



# DECILLION FINANCE LIMITED

Regd. Off: "JAJODIA TOWER", 4TH FLOOR, ROOM NO. D-8, 3, BENTINCK STREET, KOLKATA - 700 001  
PHONE : (O) 2248 5664, 2243 9601, E-MAIL : info@decillion.co.in WEBSITE : www.decillion.co.in

CIN : L65999WB1995PLC067887

Date: 06/09/2021

To,  
The Secretary,  
Listing Department  
BSE Limited,  
P.J. Towers, Dalal Street,  
Mumbai – 400 001

To,  
The Secretary,  
Calcutta Stock Exchange Limited  
7, Lyons Range, Kolkata-700001

**Scrip Code: 539190**

**Sub: Annual Report for the Financial Year 2020-2021 and Notice of 27<sup>th</sup> Annual General Meeting**

Dear Sir/ Madam,

We would like to inform you that 27<sup>th</sup> Annual General Meeting (AGM) of the Company will be held on Wednesday, 29<sup>th</sup> September, 2021 at 12:00 Noon (IST) at "COMPASS" - Computer Association of Eastern India; 37, Shakespeare Sarani, S.B. Tower, 1st Floor, Kolkata – 700017, West Bengal.

Pursuant to Regulation 30 and 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, please find enclosed herewith a copy of

- Notice of AGM including instructions for e-voting and
- Annual Report for the Financial Year 2020-21.

Aforesaid documents are also available on the website of the Company i.e. <https://www.decillion.co.in>

The remote e-voting period commences on 26<sup>th</sup> September, 2021 (9.00 A.M. IST) and ends on 28<sup>th</sup> September, 2021 (5.00 P.M. IST). During the period, members holding shares either in physical form or in dematerialized form, as on 22<sup>nd</sup> September, 2021 i.e., Cut-off date, may cast their vote electronically. Those members, who are attending the AGM at the venue and have not cast their vote on the Resolutions through remote e-voting, shall be eligible to vote at the AGM.

Thanking you,

Yours faithfully,  
**For Decillion Finance Limited**

*Ishu Maskara*

**Ishu Maskara**  
**Company Secretary & Compliance Officer**

*Encl: As above*

## **BOARD OF DIRECTORS**

### ***Managing Director***

Mr. Jitendra Kumar Goyal

### ***Independent Directors***

Mr. Vidhu Bhushan Verma

Ms. Pooja Kalanouria

(Appointed on 12/02/2021)

Ms. Ritu Agarwal

Mr. Mahesh Kumar Kejriwal

(Completed his tenure on 30/04/2021)

Ms. Veedhi Raja

(Resigned w.e.f. 12/02/2021)

### **AUDIT COMMITTEE**

#### ***Chairperson***

Ms. Ritu Agarwal

#### ***Members***

Mr. Vidhu Bhushan Verma

Mr. Jitendra Kumar Goyal

Ms. Pooja Kalanouria

### **NOMINATION & REMUNERATION COMMITTEE**

#### ***Chairperson***

Ms. Ritu Agarwal

#### ***Members***

Mr. Vidhu Bhushan Verma

Ms. Pooja Kalanouria

### **STAKEHOLDER RELATIONSHIP COMMITTEE**

#### ***Chairperson***

Ms. Ritu Agarwal

#### ***Members***

Mr. Vidhu Bhushan Verma

Mr. Jitendra Kumar Goyal

Ms. Pooja Kalanouria

### **STATUTORY AUDITOR**

#### **C. K. Chandak & Co.**

Chartered Accountants

Old 31 (New 10), P.L. Som Street,

Near B.A. Mathwater Tank,

Bhadrakali, Uttarpara,

Hooghly – 712232,

#### **C. K. Chandak & Co.**

Chartered Accountants

Old 31 (New 10), P.L. Som Street,

Near B.A. Mathwater Tank,

Bhadrakali, Uttarpara,

Hooghly – 712232,

### **SECRETARIAL AUDITOR**

Rajesh Ghorawat

68, R.K. Chatterjee Road,

Kasba Bakultala, 3rd Floor,

Kolkata-700042

### **Internal Auditor**

#### **M/s Srimal Jain & Co.**

Chartered Accountants

12A, Netaji Subhas Road,

Ground Floor, Room No.: 3

Kolkata – 700001

(Appointed w.e.f. 3 0.06.2021)

(For F Y - 2 021-22)

#### **Mr. Pratik Agarwal**

Chartered Accountant

(Appointed w.e.f July 30, 2020 &

(Resigned w.e.f. 3 0.06.2021))

### **REGISTRAR AND SHARE TRANSFER AGENT**

M/s. Niche Technologies Pvt. Ltd.

3A, Auckland Place, 7th Floor,

Room No. 7A & 7B, Kolkata-700 017

Tel: (033) 2280 6616/6617/6618

Fax: (033) 2280 6619

E-Mail: [nichetechpl@nichetechpl.com](mailto:nichetechpl@nichetechpl.com)

### **REGISTERED OFFICE**

Jajodia Tower

3, Bentinck Street, 4th Floor,

Room No. D-8, Kolkata-700001

Tel: 033-2248-5664

E-Mail: [info@decillion.co.in](mailto:info@decillion.co.in)

CIN: L65999WB1995PLC067887

### **BANKER**

ICICI Bank

City Union Bank

### **COMPANY SECRETARY**

Ms. Ishu Makara

### **CHIEF FINANCIAL OFFICER**

Rajesh Kumar Yadav

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**NOTICE OF TWENTY-SEVENTH ANNUAL GENERAL MEETING**

NOTICE is hereby given that the 27th Annual General Meeting of the members of the M/s. Decillion Finance Limited will be held at "COMPASS" - Computer Association of Eastern India, 37, Shakespeare Sarani, S.B. Tower, 1st Floor, Kolkata – 700017, West Bengal, on Wednesday, the 29th September, 2021 at 12.00 Noon to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended 31<sup>st</sup> March, 2021 along with Directors' Report and Auditor's Report thereon.
2. To appoint a Director in place of Mr. Jitendra Kumar Goyal, Managing Director (DIN: 00468744), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
3. To modify the terms of appointment of Statutory Auditors and fix their remuneration and in this respect, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to Section 139 of the Companies Act, 2013 and Rule 3(7) of The Companies (Audit and Auditors) Rules, 2014 as amended by the Companies (Amendment) Act, 2017 effective from 7th May, 2018 and all other applicable provisions of the Act (including any statutory modifications or re-enactment thereof for the time being in force), the existing terms of appointment of M/s. C.K. Chandak & Co., Chartered Accountants (Firm Registration No. 326844E), Statutory Auditors of the Company be and is hereby modified to the extent that their appointment done in the 24th AGM of the Company shall not be subjected to ratification by the Shareholders at the Annual General Meeting and they shall continue to be the Statutory Auditors of the Company for remaining duration of their terms of appointment without ratification at each AGM and the Board be and is hereby authorized to fix their remuneration, if any, to be paid to the Auditors in each of the financial years on the recommendation of the Audit Committee."

**SPECIAL BUSINESS:**

4. **Appointment of Ms. Pooja Kalanoria (DIN: 09056683) as a Non-Executive Independent Woman Director of the Company.**

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

**"RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 25 of the Securities and Exchange Board of India (Listing obligation and Disclosure Requirements) Regulations, 2015, Ms. Pooja Kalanouria (DIN: 09056683) who has submitted a declaration of independence under section 149(6) of the Companies Act, 2013 and is eligible for appointment and in respect of whom the Company has received a notice in writing from a director under section 160 of the Companies Act, 2013 signifying her intention to propose Ms. Pooja Kalanouria as a candidate for the office of Director of the Company to hold office for a term of Five (5) Years till the Conclusion of the 32<sup>nd</sup> Annual General Meeting to be held in the calendar Year 2025."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company and/or Company Secretary be and is hereby authorized to do all acts and take all such steps as may be considered necessary, proper or expedient to give effect to this Resolution."

**Registered Office:**

"Jajodia Tower", 3, Bentinck Street,  
4<sup>th</sup> Floor, Room No. D-8,  
Kolkata – 700001, West Bengal  
CIN: L65999WB1995PLC067887  
Phone: 91 33 2248 5664  
E-mail: [info@decillion.co.in](mailto:info@decillion.co.in);  
Website: [www.decillion.co.in](http://www.decillion.co.in)

**By order of the Board  
Decillion Finance Limited**

**CS Ishu Maskara  
Company Secretary**

Place: Kolkata  
Dated: 14/08/2021

**NOTES:****1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Proxy form is annexed to the notice. Proxies in order to be effective must be lodged with the Company's Registered Office at least 48 hours before the commencement of the Meeting.

In term of Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of total share capital of the Company. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.

2. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the items of Special Business to be transacted at the meeting is annexed hereto.
3. The information as required to be provided in terms of Regulation 36(3) and 26(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation") regarding the Directors who are proposed to be re-appointed is annexed.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from 23rd September, 2021 to 29th September, 2021. (Both days inclusive).
5. 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 their PAN to their Depository Participants with whom they are maintaining their demat accounts.
6. SEBI has recently amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by its notification dated 8<sup>th</sup> June, 2018 providing that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a Depository. In view of the above, the Shareholders holding shares of the Company in physical mode are requested to get their shares dematerialized at an early date.
7. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically further.
10. Members/ Proxies/ Authorized Representatives are requested to bring the attendance slip(s) duly filled in for attending the AGM. Members who hold shares in dematerialized form are requested to write their DP ID and Client ID number and those who hold shares in physical form are requested to write their folio number on the attendance slip for attending the AGM and hand over the duly filled attendance slip(s) at the entrance to the venue.
11. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company during business hours up to the date of the Meeting.
12. Members desirous of making a nomination in respect of their shareholding, as permitted by section 72 of the Companies Act, 2013, are requested to write to the Registrar and Transfer Agent of the Company for the prescribed form.
13. Members are requested to mention their Folio Number in all their correspondence with the Company in order to facilitate response to their queries promptly.




14. Members/Proxies are requested to kindly take note of the following:
  - (i) Copies of Annual Report will not be distributed at the venue of the meeting;
  - (ii) Attendance Slip, as sent herewith, is required to be produced at the venue duly filled in and signed, for attending the meeting;
  - (iii) Entry to the venue will be strictly on the basis of produce of duly completed and signed Attendance Slip; and
  - (iv) In all correspondences with the Company and/or the R & T Agent, Folio No. must be quoted.
15. Members who are holding shares in identical order of names in more than one folio are requested to write to the Company enclosing their share certificate to enable the Company to consolidate their holdings in one folio.
16. Niche Technologies Pvt. Ltd. is the Registrar and Share Transfer Agent (RTA) of the Company. All investor related communication may be addressed to the following address:

Niche Technologies Pvt. Ltd.  
3A, Auckland Place 7th Floor,  
Room No. 7A & 7B, Kolkata-700017  
Tel: (033) 2280 6616/6617/6618  
Fax: (033) 2280 6619  
[Email: nichetechpl@nichetechpl.com](mailto:nichetechpl@nichetechpl.com)
17. The Ministry of Corporate Affairs (MCA) has come out with Circular Nos. 17/2011 dated 21/04/2011 & 18/2011 dated 29/04/2011 propagating "Green Initiative" encouraging Corporates to serve documents through electronic mode. In view of the above, shareholders are requested to update their e-mail address with the RTA of the Company, if shares are held in physical form and with their Depository Participants (DP), if the shares are held in Dematerialized form.
18. Members may also note that the Notice of the 27<sup>th</sup> Annual General Meeting and the Annual Report for 2021 will also be available on the Company's website [www.decillion.co.in](http://www.decillion.co.in) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Kolkata, West Bengal for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [info@decillion.co.in](mailto:info@decillion.co.in).
19. **Voting through electronic means**
  - I. In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company has engaged the service of National Securities Depository Limited (NSDL) to provide the facility of electronic voting (e-voting) in respect of the Resolutions proposed at this Annual General Meeting. The Board of Directors has appointed Mr. Rajesh Ghorawat, Practicing Company Secretary (FCS: 7226), as the Scrutinizer for this purpose.
  - II. The facility for voting through ballot paper shall be made available at the AGM. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
  - III. The remote e-voting period begins on 26<sup>th</sup> September, 2021 (9:00 AM IST) and ends on 28<sup>th</sup> September, 2021 (5:00 PM IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e., 22<sup>nd</sup> September, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 22<sup>nd</sup> September, 2021.

**IV. How do I vote electronically using NSDL e-Voting system?**  
*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

**Step 1: Access to NSDL e-Voting system**

- A) Login method for e-Voting for Individual shareholders holding securities in demat mode:  
In terms of SEBI circular 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. Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e -Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e -Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e -Voting page. Click on company name or <b>e-Voting service provider i.e., NSDL</b> and you will be re-directed to e -Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>If you are not registered for IDeAS e -Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>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 “<b>Login</b>” which is available under ‘<b>Shareholder/Member</b>’ 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 <b>e-Voting service provider i.e., NSDL</b> and you will be redirected to e -Voting website of NSDL for casting your vote during the remote e -Voting period.</li> <li>Shareholders/Members can also download NSDL Mobile App “ <b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p>    </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi/ Easiest, they can login through their user id and password. Option will be made available to reach e -Voting page without any further authentication. The URL for users to login to Easi /Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e., NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a> .</li> </ol>

	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 i.e., <b>NSDL</b> where the e-Voting is in progress.
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. upon logging in, you will be able to see e-Voting option. 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 i.e., NSDL and you will be redirected to e -Voting website of NSDL for casting your vote during the remote e-Voting period.

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

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

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

**B) Login Method for e-Voting shareholders other than Individual shareholders holding securities in Demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. *Alternatively, if you are registered for NSDL eservices i.e., IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e., Cast your vote electronically.*
4. Your User ID details are given below:

Manner of holding shares i.e., Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***



5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your Demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e., a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:

- (a) Click on “[Forgot User Details/Password?](#)”(If you are holding shares in your Demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- (b) [Physical User Reset Password?](#) (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- (c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your Demat account number/folio number, your PAN, your name and your registered address etc.
- (d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.

8. Now, you will have to click on “Login” button.

After you click on the “Login” button, home page of e-Voting will open.

**Step 2: Cast your vote electronically on NSDL e-Voting system.**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period Now you are ready for e-Voting as the Voting page opens.
3. Cast your vote by selecting appropriate options i.e., assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
4. Upon confirmation, the message “Vote cast successfully” will be displayed.
5. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
6. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e., other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [rgadvisory18@gmail.com](mailto:rgadvisory18@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to [at evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**Process for those shareholders whose email ids are not registered with the depositories/ company for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide 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 the Company Secretary at [info@decillion.co.in](mailto:info@decillion.co.in).
2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), 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 ([info@decillion.co.in](mailto:info@decillion.co.in)). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e., Login method for e-Voting for Individual shareholders holding securities in demat mode.
3. Alternatively, shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
5. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date **22<sup>nd</sup> September, 2021**. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through polling paper.
6. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. **22<sup>nd</sup> September, 2021** may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [nichetechpl@nichetechpl.com](mailto:nichetechpl@nichetechpl.com).
7. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the toll-free no.: 1800-222-990.
8. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
9. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
10. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.



11. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
12. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to BSE Limited, where the shares of the company are listed.
13. Subject to receipt of requisite number of votes, the resolutions set out in the Notice shall be deemed to be passed on the date of AGM.

**Registered Office:**

"Jajodia Tower", 3, Bentinck Street,  
4<sup>th</sup> Floor, Room No. D-8,  
Kolkata – 700001, West Bengal  
CIN: L65999WB1995PLC067887  
Phone: 91 33 2248 5664  
E-mail: [info@decillion.co.in](mailto:info@decillion.co.in);  
Website: [www.decillion.co.in](http://www.decillion.co.in)

**By order of the Board  
Decillion Finance Limited**

**CS Ishu Maskara  
Company Secretary**

Place: Kolkata  
Dated: 14/08/2021

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("THE ACT")****ITEM NO. 4:**

The Board of Directors of the Company had appointed Ms. Pooja Kalanouria (DIN: 09056683) as an Additional Director of the Company with effect from 12<sup>th</sup> February, 2021. In accordance with the provisions of Section 161 of Companies Act, 2013, Ms. Pooja Kalanouria shall hold office up to the date of the forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director for a term up to five years. The Company has received notice under Section 160 of the Companies Act, 2013 from a director signifying her candidature as an Independent Director of the Company.

A brief profile of Ms. Pooja Kalanouria, including nature of her expertise, is provided at annexure to notice.

The Company has received a declaration of independence from Ms. Pooja Kalanouria. In the opinion of the Board, Ms. Pooja Kalanouria fulfills the conditions specified in the Companies Act, 2013 and the Equity Listing Agreement, for appointment as Independent Director of the Company. A copy of the draft Letter of Appointment for Independent Directors, setting out terms and conditions of appointment of Independent Directors is available for inspection at the Registered Office of the Company during business hours on any working day and is also available on the website of the Company [www.decillion.co.in](http://www.decillion.co.in).

Ms. Pooja Kalanouria does not hold any equity shares of the Company. The Board, based on working experience of Ms. Pooja Kalanouria considers that her association would be of immense benefit to the Company and it is desirable to avail services of Ms. Pooja Kalanouria as an Independent Director and accordingly recommends the resolution as set forth in Item no. 4 for the approval of the shareholders of the Company.

Copy of draft letter of appointment setting out the terms of her appointment is open for inspection at the Registered Office of the Company by any members during business hours on all working days till the conclusion of the ensuing Annual General Meeting.

Except Ms. Pooja Kalanouria, no other director and Key Managerial Personnel of the Company and their relative is concerned or interested, financial or otherwise, in the said resolution set out at item no.4.

The Board recommends the Ordinary resolution as set out at item no. 4 of the notice for approval of the members.

**ANNEXURE TO THE NOTICE**

**Detail of Director seeking appointment/re-appointment at the forthcoming Annual General Meeting in pursuance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

<b>Name of the Director</b>	<b>Mr. Jitendra Kumar Goyal</b>	<b>Ms. Pooja Kalanouria</b>
Director Identification Number	00468744	09056683
Date of Birth	03/11/1963	04/05/1991
Nationality	Indian	Indian
Date of Appointment on Board	02/06/2003	12/02/2021
Qualification	B. Com (H)	B.com(H) and member of Institute of Company Secretary
Expertise in specific functional area	<p>He has more than 27 years of experience in the field of finance, capital markets and related activities. He has been leading the company on almost all levels of the organization, which helps him in understanding and handling the major functions of our company. Under his dynamic leadership and vast experience, we are able to deliver constant value to our customers repeatedly. He has been the architect of our company's projects and expansion strategy.</p> <p>His continuation as a Director on the Board of the Company, will help the Company to grow and make wise decisions.</p>	<p>She has enriched knowledge and vast experience in the field of Companies Act or SEBI Act and other related Act.</p>
Shareholding in Decillion Finance Limited	70,100 Equity Shares of Rs.10/- each	NIL
List of Directorships held in other Listed Companies (excluding foreign, private and Section 8 Companies)	Kaushal Investments Limited Virat Leasing Limited Scintilla Commercial & Credit Ltd	Scintilla Commercial & Credit Ltd
Memberships /Chairmanships of Audit and Stakeholders' Relationship Committees across Public companies including Decillion Finance Limited	<ol style="list-style-type: none"> <li>1. Member of the Audit Committee and Chairman of Stakeholders Relationship Committee of Kaushal Investments Ltd.</li> <li>2. Member of the Audit Committee of Scintilla Commercial &amp; Credit Ltd</li> <li>3. Member of the Audit Committee and Chairman of Stakeholders Relationship Committee of Virat Leasing Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. Member of the Audit Committee and Stakeholders Relationship Committee of Kaushal Investments Ltd</li> </ol>
Relationships between the Directors inter -se	NIL	NIL

## DIRECTORS REPORT

To  
The Members  
Decillion Finance Limited

Your directors have pleasure in presenting their **27<sup>th</sup> Annual Report** on the business and operations of Decillion Finance Limited (the "Company") together with the audited statement of accounts for the year ended 31<sup>st</sup> March, 2021.

### Financial Results

During the year under review, performance of your company as under:

(in Rs. 000)

Particulars	Year Ended	Year Ended
	31.03.2021	31.03.2020
Revenue from Operations	6,260.70	6,597.05
Other Income	239.87	860.26
<b>Total Income</b>	<b>6500.57</b>	<b>7,457.32</b>
Total Expenses	3379.54	6,955.79
<b>Profit before Exceptional items and tax</b>	<b>3121.03</b>	<b>501.53</b>
Exceptional items	3121.03	5,01.53
<b>Profit Before Tax</b>	<b>3121.03</b>	<b>(580.04)</b>
Tax Expense	117.49	(4.77)
<b>Profit for the Year</b>	<b>3003.54</b>	<b>(575.27)</b>

### REVIEW OF OPERATIONS:

During the year under review, your company recorded a total income of Rs. 6,260.70 thousand as compared to Rs. 6,597.05 thousand in the previous financial Year, marking a decrease of 5.37%. The profit for the same period stood at Rs. 3,003.54 thousand as compared to loss of Rs. 575.27 thousand in the previous financial year.

### Material changes and commitments affecting financial position between the end of the financial year and date of the report

There have been no material changes and commitments, which affect the financial position of the Company, that have occurred between the end of the financial year to which the financial statements relate and the date of this report.

### Dividend

The Board of Directors of the Company does not propose to declare any dividend for the year 31<sup>st</sup> March, 2021.

### Transfer to Reserves

Pursuant to Section 45-IC of The RBI Act, 1934 every Non-Banking Finance Company is required to create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year. Accordingly for the F.Y 2020-21, the Company has transferred a sum of twenty percent as required by Section 45-IC of the RBI Act, 1934 to such reserve fund.

### Changes in Share Capital

During the Financial Year 2020-21, there has been no change in the share capital of the Company. The Share Capital of the company is 3,50,00,000 divided into 35,00,000 equity shares of Rs. 10 each.

### Financial Liquidity

Cash and cash equivalent as on March 31, 2021 was Rs. 194,038/- (previous year Rs. 1,34,044/-). The Company's working capital management is based on a well-organized process of continuous monitoring and controls.

**Subsidiary/Joint Ventures/Associates:**

As on 31<sup>st</sup> March, 2021, the Company doesn't have any subsidiary/ Joint Venture/ Associate as it has disposed its investments made in its Subsidiary Companies i.e., Littlestar Tracom LLP and Maruti Tie-up LLP. w.e.f. 31st March, 2020.

**Significant and material orders**

There has been no significant and/ or material order(s) passed by any Regulators/ Courts/Tribunals affecting the status. However, the forensic audit is still under process in regard of notice received from the BSE relating to suspected shell company.

**Deposits**

The Company, being a non-Deposit accepting NBFC, has not accepted any public deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and shall not accepted any deposit without the prior approval of the Reserve Bank of India (RBI).

**Listing**

The shares of the Company are listed on the BSE Limited and the Calcutta Stock Exchange Limited. The Company's shares are compulsorily traded in the dematerialized form. The ISIN allotted is INE848N01017.

**Loans, Guarantees and Investments**

The provisions of section 186 of the Companies Act, 2013 read with Rule 11 of the Companies (Meeting of Board and its Powers) Amendment Rules, 2015 is exempted on your company, as your Company is NBFC registered with RBI whose principal business inter alia includes financing of companies.

**Internal Financial controls**

The Company has documented its internal financial controls considering the essential components of various critical processes, physical and operational which include its design, implementation and maintenance along with periodical internal review of operational effectiveness and sustenance.

This ensures orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention of errors, accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

The internal financial controls with reference to the financial statements were adequate and operating effectively.

**Vigil Mechanism / Whistle Blower Policy**

In pursuance to the provisions of section 177(9) & (10) of the Companies Act, 2013, The Company as part of the 'vigil mechanism' has in place a 'Whistle Blower Policy' to deal with unethical behavior, mismanagement, instances of actual or suspected, fraud, if any and provides safeguards against victimization of employees who avail the mechanism. The Whistle Blower Policy has been placed on the website of the Company at [www.decillion.co.in](http://www.decillion.co.in).

**Extract of Annual Return**

In accordance with the Companies Act, 2013, an extract of Annual Return for the financial year 2020-21 in Form No. MGT-9 is appended as **Annexure- I** to the Board's Report and will be uploaded on the website of the Company at [www.decillion.co.in](http://www.decillion.co.in).

**Directors and Key Managerial Personnel**

*Changes during the year*

**Appointment**

Pursuant to the provisions of Section 149 of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, Ms. Pooja Kalanouria (DIN: [09056683](http://09056683)) was appointed as an additional Independent Director of the Company on 12/02/2021.

**Retirement by rotation**

The Company had altered its article no. 163A of Articles of Association by passing a special resolution in the Extra-Ordinary General Meeting held on 16<sup>th</sup> July, 2019 pursuant to which the Managing/Whole- time Directors are now liable to retire by rotation. Therefore, in terms of Section 152 of the Companies Act, 2013, Mr. Jitendra Kumar Goyal retires by rotation at the ensuing Annual General Meeting and being eligible, offers

himself for re-appointment.

### **Cessation**

Ms. Veedhi Raja (DIN: 08142844) appointed as Non- Executive Independent Woman Director in the Board Meeting held on 30<sup>th</sup> May, 2018 has Stepped down from her position with effect from close of business hours of 12<sup>th</sup> February, 2021, due to personal reason and other prior commitments. The Board of Directors of the Company appreciates her valuable contribution and support during her tenure as the Director of the Company.

Further, Mr. Mahesh Kumar Kerjriwal (DIN: 07382906) appointed as Non- Executive Independent Director in the Board Meeting held on 30<sup>th</sup> April, 2016 has completed his tenure of 5 years and consequently ceased to be Director of the Company w.e.f. close of business hours on 30<sup>th</sup> April, 2021.

### **Declaration by Independent Director(s)**

The Company has received declaration from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **Meetings of Independent Directors**

A separate meeting of the Independent Directors was held on 12<sup>th</sup> February, 2021. Mr. Mahesh Kumar Kerjriwal was elected as the Lead Independent Director of the Company. Details of the separate meeting of the Independent Directors held and attendance of Independent Directors are provided in the Report on Corporate Governance forming part of this report.

