chief Financial Officer



CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

[₹ in Thousand]

Particulars	2021-22	2020-21
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax	(10,870)	(3,357)
Adjustments for :		
Provision for diminution in value of investments, credited to the statement of Profit & Loss Account	-	-
Finance cost	18,884	3,936
<b>Operating profit before working capital changes</b>	<b>8,014</b>	<b>578</b>
Movments in working Capital		
Decrease/increase in financial assets	(58,802)	-
Decrease/increase in non financial assets	(10,630)	
Other Non Financial Assets	-	95
Other Non Financial Liabilities	602	(832)
Other Financial Liabilities	-	-
Provision of Standard assets	149	83
Direct Tax Paid ( Net of Refunds )	-	-
<b>Net Cash used in Operating Activities</b>	<b>(60,667)</b>	<b>(76)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of Investment	-	-
Purchase of Fixed Asset	-	-
Purchase of Investments	(2,89,108)	(1,01,250)
<b>Net Cash from Investing Activities</b>	<b>(2,89,108)</b>	<b>(1,01,250)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/ Payment from unsecured loans	4,01,515	(27,002)
Proceeds/ Payment from unsecured loans	(34,470)	(7,136)
Finance Cost	(18,884)	(3,936)
Proceeds/ Payment from Share capital	-	25,000
Proceeds/ Payment from Securities Premium	-	1,15,000
<b>Net Cash from Financing Activities</b>	<b>3,48,161</b>	<b>1,01,927</b>
<b>Net Increase / ( Decrease ) in Cash And Cash Equivalents ( A + B + C )</b>	<b>(1,613)</b>	<b>601</b>
Cash And Cash Equivalents - Opening Balance	1,991	1,390
Cash And Cash Equivalents - Closing Balance	378	1,991

**Notes:**

- Cash and cash equivalents represents cash and bank balances as per Balance Sheet, intercorporate deposits placed for three months or lower tenure.
- Previous year's figures have been regrouped, wherever necessary.

See accompanying Notes to the Financial Statements  
As per our report attached

**For Ashit N. Shah & Co**  
Chartered Accountants  
Firm's Registration Number : 100624W

**Ashit Shah**  
Proprietor  
Membership No. : 036857

**Place :** Ahmedabad  
**Date:** 26-05-2022

**For and on behalf of board of directors of  
Sera Investments & Finance India Limited**

**Sagar S Shah**  
Whole Time Director  
DIN: 03082957

**Pinaj Jain**  
Company Secretary  
Mem No: 51875

**Manish Mehta**  
Director  
DIN: 08516146

**Viraj Shah**  
Chief Financial Officer



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

**A Equity Share Capital**

[₹ in Thousand]

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Balance at the beginning of the reporting period	50,000	25,000
Changes during the year	-	25,000
<b>Balance at the reporting period</b>	<b>50,000</b>	<b>50,000</b>

**B Other Equity**

[₹ in Thousand]

Particulars	Reserves & Surplus				Other Comprehensive Income	Total Other Equity
	General Reserve	Securities Premium	Retained Earnings	Reserve fund u/s 45-IC (1) Of Reserve Bank Of India Act, 1934		
<b>Balance as at April 01, 2021</b>	<b>60,589</b>	-	<b>(61,691)</b>	<b>22,726</b>	<b>(19,897)</b>	<b>1,727</b>
<b>Profit for the period</b>	-	-	(10,870)	-	-	(10,870)
Transfer from Retained Earnings	-	-	-	-	-	-
Transfer during the year	-	1,15,000	-	-	-	1,15,000
<b>Items of the OCI for the year, net of tax</b>	-	-	-	-	(39,059)	(39,059)
Remeasurement benefit of defined benefit plans	-	-	-	-	-	-
Transfer to Equity Share capital	-	-	-	-	-	-
<b>Balance as at March 31, 2022</b>	<b>60,589</b>	<b>1,15,000</b>	<b>(72,561)</b>	<b>22,726</b>	<b>(58,956)</b>	<b>66,798</b>
<b>Balance as at April 01, 2020</b>	<b>60,589</b>	-	<b>(58,273)</b>	<b>22,726</b>	-	<b>25,042</b>
<b>Profit for the period</b>	-	-	(3,418)	-	-	(3,418)
Transfer from Retained Earnings	-	-	-	-	-	-
Transfer during the year	-	1,15,000	-	-	-	1,15,000
<b>Items of the OCI for the year, net of tax</b>	-	-	-	-	(19,897)	(19,897)
Remeasurement benefit of defined benefit plans	-	-	-	-	-	-
Transfer to Equity Share capital	-	-	-	-	-	-
<b>Balance as at March 31, 2021</b>	<b>60,589</b>	<b>1,15,000</b>	<b>(61,691)</b>	<b>22,726</b>	<b>(19,897)</b>	<b>1,16,727</b>