### **Board Induction, Training and Familiarization Programme for Independent Directors**

To familiarize the Independent Directors with the strategy, operations and functions of our company, the executive directors/ senior managerial employees make presentation to the Independent Directors about the company's strategy, operations and service offerings, markets, finance, quality etc. The Director is also explained in detail the various compliances required from him as a director under the various provisions of the Companies Act 2013, SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2011, the Code of Conduct of the Company and other relevant regulations. The Director, upon appointment, is formally Inducted to the Board. In order to familiarize the Independent Directors about the business drivers, they are updated through presentations at Board Meetings about the Financials of the Company. The Directors are also updated on the changes in relevant corporate laws relating to their roles and responsibilities as Directors.

### **Remuneration Policy of Director**

The Board has on the Recommendation of the Nomination and Remuneration committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Company's Remuneration Policy is available on the Company's website at [www.decillion.co.in](http://www.decillion.co.in).

### **Annual Evaluation of Board's Performance**

The Nomination and Remuneration Committee (NRC) of your Company has formulated and laid down criteria for performance Evaluation of the Board (including Committees) and every director (including Independent Directors & Managing Director) pursuant to provision of Section 134, Section 149 read with Code of Independent Directors (Schedule IV) and section 178 of the Companies Act, 2013 and Regulation 19(4) read with Part D of Schedule II of SEBI Listing Regulations, 2015 covering inter-alia the following parameters namely:

1. Board Evaluation- degree of fulfilment of key responsibilities; Board culture and dynamics.
2. Board Committee Evaluation-effectiveness of meetings; committee dynamics.
3. Individual Director Evaluation (including IDs)-contribution at Board Meetings.

Further, the Executive Director is evaluated on key aspects of the role which includes inter-alia effective leadership to the Board and adequate guidance to the Management.

### **Board Meetings**

During the Financial Year 2020-21, Six (06) meetings of the Board of Directors of the Company were held. The details of which are given in the Corporate Governance Report in **Annexure-II**. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

### **Committees**



As on March 31, 2021, the Board had three committees: the audit committee, the nomination and remuneration committee and the stakeholders' relationship committee. During the year, all recommendations made by the committees were approved by the Board. A detailed note on the composition of the Board and its committees is provided in the Corporate Governance report.

### **Managerial Remuneration**

The information required pursuant to Section 197(12) read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is attached here as **Annexure – III** and forms a part of the Board's Report.

### **Contracts and Arrangements with Related Party**

The details of the related party transactions, as per requirement of Accounting Standards -18 are disclosed in notes to the financial statements of the Company for the Financial Year 2020-21. All the directors have disclosed their interest in Form MBP-1 pursuant to Section 184 of the Companies Act, 2013 and as and when any changes in their interest take place, such changes are placed before the Board at its meetings. None of the transactions with any of the related parties was in conflict with the interest of the Company.

Given all the Related Party Transactions during the year under review, were at arm's length and in the ordinary course of business and the Company did not enter into any material transaction with any related party and hence, Form AOC-2 does not form part of this report. The details of the transactions with Related Parties are provided in the accompanying Financial Statements.

### **Auditors**

#### **Statutory Auditors**

At the 24<sup>th</sup> Annual General Meeting of the Company held in the year 2018, M/s C. K. Chandak & Co, Chartered Accountants, was appointed as statutory auditors of the Company for a period of five years till the conclusion of 29<sup>th</sup> AGM of the Company. With the amendment of Section 139 of the Companies Act, 2013 and Rule 3(7) of The Companies (Audit and Auditors) Rules, 2014 as amended by the Companies (Amendment) Act, 2017 effective from 7th May, 2018, the ratification of the Auditors in each of the Annual General Meeting has been done away with and they would not be subject to ratification during continuation of in the office of the Auditors of the Company. The Statutory Auditors' Report of M/s C. K. Chandak & Co, Chartered Accountants does not contain any qualifications, reservations or adverse remarks. The Auditor's Report is enclosed with the Financial Statements in this Annual Report.

#### **Internal auditor**

Mr. Pratik Agarwal, Chartered Accountant, was appointed as the Internal Auditor of the Company for the Financial Year 2020-21

Further, M/s. Srimal Jain & Co., Chartered Accountants has been appointed as an Internal Auditor of the Company for the financial year 2021-22 by the Board of Directors in their meeting held on 30<sup>th</sup> June, 2021

#### **Secretarial auditor**

The Board had appointed Mr. Rajesh Ghorawat, Practicing Company Secretary, as the Secretarial Auditor of the Company to carry out the Secretarial Audit for the financial year 2020-21 under the provisions of Section 204 of the Companies Act, 2013. The Secretarial Audit Report certified by our Secretarial Auditors, in the specified form MR - 3 is annexed and forms part of this report as **Annexure-IV**. The Report confirms that the Company had complied with the statutory provisions listed under Form MR-3 and the Company has proper board processes and compliance mechanism. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

### **Cost Records**

The Company is not required to maintain cost records as specified by the Central Government under section 148 of the Companies Act, 2013.

### **Circulation of Annual Reports in electronic form**

In view of the prevailing COVID-19 situation and consequent lockdown across the country, the Ministry of Corporate Affairs (MCA) has exempted companies from circulation of physical copies of Annual Report for FY 2021. Accordingly, the Annual Report of the Company for FY2021 is being sent only by email to the members, and all other persons/entities entitled to receive the same. This Annual Report, along with other documents, is also available on the Company's website at [www.decillion.co.in](http://www.decillion.co.in).

**Auditor's Certificate on Corporate Governance**

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the auditor's certificate on corporate governance is enclosed to the Board's report. The auditor's certificate for year 2020-21 does not contain any qualification, reservation or adverse remark.

**Corporate Social Responsibility**

The provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company.

**Conservation of Energy & Technology Absorption**

Being an investment company and not involved in any industrial or manufacturing activities, the Company's activities involve very low energy consumption and has no particulars to report regarding conservation of energy and technology absorption. However, efforts are made to further reduce energy conservation.

**Foreign Exchange Earnings & Outgo**

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

**Management's Discussion and Analysis Report**

The Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, is annexed to this report.

**Code of Conduct**

The Board of Directors has approved a Code of Conduct which is applicable to the members of the Board and all employees in the course of day-to-day business operations of the company. The code laid down by the Board is known as "Code of Conduct" which forms an Appendix to the Code. The Code has been posted on the Company's website [www.decillion.co.in](http://www.decillion.co.in).

All the Board Members, the Senior Management personnel and personnel one level below the Board have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

**Directors' Responsibility Statement**

Pursuant to the provisions of Section 134(3) (c) & Section 134(5) of the Act, the Board of Directors, confirm that, to the best of its knowledge and belief:

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The directors have prepared the annual accounts on a going concern basis;
- (v) The directors have laid down internal financial controls to be followed by the Company and that such internal Financial controls are adequate and are operating effectively; and
- (vi) The directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**RBI Guidelines for Non-Banking Financial Companies**

The Company has observed all the prudential norms prescribed by the Reserve Bank of India. The Schedule as required in terms of Paragraph 13 of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2015 is annexed herewith.

**INFORMATION UNDER THE SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has constituted an Internal Complaint Committee under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year no complaint was filed before the said Committee.

**Prevention of Insider Trading**

Your Company has adopted a Code of Conduct for prevention of Insider Trading in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. All Directors, employees and other designated persons, who could have access to unpublished price sensitive information of the Company, are governed by this Code.

The trading window for dealing with equity shares of the Company is duly closed during declaration of financial results and occurrence of any other material events as per the code. During the year under review there has been due compliance with the code.

**Certification by Managing Director and CFO**

A certification by Mr. Jitendra Kumar Goyal, Managing Director of the Company and Mr. Rajesh Kumar Yadav, Chief Financial officer (CFO) of the Company as required under Regulation 17(8) read with Part B of Schedule II and Declaration as per Part D of Schedule V is annexed to this report.

**Risk Management Policy**

Risk Management Programme involves risk identification, assessment and risk mitigation planning for strategic, operational, financial and compliance related risks across various levels of the organization. The Board of Directors and senior management team recurrently assess the operations and operating environment to identify potential risks and take necessary mitigation actions.

**Other Disclosures**

- The disclosures and reporting with respect to issue of equity shares with differential rights as to dividend, voting or otherwise is not applicable as the Company has not issued any such shares during the reporting period.
- The disclosures and reporting on issue of shares (including sweat equity shares and Issue of Shares under Employees Stock Option Scheme) to employees of the Company under any scheme are not applicable as the Company has not issued any such shares during the reporting period.
- The company has complied with the applicable provisions of Secretarial Standards with respect to convening of Board Meetings, General Meetings and drafting of Directors' Report during the period under review.
- There is no change in the nature of the business of the Company.
- There was no revision in the Financial Statements.

**Acknowledgement**

Your directors take this opportunity to express their thanks to various departments of the Central and State Government, Bankers, Customers and Shareholders for their continued support.

The Directors wish to place on record their appreciation for the dedicated efforts put in by the Employees of the Company at all levels.

For and on behalf of the Board of Directors

Date: 14/08/2021  
Place: Kolkata

-----  
Jitendra Kumar Goyal  
Managing Director  
DIN: 00468744

-----  
Vidhu Bhushan Verma  
Director  
DIN: 00555238

**ANNEXURE I  
EXTRACT OF ANNUAL RETURN**

**As on financial year ended on 31.03.2021**

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

**I. REGISTRATION AND OTHER DETAILS:-**

1.	CIN	L65999WB1995PLC067887
2.	Registration Date	27-Jan-1995
3.	Name of the Company	DECILLION FINANCE LIMITED
4.	Category/Sub-category of the Company	NBFC /Public Company/Limited by shares
5.	Address of the Registered office & contact details	3 Bentinck street, Room No. D-8, 4th Floor, Kolkata-700001
		<a href="mailto:info@decillion.co.in">E-mail – info@decillion.co.in</a>
		<a href="http://www.decillion.co.in">Website – www.decillion.co.in</a>
		Contact No. – 033-2248-5664
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Niche Technologies Private Limited
		3A, Auckland Place, 7th Floor,
		Room No. 7A & 7B, Kolkata-700 017
		Phone No. : (033) 2280 6616/6617/6618
		Fax : (033) 2280 6619
		Email : nichetechpl@nichetechpl.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY: -**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated: -

S. No.	Name and Description of main products /services	NIC Code of the Product/service	% to total turnover of the company
1	Other financial services activities, except insurance and pension funding activities, n.e.c.	64990	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY(S):- NIL**

S. No.	Name of Company	Address of the Company	CIN/LLPIN	Holding/ Subsidiary/ Associate	% of Shares held/ contribution made	Applicable Section
1	NA					

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

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. (1) PROMOTERS									
Indian									
a) Individual / HUF	214600	0	214600	6.131	214600	0	214600	6.131	0.000
b) Central Government									
c) State Government									
d) Bodies Corporate	1219600	0	1219600	34.846	1219600	0	1219600	34.846	0.000
e) Banks / Financial Institutions									
f) Any Other									
<b>Sub-total (A)(1)</b>	<b>1434200</b>	<b>0</b>	<b>1434200</b>	<b>40.977</b>	<b>14342000</b>	<b>0</b>	<b>1434200</b>	<b>40.977</b>	<b>0.000</b>
(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corporate									
d) Banks/ Financial Institutions									
e) Any Other									
<b>Sub-total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0.000</b>
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	1434200	0	1434200	40.977	1434200	0	1434200	40.977	0.000
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds									
b) Banks/ Financial Institutions									
c) Central Governments									
d) State Governments									
e) Venture Capital Funds									
f) Insurance Companies									
g) Foreign Institutional Investors (FII)									
h) Foreign Venture Capital Funds									
i) Others (Specify)									
<b>Sub-total (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0.000</b>
(2) Non- Institutions									
a) Bodies Corporate									
i) Indian	1814760	200000	2014760	57.565	1814760	200000	2014760	57.565	0.000
ii) Overseas									
b) Individuals									

1) Individual shareholders holding nominal share capital upto Rs 1 Lakh	40040	11000	51040	1.458	40040	11000	51040	1.458	0.000
2) Individual shareholders holding nominal share capital in excess of Rs 1 Lakh									
c) Others Specify									
1. NRI									
2. Overseas Corporate Bodies									
3. Foreign Nationals									
4. Clearing Members									
5. Trusts									
6. Foreign Bodies - D.R.									
Sub-total (B)(2)	18504800	211000	2065800	59.023	1854800	211000	2065800	59.023	0.000
Total Public Shareholding (B) = (B)(1)+(B)(2)	18504800	211000	2065800	59.023	1854800	211000	2065800	59.023	0.000
C. Shares held by Custodian for GDRs & ADRs									
<b>GRAND TOTAL (A+B+C)</b>	<b>3289000</b>	<b>211000</b>	<b>3500000</b>	<b>100.000</b>	<b>3289000</b>	<b>211000</b>	<b>3500000</b>	<b>100.000</b>	<b>0.000</b>

**II) Shareholding of Promoters**

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in shareholding during the year
		No. of Shares	% of total shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total shares of the company	% of Shares Pledged/encumbered total shares	
1	ANJANIPUTRA PROMOTERS PRIVATE LIMITED	100	0.003	0.000	100	0.003	0.000	0.000
2	JITENDRA KUMAR GOYAL	70100	2.003	0.000	70100	2.003	0.000	0.000
3	KUDRAT HOLDINGS PRIVATE LIMITED	432000	12.343	0.000	432000	12.343	0.000	0.000
4	RENUGOYAL	70000	2.000	0.000	70000	2.000	0.000	0.000
5	TUBRO CONSULTANTS AND ENTERPRISES PRIVATE LIMITED	787500	22.500	0.000	787500	22.500	0.000	0.000
6	VIRENDRA KUMAR GOYAL	74500	2.129	0.000	74500	2.129	0.000	0.000
	<b>TOTAL</b>	<b>1434200</b>	<b>40.977</b>	<b>0.000</b>	<b>1434200</b>	<b>40.977</b>	<b>0.000</b>	<b>0.000</b>

**III. Change in Promoter's Shareholding**

SI No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>ANJANIPUTRA PROMOTERS PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	100	0.003		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			100	0.003
2	<b>JITENDRA KUMAR GOYAL</b>				
	a) At the Beginning of the Year	70100	2.003		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			70100	2.003
3	<b>KUDRAT HOLDINGS PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	432000	12.343		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			432000	12.343
4	<b>RENU GOYAL</b>				
	a) At the Beginning of the Year	70000	2.000		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			70000	2.000
5	<b>TUBRO CONSULTANTS AND ENTERPRISES PRIVATE LTD.</b>				
	a) At the Beginning of the Year	787500	22.500		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			787500	22.500
6	<b>VIRENDRA KUMAR GOYAL</b>				
	a) At the Beginning of the Year	74500	2.129		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			74500	2.129
	<b>T O T A L</b>	<b>1434200</b>	<b>40.977</b>	<b>1434200</b>	<b>40.977</b>

**iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holder of GDRs and ADRs) :**

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>FASTFLOW COMMOMODEAL LIMITED</b>				
	a) At the Beginning of the Year	135000	3.857		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			135000	3.857
2	<b>GANGADHAR DEALERS PVT LTD</b>				
	a) At the Beginning of the Year	160000	4.571		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			160000	4.571

3	<b>GLORY TRADE &amp; EXPORTS LIMITED</b>				
	a) At the Beginning of the Year	163000	4.657		
	<b>b) Changes during the year</b>	<b>[NO CHANGES DURING THE YEAR]</b>			
	c) At the End of the Year			163000	4.657
4	<b>GOYAL COMMERCIAL PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	159750	4.564		
	<b>b) Changes during the year</b>	<b>[NO CHANGES DURING THE YEAR]</b>			
	c) At the End of the Year			159750	4.564
5	<b>LATANGI VYAPAAR PVT LTD</b>				
	a) At the Beginning of the Year	154000	4.400		
	<b>b) Changes during the year</b>	<b>[NO CHANGES DURING THE YEAR]</b>			
	c) At the End of the Year			154000	4.400
6	<b>SRI SALASAR SUPPLIERS PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	319000	9.114		
	<b>b) Changes during the year</b>	<b>[NO CHANGES DURING THE YEAR]</b>			
	c) At the End of the Year			319000	9.114
7	<b>SRIVANI MERCHANTS PVT LTD</b>				
	a) At the Beginning of the Year	167000	4.771		
	<b>b) Changes during the year</b>	<b>[NO CHANGES DURING THE YEAR]</b>			
	c) At the End of the Year			167000	4.771
8	<b>SUJALI FASHION PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	150000	4.286		
	<b>b) Changes during the year</b>	<b>[NO CHANGES DURING THE YEAR]</b>			
	c) At the End of the Year			150000	4.286
9	<b>TORNER TIE UP PVT LTD</b>				
	a) At the Beginning of the Year	137000	3.914		
	<b>b) Changes during the year</b>	<b>[NO CHANGES DURING THE YEAR]</b>			
	c) At the End of the Year			137000	3.914
10	<b>ULTRA DEALERS PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	120000	3.429		
	<b>b) Changes during the year</b>	<b>[NO CHANGES DURING THE YEAR]</b>			
	c) At the End of the Year			120000	3.429

**V) Shareholding of Directors and Key Managerial Personnel**

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>JITENDRAKUMAR GOYAL</b>				
	a) At the Beginning of the Year	70100	2.003		
	<b>b) Changes during the year</b>	<b>[NO CHANGES DURING THE YEAR]</b>			
	c) At the End of the Year			70100	2.003
	<b>TOTAL</b>	<b>70100</b>	<b>2.003</b>	<b>70100</b>	<b>2.003</b>



**VI. INDEBTEDNESS -**

The Company has not borrowed any amount during the year, and is a debt free Company.

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

**VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:-**

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

SN.	Particulars of Remuneration	Name of MD/WTD/Manager	
		Jitendra Kumar Goyal	Total Amount
		Managing Director	
1	Gross salary	8,25,000	8,25,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission		
	- as % of profit		
	- others, specify		
5	Others, please specify		
	<b>Total(A)</b>	<b>8,25,000</b>	<b>8,25,000</b>
	Ceiling as per the Act	<i>(11% of Net Profit as computed in the manner laid down Section 198 of the Companies Act 2013)</i>	

**B. Remuneration to other directors:**

SN.	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors	NIL	NIL	NIL	NIL
	Fee for attending board meetings	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL
	<b>Total (1)</b>	NIL	NIL	NIL	NIL
2	Other Non-Executive Directors	NIL	NIL	NIL	NIL
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL
	<b>Total (2)</b>	NIL	NIL	NIL	NIL
	<b>Total (B)=(1+2)</b>	NIL	NIL	NIL	NIL
	<b>Total Managerial Remuneration</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
	<b>Overall Ceiling as per the Act</b>	<b>11% of Net Profit calculated under section 198 of the Companies Act, 2013</b>			

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:**

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
			Ishu Maskara	Rajesh Kumar Yadav	
1	Gross salary	-	1,36,500	1,20,000	2,56,500
	(a) Salary as per provisions contained in section 17(1) of the Income -tax Act, 1961	-	-	-	-
	(b) Value of perquisites/s 17(2) Income-tax Act, 1961	-	-	-	-
	c) Profits in lieu of salary under section 17(3)	-	-	-	-
2	Income -tax Act, 1961 Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify.	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>		<b>1,36,500</b>	<b>1,20,000</b>	<b>2,56,500</b>

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

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

For and on behalf of the Board of Directors

 Date: 14/08/2021  
 Place: Kolkata

 -----  
 Jitendra Kumar Goyal  
 Managing Director  
 DIN: 00468744

 -----  
 Vidhu Bhushan Verma  
 Director  
 DIN: 00555238

## **Annexure-II** **CORPORATE GOVERNANCE REPORT**

The Directors present the Company's Report on Corporate Governance pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations 2015).

### **COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Your Company is always committed to good Corporate Governance and application of best management practices for safeguarding the interest of all stakeholders. Strict adherence to the principles of fairness, transparency, professionalism, accountability and propriety in total functioning of the Company, are pre-requisites for attaining sustainable growth in this competitive corporate world. Your company seeks to focus on regulatory compliances, complying with all the provisions of listing agreement and applicable Corporate Governance Norms with all the modifications within the prescribed time, thereby giving stress on essential pre-requisites of corporate governance.

We strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner.

Some of these codes and policies are:

- Code for Board of Directors and Board Committees.
- Code of Business Conduct and Ethics for Directors / Management Personnel.
- Code of Conduct for Prohibition of Insider Trading.

### **BOARD OF DIRECTORS**

#### *Introduction*

In keeping with the commitment of the management for the principle of integrity and transparency in business operations for good corporate governance, the Company's policy is to have an appropriate blend of executive, non-executive and independent directors to maintain the independence of the Board and separate its functions of governance and management. The main role of Board is to take right decision to safeguard and enhance shareholders value. The Board periodically evaluates the need for change in its composition and size and selects members to fill Board vacancies and nominating candidates for election by the members at the Annual General Meeting.

#### **Composition and Category of Directors**

During the FY 20-21, our Board composed is composed of 6 (Six) members, consisting of:

- One Executive Director
- Five Non-Executive Independent Directors.

Attendance of each Director at the Board Meetings/last AGM, Directorship and Chairmanship/ Membership in other Board/ Board Committees.

Name and category of the Directors on the Board, their attendance at Board Meetings held during the Financial Year 20-21, number of Directorships and Committee Chairmanships/Memberships held by them in other public limited companies are given below:

Name of the Directors & DIN No.	Category	No of Board Meeting		Whether attended last AGM held on 28 <sup>th</sup> December, 2021	Number of Directorship (s) held in other public listed companies*	No. of Committee Positions held in public listed companies**	
		Held during the year	Attended			As Chairman	As Member
Mr. Jitendra Kumar Goyal (DIN:00468744)	Managing Director	06	06	Yes	03	02	03
Mr. Vidhu Bhushan Verma (DIN:00555238)	Non - Executive Independent Director	06	06	Yes	02	03	01
Mr. Mahesh Kumar Kejriwal (DIN:07382906)	Non - Executive Independent Director	06	06	Yes	02	-	04
Ms. Veedhi Raja # (DIN:08142844)	Non - Executive Independent Director	06	06	Yes	01	-	-
Ms. Ritu Agarwal (DIN: 08143534)	Non - Executive Independent Director	06	01	Yes	03	-	05
Ms. Pooja Kalanouria ## (DIN: 09056683)	Additional Independent Director	06	-	NA	01	-	02

*Ms. Veedhi Raja has resigned from the position of Non-Executive Independent Director of the Company w.e.f 12<sup>th</sup> February, 2021*

*##Ms. Pooja Kalanouria has been appointed as an Additional Independent Woman Director of the Company on 12<sup>th</sup> February, 2021.*

\*Number includes only Public limited companies as per Companies Act, 2013.

\*\*Only Membership/ Chairmanship of Audit Committee, Stakeholders Relationship Committee have been considered.

None of the Directors were members of more than 10 committees or acted as Chairman of more than 5 committees across all the Indian Public Limited Companies in which they were Directors

None of the Directors served as Director in more than 8 listed Companies.

None of the Independent Directors served as an Independent Director in more than 7 listed Companies. No shares are held by non-executive directors.

Names of the listed entities where the person is a Director and their category is listed below:

Name of Directors	Name of other Listed Entity	Category of Directorship
1. Mr. Jitendra Kumar Goyal	Virat Leasing Limited	Non -Executive Director
	Scintilla Commercial and Credit Ltd	Executive Director
	Kaushal Investments Ltd	Non -Executive Director
2. Mr. Vidhu Bhushan Verma	Scintilla Commercial and Credit Ltd	Non -Executive Independent Director
	Kaushal Investments Ltd	Non -Executive Independent Director
3. Mr. Mahesh Kumar Kejriwal	Scintilla Commercial and Credit Ltd	Non -Executive Independent Director
	Kaushal Investments Ltd	Non -Executive Independent Director
4. Mrs. Veedhi Raja	Virat Leasing Limited	Non -Executive Independent Director
5. Ms. Ritu Agarwal	Scintilla Commercial and Credit Ltd	Non -Executive Independent Director
	Kaushal Investments Ltd	Non -Executive Independent Director
	Virat Leasing Limited	Non -Executive Independent Director
6. Ms. Pooja Kalanouria	Scintilla Commercial and Credit Ltd	Non -Executive Independent Director

### **Number & Dates of Board Meetings**

Six Board Meetings were held during the year and the gap between two meetings did not exceed 120 days, except the meeting held between 12th February, 2020 and 31st July, 2020. The Securities and Exchange Board of India (SEBI) vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated March 19, 2020 issued relaxation to the Companies from compliance with Regulation 17(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the COVID -19 Virus Pandemic.

Pursuant to this abovementioned Circular, the board of directors and Audit Committee of the listed entity are exempted from observing the maximum stipulated time gap between two meetings for the meetings held or proposed to be held between the period December 1, 2019 and June 30, 2020. This relaxation was further extended till July, 2020. The dates on which the Board Meetings were held are as follows:

13th July, 2020, 30th July, 2020, 19th August, 2020, 14th September, 2020, 10th November, 2020 and 12th February, 2021.

### **Disclosure of relationships between Directors**

No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 2013.

### **Familiarization Programme**

At Decillion the Board familiarisation Programme comprises of the following:-

- Induction Programme for new Independent Directors;
- Immersion sessions on business and functional issues; and
- Strategy session.

All new Independent Directors are taken through a detailed induction and familiarisation Programme when they join the Board of your Company. The induction programme is an exhaustive one that covers the history and culture of Decillion, background of the Company and its growth over the last several decades, various milestones in the Company's existence since its incorporation, the present structure and an overview of the businesses and functions. Web link giving the details of Familiarization Programme imparted to Independent Directors at [www.decillion.co.in](http://www.decillion.co.in).

### **Board Agenda**

Meetings are governed by a structured agenda. The Board members, in consultation with the Chairman, may bring up any matter for the consideration of the Board. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. Agenda papers are generally circulated seven to fourteen days prior to the Board meeting.