As required by section 45-IC of the RBI Act 1934, the company maintains a reserve fund and transfers there in a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared. The company cannot appropriate any sum from the reserve fund except for the purpose specified by Reserve Bank of India from time to time. Till date RBI has not specified any purpose for appropriation of Reserve fund maintained under section 45-IC of RBI Act, 1984.

The accompanying notes form an integral part of the standalone financial statements.

**For Ashit N. Shah & Co**

Chartered Accountants

Firm's Registration Number : 100624W

**Ashit Shah**

Proprietor

Membership No. : 036857

**Place :** Ahmedabad

**Date:** 26-05-2022

**For and on behalf of board of directors of**
**Sera Investments & Finance India Limited**
**Sagar S Shah**

Whole Time Director

DIN: 03082957

**Pinaj Jain**

Company Secretary

Mem No: 51875

**Manish Mehta**

Director

DIN: 08516146

**Viraj Shah**

Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**Company Overview & Significant Accounting Policies****1. Reporting Entity**

Sera Investments & Finance India Limited (the 'Company') is a Company domiciled in India, with its registered office situated at 206, S. F. Ashirwad Paras 1, Near Kanti Bharwad PMT Opposite Andaz Party Plot, Makarba Ahmedabad - 380051. The Company has been incorporated under the provisions of Companies Act, 2013. The Company is primarily involved in Investments activity. The company has been registered as a Core Investments Company (CIC) Specified NBFC with the Reserve Bank of India in terms of the regulation governing Non-Banking Financial Companies.

**2. Basis of preparation****a. Statement of compliance with Ind AS**

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under Section 133 of Companies Act, 2013 (the 'Act') and other relevant provisions of the Act. The Company has adopted all the relevant Ind AS and the adoption was carried out in accordance with Ind AS 101, "First Time Adoption of Indian Accounting Standards". The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliation and description of the effect of the transition have been summarized in Note 29. The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The financial statements were authorized for issue by the Company's Board of Directors on 27/06/2020. Details of Significant accounting policies are included in the Note 3.

**b. Functional and presentation currency**

These financial statements are presented in Indian Rupees (INR), which is also the functional currency.

**Basis of Measurement**

The financial statements have been prepared on the historical cost basis.

**c. Use of 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, incomes and expenses. Actual results may differ from these estimates.

**Estimates:**

Estimates and underlying assumptions are reviewed on an ongoing basis. They are based on historical experience

and other factors including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Revisions to the accounting estimates are recognised prospectively.

**Judgements:**

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the respective note.

**Assumptions and Estimation Uncertainties:**

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the respective note.

**d. Measurement of Fair Values:**

The Company has established control frame work with Respect to the measurement of Fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Company's Board of Directors.

**Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the**

Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information about the assumptions made in measuring fair values is included in the respective note.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

3. Significant Accounting Policies

1. Financial Instruments

A. Financial Assets:

i.) Classification:

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

- Those measured at amortized cost and
- Those to be measured subsequently at either 'Fair value through other comprehensive income' (FVTOCI) or 'Fair value through profit or loss' (FVTPL).

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

- A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL :
  - the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
  - the contractual terms of a financial asset give rise on specified dates to cash flows that are solely payments of Principal and interest on the principal amount outstanding.
- A debt investment is measured at FVOCI if it meets both following conditions and is not designated as at FVTPL:
  - the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
  - the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- Financial assets are not reclassified subsequent to their initial recognition except if and in the period the Company changes its business model for managing financial assets.

ii.) Measurement

At initial recognition, the Company measures a financial asset when it becomes a party to the contractual provisions of the instruments and measures at its fair value. Transaction costs are incremental costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent Measurement and Gains and Losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss.

iii.) De-recognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

B. Financial Liabilities:

(i) Classification, Subsequent Measurement and Gains and losses

Financial liabilities are classified as measured at Historical cost. Government of Gujarat, in capacity of the Promoter of the company, provides investment funds in form of interest free loans having specific directions to invest in equity shares of Group Entities of the company in terms of CIC directions. Investment funds, released as loan by GoG, when received for investment in equity are recognized as financial liabilities. There exist an obligation, however, the terms and conditions do not specify that whether the loan is repayable on demand and also fixed repayment schedule is not specified. Considering the said fact it is not possible to value such financial liability at amortized cost.

ii) De-recognition

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognizes a financial liability when its terms are modified and the cash flows under

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the profit or loss.

### C. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

### D. Investments in Associates and Subsidiaries

Investments in associates is carried at cost in the separate financial statements. Subsidiaries are valued at Fair Value.

## 2. Property, Plant and Equipment

### i. Recognition and Measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation, and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Useful lives have been determined in accordance with Schedule II to the Companies Act, 2013. The residual values are not more than 5% of the original cost of the asset.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

### ii. Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1 April 2019, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

### iii. Subsequent Expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

### iv. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the written down value method and is recognised in the statement of profit and loss.

Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

### v. Derecognition

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of assets.

## 3. Impairment

### i. Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for valuing impairment of financial assets other than those measured at fair value through profit and loss (FVTPL). At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

#### Measurement of Expected Credit Losses

The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**ii. Impairment of Non-Financial Assets**

The Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

In respect of assets for which impairment loss has been recognized in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

**4. Employee Benefits****i. Short Term Employee Benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

**ii. Defined Contribution Plan**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

**iii. Defined Benefit Plan**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount using market yields at the end of reporting period on government bonds.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the Asset Ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

**5. Provisions (other than Employee Benefits), Contingent Liabilities and Contingent Assets**

A provision is recognized when the Company has a present legal obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized but are disclosed in the notes to the financial statements. A contingent asset is neither recognized nor disclosed if inflow of economic benefit is probable.

**6. Recognition of Dividend Income, Interest Income**

Income from dividend is accounted as and when such dividend has been declared and the company's right to receive payment is established.

Interest income is recognized on a time proportion basis, taking in the account the amount outstanding and the rate applicable.

**7. Income Tax**

Income tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

**(i) Current Tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

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 setoff the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

### (ii) Deferred Tax

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

Deferred tax assets are recognized to the extent that it is 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 realized 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 only 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 on the same taxable entity, or on different taxable entities, but they intend to settle current tax liabilities and assets on net basis or their tax assets and liabilities will be realized simultaneously.

### 8. Cash and Cash Equivalents

Cash and cash equivalents include cash and cheques in hand, bank balances, demand deposits with banks and other short term highly liquid Investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value where original maturity is three months or less.

### 9. Earnings per Share

Basic earnings per share is calculated by dividing the net profit after tax for the year attributable to equity share holders of the Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is calculated by dividing net profit attributable to equity share holders (after adjustment for diluted earnings) by average number of weighted equity shares outstanding during the year plus potential equity shares.

### 10. Cash Flow Statement

Cash flows are reported using the indirect method where by the profit before tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

4 Cash and Bank Balance

[₹ in Thousand]

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Cash on Hand	14	9
Balances with Banks	364	1,982
<b>Total</b>	<b>378</b>	<b>1,991</b>

5 Bank Balance other than above

[₹ in Thousand]

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Bank Fixed Deposit	9,512	-
<b>Total</b>	<b>9,512</b>	<b>-</b>

6 Receivables

[₹ in Thousand]

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Other receivables	49,290	-
<b>Total</b>	<b>49,290</b>	<b>-</b>

7 Loans

[₹ in Thousand]