### **Information placed before the Board**

Necessary information as required under the Companies Act and the Listing Agreement/SEBI Listing Regulations as applicable have been placed before and reviewed by the Board from time to time. The Board also periodically reviews compliance by the Company with the applicable laws/statutory requirements concerning the business and affairs of the Company.

### **Skills /expertise/competence of the Board of Directors**

In the opinion of the Board and the Nomination and Remuneration Committee, the following is a list of core skills/expertise/competencies required in the context of the Company's business and which are available with the Board:

<b>Financial</b>	Leadership of a financial firm or management of the finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation and financial reporting processes or experience in actively supervising a principal officer, principal accounting officer, controller, public accountant, auditor or person performing similar persons.
<b>Wide management leadership experience and</b>	Strong management and leadership experience including in areas of business development, strategic planning with successful multinational operations in banking, investments and finance and academic background.
<b>Functional and managerial experience</b>	Knowledge and skills in accounting and finance, business judgment, general management practices and processes, industry knowledge, macro-economic perspectives, human resources and risk management.
<b>Diversity</b>	Diversity of thought, experience, knowledge, perspective, gender and culture.
<b>Ethics &amp; Governance</b>	Experience in developing and implementing good corporate governance practices, maintaining board and management accountability, managing stakeholders' interests and Company's responsibilities towards employees, regulatory bodies and the communities in which it operates.
<b>Personal values</b>	Personal characteristics matching the Company's values, such as integrity, accountability, and high-performance standards.

### **Independent Directors**

The Independent Directors appointed on the Board fulfill the conditions specified in the regulations and are independent of the management.

### **Code and Policies**

The Board has adopted all applicable codes and policies as per the requirement of the Companies Act, 2013, SEBI (Prohibition of Insider Trading) regulations, 2015 and the Listing Agreement/SEBI Listing Regulations. The requisite codes and policies are posted on the Company's website at [www.decillion.co.in](http://www.decillion.co.in) and references to these codes and policies have been given elsewhere in this Report.

### **COMMITTEES OF THE BOARD**

As on 31st March 2021, the Company had three committees of the Board of Directors: Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

The minutes of all Board and Committee meetings are placed before the Board and noted by the Directors at the Board meetings. The role, composition and terms of reference of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee including the number of meetings held during the year ended and the related attendance are stated hereinafter.

### **AUDIT COMMITTEE**

The Audit Committee of the Board comprises of 4 Directors. The Members of the Audit Committee have wide exposure and knowledge in area of finance and accounting. The role and terms of reference of the Audit Committee covers the areas mentioned under Regulation 18 of Listing Regulations and Section 177 of the Companies Act, 2013. The Audit Committee, inter alia, provides reassurance to the Board on the existence of an effective internal control environment.

### **Brief descriptions of the terms of reference of the Audit Committee are as follows:**

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of statutory auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by them;

4. Reviewing, with the management, the annual Financial Statements and auditor's report thereon before submission to the board for approval, with particular reference to:

Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;

  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the Financial Statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to Financial Statements;
  - Disclosure of any related party transactions;
  - Qualifications in the draft audit report;
5. Reviewing, with the management, the quarterly Financial Statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory auditor internal adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Vigil Mechanism and Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Reviewing the following information:
- Management discussion and analysis of financial condition and results of operations;
  - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - Internal audit reports relating to internal control weaknesses; and
  - Reviewing the appointment, removal and terms of remuneration of the Chief internal auditor.

**Composition, Name of Members and Chairperson**

The committee has been reconstituted on 30<sup>th</sup> June, 2021 and consisted of four Directors, namely, Mr. Jitendra Kumar Goyal, Mr. Vidhu Bhushan Verma, Ms. Ritu Agarwal and Ms. Pooja Kalanouria.

Ms. Ritu Agarwal designated as the Chairperson of the Audit Committee on 30<sup>th</sup> June 2021.

She is having adequate financial and accounting qualification and expertise. The other Members of the Committee are also financially literate.

Four Meetings of the Audit Committee were held during the financial year ended 31<sup>st</sup> March, 2021. The dates on which the Audit Committee Meetings were held are 30<sup>th</sup> July, 2020, 14<sup>th</sup> September, 2020, 10<sup>th</sup> November, 2020 and 12<sup>th</sup> February 2021. All the meetings were held in such time that the gap between any two meetings did not exceed four months, thereby complying with the Companies Act, 2013.

The representatives of Statutory Auditors are permanent invitees to the Audit Committee Meeting.

Mr. Mahesh Kumar Kejriwal, the Chairman of the Audit Committee was duly present in Annual General Meeting held on 28 December, 2020.

The Committee acts as a link between the management, auditors and the Board of Directors of the Company and has full access to financial information.

There have been no instances during the year where recommendations of the Audit Committee were not accepted by the board.

**Meetings and attendance during the year**

The particulars of meetings attended by the Members of the Audit Committee during the financial year ended 31st March 2021 are given below:

Name of the Director	Category	No. of Meetings	
		Held during the year	Attended
Mr. Mahesh Kumar Kejriwal*	Non-Executive Independent Director	4	4
Mr. Vidhu Bhushan Verma	Non-Executive Independent Director	4	4
Mrs. Veedhi Raja**	Non-Executive Independent Director	4	4
Mr. Jitendra Kumar Goyal	Managing Director	4	4
Ms. Ritu Agarwal***	Non-Executive Independent Director	4	-
Ms. Pooja Kalanouria****	Additional Independent Woman Director	4	-



\*Mr. Mahesh Kumar Kejriwal has completed his tenure and consequently ceased to be Chairman of the Committee w.e.f. 30.04.2021

\*\*Ms. Veedhi Raja has stepped from the position of Non-Executive Independent Director w.e.f 12.02.2021

\*\*\*Ms. Ritu Agarwal appointed as the member of the member of the Committee on 12.02.2021 and designated as the Chairperson of the Committee w.e.f 30.06.2021

\*\*\*\*Ms. Pooja Kalanouria appointed as the member of the Committee on 12.02.2021

## **NOMINATION & REMUNERATION COMMITTEE**

### ***Brief description of terms of reference***

The role and principal terms of reference of the Nomination and Remuneration Committee in terms of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations are as follows:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to remuneration of the Directors, Key Managerial Personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become a director and who may be appointed in senior management;
5. To decide on extension or continuation of terms of the independent director, on the basis of the report of performance evaluation of independent director.
6. To evaluate, review and recommend to the Board, the remuneration of the Executive Directors, striking a balance between the performance and achievement;
7. Recommend to the Board, all remuneration, in whatever form, payable to senior management;

### **Composition, Name of Members and Chairperson**

The Nomination and Remuneration Committee of the Board has been reconstituted by the Board of Directors on 30<sup>th</sup> June, 2021 and comprised of Ms. Ritu Agarwal, a Non-Executive Independent Director, as the Chairperson, Mr. Vidhu Bhushan Verma, Non-Executive Independent Director and Ms. Pooja Kalanouria, Additional Independent Director as its Members.

Mr. Mahesh Kumar Kejriwal, Chairman of the Committee was duly present at the Annual General Meeting held on 28<sup>th</sup> December, 2020.

None of the Non-executive Directors held any shares in the Company. Sitting fee has been waived and no sitting fee is presently paid to any director or any member of any committee of Directors.

### **Meetings and attendance during the year**

The Nomination and Remuneration Committee met 2 (Two) times in a year on 10<sup>th</sup> November, 2020 and 12<sup>th</sup> February, 2021. The particulars of meetings attended by the Members of the Nomination and Remuneration Committee during the financial year ended 31st March 2021 are given below:

Name of the Director	Category	No. of Meetings	
		Held during the year	Attended
Mr. Mahesh Kumar Kejriwal*	Non-Executive Independent Director	2	2
Mr. Vidhu Bhushan Verma	Non-Executive Independent Director	2	2
Ms. Veedhi Raja**	Non-Executive Independent Director	2	2
Ms. Ritu Agarwal***	Non-Executive Independent Woman Director	2	-
Ms. Pooja Kalanouria****	Additional Independent Woman Director	2	-

\*Mr. Mahesh Kumar Kejriwal has completed his tenure and consequently ceased to be Chairman of the Committee w.e.f. 30.04.2021

\*\*Ms. Veedhi Raja has stepped from the position of Non-Executive Independent Director w.e.f 12.02.2021

\*\*\*Ms. Ritu Agarwal appointed as the member of the member of the Committee on 12.02.2021 and designated as the Chairperson of the Committee w.e.f 30.06.2021

\*\*\*\*Ms. Pooja Kalanouria appointed as the member of the Committee on 12.02.2021

### **BOARD EVALUATION**

In terms of the requirement of the Act and the Listing Regulations, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with the aim to improve the effectiveness of the Board and the Committees. The exercise was led by the Managing Director of the Company along with the Chairman of the Nomination and Remuneration Committee of the Company. The Evaluation process focused on various aspects of the functioning of the Board and Committees such as composition of the Board, Board Oversight and effectiveness, performance of Board Committees, Board skills and structure, etc. Separate exercise was carried out to evaluate the performance of individual Directors on parameters such as attendance, contribution and independent judgment and for Independent Directors, evaluation is carried out based on the criteria viz. the considerations which led to the selection of the Director on the Board and the delivery against the same, contribution made to the Board / Committees, attendance at the Board / Committee Meetings, impact on the performance of the Board / Committees, instances of sharing best and next practices, engaging with top management team of the Company, participation in Strategy Board Meetings, etc.

During the year, Board Evaluation cycle was completed by the Company internally which included the Evaluation of the Board as a whole, Board Committees and Peer Evaluation of the Directors and as an outcome of the above exercise, it was noted that the Board as a whole is functioning as a cohesive body which is well engaged with different perspectives. It was also noted that the Committees are functioning well and besides the Committee's terms of reference as mandated by law, important issues are brought up and discussed in the Committees. The Board agreed that the Board was focused in the right direction of creating a 'purpose-driven' organisation.

### **SEPARATE MEETING OF INDEPENDENT DIRECTORS**

During the financial year ended 31st March 2021 one Meeting of the Independent Directors held on 12<sup>th</sup> February, 2021 and the attendances were as follows:

Name of the Directors	Category	No. of Meetings	
		Held during the year	Attended
Mr. Vidhu Bhushan Verma	Non-Executive Independent Director	1	1
Ms. Veedhi Raja	Non-Executive Independent Director	1	1
Mr. Mahesh Kumar Kejriwal	Non-Executive Independent Director	1	1
Ms. Ritu Agarwal	Non-Executive Independent Director	1	1

Mr. Mahesh Kumar Kejriwal was elected as the Lead Independent Director. In the meeting, the Directors reviewed the performance of Non-Independent Directors and the Board as a whole taking into account the views of Executive Directors and Non-Executives Directors and assessed the quality, quantity and the timeliness of flow of information between the Management and the Board.

#### **REMUNERATION OF DIRECTORS**

a) Pecuniary Relationship or transactions of the Non-Executive Directors/criteria of making payments to Non- Executive Directors. The Company has neither any pecuniary relationship and/or transaction with its Non- Executive & Independent Directors nor any payment of sitting fees to them for attending Board Meetings, Committee Meetings and separate Meeting of Independent Directors. Even they did not get any Commission for their valuable services to the Company.

b) Remuneration package/ Remuneration paid to Directors. The Executive Directors, except Managing Director are not paid any Salary, & other Funds, Bonus and allowances and perquisites.

c) Non-Executive Directors and Independent Directors are not paid any sitting fees and commission.

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

Brief description of terms of reference

- To approve all transfers (including transmission, transposition, remat) requests received.
- To review action taken on shareholder's grievances and to advise if any further action to be taken.
- To ensure that correspondence with the shareholders is promptly dealt with by the Company and no cases were pending as on 31st March, 2021.

Shares received for transfer are processed promptly, approved by the Committee and ratified at the following Board Meeting.

#### **Name of Non-Executive Director heading the Committee/Composition of the Committee.**

The Stakeholder Relationship Committee of the Board re-constituted on 30<sup>th</sup> June, 2021 and consisted of Ms. Ritu Agarwal, Non- Executive Independent Director, as the Chairperson, Mr. Jitendra Kumar Goyal, Managing Director, Mr. Vidhu Bhushan Verma, Non-Executive Independent Director and Ms. Pooja Kalanouria as an Additional Independent Director as the members of the Committee.

#### **Meetings and Attendance**

During the financial year one Meeting of the Stakeholders' Relationship Committee were held on 12<sup>th</sup> February, 2021 and the attendances of Members were as follows:

Name of the Directors	Category	No. of Meetings	
		Held during the year	Attended
Mr. MaheshKumar Kejriwal *	Non-ExecutiveIndependent Director	1	1
Mr. VidhuBhushanVerma	Non-ExecutiveIndependent Director	1	1
Mr. Jitendra Kumar Goyal	Managing Director	1	1
Ms. Ritu Agarwal **	Non- Executive Independent Woman Director	1	-
Ms. Pooja Kalanouria ***	Additioinal Independent Woman Director	1	-

\*Mr. Mahesh Kumar Kejriwal has completed his tenure and consequently ceased to be Chairman of the Committee w.e.f. 30.04.2021.

\*\*Ms. Ritu Agarwal appointed as the member of the member of the Committee on 12.02.2021 and designated as the Chairperson of the Committee w.e.f 30.06.2021.

\*\*\*Ms. Pooja Kalanouria appointed as the member of the Committee on 12.02.2021.

#### **Name and designation of Compliance Officer**

Ms. Ishu Maskara, Company Secretary is the Compliance Officer for redressal of shareholders'/investors' complaints. The Company has a designated email id [info@decillion.co.in](mailto:info@decillion.co.in) for grievance redressal purpose where complaint can be lodged by the shareholders.

#### **Details of Shareholders'/Investors'Complaints**

During the Financial Year ended 31st March 2021, nil complaints were received from the Shareholders/Investors. The details are as under

Opening as on 1st April 2020	Nil
Received during the year	Nil
Resolved during the year	Nil
Closing/Pending as on 31st March 2021	Nil

#### **COMPLIANCE OFFICER**

The Company has designated Ms. Ishu Maskara, Company Secretary & Compliance Officer.  
Address: 3, Bentinck Street, 4th Floor, Room No. D-8, Kolkata - 700001  
Phone Nos.: (033) 2248-5664  
Email: [info@decillion.co.in](mailto:info@decillion.co.in)  
Website: [www.decillion.co.in](http://www.decillion.co.in)

#### **CORPORATE SOCIAL RESPONSIBILITY**

The provisions of Section 135 of the Companies Act, 2013 i.e., Corporate Social Responsibility is not applicable to the company.

#### **GENERAL BODY MEETINGS**

a) Location and time of last three Annual General Meeting

FinancialYear ended	Date	Time	Venue
31.03.2018	29.09.2018	3.00 P.M.	Oswal Chamber, EITMA, 5th Floor, 2 Chrucl Lane, Kolkata -700001
31.03.2019	30.09.2019	2.00 P.M.	Oswal Chamber, EITMA, 5 th Floor, 2 Chrucl Lane, Kolkata -700001
31.03.2020	28.12.2020	1.00 P.M.	Oswal Chamber, EITMA, 5 th Floor, 2 Chrucl Lane, Kolkata -700001

**b) Special Resolution passed in the previous three AGMs**

AGM held on	Special Resolution passed
29.09.2018	None
30.09.2019	None
28.12.2020	Yes

c) There was no Resolution passed through Postal Ballot during the year ended 31st March 2021.

d) No Special Resolution is proposed to be conducted through Postal Ballot.

**MEANS OF COMMUNICATION**

The Company regularly interacts with the Shareholders through multiple ways of communication such as Results Announcement, Annual Report, and through Company's website and specific communications.

**a) Quarterly Results/Newspaper wherein Results normally published**

Unaudited Quarterly, half-yearly and annual audited results are published in prominent dailies which inter alia, include Business Standard (English) and Kalantar / Ekdin/ Duronto Varta (Bengali) in the format prescribed by the Stock Exchanges in the Listing Regulations.

The Quarterly Results, Shareholding Pattern and all other corporate communication to the Stock Exchanges are filed to BSE Listing Centre through online filing and CSE through e-mail for dissemination on their Respective websites.

**b) Website**

The Financial Results are also made available on the website of the Company [www.decillion.com](http://www.decillion.com). Information relating to the Company, its performance and information updates as and when made are displayed on the Company's website and also sent to the Stock Exchanges to enable them to put the same on their own websites.

**c) Annual Report**

The Annual Report containing inter alia audited Annual Accounts, Financial Statements, Reports of the Auditors and Directors, Management Discussion and Analysis Report and other important information is circulated to the members and displayed on the Company's website.

**GENERAL SHAREHOLDER INFORMATION**
**a) 27<sup>th</sup> Annual General Meeting**

**Date and Time:** Wednesday, the 29<sup>th</sup> September, 2021 at 12:00 NOON.

**Venue:** "COMPASS" - Computer Association of Eastern India, 37, Shakespeare Sarani, S.B. Tower, 1st Floor, Kolkata – 700017, West Bengal

**b) Book Closure**

The Register of Members and Share Transfer Register will remain closed from Thursday, 23<sup>rd</sup> September, 2021 to Wednesday, 29<sup>th</sup> September, 2021 (both days inclusive).

**c) Financial Year**

1st April, 2020 to 31st March, 2021

**d) Financial calendar for the year 2020-2021**

The Board Meetings for approval of financial results for financial year 2020-21 were held on the following dates:

Firstquarter results	September 14, 2020
Second quarter results	November 10, 2020
Third quarter results	February 12, 2021
Fourth quarter and annual results	June 30, 2021

The tentative dates of the Board meetings for consideration of quarterly and annual financial results for the financial year 2021-22 are as follows:

First quarter results	On or before August 14, 2021
Second quarter results	On or before November 14, 2021
Third quarter results	On or before February 14, 2022
Fourth quarter and annual results	On or before May 30, 2022

**e) Name and address of Stock Exchanges/ Payment of annual Listing Fee:**

The Company's Shares are listed at the following Stock Exchanges and the Annual Listing Fees for the year 2020- 21 have been paid to all these Stock Exchanges.

Name and address of Stock Exchanges	
BSE Limited [BSE]	P. J. Towers, 25th Floor, Dalal Street, Mumbai – 400 001
The Calcutta Stock Exchange Limited [CSE]	7, Lyons Range, Kolkata – 700001

**f) Demat ISIN Number for NSDL & CDSL: INE848N01017**
**g) Market Price Data**

Months	Share Price		Months	Share Price	
	High	Low		High	Low
April, 2020	Since trading has not been done during these months, High low prices could not be ascertained.		October, 2020	Since trading has not been done during these months, High low prices could not be ascertained.	
May, 2020			November, 2020		
June, 2020			December, 2020		
July, 2020			January, 2021		
August, 2020			February, 2021		
September, 2020		March, 2021	10.98	10.98	

**h) Registrar and Share Transfer Agents**

M/s Niche Technologies Pvt. Ltd.  
 3A, Auckland Place, 7th Floor, Room No. 7A & 7B,  
 Kolkata-700 017  
 Tel: (033) 2280 6616/6617/6618  
 Fax: (033) 2280 6619  
 E-Mail: [nichetechpl@nichetechpl.com](mailto:nichetechpl@nichetechpl.com)

**i) Share Transfer System**

The requests for transfer of shares held in physical mode should be lodged at the Corporate Office of the Company's Registrar & Share Transfer Agents, Niche Technologies Pvt. Ltd. (Registered with SEBI), 3A, Auckland Place, 7th Floor, Room No. 7A & 7B, Kolkata-700 017 or at the Registered Office of the Company. Share Transfers are registered and returned in the normal course within an average period of 14 days, if the transfer documents are found technically in order and complete in all respects. The Company conducts a weekly review of the functions of the Registrar and Share Transfer Agent for upgrading the level of service to the Shareholders. Weekly review is also conducted on the response to the Shareholders pertaining to their communication and grievances, if any.

**j) Distribution of Shareholding as on 31st March, 2021**

Share Holding	No. of Holder	Percentage of Shareholders	No of Shares	Percentage of Shares
1 to 500	443	93.0672	4,143	0.1184
501 to 1000	1	0.2101	529	0.0151
1001 to 5000	9	1.8908	25,049	0.7157
5001 to 10000	3	0.6303	21,429	0.6123
10001 to 50000	1	0.2101	48,000	1.3714
50001 to 100000	7	1.4706	5,16,600	14.7600
100001 and above	12	2.5210	28,84,250	82.4071
<b>Total</b>	<b>476</b>	<b>100.00</b>	<b>35,00,000</b>	<b>100.00</b>

**Shareholding Pattern as on 31st March, 2021**

<b>Category</b>	<b>No. of Shares</b>	<b>% of holding</b>
Promoter & Promoter Group	14,34,200	40.977
Bodies Corporate	20,14,760	57.565
Individuals	51,040	1.458
NRI/OCBs	0	0.000
Trust	0	0.000
Clearing Members	0	0.000
<b>Total</b>	<b>35,00,000</b>	<b>100</b>

**k) Dematerialization of shares and liquidity**

The Company's shares form part of the SEBI's Compulsory Demat segment for all Shareholders/investors. The Company has established connectivity with both the Depositories viz. National Securities Depository Limited [NSDL] and Central Depository Services (India) Limited [CDSL] through the Registrar, **Niche Technologies Pvt. Ltd.** 3A, Auckland Place, 7th Floor, Room No. 7A & 7B, Kolkata-700 017. Requests for dematerializations of shares are processed and confirmations are given to the respective Depositories within the prescribed time. 93.97% Shares of the Company are in dematerialized form.

l) Outstanding GDRs or ADRs or Warrants or any Convertible Instruments, conversion date and likely impact on equity The Company has not issued any GDRs or ADRs or Warrants or any convertible instruments.

**m) Address for correspondence**

Any assistance regarding share transfers and transmission, change of address, non-receipt of share certificate/duplicate share certificate, demat and other matters for redressal of all share-related complaints and grievances, the Members are requested to write to or contact the Registrar & Share Transfer Agents or the Share Department of the Company for all their queries or any other matter relating to their shareholding in the Company at the addresses given below:

**The Company's Registered Office at:**

Decillion Finance Limited  
 (CIN): L65999WB1995PLC067887  
 3, Bentinck Street, 4th Floor, Room No. D-8, Kolkata-700001  
 Tel: 033-2248-5664  
 E-Mail: [info@decillion.co.in](mailto:info@decillion.co.in)

**Registrar and Share Transfer Agents**

Niche Technologies Pvt. Ltd.  
 3A, Auckland Place, 7th Floor, Room No. 7A & 7B, Kolkata-700 017  
 Tel: (033) 2280 6616/6617/6618  
 Fax: (033) 2280 6619  
 E-Mail: [nichetechpl@nichetechpl.com](mailto:nichetechpl@nichetechpl.com)

In case of any difficulty, the Compliance Officer at the Registered Office of the Company may be contacted.

**OTHER DISCLOSURES**

a) *Disclosures on materially significant related party transactions having potential conflict:* Nil

b) *Compliance of Laws & Regulations relating to Capital Markets*

The Company has complied with all the mandatory requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets during the financial year.

c) *Whistle Blower Policy/Vigil Mechanism*

The Company has a Whistle Blower Policy, which is available at the Company's website at the web link at <https://www.decillion.co.in> and no personnel has been denied access to the Audit Committee.

d) *Accounting treatment in preparation of financial statements*

The Company followed the guidelines as laid down in the Accounting Standards, prescribed by the Institute of Chartered Accountants of India for the preparation of the financial statements and there is no deviation from it in general. The Company has adopted a policy for determining material subsidiaries and the same is disclosed at the Company's website at <https://www.decillion.co.in>. The Nomination & Remuneration Committee adopted

the Company's Remuneration Policy and the same is disclosed at the Company's website at <https://www.decillion.co.in>

e) *Subsidiary Company*

The Company does not have any material non-listed Indian subsidiary as per the threshold specified in SEBI (Listing Obligations and Disclosure Requirements), 2015 requiring appointment of an Independent Director of the Company on the Board of Directors of such non-listed subsidiary company.

f) The Company has framed a policy dealing with related party transaction and the same is disclosed at the Company's website at [www.decillion.co.in](http://www.decillion.co.in).

g) *Certificate by Practising Company Secretary*

The Company has received certificate from Mr. Rajesh Ghorawat, Practising Company Secretary, confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/Ministry of Corporate Affairs or any such authority. The said certificate forms part of this Annual Report.

h) The total fees for all services paid by the listed entity, on a consolidated basis, to the statutory auditor is Rs. 27,500/- per annum.

i) *Sexual Harassment Policy*

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The following is a summary of sexual harassment complaints received and disposed of during each Calendar year:

No. of complaints received: NIL

No. of complaints disposed off: NIL

j) *Managing Director & CFO Certification*

The Managing Director & CFO certification as required as per Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, of is enclosed to Annual Report.

### **COMPLIANCE WITH MANDATORY REQUIREMENTS**

Your Company has complied with all the mandatory corporate governance requirements under the Listing Regulations. Specifically, your Company confirms compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the Listing Regulations.

The Quarterly Compliance Report has been submitted to the Stock Exchanges where the Company's equity shares are listed in the prescribed format as per SEBI Regulation duly signed by the Company Secretary or Director.

### **COMPLIANCE WITH DISCRETIONARY REQUIREMENTS**

The Company has also ensured the implementation of non-mandatory items such as:

a) We display our quarterly and half yearly financial results on our web site [www.decillion.co.in](http://www.decillion.co.in) and also publish our financial results in widely circulated newspapers. We publish the voting results of shareholder meetings and make it available on our website [www.decillion.co.in](http://www.decillion.co.in) and report the same to Stock Exchanges in terms of Regulation 44 of the Listing Regulations.

b) The Auditors have issued un-modified opinion on the financial statements of the Company.

c) The internal auditor is directly reporting to the Audit Committee.

### **CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE**

The Company has obtained Compliance Certificate from M/s C K Chandak & Co., Chartered Accountants regarding compliance of conditions on Corporate Governance and the same is attached to this report.