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
	Amortised cost Total	Amortised cost Total
<b>Loans</b>		
(A) (i) Loans repayable on demand	84,373	49,903
<b>Total (A) - Gross</b>	<b>84,373</b>	<b>49,903</b>
Less: Impairment Loss Allowance	-	-
<b>Total (A) - Net</b>	<b>84,373</b>	<b>49,903</b>

8 Investments

[₹ in Thousand]

Particulars	As at 31 <sup>st</sup> March, 2022				As at 31 <sup>st</sup> March, 2021			
	No of Shares	Others (At Cost)	Fair Value through OCI	Total (in Thousands)	No of Shares	Others (At Cost)	Fair Value through OCI	Total (in Thousands)
<b>Equity instruments</b>								
Asian Granito India Shares (Quoted)*	7,50,000	-	74,250	74,250	7,50,000	-	1,08,113	1,08,113
Adani Green Energy Limited	500	-	957	957	-	-	-	-
Adani Power Limited	45,000	-	8,327	8,327	-	-	-	-
Adroit Infotech Ltd	17,375	-	201	201	-	-	-	-
Alok Industries Ltd	4,00,000	-	10,140	10,140	-	-	-	-
Anand Rayons Limited	808	-	40	40	-	-	-	-
Anant Raj Limited	10,000	-	663	663	-	-	-	-
Ashapuri Gold Ornament A/c	1,03,025	-	7,413	7,413	-	-	-	-



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

Particulars	As at 31 <sup>st</sup> March, 2022				As at 31 <sup>st</sup> March, 2021			
	No of Shares	Others (At Cost)	Fair Value through OCI	Total (in Thousands)	No of Shares	Others (At Cost)	Fair Value through OCI	Total (in Thousands)
Asian Granito India Ltd	4,91,379	-	48,647	48,647	-	-	-	-
Bafna Pharmaceuticals Ltd	1,00,000	-	12,700	12,700	-	-	-	-
CMS Info Systems Limited	10,000	-	2,650	2,650	-	-	-	-
Den Networks Ltd	1,00,000	-	3,690	3,690	-	-	-	-
Dhani Services Ltd	1,10,000	-	6,859	6,859	-	-	-	-
Dishman Carbogen Amc A/C	25,000	-	4,619	4,619	-	-	-	-
Federal Mogul Goetze Ltd	5,000	-	1,328	1,328	-	-	-	-
Fino Payments Bank Limited	2,469	-	621	621	-	-	-	-
Himachal Fut Com Ltd	1,00,000	-	7,870	7,870	-	-	-	-
Housing & Urban Development Ltd	15,000	-	491	491	-	-	-	-
IDFC Limited	5,000	-	308	308	-	-	-	-
India Pesticides Ltd	5,000	-	1,346	1,346	-	-	-	-
IRB Infra Share A/c	1,95,000	-	49,030	49,030	-	-	-	-
Kakatiya Cement Sugar Ltd A/c	20,000	-	4,438	4,438	-	-	-	-
Khfm Hospitality & Facility Management Ser Ltd	24,800	-	1,171	1,171	-	-	-	-
Macrotech Developers Ltd A/c	500	-	563	563	-	-	-	-
Man Infraconstruction Ltd	84,000	-	8,753	8,753	-	-	-	-
Metro Brands Ltd	10,000	-	6,122	6,122	-	-	-	-
MFS Intercorp Limited	51,332	-	1,116	1,116	-	-	-	-
Monarch Network Capital Ltd	1,45,056	-	27,916	27,916	-	-	-	-
MONNET ISPAT & ENERG LTD	50,000	-	1,615	1,615	-	-	-	-
M S P Steel & Power A/c	25,000	-	268	268	-	-	-	-
MTAR Technologies Ltd	2,500	-	4,384	4,384	-	-	-	-
Nitta Gelatin India Ltd	2,340	-	662	662	-	-	-	-
NXTDIGITAL LIMITED	500	-	202	202	-	-	-	-
One 97 Communication Ltd	1,000	-	528	528	-	-	-	-
OPTIEMUS INFRACOM	31,000	-	9,887	9,887	-	-	-	-
Orient Paper & Industries Ltd	50,000	-	1,720	1,720	-	-	-	-
Party Cruis Ltd	10,000	-	970	970	-	-	-	-
P B Fintech Limited	12,500	-	8,679	8,679	-	-	-	-
Poonawalla Fincorp Limited	5,000	-	1,357	1,357	-	-	-	-
Punjab National Bank Ltd	50,000	-	1,753	1,753	-	-	-	-
Reliance Communication Limited	1,00,000	-	268	268	-	-	-	-
Shalby Ltd A/c	5,000	-	584	584	-	-	-	-
Shipping Corporation of India Ltd	10,000	-	1,152	1,152	-	-	-	-
Sigachi Industries Limited	200	-	58	58	-	-	-	-
Sterling And Wilson Solar Limited	3,000	-	952	952	-	-	-	-
Strides Pharma Science Share A/c	2,000	-	693	693	-	-	-	-
Supriya Lifescience Ltd	10,000	-	4,933	4,933	-	-	-	-
Swagruha Infrastructure Ltd	49,248	-	418	418	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

Particulars	As at 31 <sup>st</sup> March, 2022				As at 31 <sup>st</sup> March, 2021			
	No of Shares	Others (At Cost)	Fair Value through OCI	Total (in Thousands)	No of Shares	Others (At Cost)	Fair Value through OCI	Total (in Thousands)
Tata Motors Ltd DVR A/c	4,000	-	826	826	-	-	-	-
Toyam Industries Limited	10,00,000	-	9,210	9,210	-	-	-	-
Union Bank Of India A/C	15,000	-	581	581	-	-	-	-
Wockhardt Ltd	3,000	-	791	791	-	-	-	-
Zomato Limited	25,000	-	2,058	2,058	-	-	-	-
Zuari Global Ltd	5,000	-	887	887	-	-	-	-
<b>Total (A)</b>	<b>42,97,532</b>	<b>-</b>	<b>3,47,661</b>	<b>3,47,661</b>	<b>7,50,000</b>	<b>-</b>	<b>1,08,113</b>	<b>1,08,113</b>
(i) Investments outside India			-	-			-	-
(ii) Investments in India			3,47,661	3,47,661			1,08,113	1,08,113
<b>Total (B)</b>			<b>3,47,661</b>	<b>3,47,661</b>			<b>1,08,113</b>	<b>1,08,113</b>
<b>Less: Allowance for Impairment loss (C)</b>			-	-			-	-
<b>Total Net (A-C)</b>			<b>3,47,661</b>	<b>3,47,661</b>			<b>1,08,113</b>	<b>1,08,113</b>
Aggregate Cost of Quoted Investments				4,24,108				1,35,000
Aggregate Market Value of Quoted Investments				3,47,661				1,08,113

**9 Current tax assets (Net)** [₹ in Thousand]

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Advance Income tax and TDS (Net of Provision)	10,808	179
<b>Total</b>	<b>10,808</b>	<b>179</b>

**10 Deferred Tax Assets** [₹ in Thousand]

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Arising on account of timing difference		
- Fair Valuation of Equity Instruments	17,491	6,991
<b>Total</b>	<b>69,90,750</b>	<b>-</b>

**11 Borrowings (Other than Debt Securities)** [₹ in Thousand]

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Loan Repayable on Demand	4,01,517	-
<b>Total</b>	<b>4,01,517</b>	<b>-</b>
Borrowings in India	4,01,517	-
Borrowings outside India	-	-
<b>Total</b>	<b>4,01,517</b>	<b>-</b>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

## 12 Provisions

[₹ in Thousand]

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Contingent provision against Standard Asset	337	189
<b>Total</b>	<b>337</b>	<b>189</b>

## 13 Other Non- Financial Liabilities

[₹ in Thousand]

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Statutory liabilities	610	97
Salary & Wages	-	-
Creditors for expense	251	164
<b>Total</b>	<b>861</b>	<b>261</b>

## 14 Share Capital

[₹ in Thousand]