For and on behalf of the Board of Directors

Date: 14/08/2021  
Place: Kolkata

-----  
Jitendra Kumar Goyal  
Managing Director  
DIN: 00468744

-----  
Vidhu Bhushan Verma  
Director  
DIN: 00555238



**ANNEXURE-III**

- I. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year are given hereunder:

Name	Designation	Remuneration Paid FY 2020-21	Remuneration Paid FY 2019-20	% Increase in remuneration from previous Year	Ratio of remuneration to median remuneration of employees (including whole-time Directors)
Jitendra Kumar Goyal	Managing Director	8,25,000	6,50,000	30%*	-

\* The Remuneration has been increased from the month of January 2021 with the approval of Shareholders in general meeting held on 28.12.2020 and its denotes gross salary only.

- II. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary of Manager, if any, in the financial year are given here under:

Name	Designation	% Increase in remuneration in the financial year
Ms. Ishu Maskara	Company Secretary	-
Mr. Rajesh Kumar Yadav	Chief Financial Officer	-

- III. The percentage of increase in the median remuneration of employees in the financial year: N.A.
- IV. The number of permanent employees on the role of company as on 31<sup>st</sup> March, 2021 is 3 nos.
- V. Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentage increase in salaries of employees other than managerial personnel during 2020-21	Not Applicable
The percentage increase in the Managerial Remuneration	-

- VI. Affirmation that the remuneration is as per the remuneration policy of the company:  
The Board of Directors of the Company affirms that the remuneration is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Date: 14/08/2021  
Place: Kolkata

-----  
Jitendra Kumar Goyal  
Managing Director  
DIN: 00468744

-----  
Vidhu Bhushan Verma  
Director  
DIN: 00555238

**Annexure- IV**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021**

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

To  
The Members,  
**Decillion Finance Limited**  
3, Bentinck Street, 4<sup>th</sup> Floor,  
Room No. D-8, Kolkata – 700001  
West Bengal

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Decillion Finance Limited** having registered office at 3, Bentinck Street, 4<sup>th</sup> Floor, Room No. D-8, Kolkata-700001 (hereinafter called the Company). Subject to limitation of physical interaction and verification of records caused by COVID-19 pandemic lock down while taking review after completion of financial year, 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 Company's books, papers, minute books, forms, statutory registers 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 31st March 2021, generally 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, 2021 to the extent of Acts/provisions of the Acts applicable, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulations there under; to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;(NotApplicable as there was no reportable event during the financial year under review) ;
- (vi) 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) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable for the period under review);
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not Applicable to the Company during the period under review);
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the period under review);

- 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; Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the period under review); and
  - h) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable for the period under review).
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- (vii) Other laws applicable specifically to the Company namely:
- (a) Reserve Bank of India Directions, Guidelines and Circulars applicable to the non-banking financial companies.
- I have also examined compliance with the applicable clauses of the following:
- (i) Secretarial Standards issued by the Institute of Company Secretaries of India; and
  - (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (viii) During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.
- (ix) In respect of other laws specifically applicable to the Company, I have relied in information/records produced by the Company during the course of our audit and the reporting is limited to that extent.

#### **I further report that**

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 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.

Majority decisions in the meeting of Board of Directors were carried through while the dissenting members views, if any, were 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 other applicable laws on the operation of the Company and the rules made thereunder.

I further report that my report is neither an assurance as to the future viability of the company nor of the efficiency, effectiveness, or accuracy with which the management has conducted the affairs of the company.

Place: Kolkata  
Date: 14/08/2021

**Rajesh Ghorawat**  
Practicing Company Secretary  
FCS: 7226/C.P. No.: 20897  
UDIN: F007226C000788732

This Report is to be read with my testimony of even date which is annexed as Annexure A and forms an integral part of this report

**Annexure - A**

To  
The Members,  
Decillion Finance Limited  
3, Bentinck Street, 4th Floor,  
Room No. D-8, Kolkata – 700001  
West Bengal

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our 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, the Company had followed provide a reasonable basis for our opinion. Due to the ongoing COVID-19 pandemic, the secretarial audit for the Financial year 2020-21 has been done remotely by obtaining maximum possible details
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.,
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of 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.

Place: Kolkata  
Date: 14/08/2021

**Rajesh Ghorawat**  
Practicing Company Secretary  
FCS: 7226/C.P. No.: 20897  
UDIN: F007226C000788732

## **MANAGEMENT DISCUSSION & ANALYSIS REPORT**

### **MARKET SCENARIO: AMIDST COVID 19 PANDEMIC AND LOCKDOWN**

The Indian economy contracted sharply in FY 2020-21 in the wake of the global pandemic, with GDP contracting by 7.3 per cent in FY 2020-21 as compared to a 4.0 per cent growth in FY 2019-20. To recall, the World Health Organization declared on March 12, 2020 that the virus is a pandemic. On March 23, 2020, the Government of India ordered a nationwide lockdown for 21 days, which got further extended till May 31, 2020 with some relaxations. India enforced one of the strictest lockdowns at an early phase of rising cases to limit the spread of the virus. Daily COVID-19 cases peaked in September touching a high of ~98,000 and easing to ~8,600 in early February 2021, due to introduction of social distancing norms, localised lockdowns and containment measures.

The Government and the Reserve Bank of India (RBI) announced a host of measures to cushion the direct impact of the lockdown on the economy. This helped GDP growth come off its low of -24.4 per cent in Q1 and -7.4 per cent in Q2 to +0.5 per cent in Q3 and +1.6 per cent in Q4 2020-21. Looking at the internals, agriculture growth continued to remain positive (registering a growth of 3.6 per cent in 2020-21) due to the relative insulation of the rural sector from the virus. Manufacturing growth contracted by 7.2 per cent in 2020-21. However, the sector showed signs of recovery in H2 2020-21 - with a contraction of 18.7 per cent in H1 2020-21 but picked upto + 1.6 per cent in Q3 and +6.9 per cent in Q4. Service sector remained a laggard with a contraction of 8.4 per cent in 2020-21. Domestic demand began to show green shoots in the second half of the year as activity resumed. Private consumption indicators such as production of consumer durables and non-durables gathered pace in Q3 along with passenger vehicle (PV) sales that turned green in H2 FY21. Encouragingly, GST collections rose to ` 1.23 trillion in March 2021, averaging ` 1.13 trillion in H2 FY21 as compared to an average collection of ` 0.76 trillion in H1 FY21.

The Government announced a stimulus package of 20 trillion in five different tranches in FY 2020-21 to provide support to 1) the MSMEs and the NBFCs via a credit guarantee scheme and liquidity support 2) migrant labourers via direct spending and generating employment via enhanced allocation to MNREGA 3) small traders, vendors and farmers via loan facilities and 4) announced structural reforms across sectors like coal, power, agriculture, etc. On the monetary policy side, the RBI also took a number of steps to provide liquidity and enhance credit flow in the system. The RBI delivered a total rate cut (repo) of 115 basis points (bps) since February 2020, taking the repo rate down to 4.0 per cent. The central bank also took a slew of measures to address liquidity constraints such as the announcement of the moratorium, liquidity infusion through TLTRO (Targeted Long-Term Repo Operations) for NBFCs (` 500 billion), liquidity facility of ` 500 billion for mutual funds, liquidity support of ` 500 billion for all India financial institutions and a cut in the CRR (Cash Reserve Ratio) by 100 bps to 3 per cent. These measures helped anchor borrowing costs in the economy, support credit growth and cushioned the impact of the disruptions in the financial market.

### **OPPORTUNITIES AND THREATS**

With the positive attitude of the Government and RBI, it appears that new opportunities may open up for sustained growth of Investment Companies. However, the Management is not satisfied about the future growth of the Company and constantly reviews the ups and downs of the market particularly bearing in mind that the Company is a small sized NBFC and there are plenty of obstacles which may hinder its growth.

In the past few years, the increased competition from banks in the retail finance segment has led to excess diversification by NBFCs from their core business activities. The sector has witnessed introduction of various innovative products such as used vehicles financing, small personal loans,

three-wheeler financing, IPO financing, finance for tires & fuel, asset management, mutual fund distribution and insurance advisory, etc. Besides, NBFCs are aspiring to emerge as a one-stop shop for all financial services.

### **SEGMENT WISE OR PRODUCT WISE PERFORMANCE**

During the Financial Year 2020-21, the gross revenue of the Company stands at Rs. **62, 60,698**.

### **OUTLOOK**

Due to COVID-19 crisis, the cut in GDP growth projection follows a series of downgrades and warnings by economists amid concerns of a prolonged slowdown. Many economists have lowered their growth projections for the economy due to weak consumption and thousands of estimated job losses during the Financial Year 2021. However, it expects a sharp rebound in India's growth to 9.4% in Financial Year 2021-22 – Fitch Ratings.

As earlier stated, not only World Bank but other authorities also appear to be optimistic about the growth potential of India's economy. The revenue from operation of the year under review had seen a nominal downfall due to the impact of the current pandemic situation and it is expected that in the Financial Year 2021-22 your company may produce even better results barring unforeseen circumstances.

Your company is also duly careful that amongst the multiple choices of attractive businesses available we always make the right choice. Your company's business model and its risk management policies and mechanism are being constantly reviewed and upgraded to ensure this.

#### **RISK AND CONCERN**

As stated earlier, the Company's business is very much dependent on economic and fiscal policies of Government and RBI. The Management with the Board Level Committees examines risk associated with the ups and downs.

#### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The company's internal control systems are adequate and provide, among other things, reasonable assurance of recording transactions of operations in all material respects and of providing protection against significant misuse or loss of company assets.

Internal audit is conducted by the Internal Auditor of the Company, to assess the adequacy of the internal controls procedures and processes, and their reports are reviewed by the Audit Committee of the Board. Policy and process corrections are undertaken based on inputs from the internal auditors.

#### **HUMAN RESOURCE DEVELOPMENT**

The Company continues to give priority to its human assets. The Company provides a fair and equitable work environment to all its employees. The Company is working continuously to create and nurture an atmosphere which is highly motivated and result oriented.

#### **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The revenue from operation has increased compare to the previous year but financial performance of the company has seen a slight downfall as compared to previous year since the whole nation was under the lockdown due to COVID-19 pandemic. The Management expects a growth and a positive result in the coming quarters.

#### **INDUSTRY STRUCTURE & DEVELOPMENTS**

The Company continues to be a Non Deposit Taking, Systemically not important, and holds the RBI registration certificate in this behalf. The company has followed the RBI Norms as applicable and has complied with all the statutory obligations.

#### **MATERIAL DEVELOPMENT IN HUMAN RESOURCE / INDUSTRIAL RELATIONS FRONT INCLUDING NUMBER OF PEOPLE EMPLOYED**

The Management maintains healthy relation with its employees at all levels. However the number of employees in the company is low but with the positive growth of operations, the management believes the employee base to grow.

#### **CAUTIONARY STATEMENT**

Statements made in this Management Discussion and Analysis describing the Company's current position and expectations for the future may be "forward looking statements" within the meaning of the applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operation include the downtrend in the industry – global or domestic or both, significant changes in political and economic environment in India.

**For and on behalf of the Board of Directors**

Date: 14/08/2021  
Place: Kolkata

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Jitendra Kumar Goyal  
Managing Director  
DIN: 00468744

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Vidhu Bhushan Verma  
Director  
DIN: 00555238

**CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER (CFO) OF THE COMPANY**

To,  
The Board of Directors  
Decillion Finance Limited

Dear Sirs,

**Sub: Certification by the Managing Director and the Chief Financial Officer (CFO) of the Company.**

In terms of Regulation-17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we, Jitendra Kumar Goyal, Managing Director and Rajesh Kumar Yadav, Chief Financial Officer (CFO) of **Decillion Finance Limited** hereby certify that:

1. We have reviewed financial statements and the cash flow statement for the financial year 2020-21 (hereinafter referred to as 'Year') and to the best of our knowledge and belief–
  - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
  - a. significant changes in internal control over financial reporting during the year;
  - b. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c. That we have not come across any instances of significant fraud and the involvement therein of the management or an employee having significant role in the Company's internal control system over financial reporting.

**For and on behalf of the Board of Directors**

Date: 14/08/2021  
Place: Kolkata

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Jitendra Kumar Goyal  
Managing Director  
DIN: 00468744

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Rajesh Kumar Yadav  
Chief Financial Officer  
PAN: ACDPY0596Q



**DECLARATION FOR COMPLIANCE WITH THE CODE OF CONDUCT OF THE REGULATION 26(3) READ WITH SCHEDULE V (PART D) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

**To,  
The Members of  
Decillion Finance Limited**

This is to confirm that the Company has Code of Conduct to be followed by the members of the Board and Senior Management Personnel of the Company. Code is available on the Company's website. I confirm that the Company has in respect of the Financial Year ended 31st March 2021 has received from the members of the Board and Senior Management Personnel, a declaration of compliance with the Code of Conduct as applicable to them.

**For and on behalf of the Board of Directors**

Date: 14/08/2021  
Place: Kolkata

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**Jitendra Kumar Goyal**  
Managing Director  
DIN: 00468744



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To  
The Members of  
Decillion Finance Limited  
3, Bentinck Street,  
4th Floor, Room No D-8,  
Kolkata-700 001

I have examined the relevant registers, minutes, forms, returns and disclosures received from the Directors of Decillion Finance Limited (CIN L65999WB1995PLC067887) and having its Registered Office at 3, Bentinck Street, 4th Floor, Room No D-8, Kolkata – 700 001 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, subject to limitation of physical interaction and verification of records caused by COVID-19 pandemic lock down.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	Mr. Jitendra Kumar Goyal	00468744	02/06/2003
2.	Mr. Vidhu Bhushan Verma	00555238	14/11/2017
3.	Mr. Mahesh Kumar Kejriwal	07382906	30/04/2016
4.	Ms. Veedhi Raja*	08142844	30/05/2018
5.	Ms. Ritu Agarwal	08143534	10/11/2020
6.	Ms. Pooja Kalanouria	09056683	12/02/2021

\* Ms. Veedhi Raja ceased to be the Director of the Company w.e.f 12.02.2021

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata  
Date: 14/08/2021

**Rajesh Ghorawat**  
Practicing Company Secretary  
FCS: 7226/C.P. No.: 20897  
UDIN: F007226C000788721

**INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of  
**Decillion Finance Limited**

1. This certificate is issued in accordance with the terms of our engagement.
2. We, C. K. Chandak & Co, Chartered Accountants, the statutory auditors of Decillion Finance Limited (“the Company”) have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2021, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

**Management's Responsibility**

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

**Auditor's Responsibility**

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that I comply with the ethical requirements of the Code of Ethics issued by the ICAI.

**Opinion**

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2021.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For C K Chandak & Co.**  
Chartered Accountants  
FRN: 326844E

(C.K. Chandak)  
Proprietor

Membership No.: 054297  
**UDIN: 21054297AAAJH4639**

Place: Kolkata  
Date: 14/08/2021

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**INDEPENDENT AUDITOR'S REPORT****TO  
THE MEMBERS OF  
DECILLION FINANCE LIMITED  
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS****Opinion**

We have audited the financial statements of **Decillion Finance Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including the Statement of 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, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards as prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income, changes in equity and its cash flows for the year then ended.

**Basis for Opinion**

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

**Emphasis of Matter**

We draw your attention to Note 5.12 to the financial statements which explains the uncertainties and management's assessment of the financial impact due to the lock-down / restrictions related to the Covid-19 pandemic imposed by the Governments, for which a definitive assessment of the impact is dependent upon future economic conditions.

Our opinion is not modified in respect of above matter

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of risks of material misstatement of the financial statements. The result of our audit procedures, including the procedures performed to address the

matters below, provide the basis for our audit opinion on the accompanying financial statements.

### Description of Key Audit Matter

#### Classification and measurement of financial assets – Business model assessment

Sr. No.	Key Audit Matter	How the matter was addressed in our audit
1.	<p>Classification and measurement of financial assets – Business model assessment Assessment of carrying value of equity investments in quoted and unquoted shares and securities.</p> <p>(Refer to Note 7 to the financial statements – “Use of estimates and critical accounting assumptions and Judgments” Note no 5.2 “Financial Instruments”)</p> <p>The Company has equity investments in various quoted shares as well as unquoted shares. It has also made investments in preference shares which are unquoted.</p> <p>The Company accounts for equity investments both in quoted and unquoted shares at fair value, subject to the carrying value of unquoted equity shares and preference shares, which are carried at cost, being the transaction value as recorded at the time of acquisitions.</p> <p>For investments carried at fair values, a fair valuation is done at the year-end as required by Ind AS 109. In case of certain investments, cost is considered as an appropriate estimate of fair value since there is a wide range of possible fair value, measurements and costs represents the best estimate of fair value within that range as permitted under Ind AS 109.</p> <p>The accounting for investments is a Key Audit Matter as the determination of recoverable value for impairment assessment/ fair valuation involves significant management judgement and estimates.</p>	<p><b><u>Our audit procedures included:</u></b></p> <p><b><u>Design / controls</u></b></p> <ul style="list-style-type: none"> <li>· Assessing the design, implementation and operating effectiveness of key internal controls over management's intent of purchasing a financial assets and classification of such financial assets on the basis of management's intent (business model).</li> <li>· For financial assets classified at Amortized cost, we tested controls over the classification of such assets and subsequent measurement of assets at Amortized cost</li> <li>· For financial assets classified at FVOCI, we tested controls over the classification of such assets and subsequent measurement of assets at fair value.</li> </ul> <p><b><u>Substantive tests.</u></b></p> <ul style="list-style-type: none"> <li>· Test of details over classification and measurement of financial assets in accordance with management's intent. (Business model).</li> <li>· We selected a sample of financial assets to test whether their classification as at the balance sheet date is in accordance with management's intent.</li> <li>· We selected a sample (based on quantitative thresholds) of financial assets sold during the year to check whether there have been any sales of financial assets classified at amortized cost, FVOCI or FVTPL.</li> <li>· We have also checked that there have been no reclassifications of assets in the current period.</li> <li>· We had discussions with management to obtain understanding of the relevant factors in respect of certain investments carried at fair value where a wide range of fair value were possible due to various factors such as absence of recent observable transactions, restrictions on transfer of shares, existence of multiple valuation techniques, investee's varied nature of portfolio of investments for which significant estimates/ Judgements are required to arrive at fair value.</li> <li>· We have discussed the key assumptions and sensitivities for certain investments with those charge with Governance.</li> <li>· We evaluated the adequacy of the disclosures made in the financial statements.</li> </ul> <p>Based on the above procedures performed, we did not identify any significant exceptions in the management's assessment in relation to the carrying value of the investments in equity and preference shares.</p>

**Provision for Expected Credit Losses (ECL) on Loans (refer note no 5.2(f), note no. 10 and note no. 31(1)(a) of the financial statements)**

Sr. No.	Key Audit Matter	How the matter was addressed in our audit
2.	<p>Management estimates impairment provision using Expected Credit loss model for the loan assets. Measurement of loan impairment involves application of significant judgement by the management. The most significant judgements are:</p> <p>Timely identification and classification of the impaired loans.</p> <p>Determination of probability of defaults (PD) and estimation of loss given defaults (LGD) based on the premise that loans made by the company are unsecured and relevant factors</p> <p>The estimation of Expected Credit Loss (ECL) on financial instruments involve significant judgments and estimates. Following are points with increased level of audit focus:</p> <ul style="list-style-type: none"> <li>● Classification of assets to stage 1, 2 or 3 using criteria in accordance with Ind AS 109 which also include considering the impact of recent RBI's Covid-19 regulatory circulars.</li> <li>● Accounting interpretations, assumptions and data used to build the models;</li> <li>● Inputs and judgements used by the management at various assets stages considering the current uncertain economic environment with the range of possible effects unknown to the country arising out of the Covid-19 pandemic.</li> <li>● The disclosures made in the financial statements for ECL especially in relation to judgements and estimates made by the management in determination of the ECL.</li> </ul> <p>Considering the significance of such allowances to the overall financial statements and degree of judgement and estimation involved in computation of expected credit losses, this area is considered as key audit matter.</p>	<p><b><u>Our audit procedures included:</u></b></p> <ol style="list-style-type: none"> <li>1) In our audit approach we assessed the basis upon which the ECL model is build and discussed with the management of the Company in order to understand the mechanics of ECL deployed by the company to measure the loan impairment.</li> <li>2) We examined that Board does not have approved policy for computation of ECL, but have in place the internal guidelines for computation of ECL. These internal guidelines address procedures and controls for assessing and measuring the credit risk on its loan portfolio.</li> <li>3) We evaluated the operating effectiveness of controls across the process relevant to ECL including the judgments and estimates.</li> <li>4) We evaluated the nature of loan assets of the company and held discussions with the management and assessed that the company has only one class of loan i.e. unsecured loans repayable on demand and 12 month ECL is just the same as lifetime ECL, because the all the loans are repayable on demand, which is shorter than 12 months as a result life time of a loan is that short period required to transfer cash when demanded by the company.</li> <li>5) We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of March 31, 2021 by reconciling it with the balances as per loan balance register as on date.</li> <li>6) We tested assets on sample basis to verify that they were allocated to the appropriate stage.</li> <li>7) For samples of exposure, we tested the appropriateness of determining EAD, PD and LGD.</li> <li>8) For forward looking assumptions used in ECL calculations, we held discussions with management, assessed the assumptions used to determine the probability weights assigned to the possible outcomes. During our examination we assessed that company estimates the PD based on historical observed default rates adjusted for forward looking estimates, based upon macro-economic developments occurring in the economy and market it operates in.</li> </ol>

Sr. No.	Key Audit Matter	How the matter was addressed in our audit
		<p>9) We performed an overall assessment of the ECL provision including the management's assessment on Covid-19 impact to determine if they were reasonable considering the Company's portfolio, risk profile, credit risk management practices and the macro-economic environment. We held discussions with the management on its assessment on Covid-19 impact and we assessed that management does not expect any significant haircuts in view of Covid-19. However, we could not assess the appropriateness of the future scenarios and assumptions made by the management in response to Covid-19 related economic uncertainty as we do not have the access of the detailed data (like Income tax returns, financial statements, projected financial statements, cash flow statements etc.) of the borrowers of the company.</p> <p>10) We assessed the adequacy and appropriateness of disclosures in compliance with accounting standards in relation to judgements used in estimation of ECL provisions.</p>

**Statutory and Legal Matters (Refer Note no. 30(2)(c))**

Sr. No.	Key Audit Matter	How the matter was addressed in our audit
3.	<p>The Company received a notice from BSE dated August 10, 2017 regarding issue related to suspected shell companies. BSE requested to submit various documents from time to time in this regard along with the queries and other information from the Company. Further BSE appointed M/s BDO India LLP, Chartered Accountants to carry out the forensic audit of the Company. The Company replied to all the queries issued by the BSE and provided all the necessary information /documents to the forensic auditors in this regard., and the matter is sub-judice as on March 31, 2021</p>	<p><b><u>Our audit procedures included:</u></b></p> <p>1) We have checked up the order of the BSE issued pursuant to the SEBI's aforesaid directions and other relevant correspondence with the BSE and with the forensic auditors appointed by the BSE in this regard since inception.</p> <p>2) We have also checked all the relevant legal petitions, applications, affidavits, rejoinders, inter-locutory applications as filed by the Company with Hon'ble High Court at Kolkata.</p> <p>3) We communicated with the Management and those charged with Governance with respect to this matter and the Company is regular in replying to all the queries raised and all the documents sought by the Exchange (BSE) and by the forensic auditors. The forensic audit is in process and the matter is subjudice at present.</p>

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management's Discussion and Analysis, Board's Report including Annexure to Board's Report, Corporate Governance Report included in the Company's annual report, but does not include the financial statements, and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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 identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained during the course of the audit or otherwise appears to be materially misstated.

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

**Management's Responsibility and those charged with Governance for the Financial Statements.**

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

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

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

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

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

- *Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.*
- *Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.*
- *Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.*

- *Conclude on the appropriateness of management's use of the going concern basis* of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- *Evaluate the overall presentation, structure and content of the financial statements*, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in

- (i) planning the scope of our audit work and in evaluating the results of our work; and
- (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
- 2) Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report, to the extent applicable that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the accompanying financial statements.
  - 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 financial statements dealt with by this report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules 2015, as amended.
  - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;



- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company for the year ended on that date, refer to our separate Report as per “**Annexure B**”.
- g) 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 best of our information and according to the explanations given to us:
- i) The Company, as detailed in note 30(2) to the financial statements, has disclosed the impact of pending litigations on its financial position as at March 31, 2021;
  - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2021
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31 2021.
  - iv) The disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.
- 3) 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 read with Schedule V to the Act.

For and on behalf of

**C.K. CHANDAK & CO**

Chartered Accountants

Firm Registration Number: 326844E

**CA Chandra Kumar Chandak**

Proprietor

Membership Number: 054297

UDIN: 21054297AAAFT5661

Place: Kolkata

Date: 30/06/2021

**Annexure –“A” to the Independent Auditors' Report on the Financial Statements**

**[Referred to in Paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of Decillion Finance Limited on the financial statements for the year ended March 31 2021].**

**ANNEXURE A**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- i. (a) Based on our scrutiny of the Company's books of accounts and other records, and according to the information and explanation received by us from the management, we are of opinion that the question of commenting on the maintenance of proper records of Property, Plant and Equipment, physical verification of Property, Plant and Equipment and title deed of Property, Plant and Equipment including immovable properties does not arise since the Company had no Property, Plant and Equipment as on 31 March 2021.
- ii. The Company is in the business of lending and Investments in shares and securities and consequently does not hold any tangible inventory. However, shares and securities held as stock-in trade comprises the intangible inventory for the company. The inventory comprises of securities held as stock-in trade are verified by the management with the confirmation statements received from the depository on a regular basis. In our opinion, the frequency of such verification is reasonable. The Company is maintaining proper records of securities held as stock-in trade and no discrepancies were noticed on comparing the statement from custodian with books of account.
  - a. According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that, the terms and conditions of the aforesaid loans granted by the Company are not prejudicial to the interest of the Company.
  - b. The Schedule of repayment of principal and payment of interest has not been stipulated and hence we are unable to comment as to whether
  - c. The aforesaid loans are repayable on demand, accordingly, provision of Clause 3(iii) (b) and (c) of the Order are not applicable to the Company.
- iii. The Company has granted unsecured loans repayable on demand to companies and other parties covered in the register maintained under section 189 of the Companies Act, 2013 and with respect to the same:
- iv. Based on information and explanations given to us, in respect of loans and investments, the Company has complied with the provisions of Section 185 and 186 of the Companies Act as applicable in respect of loans and investments.
- v. In our opinion, the Company has not accepted any deposits within the meaning of sections 73 to 76 of the Companies Act, 2013 (as amended) and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of Clause 3(v) of the Order are not applicable.
- vi. The Central Government has not specified maintenance of cost records for any of the products or services of the Company under Sub-section (1) of Section 148 of the Act and rules framed there under. Accordingly, the provisions of Clause (vi) of the Order are not applicable.
- vii. (a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including, Income tax, provident fund, employees state insurance, Goods and Services tax, cess and other statutory dues applicable to it and the extent of the arrears of outstanding dues as on the last day of the financial year concerned were not for a period of more than six months from the date, they became payable.