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>AUTHORIZED SHARE CAPITAL</b>		
1,00,00,000 Equity Shares of ₹10/- each		
(Previous Year 1,00,00,000 Equity Shares of ₹10/-each)	1,00,000	1,00,000
<b>Total</b>	<b>1,00,000</b>	<b>1,00,000</b>
<b>ISSUED, SUBSCRIBED &amp; FULLY PAID UP CAPITAL</b>		
50,00,000 Equity Shares of ₹10/-each fully paid up	50,000	50,000
(Previous Year 50,00,000 Equity Shares of ₹10/-each fully paid up)		
<b>Total</b>	<b>50,000</b>	<b>50,000</b>

14.1 The reconciliation of the number of Equity Shares outstanding as at 31<sup>st</sup> March 2021 is set out below :

[₹ in Thousand]

Particulars	As at 31 <sup>st</sup> March, 2022	
	No. of shares	Amount in ₹
Shares outstanding at the beginning of the year	50,00,000	50,000
Add: Shares issued during the year	-	-
Shares outstanding at the end of the year	50,00,000	50,000

## 14.2 Rights, preferences and restrictions attached to Equity Shares :

The company has one class of equity shares having a par value of ₹10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

## 14.3 The details of shareholders holding more than 5% shares are set out below :

[₹ in Thousand]

Name of the shareholders	As at 31 <sup>st</sup> March, 2022	
	No. of Shares	% of holding
Munjai Mahendrabhai Patel	7,42,505	14.85
Shweta Samirbhai Shah	10,24,875	20.50
Mahendrabhai Gulabdas Patel	3,71,235	7.42
Samir Shah	4,50,000	9.00
Sagar Shah	4,50,000	9.00
Abil chempharma Private Limited	10,00,000	20.00

## 15 Other Equity

[₹ in Thousand]

Particulars	As at 31 <sup>st</sup> March, 2022		As at 31 <sup>st</sup> March, 2021	
<b>Other Reserves</b>				
<b>Retained Earnings</b>				
Balance as per last Financial year	(61,691)		(58,273)	
Add : Profit for the year	(10,870)		(3,418)	
Other Comprehensive Income				
<b>Adjustments as per Ind AS</b>				
Fair Valuation of Investments	-		-	
DTA created as per Fair Valuation of Investments	-		-	
Restatement of Subsidiary Value as per Ind AS	-		-	
Impairment in value of associate	-		-	
DTA created on impairment	-		-	
Less : Appropriations	-		-	
Transfer to Statutory Reserve maintained under section 45-IC of RBI Act, 1934	-		-	
		<b>(72,561)</b>		<b>(61,691)</b>
<b>Other Comprehensive Income</b>				
(a) Remeasurements of Defined Benefit Plans				
Balance as per last Financial year	(19,897)		-	
Adjustments during the year	(39,059)		(19,897)	
DTA created as per Defined Benefit Plans	-		-	
Transferred to Retained Earnings	(58,956)	(58,956)	(19,897)	(19,897)
<b>Statutory Reserve</b>				
Maintained under section 45-IC of RBI Act, 1934				
Balance as per last Financial year	22,726		22,726	
Add: Transfer during the year	-		-	
		<b>22,726</b>		<b>22,726</b>
<b>General Reserve</b>				
Balance as per last Financial year	60,589		60,589	
Add: Transfer during the year	-		-	
Less : Transfer to Equity Share capital	-		-	
		60,589		60,589
Securities Premium				
Balance as per last Financial year	1,15,000		-	
Add: Transfer during the year	-		1,15,000	
		<b>1,15,000</b>		<b>1,15,000</b>
<b>Total</b>		<b>66,798</b>		<b>1,16,727</b>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

## 16 Interest Income

[₹ in Thousand]

Particulars	For the period ended 31 <sup>st</sup> March, 2022	For the period ended 31 <sup>st</sup> March, 2021
	On Financial Assets measured at Amortised Cost	On Financial Assets measured at Amortised Cost
Interest income	6,563	3,017
<b>Total</b>	<b>6,563</b>	<b>3,017</b>

## 17 Other Income

[₹ in Thousand]

Particulars	For the period ended 31 <sup>st</sup> March, 2022	For the period ended 31 <sup>st</sup> March, 2021
Dividend	-	-
Future Trading income	-	-
Share trading income	-	-
Misc Income	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## 18 Finance Costs

[₹ in Thousand]