As informed, the provisions of provident fund, employees state insurance and goods and services tax are currently not applicable to the Company.

(b) However according to information and explanation given to us, the following dues of incometax have not been deposited by the Company on account of disputes.

Name of the Statute	Nature of dues	Amount under dispute	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax and Interest	Rs 1307970/-	A.Y 2014-15	CIT(Appeals)*

\*Further, the company has proceeded with the Direct Tax Vivad Se Vishwas Scheme, 2020 but the tax amount is payable as on the reporting date.

- viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order are not applicable to the Company.
- ix. According to the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order are not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. In our opinion, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3 (xii) of the Order are not applicable.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 177 and 188 of the Companies Act, 2013 where applicable. The details of related party transactions have been disclosed in the financial statements as required by the applicable Indian accounting standard ("Ind AS")
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of Clause (xiv) of this Order are not applicable to the Company.
- xv. In our opinion, the Company has not entered into any non-cash transactions with the Directors or persons connected with them covered under Section 192 of the Act. Accordingly, the provisions of Clause (xv) of the Order are not applicable to the Company.
- xvi. According to the information and explanations given to us, the Company is a Non deposit taking Systematically not important Non-Banking Financial Company and is duly registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For and on behalf of

**C.K. CHANDAK & CO**

Chartered Accountants

Firm Registration Number: 326844E

**CA Chandra Kumar Chandak**

Proprietor

Membership Number: 054297

UDIN: 21054297AAAAFT5661

Place: Kolkata

Date: 30/06/2021

## **Annexure –“B” to the Independent Auditors' Report on the Financial Statements for the year ended 31 March 2021**

[Referred to in Paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of Decillion Finance Limited on the financial statements for the year ended 31<sup>st</sup> March, 2021].

### **ANNEXURE B**

#### **Independent Auditor's Report on the Internal Financial Controls with reference to the Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)**

In conjunction with our audit of the financial statements of **Decillion Finance Limited** ('the Company') as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to the financial statements of the Company as at that date.

#### **Responsibility of Management and Those Charged with Governance for Internal Financial Controls**

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

#### **Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements:**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (“the ICAI”) 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 with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements, were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

#### **Meaning of Internal Financial Controls with reference to Financial Statements**

A company's internal financial control with reference to financial statement is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial

statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statement includes those policies and procedures that: -

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (ii) 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
- (iii) 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 with Reference to Financial Statements**

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial control with reference to financial statements and such controls were operating effectively as at March 31, 2021, based on the internal financial control with reference to the financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India ("the ICAI").

For and on behalf of

#### **C.K. CHANDAK & CO**

Chartered Accountants

Firm Registration Number: 326844E

#### **CA Chandra Kumar Chandak**

Proprietor

Membership Number: 054297

UDIN: 21054297AAAAFT5661

Place: Kolkata

Date: 30/06/2021

**BALANCE SHEET as at 31st March, 2021**
**(Rs in '000)**

Particulars	Note No.	As at 31st March 2021		As at 31st March 2020	
<b>I. ASSETS</b>					
<b>(1) Financial Assets</b>					
(a) Cash and cash equivalents	8	194.04		134.04	
(b) Receivables	9				
(i) Trade receivables		2,659.72		92.43	
(c) Loans	10	75,133.67		79,556.79	
(d) Investments	11	23,409.70		18,834.12	
(e) Other financial assets	12	10,239.68	111,636.81	12,138.39	110,755.78
<b>(2) Non-Financial Assets</b>					
(a) Current tax assets (net)	13	878.40		737.26	
(b) Deferred tax assets (net)	14	763.90		988.53	
(c) Other non- financial assets	15	81.87	1,724.17	30.00	1,755.79
<b>Total Assets</b>			<b>113,360.98</b>		<b>112,511.57</b>
<b>II. LIABILITIES AND EQUITY</b>					
<b>Liabilities</b>					
<b>(1) Financial Liabilities</b>					
Payables	16				
(a) Trade payables					
(i) total outstanding dues of micro enterprises and small enterprises		-		-	
(i) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	-	-
<b>(2) Non-Financial Liabilities</b>					
(a) Other non-financial liabilities	17	100.60	100.60	235.42	235.42
<b>Total Liabilities</b>			100.60		235.42
<b>(3) Equity</b>					
(a) Equity share capital	18	35,000.00		35,000.00	
(b) Other equity	19	78,260.38		77,276.15	
<b>Total Equity</b>			113,260.38		112,276.15
<b>Total Liabilities and Equity</b>			<b>113,360.98</b>		<b>112,511.57</b>

**The accompanying notes 1 to 32 forms an integral part of the Financial Statements**

As per our report of even date attached

For and on behalf of Board

For C. K. Chandak & Co.  
Chartered Accountants  
FRN 326844E

(Jitendra Kumar Goyal)  
Managing Director  
DIN 00468744

(CA Chandra Kumar Chandak)  
Proprietor  
Membership No.: 054297

(Rajesh Kumar Yadav)  
Chief Financial Officer

(Ishu Maskara)  
Company Secretary  
PAN : CFJPM3569L

Place : Kolkata  
Date: 30th June, 2021

**STATEMENT OF PROFIT AND LOSS for the years ended 31st March 2021**
**(Rs In '000)**

Particulars	Note No	Year ended 31st March 2021	Year ended 31st March 2020
<b>Revenue from operations</b>			
i) Interest income	20	6,225.70	6,533.30
ii) Dividend	21	35.00	63.75
iii) Net gain on fair value change	22	-	-
<b>I Total Revenue from operations</b>		<b>6,260.70</b>	<b>6,597.05</b>
II Other Income	23	239.88	860.26
<b>III Total Income(I+II)</b>		<b>6,500.57</b>	<b>7,457.32</b>
<b>Expenses:</b>			
i) Finance cost	24	3.01	-
ii) Net loss on fair value change	22	391.11	4,639.38
iii) Impairment of financial instruments	25	-	138.14
iv) Employee benefit expense	26	1,716.54	1,315.33
v) Other expenses	27	1,268.88	862.94
<b>IV Total Expenses</b>		<b>3,379.54</b>	<b>6,955.79</b>
<b>V Profit before exceptional items and tax (III - IV)</b>		<b>3,121.03</b>	<b>501.53</b>
VI Exceptional Items	30(1)		(1,081.57)
<b>VII Profit /(Loss) before tax (V + VI)</b>		<b>3,121.03</b>	<b>(580.04)</b>
<b>VIII Tax expense :</b>	28		
(1) Current tax		71.28	38.66
(2) Deferred tax		46.21	(43.43)
<b>Total tax expense</b>		<b>117.49</b>	<b>(4.77)</b>
<b>IX Profit /(Loss) for the period from continuing operations (VII - VIII)</b>			
<b>X Profit /(Loss) for the year</b>		<b>3,003.54</b>	<b>(575.27)</b>
<b>XI Other Comprehensive Income / (Loss)</b>	29		
(A) (i) Items that will not be reclassified to profit or loss		(1,840.89)	1,635.60
(ii) Income tax relating to items that will not be recycled to profit or loss		178.42	154.83
(B) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be recycled to profit or loss		-	-
<b>Total other Comprehensive Income / (Loss) (A)+(B)</b>		<b>(2,019.31)</b>	<b>1,480.77</b>
<b>XII Total Comprehensive Income /(Loss) for the year (X + XI)</b>		<b>984.23</b>	<b>905.50</b>
<i>( Comprising of profit /(loss) and other comprehensive income/(loss) for the year)</i>			
<b>XIII Earnings per equity share( Nominal value per share Rs 10 /-)</b>			
Basic and diluted ( Refer Note no 30 (5) )		<b>0.86</b>	<b>(0.16)</b>
<b>Number of shares used in computing earnings per share</b>			
Basic and diluted ( Refer Note no 30 (5) )		3,500.00	3,500.00

**The accompanying notes 1 to 32 forms an integral part of the Financial Statements**

As per our report of even date attached

For and on behalf of Board

For C. K. Chandak & Co.  
Chartered Accountants  
FRN 326844E

(Jitendra Kumar Goyal)  
Managing Director  
DIN 00468744

(CA Chandra Kumar Chandak)  
Proprietor  
Membership No.: 054297

Place : Kolkata  
Date: 30th June, 2021

(Rajesh Kumar Yadav)  
Chief Financial Officer

(Ishu Maskara)  
Company Secretary

**Statement of changes in Equity for the year ended 31st March 2021**
**(a). Equity Share capital:**

 For the year ended 31st March, 2021 For the year ended 31st March, 2020 (Rs in '000)

Balance as at 1st April, 2020	Changes in equity share capital during the year	Balance as at 31st March, 2021	Balance as at 1st April, 2019	Changes in equity share capital during the year	Balance as at 31st March, 2020
35,000.00	-	35,000.00	35,000.00	-	35,000.00

**(b). Other equity :**

(Rs in '000)

	Reserves and Surplus				Other Comprehensive Income	Total other equity
	Capital reserve	Securities premium	Retained Earnings	Statutory reserve		
Balance as at 1st April, 2020	8,294.00	66,000.00	1,726.79	1,255.36	-	77,276.15
Changes in equity during the year ended 31st March, 2021						
Profit for the year			3,003.54			3,003.54
Transfer to statutory reserve			(600.71)	600.71		-
Transfer to /from capital reserve						
Other Comprehensive income/loss for the year					(2,019.31)	(2,019.31)
Transfer from/to other Comprehensive income/retained earnings			(2,019.31)		2,019.31	-
Balance as at 31st March, 2021	8,294.00	66,000.00	2,110.32	1,856.07	-	78,260.38

**(b).Other equity : ( Cont)**

(Rs in '000)

	Reserves and Surplus				Other Comprehensive Income	Total other equity
	Capital reserve	Securities premium	Retained Earnings	Statutory reserve		
Balance as at 1st April, 2019	8,294.00	66,000.00	821.29	1,255.36	-	76,370.65
Changes in equity during the year ended 31st March, 2020						
Profit for the year			(575.27)			(575.27)
Transfer to statutory reserve						
Transfer to/from capital reserve						
Other Comprehensive income/loss for the year					1,480.77	1,480.77
Transfer from/to other Comprehensive income/retained earnings			1,480.77		(1,480.77)	-
Balance as at 31st March, 2020	8,294.00	66,000.00	1,726.79	1,255.36	-	77,276.15

The accompanying notes 1 to 32 are an integral part of the financial statements

As per our report of even date attached

For and on behalf of Board

 For C. K. Chandak & Co.  
Chartered Accountants  
FRN 326844E

 (Jitendra Kumar Goyal)  
Managing Director  
DIN 00468744

 (CA Chandra Kumar Chandak)  
Proprietor  
Membership No.: 054297  
Place : Kolkata  
Date: 30th June, 2021

 (Rajesh Kumar Yadav)  
Chief Financial Officer

 (Ishu Maskara)  
Company Secretary



**CASH FLOW STATEMENT for the year ended 31st March 2021**
**(Rs In '000)**

Particulars	Year ended 31st March 2021		Year ended 31st March 2020	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit before exceptional items and tax		<b>3,121.03</b>		<b>501.53</b>
<i>Adjustments to reconcile profit before exceptional items and tax to net cash flow provided by operating activities</i>				
Finance costs	3.01		-	
Interest on TDS/Income tax refund	(7.08)		(25.58)	
(Profit)/Loss from share in investments in LLP	-		(810.15)	
Other miscellaneous income	-		(24.53)	
Reversal of Expected credit loss	(232.80)			
		(236.87)		(860.26)
<b>Operating profit/loss before working capital changes</b>		<b>2,884.17</b>		<b>(358.73)</b>
<i>Adjustments to reconcile operating profit to cash flow provided by changes in working capital</i>				
Decrease/(increase) in trade and other receivables	(2,567.29)		119.14	
Decrease/ (Increase) in loans	4,655.91		(2,624.71)	
Decrease/ (Increase) in investments	(6,416.47)		15,300.12	
Decrease /(Increase) in other financial Assets	1,898.71		(11,922.98)	
Decrease / (Increase) in other non-financial assets	(193.02)		95.64	
(Decrease)/ Increase in other non-financial liabilities	(134.82)		41.43	
(Decrease)/Increase in other financial liabilities	-		(416.44)	
		(2,756.96)		592.20
<b>Cash generated from operations</b>		<b>127.20</b>		<b>233.47</b>
Tax Expense		71.28		38.66
Exceptional items		-		(1,081.57)
<b>Net cash generated from operating activities</b>	<b>A</b>	<b>55.92</b>		<b>(886.76)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
(Loss)/Profit from share in LLP	-		810.15	
Interest on IT Refunds	7.08		25.58	
Other miscellaneous income	-		24.53	
<b>Net cash used in investing activities</b>	<b>B</b>	<b>7.08</b>		<b>860.26</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Borrowings (other than debt instruments)	-		-	
Interest Expense	(3.01)		-	
<b>Net cash (used in) financing activities</b>	<b>C</b>	<b>(3.01)</b>		<b>-</b>
<b>Net decrease/ Increase in cash and cash equivalents (A+B+C)</b>		<b>59.99</b>		<b>(26.49)</b>
<b>Opening cash and cash equivalents</b>		<b>134.04</b>		<b>160.54</b>
<b>Closing cash and cash equivalents for the purpose of Cash Flow Statement</b>		<b>194.04</b>		<b>134.04</b>

*The accompanying notes 1 to 32 are an integral part of the financial statements*

**Notes:**

- 1) The above Cash Flow Statement has been prepared under the " Indirect Method " as set out in the Indian Accounting Standard (Ind AS)-7 on statement of Cash Flows
- 2) Cash and cash equivalents do not include any amount which is not available to the Company for its use
- 3) Cash and cash equivalents as at the Balance Sheet date consists of:

**(Rs in '000)**

Particulars	As at 31st March 2021	As at 31st March 2020
<b>Balances with banks</b>		
On current accounts	132.94	79.47
Cash on hand	61.09	54.57
Closing cash and cash equivalents	194.04	134.04
Add : Deposits with banks ( ( with more than 12 months maturity) and interest accrued there upon.	-	-
<b>Closing cash and cash equivalents for the purpose of cash flow statement</b>	<b>194.04</b>	<b>134.04</b>

As per our report of even date attached

For and on behalf of Board

For C. K. Chandak & Co.  
Chartered Accountants  
FRN 326844E

(Jitendra Kumar Goyal)  
Managing Director  
DIN 00468744

(CA Chandra Kumar Chandak)  
Proprietor  
Membership No.: 054297  
Place : Kolkata  
Date: 30th June, 2021

(Rajesh Kumar Yadav)  
Chief Financial Officer

(Ishu Maskara)  
Company Secretary

**Note No : 1 Corporate Information**

**DECILLION FINANCE LIMITED ("the Company")** is a public limited company incorporated and domiciled in India. The registered office of the Company is situated at "Jajodia Tower", 3, Bentinck Street, 4th Floor Room No-D8, Kolkata- 700 001, West Bengal, India. The Company's shares are listed on the BSE Ltd (The Bombay Stock Exchange & The Calcutta Stock Exchange Limited). The Company is a Non-Deposit taking Systematically not important Non-Banking Financial Company and is Registered under Section 45-IA of the Reserve Bank of India Act, 1934. The Company is engaged in the business of making investments in shares and Securities, extending loans and advances and other financial services activities, except insurance and pension, funding activities, n.e.c. The financial statements for the year ended 31st March, 2021 were approved for issue by the Board of Directors of the Company in their meeting held on June 30, 2021 and is subject to the adoption by the shareholders in the ensuing 27th Annual General Meeting to be held on 29th September, 2021.

**Note No. : 2 Basis of preparation**

The accompanying financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time)

**Historical cost convention**

The financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value.

**Use of Estimates and Judgements**

The preparation of financial statements requires the management to make judgements, accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities, at the end of the reporting period.

Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Company are discussed in **Note 7 - Significant accounting judgments, estimates and assumptions.**

The financial statements are presented in Indian Rupees (INR) and in thousands (except when otherwise indicated), which is also the Company's functional currency.

**Note No. : 3 Presentation of Financial Statement**

These financial statements have been prepared in all material aspects in accordance with the Indian Accounting Standards (Ind AS) Statements as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The financial statements of the Company are presented in order of liquidity and in accordance with Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in **Note 32(1)** Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

- i) The normal course of business
- ii) The event of default
- iii) The event of insolvency or bankruptcy of the company and/or its counter parties

**Note No. : 4 Statement of Compliance**

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards ['Ind AS'] as prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act to the extent applicable and applicable guidelines issued by the Securities and Exchange Board of India ('SEBI')

**Note No. : 5 Significant Accounting Policies****5.1 Revenue recognition**

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

**Step 1:** Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

**Step 2:** Identify performance obligations in the contract:

A performance obligation is a promise in a contract with a customer to transfer a good or a service to the customer.

**Step 3:** Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

**Step 4:** Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

**Step 5:** Recognise revenue when (or as) the Company satisfies a performance obligation.

Revenue includes the following:

**I) Interest Income**

Under Ind AS 109 interest income is recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets other than credit-impaired assets and financial assets classified as measured at FVTPL. The EIR in case of a financial asset is computed

- a. As the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.
- b. By considering all the contractual terms of the financial instrument in estimating the cash flows
- c. Including all fees received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in the statement of profit and loss with the corresponding adjustment to the carrying amount of the assets.

Interest income on credit impaired assets is recognised by applying the effective interest rate to the net amortized cost (net of provision) of the financial asset.

**II) Dividend Income**

Dividend income is recognised on the date when the Company's right to receive the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of

dividend can be reliably measured. In case of interim dividend, on the date of declaration by the Board of Directors; whereas in case of final dividend, on the date of approval by the shareholders.

### III) Net Gain/(Loss) on Fair Value Changes

Any differences between the fair values of financial assets (including investments, derivatives and stock in trade) classified as fair value through the profit or loss ("FVTPL") held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the statement of profit and loss. Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL is recognised in net gain / loss on fair value changes. However, net gain / loss on derecognition of financial instruments classified as amortized cost is presented separately under the respective head in the statement of profit and loss. Income from investments in Equity / Preference which are included within FVTOCI Category (Fair value through Other Comprehensive income) are recognised in OCI (Other comprehensive income) except the dividend on such investments which are recognised in Statement of Profit and Loss.

### IV) Other Income

In respect of other heads of income it is accounted to the extent it is probable that the economic benefits will flow and the revenue can be reliably measured, regardless of when the payment is made

## 5.2 Financial Instruments

### (I) Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments, as described in subsequent notes. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from, this amount. Trade receivables are measured at the transaction price. When the fair value of financial instruments at initial recognition differs from the transaction price, the company accounts for the Day 1 profit or loss, as described below.

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the company recognizes the difference between the transaction price and fair value in net gain/(loss) on fair value changes.

### (ii) Classification of financial instruments

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

1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income (FVTOCI)
3. Financial assets to be measured at fair value through profit or loss account (FVTPL)

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

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The business model is assessed on the basis of aggregated portfolios based on observable factors. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. The Company also assesses the contractual terms of financial assets on the basis of its contractual cash flow characteristics that are solely for the payments of principal and interest on the principal amount outstanding.

'Principal' is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount). In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms

introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

### iii) Financial Assets and Liabilities

#### (a) Financial assets measured at amortized cost

These financial assets comprise bank balances, loans, trade receivables and other financial assets.

Financial Assets with contractual terms that give rise to cash flows on specified dates and represent solely payments of principal and interest (SPPI) on the principal amount outstanding and are held within a business model whose objective is achieved by holding to collect contractual cash flows are measured at amortized cost. These financial assets are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortized cost. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or a financial liability.

#### (b) Financial assets measured at fair value through other comprehensive income

### Debt instruments

Investments in debt instruments are measured at fair value through other comprehensive income where they have:

- a) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and
- b) are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income (a separate component of equity). Impairment losses or reversals, interest revenue are recognised in statement of profit and loss. Upon disposal, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the statement of profit and loss. As at the reporting date the Company does not have any financial instruments measured at fair value through the comprehensive income.

### Equity instruments

Investment in equity instruments are generally accounted for as at fair value through the statement of profit and loss account unless an irrevocable election has been made by management to account for at fair value through other comprehensive income such classification is determined on an instrument-by-instrument basis. Amounts presented in other comprehensive income for equity instruments are not subsequently transferred to statement of profit and loss. Dividends on such investments are recognised in statement of profit and loss.

### © Items at fair value through profit or loss

The financial assets are classified as FVTPL if these do not meet the criteria for classifying at amortized cost or FVOCI. Items at fair value through profit or loss comprise:

- Investments (including equity shares) and stock in trade held for trading;
- Items specifically designated as fair value through profit or loss on initial recognition; and
- Debt instruments with contractual terms that do not represent solely payments of principal and interest.
- Derivative transactions

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with Transaction costs recognised in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

### Financial instruments held for trading

A financial instrument is classified as held for trading if it is acquired or incurred principally for selling or

repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking, or it is a derivative not designated in a qualifying hedge relationship. Trading derivatives and trading securities are classified as held for trading and recognised at fair value.

**d)** The Company classifies its financial liabilities at amortized costs unless it has designated liabilities at fair value through the statement of profit and loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

#### **(e) Derivatives**

The Company enters into derivative transactions being equity derivative transactions in the nature of Futures and Options in Equity Stock/ Index for trading purposes. Derivatives are recorded at fair value and carried as assets when their fair value is positive and as liabilities when their fair value is negative. The notional amount and fair value of such derivatives are disclosed separately. Changes in the fair value of derivatives are included in net gain on fair value changes.

#### **(f) Impairment of financial assets**

Overview of the ECL principles

The Company recognises loss allowances (provisions) for expected credit losses on its financial assets that are measured at amortised costs or at transaction cost which may approximate fair value. However at the reporting date, the company does not have any exposure to non-fund exposures. The Company applies a three-stage approach to measuring expected credit losses (ECLs) for the following categories of financial assets that are not measured at fair value through profit or loss:

- debt instruments measured at amortised cost
- loan commitments; and
- financial guarantee contracts

**However at the reporting date, the company does not have any loan commitments and financial guarantee contracts.**

Equity instruments are not subject to impairment under Ind AS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company's loan portfolio comprises of only class, i.e. Unsecured loans repayable on demand both to corporates and Individuals.

#### **Stage 1**

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Company classifies all standard advances and advances upto 30 days default from the date of demand of loan under this category. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2. The company has only one class of loan portfolio i.e. unsecured loans repayable on demand

#### **Stage 2**

All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. 31 days to 90 days past due from the date of demand is considered as significant increase in credit risk.

### Stage 3

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount 90 days past due from the date of demand is considered as default for classifying a financial instrument as credit impaired.

Since the company has only one class of loan i.e unsecured loans repayable on demand, 12 month expected credit loss will be just the same as lifetime expected credit loss, because the loan is repayable on demand which is shorter than 12 months as a result lifetime of a loan is that short period required to transfer cash when demanded by the company.

### Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI 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.

### The mechanics of ECL

Ind AS requires the company to calculate ECL based on probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to the Company in accordance with the contract and the cashflows that the company expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

**Probability of default (PD)** - The probability of default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

**Exposure at default (EAD)** - The exposure at default is an estimate of the exposure at a future default date.

**Loss given default (LGD)** - The loss given default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. Since all the loans given by the company are repayable on demand, in this specific of on-demand repayable loan there are two options

- 1) The borrower is able to pay immediately (if demanded) or
- 2) The borrower is not able to pay immediately

Hence the company examines whether the borrower has sufficient liquid assets to repay the loan immediately. If the borrower has sufficient liquid assets (cash and cash equivalents) to repay the outstanding loan including interest accrued therein, then ECL is close to zero, because probability of default is zero. However, the probability of loss (PD) is not zero, if the company assess that the borrower has no sufficient liquid assets to repay the loan when demanded and accordingly the Company estimates the PD based on historical observed default rates adjusted for forward looking estimates, based upon macro-economic developments occurring in the economy and market it operates in and the relationship between key economic trends like GDP, benchmark rates set by the Reserve Bank of India, inflation and most importantly the competitive advantage and disadvantage the company has in comparison to its peer group(s).

Since the company's loan portfolio mainly comprises of unsecured loans (repayable on demand), Loss given default (LGD) is always close to 100%.

While the internal estimates of PD, LGD rates by the Company may not be always reflective of such relationships as temporary overlays (as mentioned in above para(s)), if any, are embedded in the methodology to reflect such macro economic trends reasonably.

## Trade Receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. An impairment analysis is performed at each balance sheet date on an individual basis for major clients. In addition, number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. Based on Company's past history and the model under which it works, where it obtains most of the revenues on cut off dates or on settlement date, the Company does not provide for loss allowances during the reporting period.

### (i) Write-offs

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the client or borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss. However the Company continues to monitor such bad loans and takes every possible effort towards its recovery.

### (ii) Fair value measurements

Fair value is a market-based measurement, not an entity-specific measurement. Under Ind AS, fair valuation of financial instruments is guided by Ind AS 113 "Fair Value Measurement." For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement in both cases is the same to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions (i.e. an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability). Three widely used valuation techniques specified in the said Ind AS are the market approach, the cost approach and the income approach which have been dealt with separately in the said Ind AS.

Each of the valuation techniques stated as above proceeds on different fundamental assumptions, which have greater or lesser relevance, and at times there is no relevance of a particular methodology to a given situation. Thus, the methods to be adopted for a particular purpose must be judiciously chosen. The application of any particular method of valuation depends on the company being evaluated, the nature of industry in which it operates, the company's intrinsic strengths and the purpose for which the valuation is made. In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each balance sheet date.

### **The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:**

**Level 1 financial instruments** - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

**Level 2 financial instruments** - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument.



However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

**Level 3 financial instruments** - Those that include one or more unobservable input that is significant to the measurement as whole. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. No such instances of transfers between levels of the fair value hierarchy were recorded during the reported period. Further In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in statement of profit and loss when the inputs become observable, or when the instrument is derecognised.

### 5.3 Expenses

#### (I) Finance costs

Finance costs represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL. All other expenses are recognised in the period they accrue/occur.

#### (ii) Employee Benefits

##### a) Short-term employee benefits

Short-term employee benefits in respect of salaries and wages, including non-monetary benefits if any are recognised as expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

##### b) Defined contribution plans

The Company does not have any obligation towards defined contribution plans.

##### c) Defined benefit plans

The Company does not have any obligation towards defined benefit plans.

#### (iii) Income Tax

##### a) Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities using the tax rates and tax laws that are enacted or substantively enacted by the reporting date and applicable for the period. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

##### b) Deferred tax

Deferred tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and Laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss. Deferred tax assets are

recognized for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities are realised simultaneously.

#### **Minimum Alternate Tax (MAT)**

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that it is probable that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward.

#### **Goods and services tax / value added taxes paid on incurring expenses**

Since the Company is not required to get registered under Goods and Services Tax Act, (GST ACT), GST paid on expenses incurred are charged to statement of profit and loss

#### **5.4 Cash and Cash Equivalents**

Cash and cash equivalents in the Balance sheet comprise cash on hand, cheques on hand, balance with banks on current accounts and short term, highly liquid investments (if any) with an original maturity of three months or less and which carry insignificant risk of changes in value. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes) For the purpose of the statement of cash flows, cash and cash equivalents are as defined above.

#### **5.5 Leases**

At the inception of the contract, the Company assesses whether a contract is, or contain, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company assesses whether:

- A)** The contract involves the use of an identified asset, this may be specified explicitly or implicitly.
- B)** The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use, and
- C)** The Company has right to direct the use of the asset.

With effect from April 1, 2019, new Ind AS 116 -Leases has come into effect replacing Ind AS 17 Ind AS 116 - Leases introduces a single, on- balance sheet laese accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. Lessor accounting remains similar to the current standard - i.e. lessors continue to classify leases as finance or operating leases. However the company does not have any lease contracts as a lessee, hence there is no impact in the financial statements of the Company.

#### **5.6 Provisions, contingent liabilities and contingent assets**

**a)** A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required

to settle the obligation. Provisions are not recognised for future operating losses. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the passage of time is recognized as finance costs. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation as at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to provision is presented in the Statement of Profit and Loss net of any reimbursement.

b) A contingent liability is not recognised in the financial statements, however, is disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote. If it becomes probable that an outflow of future economic benefits will be required for an item dealt with as a contingent liability, a provision is recognized in the financial statements of the period (except in the extremely rare circumstances where no reliable estimate can be made).

c) A contingent asset is not recognised in the financial statements, however, is disclosed, where an inflow of economic benefits is probable. When the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

d) Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

### 5.7 Earnings per Share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share

a) Basic earnings per share are computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares outstanding during the year.

b) Diluted earnings per share are computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares.

### 5.8 Exceptional Items

The term exceptional items is neither defined in Ind AS nor in Schedule III. However, Ind AS 1 has reference to such items in paras 85,86,97 & 98. Accordingly when the items of income or expenses are material, the Company discloses its nature and amount separately. Following circumstances (as per para 98) gives circumstances that would give rise to the separate disclosure of items of income and expenses and includes:

- 1) Written down of inventories to net reliable value or of PPE to recoverable amount, as well as reversals of such write-downs
- 2) restructuring of the activities of an entity and reversals of any provisions for the costs of restructuring;
- 3) disposals of items of PPE
- 4) disposals of investments
- 5) discontinued operations
- 6) litigations settlements; and
- 7) other reversals of provisions

In case the company has more than one such item of income/expense of the above nature which is exceptional, then such items are disclosed on the face of the Statement of Profit and Loss. Details of the all individual items are disclosed in the notes

### 5.9 Contingencies and events occurring after the Balance Sheet Date

Events occurring after the date of the Balance Sheet, which provide further evidence of conditions that existed

at the Balance Sheet date or that arose subsequently, are considered upto the date of approval of accounts by the Board of Directors, where material.

### **5.10 Dividends on Ordinary Shares**

The Company recognises a liability to make cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

### **5.11 Recent Indian Accounting Standards (Ind AS)**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1st April, 2021.

### **5.12 Impact of Covid-19**

Covid-19 pandemic has rapidly spread throughout the world, including India. Governments in India and across the world have taken significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions in activities. Consequently, Company's offices had to be closed down/operate under restrictions for a considerable period of time during the year and thus impacted the Company's operation, but the Company faced no significant disruption on account of lockdown/restrictions. In case there is a disruption in the functioning of the capital markets, the business of the Company may be affected. There has been no material change in the controls or processes followed in the closing of the financial statements of the Company. Management believes that it has taken into account all the possible impacts of known events arising from Covid-19 pandemic in the preparation of the financial results including but not limited to its assessment of Company's liquidity and going concern, and carrying values of other assets and liabilities and management is of the view that the impact of Covid-19 on the operations of the Company and the carrying value of assets and liabilities is minimal. However, given the effect of these lockdowns and restrictions on the overall economic activity and in particular the NBFC Sectors, the impact assessment of Covid-19 on the abovementioned financial statement captions is subject to significant estimation uncertainties due to its nature and duration, accordingly, the actual impacts in future may be different from those estimated as at the date of approval of these financial results. The Company will continue to monitor any material changes to future economic conditions and consequential impact on its financial results.

### **5.13 The Code on Social Security, 2020 ('Code')**

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholder's suggestions. However the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and record any related impact in the period the Code becomes effective.

## **6. Segment Information**

### **Primary Segment**

The Company's primary business segments are reflected based on the principal business carried out i.e. Investments & Financing. All other activities of the Company revolve around the main business. The risk and returns of the business of the Company is not associated with geographical segmentation, hence there is no secondary segment reporting based on geographical segment. As such, there are no separate reportable segments as per the Indian Accounting Standard 108

## **7. Significant Accounting Judgements, Estimates and Assumptions**

The preparation of the Company's financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets

and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

### **7.1 Business Model Assessment**

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance is measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

### **7.2 Fair Value Measurement**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using different valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

### **7.3 Impairment of financial asset**

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

The impairment loss on loans and advances is disclosed in more detail in Note 5.2 (iii)(f) Overview of ECL principles.

### **7.4 Contingent liabilities and Provisions other than Impairment on Loan Portfolio**

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration in the ordinary course of the Company's business. When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

### 7.5 Effective Interest Rate (EIR)

The Company's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

#### Note No. : 8 Cash and cash equivalents

(Rs in '000)

Particulars	As at 31st March 2021	As at 31st March 2020
<b>Balances with banks</b>		
On current accounts	132.94	79.47
Cash on hand	61.09	54.57
	<b>194.04</b>	<b>134.04</b>

#### Note No. : 9 Receivables

##### (I) Trade receivables

(Rs in '000)

Particulars	As at 31st March 2021	As at 31st March 2020
Trade receivables considered good-secured	-	92.43
Trade receivables considered good-unsecured	2,659.72	
Trade receivables which have significant increase in credit risk	-	
Trade receivables credit-impaired	-	
<b>Total</b>	<b>2,659.72</b>	<b>92.43</b>
Allowances for impairment loss	-	
<b>Total</b>	<b>2,659.72</b>	<b>92.43</b>

Particulars	As at 31st March 2021	As at 31st March 2020
Out of the above Trade receivables		
<b>Trade receivables from Related parties</b>	-	-

No trade or other receivable are due by directors or other officers of the NBFC or any of them either severally or jointly with any person, or debts due by firms including LLP, private companies respectively in which any director is a partner, or a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 30 to 60 days.

The Company does not felt necessary to provide for Expected credit loss on trade receivables, as historic credit lossover the preceding three to five years on the total balance of non-credit impaired trade receivables is close to Nil

**Reconciliation of impairment allowance on trade receivables**

(Rs in '000)

Particulars	Amount
Impairment allowance measured as per simplified approach	
<b>Impairment allowance as on April 01, 2019</b>	
Add: Addition during the year	Nil
Less: Reduction during the year	Nil
<b>Impairment allowance as on March 31, 2020</b>	Nil
Add: Addition during the year	Nil
Less: Reduction during the year	Nil
<b>Impairment allowance as on March 31, 2021</b>	Nil

**Note No. : 10 Loans**

(Rs in '000)

Particulars	As at March, March 31, 2021	As at March, March 31, 2020
	At amortised cost	At amortised cost
<b>(A)</b>		
i) Bills purchased and bills discounted	-	-
ii) Loans repayable on demand	79,088.07	83,743.99
iii) Term loans	-	-
iv) Leasing	-	-
v) Factoring	-	-
v) Others	-	-
<b>Total (A) Gross</b>	<b>79,088.07</b>	<b>83,743.99</b>
Less: Impairment loss allowance	3,954.40	4,187.20
<b>Total (A) Net</b>	<b>75,133.67</b>	<b>79,556.79</b>
<b>(B)</b>		
i) Secured by tangible assets	-	-
ii) Unsecured	79,088.07	83,743.99
<b>Total (B) Gross</b>	<b>79,088.07</b>	<b>83,743.99</b>
Less: Impairment loss allowance	3,954.40	4,187.20
<b>Total (B) Net</b>	<b>75,133.67</b>	<b>79,556.79</b>
<b>(C)</b>		
i) Public sector	-	-
ii) Others	20,172.44	11,795.00
Retail	-	-
Corporates	58,915.64	71,948.99
<b>Total (C) Gross</b>	<b>79,088.07</b>	<b>83,743.99</b>
Less: Impairment loss allowance	3,954.40	4,187.20
<b>Total (C) Net</b>	<b>75,133.67</b>	<b>79,556.79</b>
Particulars	As at March, 2021	As at March, 2020
	At amortised cost	At amortised cost
<b>Out of the above loans</b>		
<b>Loans to related parties</b>	31,577.00	544.48

**Credit quality of assets**

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal policy and year end stage classification. The amount presented are gross of impairment Allowances. Company's internal guidelines on ECL allowances are set out in Note no 5.2 (f) and Note no. 31(1)

(Rs in '000)

Particulars	As at March, 2021	As at March, 2020
<b>Stage wise break up of loans</b>		
Low credit risk (Stage 1)	79,088.07	83,743.99
Significant increase in credit risk (stage 2)	-	-
Credit impaired (Stage 3)	-	-
<b>Total</b>	<b>79,088.07</b>	<b>83,743.99</b>

An analysis of changes in the gross carrying amount as follows

Particulars	As at March, 2021			
	Stage 1 collective	Stage 2 collective	Stage 3 collective	Total
<b>Gross carrying amount opening balance</b>	83,743.99	-	-	83,743.99
New assets originated or purchased	26,775.70	-	-	26,775.70
Assets derecognised or repaid (excluding write offs)	(31,119.12)	-	-	(31,119.12)
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	(312.50)	(312.50)
<b>Gross carrying amount closing balance</b>	<b>79,400.57</b>	<b>-</b>	<b>(312.50)</b>	<b>79,088.07</b>

(Rs in '000)

Particulars	As at March, 2020			
	Stage 1 collective	Stage 2 collective	Stage 3 collective	Total
<b>Gross carrying amount opening balance</b>	80,981.13	-	-	80,981.13
New assets originated or purchased	15,613.04	-	-	15,613.04
Assets derecognised or repaid (excluding write offs)	(12850.18)	-	-	(12850.18)
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
<b>Gross carrying amount closing balance</b>	<b>83,743.99</b>	<b>-</b>	<b>-</b>	<b>83,743.99</b>



## Reconciliation of ECL Balance

(Rs in '000)

Particulars	As at March, 2021			
	General approach			
	Stage 1 collective	Stage 2 collective	Stage 3 collective	Total
<b>ECL allowance - opening balance</b>	4,187.20	-	-	4,187.20
New assets originated or purchased	1,338.78	-	-	1,338.78
Assets derecognised or repaid (excluding write offs)	(1,555.96)	-	-	(1,555.96)
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	-	-	-	-
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery	-	-	-	-
Unwinding of discount	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Changes to models and inputs used for ECL calculations	-	-	-	-
Amounts written off	-	-	(15.62)	(15.62)
<b>ECL allowance - closing balance</b>	<b>3,970.03</b>	-	<b>(15.62)</b>	<b>3,954.40</b>

Particulars	As at March, 2020			
	General approach			
	Stage 1 collective	Stage 2 collective	Stage 3 collective	Total
<b>ECL allowance - opening balance</b>	4,049.06	-	-	4,049.06
New assets originated or purchased	780.65	-	-	780.65
Assets derecognised or repaid (excluding write offs)	(642.51)	-	-	(642.51)
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	-	-	-	-
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery	-	-	-	-
Unwinding of discount	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Changes to models and inputs used for ECL calculations	-	-	-	-
Amounts written off	-	-	-	-
<b>ECL allowance - closing balance</b>	<b>4,187.20</b>	-	-	<b>4,187.20</b>

(Rs in '000)

Particulars	Amount In Rs	
	As at March, 2021	As at March, 2020
Standard Asset	197.72	209.36
Sub-Standard Asset	-	-
Doubtful Asset	-	-
Loss Asset	-	-
<b>Total</b>	<b>197.72</b>	<b>209.36</b>

**Notes**

a) Asset classification is as per Reserve Bank of India guidelines and provisions is as per Expected Credit Loss methodologies as per Ind AS which is higher than minimum required as per prudential norms

b) As the ECL provisions is higher than provision required under IRACP (Income Recognition, Assets classification & provisioning, there is no requirement to create Impairment allowance reserve.

**Note No. : 11 Investments**

a)  Particulars	As at March, 2021						
	Amortised cost	At fair value			Sub-Total	Others	Total
		Through Other	Designated at				
		Comprehensive Income	Fair Value through Profit or Loss				
1	2	3	4 = 2 + 3	5	6 = 1 + 5		
i) Mutual funds	-	-	-	-	-	-	
ii) Government securities	-	-	-	-	-	-	
iii) Debt securities (Quoted)	-	-	-	-	-	-	
iii) Equity instruments (quoted)	-	6,783.51	297.19	7,080.70	-	7,080.70	
iv) Equity instruments (unquoted)	-	5,741.50	10,587.50	16,329.00	-	16,329.00	
v) Subsidiaries (at cost)	-	-	-	-	-	-	
vi) Associates (at cost)	-	-	-	-	-	-	
vii) Others	-	-	-	-	-	-	
<b>Total (A) Gross</b>	-	<b>12,525.01</b>	<b>10,884.69</b>	<b>23,409.70</b>	-	<b>23,409.70</b>	
i) Investments outside India	-	-	-	-	-	-	
ii) Investments in India	-	12,525.01	10,884.69	23,409.70	-	23,409.70	
<b>Total (B) Gross</b>	-	<b>12,525.01</b>	<b>10,884.69</b>	<b>23,409.70</b>	-	<b>23,409.70</b>	
Less: Allowance for impairment loss (C)	-	-	-	-	-	-	
<b>Total - Net (D)= (A)-(C)</b>	-	<b>12,525.01</b>	<b>10,884.69</b>	<b>23,409.70</b>	-	<b>23,409.70</b>	

**Note No. : 11 Investments**

a)  Particulars	As at March, 2020						
	Amortised cost	At fair value			Sub-Total	Others	Total
		Through Other	Designated at Fair				
		Comprehensive Income	Value through Profit or Loss				
1	2	3	4 = 2 + 3	5	6 = 1 + 5		
i) Mutual funds	-	-	-	-	-	-	
ii) Government securities	-	-	-	-	-	-	
iii) Debt securities (Quoted)	-	-	-	-	-	-	
iii) Equity instruments (quoted)	-	1,605.72	1,578.40	3,184.12	-	3,184.12	
iv) Equity instruments (unquoted)	-	6,950.00	8,700.00	15,650.00	-	15,650.00	
v) Subsidiaries (at cost)	-	-	-	-	-	-	
vi) Associates (at cost)	-	-	-	-	-	-	
vii) Others	-	-	-	-	-	-	
<b>Total (A) Gross</b>	-	<b>8,555.72</b>	<b>10,278.40</b>	<b>18,834.12</b>	-	<b>18,834.12</b>	
i) Investments outside India	-	-	-	-	-	-	
ii) Investments in India	-	8,555.72	10,278.40	18,834.12	-	18,834.12	
<b>Total (B) Gross</b>	-	<b>8,555.72</b>	<b>10,278.40</b>	<b>18,834.12</b>	-	<b>18,834.12</b>	
Less: Allowance for impairment loss (C)	-	-	-	-	-	-	
<b>Total - Net (D)= (A)-(C)</b>	-	<b>8,555.72</b>	<b>10,278.40</b>	<b>18,834.12</b>	-	<b>18,834.12</b>	

As per Ind As 109, equity instruments measured at other than at cost and debt instruments measured at fair value through profit or loss do not require a separate evaluation of impairment amount. Hence, in such cases, the disclosure pertaining to impairment shall not be applicable.

**b) Breakup of Investments**
**Investments at FVTOCI (Non-trade)**
**(Except no of shares all other figures are in Rs '000)**

Particulars	Face Value	Quantity	As at 31st March 2021	Quantity	As at 31st March 2020
<b>Equity (Quoted)</b>					
U.Y Fincorp Ltd. (Formerly named as Golden Goenka Fincorp Ltd.)	10	97,228	308.21	177,250	278.28
Godawari Power & Ispat Ltd	10	1,500	1,078.28	-	-
MCC Investment & Leasing Co Ltd.	10			16,600	41.50
Hindusthan National Glass & Industries Ltd	10	136,000	4,399.60	-	-
HCL Technologies Ltd	2			1,000.00	436.40
MMP Industries Ltd	10	11,700	997.43	11,700.00	685.04
Tata Steel Bsl LTD	2			10,000.00	164.50
<b>Total</b>			<b>6,783.51</b>		<b>1,605.72</b>
Aggregate Market value of Quoted shares			6,783.51		1,605.72

<b>Equity (Unquoted) at FVTOCI (Non-trade)</b>					
Shreyans Stockinvest Pvt Ltd (Bonus)	10	15,580	0.00	15,580	0.00
ABM Finlease Pvt. Ltd. (Incl. 104625 bonus share)	10	114,625	1,000.00	114,000	450.00
MCC Investment & Leasing Co Ltd.	10	16,600	41.50		
Prakash Estates Pvt. Ltd.		10,000	1,000.00	10,000	1,000.00
Mayborn Investment (P) Ltd.	10	11,250	1,125.00	10,000	1,000.00
<b>Total</b>			<b>3,166.50</b>		<b>2,450.00</b>
Aggregate Break-up value of Unquoted shares			8,285.27		4,818.60

Further refer note no 5.2 (iii) for the basis of classification, measurement and recognition of FVTOCI investments

**(Except no of shares all other figures are in Rs '000)**

<b>Other Equity instruments (Pref shares) (Unquoted) (Non-trade) at FVTOCI</b>					
Daffodil Dealtrade Pvt Ltd.	10	375	75.00	10,000	2,000.00
Fast Flow Commodeal Ltd.	100	25,000	2,500.00	25,000	2,500.00
<b>Total</b>			<b>2,575.00</b>		<b>4,500.00</b>
Aggregate face value of unquoted preference shares			2,503.75		2,600.00

**Trade investments held as stock in trade and measured at FVTPL (Fair value through profit & loss)**
**Trade investments at FVTPL (Stock-in-trade) Quoted**

Particulars	Face Value	Quantity	As at 31st March 2021	Quantity	As at 31st March 2020
<b>Equity (Quoted)</b>					
Aditya Birla Capital Ltd	100	1,000	119.30	1,000	97.20
Coral India Finance & Housing Ltd.	2	-	-	9,500	123.03
Eros Media	10	-	-	11,500	97.75
Nissan Copper Ltd.	10	16,786	0.00	16,786	12.59
McLEOD Russel (India) Ltd.	10	4,000	76.40	4,000	8.00
Bandhan Bank	10	-	-	1,200.00	244.50
Godrej Industries Ltd	1	-	-	1,200.00	339.78
NAM Securities Ltd	10	300	101.49	1,300.00	323.96
Tata Investment Corporation Ltd	10	-	-	500.00	331.60
<b>Total</b>			<b>297.19</b>		<b>1,578.40</b>
Aggregate Market value of Quoted shares			297.19		1,578.40

Further refer note no 5.2 (iii) for the basis of classification, measurement and recognition of of FVTPL investments Trade investments at FVTPL (Stock-in-trade) Unquoted

Particulars	Face Value	Quantity	As at 31st March 2021	Quantity	As at 31st March 2020
<b>Equity Unquoted</b>					
Ashok Vatika Agrofarms Pvt Ltd.	10	25,000	2,500.00	25,000	2,500.00
Mayborn Investment Pvt Ltd.	10	16,000	1,600.00	25,000	2,500.00
Ramjanki Electrocasting Pvt Ltd.	10	54,000	2,700.00	54,000	2,700.00
Shreyans Stockinvest Pvt Ltd		3,030	3,787.50	-	-
<b>Total</b>			<b>10,587.50</b>		<b>7,700.00</b>
Aggregate Break-up value of Unquoted shares					
<b>Other Equity instruments (Pref shares) (Unquoted) (Stock in trade)</b>					
Dignity Dealtrade Pvt. Ltd.	100	-	-	10,000	1,000.00

**Note No. : 12 Other financial assets**
**(Rs in '000)**

Particulars	As at 31st March 2021	As at 31st March 2020
Security deposit for rent	200.00	200.00
Receivable from LLPs	10,039.68	11,938.39
	<b>10,239.68</b>	<b>12,138.39</b>

(a) Security deposit for rent is payable on demand, hence fair value approximates transaction value

(b) Balance receivable from LLPs represents the net amount receivable on disposal of investments in LLPs in F.Y 2019-20

**Note No. : 13 Current tax assets (net)**
**(Rs in '000)**

Particulars	As at 31st March 2021	As at 31st March 2020
Tax deducted at source	949.68	1,158.42
Less : Provision for Income Tax	71.28	421.17
	<b>878.40</b>	<b>737.26</b>

**Note No. : 14 Deferred tax Assets/Liabilities (net)**  
**Movement of deferred tax during the year**
**As at 31st March 2021**
**(Rs in '000)**

Particulars	Opening Balance	Recognised in Profit or loss	Reclassified from equity to profit or loss	Recognised in Other Comprehensive Income	Closing Balance
Tax effect of items constituting deferred tax liabilities	-	-	-	-	-
Financial assets (Investments) at fair value	100.14	(14.31)	-	178.42	264.24
	<b>100.14</b>	<b>(14.31)</b>		<b>178.42</b>	<b>264.24</b>
Tax effect of items constituting deferred tax assets					
Allowances for expected credit loss	1,088.67	(60.53)	-	-	1,028.14
	<b>1,088.67</b>	<b>(60.53)</b>			<b>1,028.14</b>
Net deferred tax ( Asset ) Liabilities/ (Income) Expense	<b>(988.53)</b>	<b>46.21</b>		<b>178.42</b>	<b>(763.90)</b>
<b>As at 31st March 2020</b>					
Tax effect of items constituting deferred tax liabilities	-	-	-	-	-
Investment	(47.19)	(7.51)	-	154.83	100.14
	<b>(47.19)</b>	<b>(7.51)</b>		<b>154.83</b>	<b>100.14</b>
Tax effect of items constituting deferred tax assets					
ECL	1,052.75	35.92	-	-	1,088.67
Investments	-	-	-	-	-
	<b>1,052.75</b>	<b>35.92</b>			<b>1,088.67</b>
Net deferred tax ( Asset ) Liabilities/ (Income) Expense	<b>(1,099.94)</b>	<b>(43.43)</b>		<b>154.83</b>	<b>(988.53)</b>

**Note No. : 15 Other non-financial assets**
**(Rs in '000)**

Particulars	As at 31st March	As at 31st March 2020
TDS (Refundable)	81.87	-
National pension Scheme	-	30.00
	<b>81.87</b>	<b>30.00</b>

**Note No. : 16 Trade Payables**

Particulars	As at 31st March 2021	As at 31st March 2020
(i) total outstanding dues of micro enterprises & small enterprises	-	-
(i) total outstanding dues of creditors other than micro enterprises & small enterprises	-	-
	<b>-</b>	<b>-</b>

The Company has no outstanding towards trade payables at the reporting date, and as such and as per the requirements of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 with respect to trade payables, the Company has no outstanding towards it.

**Note No. : 17 Other non- financial liabilities**

(Rs in '000)

Particulars	As at 31st March 2021	As at 31st March 2020
Payable for Expenses	100.60	233.33
Advance received	-	2.09
	100.60	235.42

**Note No. : 18 Equity Share capital**

(Rs in '000)

Particulars	As at 31st March 2021		As at 31st March 2020	
	No of Shares	Amount	No of Shares	Amount
<b>(a) Authorised</b>				
Equity shares of par value 10 /- each	3,750.00	37,500.00	3,750.00	37,500.00
<b>(b) Issued, subscribed and fully paid up</b>				
Equity shares of par value 10 /- each	3,500.00	35,000.00	3,500.00	35,000.00
		35,000.00		35,000.00

**(c) Reconciliation of number and amount of equity shares outstanding**

(Rs in '000)

Particulars	As at 31st March 2021		As at 31st March 2020	
	No of Shares	RS	No of Shares	RS
At the beginning of the year	3,500.00	35,000.00	3,500.00	35,000.00
At the end of the year	3,500.00	35,000.00	3,500.00	35,000.00

**Terms / rights / restrictions attached to equity shares**

(d) The Company has only one class of equity shares. The holders of equity shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share .