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured at Amortised Cost
Interest expense	18,884	3,936
<b>Total</b>	<b>18,884</b>	<b>3,936</b>

## 19 Employee Benefits Expenses

[₹ in Thousand]

Particulars	For the period ended 31 <sup>st</sup> March, 2022	For the period ended 31 <sup>st</sup> March, 2021
Salaries and wages	210	144
<b>Total</b>	<b>210</b>	<b>144</b>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

20 Other Expenses

[₹ in Thousand]

Particulars	For the period ended 31 <sup>st</sup> March, 2022	For the period ended 31 <sup>st</sup> March, 2021
Legal and Professional charges	579	307
Fees & Taxes	786	1,727
Advertisements expenses	39	35
Audit fees	80	100
Contingent provision against standard assets	149	83
Demat and other charges	4,967	-
Delay payment charges	6,103	-
Interest on delay in TDS	0	41
Penalty	28	-
Stationary & Printing	13	-
Software Expense	19	-
Short term capital loss	8,971	-
Donation	500	-
Electricity Charges	31	-
Bank Charges	13	2
<b>Total</b>	<b>22,277</b>	<b>2,294</b>

20.1 Payment to Auditor as:

[₹ in Thousand]

Particulars	For the period ended 31 <sup>st</sup> March, 2022	For the period ended 31 <sup>st</sup> March, 2021
Statutory Audit Fees	80	100
<b>Total</b>	<b>80</b>	<b>100</b>

21 Tax Expenses

[₹ in Thousand]

Particulars	For the period ended 31 <sup>st</sup> March, 2022	For the period ended 31 <sup>st</sup> March, 2021
Current Tax	-	-
(Excess)/Short provision for tax relating to prior years	-	61
<b>Total</b>	<b>-</b>	<b>61</b>

21 Earnings Per Share

[₹ in Thousand]

Particulars		For the period ended 31 <sup>st</sup> March, 2022	For the period ended 31 <sup>st</sup> March, 2021
Profit attributable to the Equity Shareholders (₹)	A	(1,08,69,748)	(34,17,979)
Basic / Weighted average number of Equity Shares outstanding during the period	B	50,00,000	50,00,000
Basic/Diluted Earnings per Share	A/B	(2.17)	(0.68)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

## 23 Related Party Disclosures

## List of Related Party

S.N.	Name	Relationship
	<b>Key Managerial Personnel:-</b>	
1	Munjali M Patel	Key Managerial Personnel
2	Shweta S Shah	Key Managerial Personnel
3	Jayeshkumar R Shah	Key Managerial Personnel
4	Sagar S Shah	Key Managerial Personnel
5	Vipul Sheth	Key Managerial Personnel
6	ManishKumar Mehta	Key Managerial Personnel
7	Seraphim Ventures Pvt Ltd	Other related party
8	Swetsam Stock Holding Pvt Ltd	Other related party

## 23.1 Transactions with related parties are as follows:

Sr No.	Key Managerial Personnel	Nature of transaction	Transactions for the	
			Year ended March 2022 (₹ in Thousand)	Year ended March 2021 (₹ in Thousand)
1	Shweta S Shah	Loan received	-	-
2	Shweta S Shah	Loan repaid	52	295
3	Shweta S Shah	Interest payment	-	56
4	Seraphim Ventures Pvt Ltd	Loan received	1,22,850	-
5	Seraphim Ventures Pvt Ltd	Loan repaid	45,750	-
6	Seraphim Ventures Pvt Ltd	Interest payment	5,666	-
7	Swetsam Stock Holding Pvt Ltd	Loan received	1,50,100	-
8	Swetsam Stock Holding Pvt Ltd	Loan repaid	20,000	-
9	Swetsam Stock Holding Pvt Ltd	Interest payment	6,345	-
10	Shweta S Shah	Closing Balance of loan	-	52
11	Seraphim Ventures Pvt Ltd	Closing Balance of loan	82,200	-
12	Swetsam Stock Holding Pvt Ltd	Closing Balance of loan	1,35,810	-

23.2 All transactions during the year with related parties are at arm's length and unsecured. No amount has been recognised as bad or doubtful in respect of transactions with the related parties.