(e) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(f) Shareholders holding more than 5 % of the equity shares in the Company**

Name of the shareholder	31st March 2021		31st March 2020	
	% of shares	No. of shares	% of shares	No. of shares
Sri Salasar Suppliers Pvt Ltd	9.11	319.00	9.11	319.00
Kudrat Holdings Pvt. Ltd.	12.34	432.00	12.34	432.00
Tubro Consultants & Enterprises Pvt. Ltd.	22.50	787.50	22.50	787.50

(g) There are no shares reserved for issue under options and contracts / commitments for the sale of shares/ disinvestments.

(h) For the period of 5 years immediately preceding the date as at which the Balance Sheet is prepared.

Name of the Shareholder	As at 31st March 2021	As at 31st March 2020
	No of Shares	No of Shares
(a) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	NIL	NIL
(b) Aggregate number and class of shares allotted as fully paid by way of bonus shares	NIL	NIL
(c) Aggregate number and class of shares bought back	NIL	NIL

(i) There were no securities issued having a term for conversion into equity / preference shares.

(j) There are no calls unpaid in respect of Equity Shares issued by the Company.

(k) There are no forfeited shares by the

**Note No. : 19 Other equity**

(Rs in '000)

Particulars	As at 31st March 2021		As at 31st March 2020	
<b>Securities premium</b>				
<b>Balance as per last account</b>	66,000.00		66,000.00	
Add: During the year	-		-	
Less: Utilized during the year	-	66,000.00	-	66,000.00
<b>Capital reserve</b>				
<b>Balance as per last account</b>	8,294.00		8,294.00	
Add: During the year	-		-	
Less: Utilized during the year	-	8,294.00	-	8,294.00
<b>Statutory Reserve pursuant to Section 45-IC of the RBI Act, 1934</b>				
<b>Balance as per last account</b>	1,255.36		1,255.36	
Add: Transfer from Profit or loss	600.71	1,856.07	-	1,255.36
<b>Retained earnings</b>				
<b>Balance as per last account</b>	1,726.79		821.29	
<b>Add : Net Profit for the Year</b>	3,003.54		(575.27)	
<b>Add : Transfer from Other Comprehensive</b>	(2,019.31)		1,480.77	
Less: Transfer to Statutory reserve	(600.71)	2,110.32		1,726.79
<b>Other Comprehensive Income</b>				
<b>Balance as per last account</b>	-		-	
<b>Add : Other Comprehensive Income for the</b>	(2019.31)		1,480.77	
<b>Less : Transfer to retained earnings</b>	2019.31	-	(1,480.77)	-
		<b>78,260.38</b>		<b>77,276.15</b>

**Nature and purpose of Reserves**

**1) Securities Premium**

Securities Premium is used to record the premium on issue of shares. Securities premium can be utilized only for limited purposes such as issuance of bonus shares, writing off the preliminary expenses in accordance with the provisions of the Companies Act, 2013.

## 2) Capital Reserve

Capital reserve represents the amount received on reissue of forfeited shares and are not the free reserves and cannot be used to pay dividends to shareholders.

## 3) Statutory Reserve (Pursuant to Section 45-IC of the Reserve Bank of India Act, 1934 (RBI Act, 1934))

Statutory reserve (Statutory Reserve pursuant to Section 45-IC of The RBI Act, 1934) defines that every non banking finance institution which is a Company shall create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year as disclosed in the statement of profit and loss before any dividend is declared. Accordingly for the FY 2020-21, the Company has transferred a sum of twenty percent as required by Section 45-IC of the RBI Act, 1934 to such reserve fund.

## 4) Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to/from other comprehensive income income, and transfer to statutory reserve out of current year's net profit.

## 5) Other Comprehensive reserve

Items of Other Comprehensive income represents the fair value changes (both realised/unrealised and net of income tax) in equity instruments irrevocably designated at FVTOCI as per the business model assessment of the Company and are not recycled to profit and loss However the same can be transferred within equity as permitted by the Ind AS.

### Revenue from operation

#### Note No. : 20 Interest Income

(Rs in '000)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>On financial assets measured at amortised cost</b>		
Interest on loans	6,225.70	6,130.34
Interest on bill discounting	-	1.82
Other interest income	-	401.15
	6,225.70	6,533.30
	6,225.70	6,533.30

#### Note No. : 21 Dividend

(Rs in '000)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>Dividend income</b>		
From investments in Shares & Securities	35.00	63.75
	35.00	63.75

#### Note No. : 22 Net Gain /(Loss) on Fair Value Change

(Rs in '000)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>Net gain /(loss) on financial instruments at fair value through Profit or loss</b>		
(i) On trading portfolio		
Investments	(2,749.22)	(4,256.23)
Derivatives		
a) Net gain/(loss) from trade in options	2,334.20	370.34
b) Fair value changes in other derivatives	23.91	(753.48)
<b>Total Net Gain /(Loss) on fair value changes</b>	(391.11)	(4,639.38)



(Rs in '000)

Particulars	Year ended 31st March, 2021		Year ended 31st March, 2020	
<b>Net gain /(loss) on financial instruments at at fair value through Fair value changes</b>				
(i) On trading portfolio				
Investments				
(a) Realised	(2,853.87)		(2,661.38)	
(b) Unrealised	104.64	(2,749.22)	(1,594.85)	(4,256.23)
(ii) Derivatives				
(a) Realised	2,334.20		370.34	
(b) Unrealised	23.91	2,358.11	(753.48)	(383.15)
<b>Total Net Gain /(Loss) on fair value changes</b>	<b>(391.11)</b>		<b>(4,639.38)</b>	

**Note No. : 23 Other Income**

(Rs in '000)

Particulars	Year ended 31st March, 2021		Year ended 31st March, 2020	
<b>(a) Interest</b>				
Income tax refund	7.08		25.58	
TDS	-	7.08	-	25.58
<b>(b) Other interest</b>				
Other miscellaneous income	-		24.53	
Profit from share of investments in LLP	-		810.15	
Reversal of Expected credit losses		232.80	-	
		<b>239.88</b>		<b>860.26</b>

**Note No. : 24 Finance cost**

(Rs in '000)

Particulars	Year ended 31st March, 2021		Year ended 31st March, 2020	
Interest Expense on short term borrowings		3.01		-
		<b>3.01</b>		-

**Note No. : 25 Impairment of financial assets (expected credit loss)**

(Rs in '000)

Particulars	Year ended 31st March, 2021		Year ended 31st March, 2020	
<b>On financial instruments measured at amortised cost</b>				
Loans (fund based)		(232.80)		138.14
Less: reversals (transferred to other income)		232.80		-
		-		<b>138.14</b>

**Note No. : 26 Employee benefit expense**

(Rs in '000)

Particulars	Year ended 31st March, 2021		Year ended 31st March, 2020	
Managing director's remuneration		825.00		650.00
Salaries and bonus		850.06		613.77
Staff welfare		41.48		51.56
		<b>1,716.54</b>		<b>1,315.33</b>

**Note No. : 27 Other expenses**
**(Rs in '000)**

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>Payments to auditor</b>		
As auditor for statutory audit	15.00	15.00
Others	12.50	12.50
Internal audit fees	5.00	5.00
Accounting charges	20.00	16.00
Advertisement	27.40	35.69
Bank charges	0.67	-
Conveyance	33.40	27.39
Demat charges	4.79	3.21
Depository Charges	35.40	37.77
Donation	63.00	35.00
Bad debts	312.50	-
Establishment charges	24.00	24.00
Loss on Intraday trading	-	0.32
Filing fees	12.00	4.80
Listing fees	438.37	374.65
General Expenses	7.94	5.97
Securities transaction charges	12.71	22.86
Professional fees	104.08	87.94
Rent	60.00	60.00
Printing & Stationery	28.81	39.75
Postage & couriers	15.91	17.18
Registrar fees	26.55	35.40
Trade licence	2.15	-
Professional tax	2.50	2.50
Website maintenance	4.20	-
	<b>1,268.88</b>	<b>862.94</b>

**Note No. : 28 Tax expense**
**(Rs in '000)**

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Current tax	71.28	-
Taxation for earlier years	-	38.66
Deferred tax (refer note no 14)	46.21	(43.43)
	117.49	(4.77)
	<b>117.49</b>	<b>(4.77)</b>

The Company has elected not to exercise the option permitted under Section 115BAA of the Income Act, 1961 as introduced by the Taxation Laws (Amendment) Act 2019 for the F.Y. 2020-21

**Reconciliation of total Income tax expense**
**(Rs in '000)**

Particulars	As at 31st March 2021
<b>Profit before tax for Computation</b>	3,121.03
<b>Add: Disallowances</b>	
Un-realised gain	55.05
Donation	63.00
<b>Less: Notional gain on MTM</b>	(23.91)
<b>Less: Reversal of expected credit loss</b>	(232.80)
<b>Adjusted profit before tax for income tax</b>	<b>2,982.38</b>
<b>Less: Loss brought forward A.Y 20-21</b>	<b>(400.21)</b>
<b>Gross total Income</b>	<b>2,582.17</b>
<b>Less: Deduction U/s 80G on Donation</b>	(31.50)
<b>Total taxable income</b>	<b>2,550.67</b>
<b>Current tax as per books (effective rate 25%)</b>	<b>637.67</b>
MAT Credit entitlement	(569.13)
<b>Current tax payable</b>	68.54
Add: Cess	2.74
<b>Total Current tax as per books</b>	<b>71.28</b>

**For Reconciliation of deferred tax (refer note no 14)**
**Note No. : 29 Other comprehensive income**
**(Rs in '000)**

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>Items that will not be reclassified to profit or loss</b>		
Fair value gain /(loss) of non-current Investments (Realised)	(2,688)	1,040.09
Fair value gain /(loss) of non-current Investments (Unrealised)	847.59	595.51
<b>Less: Income tax relating to items that will not be reclassified to profit or loss</b>	178.42	154.83
	(2,019.31)	1,480.77
<b>Total other Comprehensive Income</b>	<b>(2,019.31)</b>	<b>1,480.77</b>

**Note No. : 30 Other disclosures**
**1) Exceptional items (Disposal of Subsidiaries) in the comparative period i.e., F.Y 2019-20**

The company holds 50,000 shares of Littlestar Tracom Pvt Ltd of FV of Rs 10 each and 96,500 shares of and 96500 shares of Maruti Tie-Up Pvt Ltd of Rs 10 each till 28th May, 2019, henceforth both the subsidiaries converted into LLPs with parent having proportionate share in profit or loss of LLP same as as it were before the conversion. The Company holds 65.06% in profit sharing ratio of Littlestar Tracom LLP and 86.55% in profit sharing ratio of Maruti Tie-up LLP upto 30th March, 2020, subsequently on March 31, 2020, the Company dispose so f its entire investments in both of the above subsidiaries being a LLP and recorded gain/loss on such disposal in the satement of Profit and loss in the year of disposal.

Following are the details	(Rs in '000)
<b>Investment in LLPs</b>	<b>Amount</b>
<b>Littlestar Tracom LLP (original investment)</b>	5,630.00
Less: Share of loss in reserves & current year profits	337.58
Carrying value of Investment (A)	5,292.42
Sale proceeds of disposal in investment (B)	4,245.34
<b>Profit/(Loss) on disposal (C) = (B) - (A)</b>	<b>(1,047.08)</b>
<b>Maruti Tie-Up LLP (original investment)</b>	6,996.25
Add: Share of loss in reserves & current year profits	731.29
Carrying value of Investment (D)	7,727.54
Sale proceeds of disposal in investment (E)	7,693.05
<b>Profit/(Loss) on disposal (F) = (E) - (D)</b>	<b>(34.49)</b>
<b>Total Loss on disposal (C) + (F) (shown as exceptional loss)</b>	<b>(1,081.57)</b>

**Note No. : 30 Other disclosures**
**2. Contingent liabilities and commitments (to the extent not provided for)**
**a) Contingent liabilities :**

	Assessment order	Date of filing	Comment of the Management
Outstanding Income Tax Demand (Under Section 143(3) of I.T Act 1961)			
A.Y: 2014-15 - RS 1307970/-	10/11/2016	13/01/2017	Appeal filed with CIT(A),*

\*further the company has proceeded with the Direct Tax Viwad se Vishwas Scheme, 2020 but the tax amount is payable as on the reporting date.

**b) Commitments :** There are no capital commitments contracted by the Company during the period under review

**C) Other Statutory & Legal Matters** There has been no significant and/ or material order(s) passed by any Regulators/Courts/Tribunals impacting the status. However SEBI vide their letter no. SEBI/HO/ISD/OW/P/2017 dated August 07, 2017 inter-alia had directed Exchange to initiate a process of very the credentials / fundamentals of suspected shell companies, in which Decillion Finance Limited was also issued a notice being in the list of suspected shell companies. Further Exchange vide its order dated December 20, 2017 inter-alia passed directions against the Company for appointment of independent auditor to conduct forensic audit of the Company and further directed the Company to provide information/ documents as required by the Exchange from time to time. Further the Exchange vide its letter dated January 08, 2018 informed the Company about the appointment of M/s. BDO India LLP, Chartered Accountants to carry out forensic audit of the Company. Without prejudice to the interests of the Company, the Company has then from time to time provided all the necessary informations/ documents explanations as required by the forensic auditors and by the Exchange. Within the rights which are available to the Company, the company has sought legal advisory through its Counsels, and represented before the Exchange and the Courts from time to time. At present the forensic audit is in process and the company expects a favourable outcome in this regard.

**3)** There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2021, March 2020. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

**4) Disclosures as required by Indian Accounting Standard (Ind AS) 37:- Provisions, Contingent liabilities and Contingent assets**
**(I) Nature of provision Provision for contingencies**

Provision for contingencies represent provision towards various claims made/anticipated in respect of duties and taxes and other litigation claims against the Company based on the Management's assessment.

**Note No. : 30 Other disclosures ( Continued)**
**(ii) Movement in provision:-**

Particulars	Duties & Taxes	Other Litigation	Total
<b>Balance as at 1st April, 2020</b>		NIL	
Provided during the year			
Used during the year		NIL	
Reversed during the year			
<b>Balance as at 31st March, 2021</b>		NIL	
Non-current Current		NIL	
<b>Balance as at 1st April, 2019</b>		NIL	
Provided during the year			
Used during the year		NIL	
Reversed during the year			
<b>Balance as at 31st March, 2020</b>		NIL	
Non-current Current		NIL	

**(5) Earnings per share - The numerators and denominators used to calculate Basic / Diluted earnings per share**  
 (Rs in '000)

Particulars	2020-2021	2019-2020
<b>(a) Amount used as the numerator</b>		
Profit after Tax - (A)	3,003.54	(575.27)
<b>(b) Weighted average number of equity shares outstanding used as the denominator for computing Basic Earnings Per Share (B)</b>	3,500.00	3,500.00
<b>Add:</b> Weighted average number of dilutive potential equity shares	-	-
<b>(C) Weighted average number of equity shares outstanding used as the denominator for computing Basic Earnings Per Share (C)</b>	3500.00	3500.00
<b>(d) Nominal value of equity shares (Rs)</b>	10.00	10.00
<b>Basic earnings per share (A)/(B)</b>	<b>0.86</b>	<b>(0.16)</b>
<b>Diluted earnings per share (A)/(C)</b>	<b>0.86</b>	<b>(0.16)</b>

**6) Segment Reporting :**

The Company's primary business segments are reflected based on the principal business carried out i.e. Investments & Financing. All other activities of the Company revolve around the main business. The risk and returns of the business of the Company is not associated with geographical segmentation, hence there is no secondary segment reporting based on geographical segment. As such, there are no separate reportable segments as per the Indian Accounting Standard 108.

**Note No. : 30 Other disclosures (Continued)****7) Related party disclosures :**

As per Ind AS 24 - Related Party Disclosures, specified under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, the name of related party where control exists/able to exercise significant influence along with the transactions and year end balances with them as identified and certified by the management are as follows:

**(a) Name of the related parties and description of their relationship****(i) Subsidiaries/ Step down subsidiaries**

(1) Littlestar Tracom LLP (Wholly owned Subsidiary upto 31st March ,2020)

(2) Maruti Tie-Up LLP (Wholly owned Subsidiary upto 31st March, 2020)

**(ii) Associates/Joint Venture**

Nil

**(iii) Director/ Key Management Personnel (KMP)**

(1) Jitendra Kumar Goyal	Managing director	
(2) Vidhu Bhushan Verma	Independent Director	
(3) Mahesh Kumar	Kejriwal Independent Director	
(4) Ritu Agarwal	Independent Director	(Appointed w.e.f. 10/11/2020)
(5) Veedhi Raja	Independent Director	(Resigned w.e.f. 12/02/2021)
(6) Pooja kalanouria	Additional Independent Director	(Appointed w.e.f. 12/02/2021)
(7) Rajesh Kumar Yadav	Chief Financial Officer	
(8) Ishu Maskara	Company Secretary	

**(iv) Relative of Director/ Key Management Personnel with whom transactions took place during the year**

(1) Sumit Goyal Son of Mr. Jitendra Kumar Goyal

(2) Virendra Kumar Goyal Brother of Mr. Jitendra Kumar Goyal

**(v) Entities where Director/Key Management Personnel and their relative have significant influence**

(1) ABM Finlease Private Limited

(2) Anjaniputra Promoters Private Limited

(3) Ashok Vatika Agro Farms Private Limited

(4) Aurelian Commercial LLP

(5) Aurelian Trading LLP

(6) Centuple Commercial LLP

(7) Centuple Trading LLP

(8) Daulat Vintrade LLP

(9) Daffodil Dealtrade Private Limited

(10) Dignity Dealtrade Private Limited

(11) Fastflow Commodeal Limited

(12) Goyal Commercial Private Limited

(13) Goyal Toys LLP

(14) Horizon Agro Processing Private Limited

(15) Icon Commotrade LLP

(16) Kaushal Investments Ltd.

(17) Laxmidhan Properties Private Limited

(18) Lifestyle Vanijya LLP

(19) Littlestar Tracom LLP

(20) Maruti Tie-Up LLP

(21) Mayborn Investments Private Limited

(22) Merit Commosales LLP

(23) Moti Finvest Ltd.

(24) Planet Dealtrade LLP

(25) Rambhakta Enterprise LLP

- (26) Sahai Mediquip Private Limited  
 (27) Shreyans Stockinvest Private Limited  
 (28) Silverlake Tradelinks LLP  
 (29) Skylight Vintrade LLP  
 (30) SMRK Investment & Finance Private Limited (Formerly Known as Managalchand Property & Investments Private Limited)  
 (31) Spectrum Pestorgan Private Limited  
 (32) Success Dealers LLP  
 (33) Sumit Technisch & Engineering Private Limited  
 (34) Suncity Dealers LLP  
 (35) Tubro Consultants & Enterprises Private Limited  
 (36) Twinkle Vintrade LLP  
 (37) Ultra Dealers Private Limited  
 (38) Vibgyor Commotrade Private Limited  
 (39) Virat Leasing Ltd.  
 (40) Vish Empressa Private Limited (Formerly known as Vish Advisors Private Limited)  
 (41) VZ Vanijya LLP  
 (42) Yashoyog Commercial LLP  
 (43) Zigma Commosales Private Limited  
 (44) KVZ Enterprises  
 (45) Yashayog Investments  
 (46) Balaji Enterprises  
 (47) Ultralifestyle Enterprises

\* (Significant influence will be influence or significant influence as the case may be)

**(vi) HUF & Trust where Director/Key Management Personnel and their relative have significant influence**

- (1) G Jitendra HUF  
 (2) Virendra Kumar Goyal HUF  
 (3) Y K Goyal & Sons HUF  
 (4) Sumit Goyal Benefit Trust  
 (5) Varsha Goyal Benefit Trust

\* (Significant influence will be influence or significant influence as the case may be)

**b) The following is the summary of transactions with related parties Declaration of related parties for the year ended 31.03.2021**

Sl. No.	Name of Related Party - Company or Individual	Nature of transactions	(Amount in' Rs '000)		(Amount in' Rs '000)	
			Transaction amount during 2020-21	Transaction amount during 2019-20	Amount outstanding as on 31 March, 2021	Amount outstanding as on 31 March, 2020
<b>Director/ Key Management Personnel (KMP)</b>						
1	JITENDRA KUMAR GOYAL	REMUNERATION	825.00	650.00	-	-
2	RAJESH KR YADAV	REMUNERATION	120.00	120.00	-	-
3	ISHU MASKARA	REMUNERATION	136.50	126.13	-	-
<b>Relative of Director/ Key Management Personnel with whom transactions took place during the year</b>						
1	SUMIT GOYAL	LOAN GIVEN	1,200.00	-	1235.51	-
		INTEREST RECEIVABLE	35.51	-	-	-
2	VIRENDRA KUMAR GOYAL	LOAN GIVEN	3,400.00	-	3384.95	-
		INTEREST RECEIVABLE	84.95	-	-	-

Entities where Director/Key Management Personnel and their relative have significant influence						
1	ABM FINLEASE PVT LTD	INVESTMENT SOLD IN SHARES & SECURITIES	1,320.00	300.00	-	-
		INVESTMENT MADE IN SHARES & SECURITIES	5,400.00		-	-
		PURCHASE OF SHARES & SECURITIES	1,000.00	-	-	-
2	CENTUPLE COMMERCIAL LLP	LOAN REPAID	-	6.48	-	-
		SECURITY DEPOSIT	-	-	200.00	200.00
		RENT, SOFTWARE & ESTABLISHMENT CHARGES (OUTSTANDING)	104.00	8.00	-	-
3	DAFFODIL DEALTRADE PVT LTD	INVESTMENT MADE IN SHARES & SECURITIES	675.00	-	75.00	2,000.00
		INVESTMENT SOLD IN SHARES & SECURITIES	2600.00		-	-
4	GOYAL COMMERCIAL PVT LTD	SALE OF SHARES & SECURITIES	2,500.00	350.00	-	-
		INVESTMENT MADE IN SHARES & SECURITIES	9,024.00	-	-	-
5	KAUSHAL INVESTMENTS LTD.	INVESTMENT MADE IN SHARES & SECURITIES	300.00	-	-	-
6	LIFESTYLE VANIJYA LLP	INVESTMENT MADE IN SHARES & SECURITIES	2,850.00	-	-	-
7	LAXMIDHAN PROPERTIES PVT LTD	LOAN PAID	43.88	540.50	541.625	540.50
		INTEREST RECEIVABLE	45.00	-	-	-
8	LITTLESTAR TRACOM LLP	INVESTMENT SOLD IN SHARES & SECURITIES	-	4,408.55	-	-
		INVESTMENT MADE	-	-	-	-
		SALE OF SHARES & SECURITIES	-	-	-	-
		BALANCE RECEIVABLE:	-	-	4,042.92	4,408.55
9	MARUTI TIE-UP LLP	INVESTMENTS SOLD	-	7,822.87	-	-
		BALANCE RECEIVABLE:	-	-	5,996.76	7,822.87
10	MAYBORN INVESTMENTS PVT LTD	SALE OF SHARES & SECURITIES	-	2,197.26	-	-
		PURCHASE OF SHARES & SECURITIES	-	-	-	-
		INVESTMENT MADE IN SHARES & SECURITIES	125.00	-	-	-
		ADVANCE PAID	200.00	-	-	-
		ADVANCE REFUNDED	200.00	-	-	-
		INTEREST PAYABLE	3.01	-	-	-
11	MOTI FINVEST LIMITED	SALE OF SHARES & SECURITIES	2,583.75	-	-	-
		INTEREST RECEIVABLE	2,759.11	-	-	-
		REPAYMENT OF LOAN	17,400.00	-	-	-
		LOAN GIVEN	5,050.00	10.00	24527.176	38960.13
12	RAMBHAJTA ENTERPRISES LLP	INTEREST ON LOAN RECOVERED	3.98		-	3.98
		ADVANCE RECEIVED	200.00			
		ADVANCE PAID	200.00	-	-	-
13	TUBRO CONSULTANTS & ENTERPRISES PVT LTD	ADVANCE RECEIVED	-	2.09	-	-
		MISCELLANEOUS EXPENSES	46.73	10.00	-	-
14	SPECTRUM PESTORGAN PVT. LTD.	MISCELLANEOUS EXPENSES	5.93	-	-	-



15	VIRAT LEASING LTD.	INTEREST RECEIVABLE	0.43	-	-	-
		LOAN GIVEN	150.00	-	-	-
		LOAN RECEIVED BACK	150.00	-	-	-
16	VZ VANIJYA LLP	INTEREST RECEIVABLE	4.51	-	-	-
		LOAN GIVEN	2,600.00	-	-	-
		LOAN REPAID	2,604.51	-	-	-
		SALE OF SHARES & SECURITIES	100.00	-	-	-
17	VIRENDRA KUMAR GOYAL HUF	LOAN GIVEN	2,000.00	-	1882.50	-
		LOAN REPAID	200.00	-	-	-
		INTEREST RECEIVABLE	82.50	-	-	-
18	YASHOYOG COMMERCIAL LLP	ADVANCE PAID	500.00	-	-	-
		ADVANCE RECEIVED	500.00	-	-	-
		LOAN GIVEN	2,750.00	-	-	-
		LOAN REPAID	2,750.00	-	5.25	-
		INTEREST RECEIVABLE	5.67	-	-	-

**c) Details of Remuneration paid to Directors/ KMPs  
Year ended 31st March 2021**

Particulars	Jitendra Kumar Goyal	Rajesh Kumar Yadav	Ishu Maskara	Total
Short-term employee benefits	825.00	120.00	136.50	1,081.50
Salary				
Commission				
Perquisites				
Post-employment benefits				
Contribution to Provident Fund, Gratuity and other funds				
<b>Total</b>	<b>825.00</b>	<b>120.00</b>	<b>136.50</b>	<b>1,081.50</b>

**Year ended 31st March 2020**

Particulars	Jitendra Kumar Goyal	Rajesh Kumar Yadav	Ishu Maskara	Total
Short-term employee benefits	650.00	120.00	126.13	896.13
Salary				
Commission				
Perquisites				
Post-employment benefits				
Contribution to Provident Fund, Gratuity and other funds				
<b>Total</b>	<b>650.00</b>	<b>120.00</b>	<b>126.13</b>	<b>896.13</b>

d) Related parties have been identified on the basis of the declaration received by the management and other records available.

e) The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.

f) Loan transactions with related parties are repayable on demand.

g) The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received.

h) The remuneration to KMPs does not include provisions for gratuity and leave benefits.