## 24 Segment Reporting

The main business of company is financing activity, hence there are no separate reportable segments as per Ind AS 108 on "Operating Segments".

## 25 Financial Risk Management Objectives and Policies

## Risk Exposure

The Company's business activities expose it to only one type of financial risk and that is market risk. Market risk is the risk or uncertainty arising from possible market price movements and their impact on the present/future performance of a business. The market risks include price risk, currency risk and interest rate risk. The primary price risk for the company is equity securities price risk i.e. price risk of various investments that could adversely affect the value of the Company's financial assets or expected future cash flows.

The Company's exposure to equity securities price risk arises from investments held by the Company which are classified in the balance sheet as fair value through Other Comprehensive Income (FVOCI).



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**Risk Management Policy**

The Company's senior management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has constituted a Risk Management Committee which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Management of the Company are governed by appropriate policies and procedures and that financial risk is identified, measured and managed in accordance with the Company's policies and risk objectives. The activities are designed to protect the Company's financial results and position from financial risks, maintain market risks within the acceptable parameters while optimizing returns and protect the Company's financial investments while maximizing returns.

**26 Cashflow statement**

Cash flows are reported using indirect method whereby profit for the period is adjusted for the effects of the transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts and payments and items of income or expenses associated with investing and financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**27 Event after reporting date**

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

**28 Capital management**

The company defines capital as total equity including issued equity capital and all other equity reserves. The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities and comprising debt instruments and borrowings less cash and cash equivalents. Adjusted equity comprises all components of equity.

**The Company's adjusted net debt to equity ratio on balance sheet date was as follows**

[₹ in Thousand]

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Total liabilities comprising debt instruments and borrowings</b>	4,01,517	-
Less : Cash and bank balances	378	1,991
<b>Adjusted net debt</b>	4,01,139	-1,991
<b>Total equity</b>	<b>1,16,798</b>	<b>1,66,727</b>
Adjusted net debt to adjusted equity ratio*	343%	-

**28 Financial Instruments :**

The Company uses the following hierarchy for determining 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

## Financial Assets :

[₹ in Thousand]

Particulars	Note	Instruments carried at			Total carrying amount	Total Fair Value	Hierarchy Level
		At Cost	Fair Value	Amortised Cost			
			FVTOCI				
<b>As at 31.03.2021</b>							
Investments	8	-	1,08,113	-	1,08,113	1,08,113	Level 1,2
Cash and Cash Equivalents				1,991	1,991	1,991	NA
Other Financial Assets				-	-	-	NA
<b>Total</b>		<b>-</b>	<b>1,08,113</b>	<b>1,991</b>	<b>1,10,104</b>	<b>1,10,104</b>	
<b>As at 31.03.2022</b>							
Investments	8	-	3,47,661	-	3,47,661	3,47,661	Level 1,2
Cash and Cash Equivalents				378	378	378	NA
Other Financial Assets				-	-	-	NA
<b>Total</b>		<b>-</b>	<b>3,47,661</b>	<b>378</b>	<b>3,48,039</b>	<b>3,48,039</b>	

Fair value of financial assets and liabilities measured at amortised cost is not materially different from Fair Value.

- 30 NBFC-NDs with asset size of less than ₹ 500 Crore are exempted from maintaining CRAR and complying with Credit Concentration Norms. Hence, Ratio disclosure is not made.\
- 31 Previous Year's figures have been regrouped / reclassified wherever necessary to confirm to current year presentation.

**See accompanying Notes to the Financial Statements  
As per our report attached**

**For Ashit N. Shah & Co**  
Chartered Accountants  
Firm's Registration Number : 100624W

**Ashit Shah**  
Proprietor  
Membership No. : 036857

**Place :** Ahmedabad  
**Date:** 26-05-2022

**For and on behalf of board of directors of  
Sera Investments & Finance India Limited**

**Sagar S Shah**  
Whole Time Director  
DIN: 03082957

**Pinaj Jain**  
Company Secretary  
Mem No: 51875

**Manish Mehta**  
Director  
DIN: 08516146

**Viraj Shah**  
Chief Financial Officer