**Note No. : 30 Other disclosures (Continued)**
**8) Financial instruments - Accounting, Classification and Fair value measurements**

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balancesheet items that contain financial instruments. The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 and Note 5 to the standalone financial statements.

**A) Financial instruments by category**
**As at 31st March, 2021**
**(Rs in '000)**

Particulars	Note No	Amortised Cost	FVTOCI	FVTPL	Cost	Total Carrying Value
<b>1) Financial assets</b>						
Cash and cash equivalents	8	194.04	-	-	-	194.04
Trade receivables	9	2,659.72	-	-	-	2,659.72
Loans	10	75,133.67	-	-	-	75,133.67
Investments	11	-	12,525.01	10,884.69	-	23,409.70
Other financial assets	12	10,239.68	-	-	-	10,239.68
<b>TOTAL</b>		<b>88,227.11</b>	<b>12,525.01</b>	<b>10,884.69</b>	-	<b>111,636.81</b>
<b>2) Financial Liabilities</b>						
Trade Payables	16	-	-	-	-	-
<b>TOTAL</b>		-	-	-	-	-

**As at 31st March, 2020**
**(Rs in '000)**

Particulars	Note No	Amortised Cost	FVTOCI	FVTPL	Cost	Total Carrying Value
<b>1) Financial assets</b>						
Cash and cash equivalents	8	134.04	-	-	-	134.04
Trade receivables	9	92.43	-	-	-	92.43
Loans	10	79,556.79	-	-	-	79,556.79
Investments	11	-	8,555.72	10,278.40	-	18,834.12
Other financial assets	12	12,138.39	-	-	-	12,138.39
<b>TOTAL</b>		<b>91,921.65</b>	<b>8,555.72</b>	<b>10,278.40</b>	-	<b>110,755.78</b>
<b>2) Financial Liabilities</b>						
Trade Payables	16	-	-	-	-	-
<b>TOTAL</b>		-	-	-	-	-

**Note No. : 30 Other disclosures (Continued)**
**B. Fair value hierarchy**

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

(2) The Company uses the following fair value hierarchy for determining and disclosing the fair value of financial instrument:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares.

**Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3:** Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This level of hierarchy includes Company's investment in equity shares which are unquoted or for which quoted prices are not available at the reporting dates. Carrying value of investments in unquoted shares approximates cost at which they are purchased.

**(i) Financial assets measured at fair value on a recurring basis as at 31st March, 2021: (Rs in '000)**

Particulars	Level 1	Level 2	Level 3	Total
<b>1) Financial assets</b>				
(i) Investments in Equity Instruments At FVTOCI	6,783.51	-	5,741.50	12,525.01
(ii) Investments in Equity Instruments At FVTPL	297.19		10,587.50	10,587.50
<b>Total</b>	<b>6,783.51</b>	<b>-</b>	<b>16,329.00</b>	<b>23,112.51</b>

**(ii) Financial assets measured at fair value on a recurring basis as at 31st March, 2020: (Rs in '000)**

Particulars	Level 1	Level 2	Level 3	Total
<b>1) Financial assets</b>				
(i) Investments in Equity Instruments At FVTOCI	1605.72	-	6,950.00	8,555.72
(ii) Investments in Equity Instruments At FVTPL	1578.40	-	8,700.00	8,700.00
<b>Total</b>	<b>3184.12</b>	<b>-</b>	<b>15,650.00</b>	<b>17,255.72</b>

There have been no transfer between Level 1 and Level 3 for the years ended 31st March 2021

**The following methods and assumptions were used to estimate the fair values**
**Financial instruments measured at fair value**

(i) Investments carried at fair value are generally based on market price quotations. However in cases where quoted prices are not available than different valuation technique are used by the management for different investments. Certain investments in equity instruments are not held for trading. Instead, they are held for long term strategic purposes, hence The Company has chosen to designate these investments in equity instruments at FVOCI since, it provides a more meaningful presentation. Further investments which are held for trading and company considers them as stock in trade are designated through FVTPL. Level 1 investments are valued at the quoted closing price on stock exchange. Investments included in Level 3 of the fair value hierarchy have been valued using the cost approach to arrive at their fair value. Cost of unquoted equity instruments have been considered as an appropriate estimate of fair value because of wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. As at 31st March, 2021 and, 31st March, 2020 the company did not hold any financial assets or financial liabilities which could have been categorized as Level 2.

**Financial instruments not measured at fair value**

(ii) Financial assets not measured at fair value include cash and cash equivalents, trade receivables, loans and other financial assets. These are financial assets whose carrying amounts approximate fair value, due to their short term nature. Additionally, financial liabilities such as trade payables and other financial liabilities are not measured at FVTPL whose carrying amounts approximate fair value, because of their short-term nature.

(iii) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

**Note No. : 31 Risk Management****1) Financial risk management**

Risk is an integral part of the Company's business and sound risk management is critical to success. The Company's primary business are reflected based on the principal business carried out i.e. loans and investments (and all other activities of the company revolve around the main business), hence the company is exposed to risks that are particular to its lending and the environment within which it operates and primarily includes credit risk, liquidity risk and market risk.

Since the company is Systematically non-important and non-deposit taking NBFC, and also in terms of Sub - Regulation (5) of Regulation 21 of SEBI (Listing Obligation and Disclosure Requirement), Regulations 2015 as amended, the Company is not required to have Risk Management Committee, but as a prudence the Board of Directors of the Company oversees the overall risk management approach, risk management strategies, procedures and principles. The senior management provides assurance that the Company's financial risks are identified, measured and managed in accordance with the Company's internal guidelines and risk objectives.

**a) Credit Risk**

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss to the Company. The Company's main income generating activity inter-alia is lending to customers and therefore credit risk is a principal risk. Credit risk mainly arises from loans and advances which are in entirety payable on demand.

The credit risk management guideline of the company seeks to have following controls and key metrics that allows credit risks to be identified, assessed, monitored and reported in a timely and efficient manner in compliance with regulatory requirements.

- > Standardise the process of identifying new risks and having in place appropriate controls for these risks.
- > Maintain an appropriate credit administration and loan review system.
- > Establish metrics for portfolio monitoring.
- > Minimize losses due to defaults or untimely payments by borrowers and implementing appropriate risk mitigation techniques.

In order to mitigate the impact of credit risk in the future profitability, the company makes reserves basis the Expected Credit Loss(ECL) Model for the outstanding loans including interest accrued but not due and interest overdue therein at balance sheet date. Asset classification is as per Reserve Bank of India guidelines and provisions is as per Expected Credit Loss Methodology as per Ind AS, which ever is higher than the minimum required as per prudential norms. The below discussion describes the Company's approach for assessing impairment as stated in the significant accounting policies.

**The mechanics of ECL** Ind AS requires the company to calculate ECL based on probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to the Company in accordance with the contract and the cashflows that the company expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

**Note No. : 31 Risk Management (Continued)**

**Probability of default (PD)** - The probability of default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

**Exposure at default (EAD)** - The exposure at default is an estimate of the exposure at a future default date. The outstanding balance (including the interest accrued but not due and interest overdue) at the reporting date is considered EAD by the Company. Since all the loans given by the company are repayable on demand, in this specific of on-demand repayable loan there are two options.

- 1) The borrower is able to pay immediately (if demanded) or
- 2) The borrower is not able to pay immediately

Hence the company examines whether the borrower has sufficient liquid assets to repay the loan immediately. If the borrower has sufficient liquid assets (cash and cash equivalents) to repay the outstanding loan including interest accrued therein, then ECL is close to zero, because probability of default is zero. The Company considers a financial instrument defaulted and therefore Stage 3 (credit impaired) for ECL Calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

As a part of the qualitative assessment of whether a customer is in default, the company also considers a variety of instances that may indicate unlikeness to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Considering that the PD determined above factors in amount at default, there is no separate requirement to estimate EAD.

However, the probability of loss (PD) is not zero, if the company assess that the borrower has no sufficient liquid assets to repay the loan when demanded and accordingly the Company estimates the PD based on historical observed default rates adjusted for forward looking estimates, based upon macro-economic developments occurring in the economy and market it operates in and the relationship between key economic trends like GDP, benchmark rates set by the Reserve Bank of India, inflation and most importantly the competitive advantage and disadvantage the company has in comparison to its peer group(s).

Based upon the above facts, the Company has assessed the following PD Percentage as at 31st March, 2020, while PD percentages for 31st March 2019 and on the date of transition remain same at 5%.

**Category**
**Loans: Unsecured and repayable on demand**

Stage 1: All Standard loans in the above category upto 30 days past due (DPD) are considered as Stage 1 assets for computation of ECL.

Stage 2: Exposure under Stage 2 include under-performing loans having 31 to 90 days past due (DPD) for computation of ECL.

Stage 3: Exposure under Stage 2 include non-performing loans with overdue more than 90 days past due (DPD). Based upon historical data the Company assigns PD to Stage 1 and Stage 2 and applies it to the EAD to compute the

Pools	Stage1	31st March, 2021	
		Stage 2	Stage 3
Unsecured loans, repayable on demand	5%	5%	100%
Pools	Stage1	31st March, 2020	
		Stage 2	Stage 3
Unsecured loans, repayable on demand	5%	5%	100%

**Note No. : 31 Risk Management (Continued)**

**Loss given default (LGD)** - The loss given default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

Since the company's loan portfolio mainly comprises of unsecured loans (repayable on demand), Loss given default (LGD) is always close to 100%.

<b>Pools</b>	<b>31/03/2021</b>	<b>31/03/2020</b>
Unsecured loans, repayable on demand	100%	100%

The Company has applied internal guidelines to the ECL Model to consider the impact of the Covid-19 pandemic on the provision. Probability of default is consistent as mentioned above and LGD are always near to 100% since the loans are unsecured. Further the company is assessing on the continuous basis the likelihood of increased credit risk and reasonable hair cuts in view of the Covid-19 pandemic. The number of days past due shall exclude the moratorium period if any availed by the borrower for the purposes of asset classification as per the Company's internal guidelines.

**Further refer note no 10 which provides information about exposure to credit risk and ECL on loan**

**Trade receivables**

Trade receivables are non-interest bearing and do not involve significant financing cost, further all the receivables are of short term in nature, hence transaction value approximates fair value for trade receivables. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. An impairment analysis is performed at each balance sheet date on an individual basis for major clients. In addition, number of minor receivables are grouped into homogenous groups and assessed for impairment collectively Based on Company's past history and the model under which it works, where it obtains most of the revenues on cut off dates or on settlement date, the Company does not provide for loss allowances during the reporting period.

**b) Liquidity Risk**

Liquidity risk is the risk that the entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The entity's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to entity's reputation. Prudent liquidity risk management requires sufficient cash and marketable securities and availability of funds through adequate committed credit facilities to meet obligations when due and close out market positions. The Company has a view of maintaining liquidity with minimal risks while making investments. The Company invests its surplus funds in short term liquid assets. The Company monitors its cash and bank balances periodically in view of its short term obligations associated with its financial liabilities. **Refer note 32 for analysis of maturities of financial assets and financial liabilities.**

**c) Market Risk**

Market risk arises when movements in market factors (interest rates, credit spreads, equity prices etc.) impact the Company's income or market value of its portfolios. The Company, in its course of business, is exposed to market risk due to change in equity prices and interest rates. The objective of market risk management is to maintain an acceptable level of market risk exposure while aiming to maximizing returns.

**(l) Equity price**

The Company's exposure to equity price risk arises primarily on account of investments in equity instruments (both short term and long term). The Company designates its investments in equity instruments based upon its business model. Investments which are held for trading are fair valued through profit and loss, whereas investments which are held for long term and strategic purpose are fair valued through Other comprehensive income The Company's equity price risk is managed in accordance with the objective of the Company and as approved by the

**Note No. : 31 Risk Management (Continued)**  
senior management of the Company.

**(ii) Interest Rate Risk**

The Company is exposed to Interest rate risk if the fair value or future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. The Company's interest rate risk arises from interest bearing deposits with bank and loan given to customers. Such instrument exposes the Company to fair value interest rate risk. Management believes that the interest rate risk attached to these financial assets is not significant due to the nature of these financial assets.

**d) Operational And Business Risk**

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. when controls fails to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

**2) Capital Management**

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company The Company determines the amount of capital required on the basis of recurring business plan coupled with long term and short term Strategic investments and expansion plans. The funding needs are met through equity, cash generated from operations, short term borrowings and through use of bank overdrafts if required For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity shareholders of the Company. The Company's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to shareholders and other stake holders. The Company manages its capital structure and makes adjustments in light of changes in the financial condition and the requirement of the financial covenants if any. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return **Note No. 32 MATURITY ANALYSIS** (shares) or issue new shares.

**(1) The table below shows an analysis of assets and liabilities analyzed according to when they are expected to be recovered or settled.**

(Rs in '000)

Particulars	As at 31 March, 2021		
	Total	Within 12 months	After 12 months
<b>I. Assets</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	194.04	194.04	-
Trade receivables	2,659.72	2,659.72	-
Loans	75,133.67	75,133.67	-
Investments	23,409.70	10,884.69	12,525.01
Other financial assets	10,239.68	-	10,239.68
<b>Non-Financial Assets</b>	<b>111,636.81</b>	<b>88,872.12</b>	<b>22,764.69</b>
Current tax assets (net)	878.40	878.40	-
Deferred tax assets (net)	763.90	-	763.90
Other non- financial assets	81.87	-	81.87
<b>Total Assets</b>	<b>1,724.17</b>	<b>878.40</b>	<b>845.77</b>
<b>II. Liabilities</b>	<b>113,360.98</b>	<b>89,750.51</b>	<b>23,610.47</b>
<b>Financial Liabilities</b>			
Trade payables	-	-	-
<b>Non-Financial Liabilities</b>			
Other non-financial liabilities	100.60	100.60	-
	<b>100.60</b>	<b>100.60</b>	<b>-</b>
<b>Total Liabilities</b>	<b>100.60</b>	<b>100.60</b>	<b>-</b>
<b>Net Assets</b>	<b>113,260.38</b>	<b>89,649.91</b>	<b>23,610.47</b>

## Note No. : 32 (2) MATURITY ANALYSIS (Continued)

(Rs in '000)

Particulars	As at 31 March, 2020		
	Total	Within 12 months	After 12 months
<b>I. Assets</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	134.04	134.04	-
Trade receivables	92.43	92.43	-
Loans	79,556.79	79,556.79	-
Investments	18,834.12	10,278.40	8,555.72
Other financial assets	12,138.39	11,938.39	200.00
	<b>110,755.78</b>	<b>102,000.06</b>	<b>8,755.72</b>
<b>Non-Financial Assets</b>			
Current tax assets (net)	737.26	737.26	-
Deferred tax assets (net)	988.53		988.53
Other non- financial assets	30.00	30.00	-
	<b>1,755.79</b>	<b>767.26</b>	<b>988.53</b>
<b>Total Assets</b>	<b>112,511.57</b>	<b>102,767.32</b>	<b>9,744.25</b>
<b>II. Liabilities</b>			
<b>Financial Liabilities</b>			
Trade payables	-	-	-
	-	-	-
<b>Non-Financial Liabilities</b>			
Other non-financial liabilities	235.42	235.42	-
	<b>235.42</b>	<b>235.42</b>	<b>-</b>
<b>Total Liabilities</b>	<b>235.42</b>	<b>235.42</b>	<b>-</b>
<b>Net Assets</b>	<b>112,276.15</b>	<b>102,531.90</b>	<b>9,744.25</b>

Note No. : 32 (2) Disclosure Pursuant to Reserve Bank of India Circular Dated 13 March, 2020 Disclosure pursuant to Reserve Bank of India (RBI) Circular No.RBI/2019-20/170 DOR (NBFC).CC.PD No.109/22.10.106/2019-20 Appendix based on above RBI Notification dated 13 March, 2020 on Implementation of Indian Accounting Standards (Ind AS)

(Rs in '000)

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 Provisions and IRACP NORMS
(1)	(2)	(3)	(4)	(5) = (3) - (4)	(6)	(7) = (4) - (6)
<b>Performing Assets</b>						
Standard	Stage 1	79,088.07	3,954.40	75,133.67	197.72	3,756.68
	Stage 2	-	-		-	-
Subtotal		79,088.07	3,954.40	75,133.67	197.72	3,756.68
<b>Non-Performing Assets (NPA)</b>						
Sub-Standard	Stage 3	-	-	-	-	-
Doubtful upto 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
more than 3 years	Stage 3	-	-	-	-	-



**Note No. : 32 (2) MATURITY ANALYSIS (Continued)**
**(Rs in '000)**

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 Provisions and IRACP NORMS
(1)	(2)	(3)	(4)	(5) = (3) - (4)	(6)	(7) = (4) - (6)
Sub-total for doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for loss		-	-	-	-	-
Other items such as guarantees, loan commitments etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and provisioning (IRACP) norms	Stage 1	-	-	-	-	-
		-	-	-	-	-
	Stage 2	-	-	-	-	-
		-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub-total		-	-	-	-	-
Total	Stage 1	79,088.07	3,954.40	75,133.67	197.72	3,756.68
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Total	79,088.07	3,954.40	75,133.67	197.72	3,756.68

**(Rs in '000)**

Particulars	Amount In Rs	
	As at March, 2021	As at March, 2020
Provision as per RBI Prudential Norms		
Standard Asset	197.72	209.36
Sub-Standard Asset	-	-
Doubtful Asset	-	-
Loss Asset	-	-
<b>Total</b>	<b>197.72</b>	<b>209.36</b>

a) Asset classification is as per Reserve Bank of India guidelines and provisions is as per Expected Credit Loss methodology as per Ind AS which is higher than minimum required as per prudential norms.

b) As the ECL provisions is higher than provision required under IRACP (Income Recognition, Assets classification & provisioning, there is no requirement to create Impairment allowance reserve.

**Note No. : 32 (3) Fraud**

During the year there have been no such instances of fraud on the Company by the officers and employees, whether loan related misappropriations or cash embezzlements/burglaries.

**Note No. : 32 (4) Previous year figures**

Previous year figures have been regrouped/reclassified, where necessary, to conform current year's classification.

**Schedule to the Balance Sheet of Decillion Finance Limited as on 31.03.2021 as required in terms of Paragraph 13 of a Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015**

**LIABILITIES SIDE**

(Rs IN 000)

<u>PARTICULARS</u>		<u>AMOUNT OUTSTANDING</u>	<u>AMOUNT OVERDUE</u>
<b>1</b>	<b>LOANS AND ADVANCES AVAILED BY THE NBFCs INCLUSIVE OF INTEREST ACCRUED THEREON BUT NOT PAID:</b>		
a	DEBENTURES		
	• SECURED	NIL	NIL
	• UNSECURED (OTHER THAN FALLING WITHIN THE MEANING OF PUBLIC DEPOSITS*)	NIL	NIL
b	DEFERRED CREDITS	NIL	NIL
c	TERM LOANS	NIL	NIL
d	INTER – CORPORATE LOANS AND BORROWINGS	NIL	NIL
e	COMMERCIAL PAPER	NIL	NIL
f	OTHER LOANS (SPECIFY NATURE)	NIL	NIL

\*Please see note -1 below

**ASSETS SIDE**

<u>PARTICULARS</u>		<u>AMOUNT OUTSTANDING</u>
<b>2</b>	<b>BREAK UP OF LOANS AND ADVANCES INCLUDING BILLS RECEIVABLES OTHER THAN THOSE INCLUDED IN (4) BELOW:</b>	
	• SECURED	
	• UNSECURED	75,133.67
<b>3</b>	<b>BREAK UP OF LEASED ASSETS AND STOCK ON HIRE AND OTHER ASSETSCOUNTING TOWARDS AFC ACTIVITIES</b>	NIL
a	LEASE ASSETS INCLUDING LEASE RENTALS UNDER SUNDRY DEBTORS	
	• FINANCIAL LEASE	NIL
	• OPERATING LEASE	NIL
b	STOCK ON HIRE INCLUDING HIRE CHARGES UNDER SUNDRY DEBTORS	
	• ASSETS ON HIRE	NIL
	• REPOSSESSED ASSETS	NIL
c	OTHER LOANS COUNTING TOWARDS AFC ACTIVITIES	NIL
	• LOANS WHERE ASSETS HAVE BEEN REPOSSESSED	NIL
	• LOANS OTHER THAN (a) ABOVE	NIL
<b>4</b>	<b>BREAK UP OF INVESTMENTS:</b>	
	<b>CURRENT INVESTMENTS</b>	
1.	QUOTED	
	• SHARES	
	EQUITY	NIL
	PREFERENCE	NIL

	• DEBENTURES AND BONDS	NIL
	• UNITS OF MUTUAL FUNDS	NIL
	• GOVERNMENT SECURITIES	NIL
	• OTHERS	NIL
2.	UNQUOTED	
	• SHARES	
	(i) EQUITY	NIL
	(ii) PREFERENCE	NIL
	• DEBENTURES AND BONDS	NIL
	• UNITS OF MUTUAL FUNDS	NIL
	• GOVERNMENT SECURITIES	NIL
	• OTHERS	NIL
	<b>LONG TERM INVESTMENTS</b>	
1.	QUOTED	
	• SHARES	
	(i) EQUITY	7,080.70
	(ii) PREFERENCE	NIL
	• DEBENTURES AND BONDS	NIL
	• UNITS OF MUTUAL FUNDS	NIL
	• GOVERNMENT SECURITIES	NIL
	• OTHERS	NIL
2.	UNQUOTED	
	• SHARES	
	(i) EQUITY	16,329.00
	(ii) PREFERENCE	2,575.00
	• DEBENTURES AND BONDS	NIL
	• UNITS OF MUTUAL FUNDS	NIL
	• GOVERNMENT SECURITIES	NIL
	• OTHERS	NIL

5	BORROWER GROUP WISE CLASSIFICATION OF ASSETS FINANCED AS IN (2) AND (3) ABOVE: Please Note2 below	AMOUNT NET OF PROVISIONS		
		SECURED	UNSECURED	TOTAL
1.	RELATED PARTIES**			
	(a) SUBSIDIARIES	NIL	NIL	NIL
	(b) COMPANIES IN THE SAME GROUP	NIL	NIL	NIL
	(c) OTHER RELATED PARTIES	NIL	31386.59	31386.59
2.	OTHER THAN RELATED PARTIES	NIL	47701.49	47701.49
	<b>TOTAL</b>	NIL	79088.07	79088.07

<b>6</b>	<b>INVESTOR GROUP WISE CLASSIFICATION OF ALL INVESTMENTS (CURRENT AND LONG TERM) IN SHARES AND SECURITIES (BOTH QUOTED AND UNQUOTED):</b> please see note 3 below as per Accounting Standard of ICAI		
	<b>CATEGORY</b>	<b>MARKET VALUE /BREAK UP OR FAIR VALUE OR NAV</b>	<b>BOOK VALUE (NET OF PROVISION)</b>
1.	RELATED PARTIES **		
	(a) SUBSIDIARIES	-	-
	(b) COMPANIES IN THE SAME GROUP	-	-
	(c) OTHER RELATED PARTIES	10,087.50	-
2.	OTHER THAN RELATED PARTIES	13,322.20	-
	<b>TOTAL</b>	<b>23,409.70</b>	<b>23,409.70</b>
<b>7</b>	<b>OTHER INFORMATION:</b>		
	<b>PARICULARS</b>	<b>AMOUNT</b>	
I	GROSS NON- PERFORMING ASSETS		
	(a) RELATED PARTIES	NIL	
	(b) OTHER THAN RELATED PARTIES	NIL	
II	NET NON- PERFORMING ASSETS		
	(a) RELATED PARTIES	NIL	
	(b) OTHER THAN RELATED PARTIES	NIL	
III	ASSETS ACQUIRED IN SATISFACTION OF DEBTS	NIL	

**NOTES:**

- As defined in paragraph 2 (1) (xii) of the **Non – Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998**.
- Provisioning Norms shall be applicable as prescribed in **Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve bank) Direction, 2015**.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of Investments and other assets as also assets acquired in satisfaction of debts. However, Market value in respect of quoted investment and break – up / fair value/ NAV in respect on unquoted investment should be disclosed irrespective of whether they are classified as long term or current in ( 4 ) above .

**DECILLION FINANCE LIMITED****Regd. Office: JAJODIA TOWER" 4<sup>TH</sup> FLOOR, ROOM NO. D-8 , 3 BENTINCK STREET, KOLKATA-700 001****Email: [info@decillion.co.in](mailto:info@decillion.co.in); Website:[www.decillion.co.in](http://www.decillion.co.in)****CIN: L65999WB1995PLC067887****ATTENDANCE SLIP**

Members attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting venue.

DP ID*		Folio No.	
Client ID*		No. of Shares	
Name of the member(s) (in Block Letters)			
Name of the Proxy, of any (in Block Letters)			

I hereby record my presence at the 27th Annual General Meeting of the Company at "COMPASS" - Computer Association of Eastern India, 37, Shakespeare Sarani, S.B. Tower, 1st Floor, Kolkata – 700017, West Bengal, on Wednesday, the 29th September, 2021 at 12.00 Noon.

**Signature of Shareholder****Signature of Proxy****Notes:**

- Only Member/Proxy can attend the meeting.
- Member / Proxy wish to attend the meeting must bring this attendance slip to the meeting and handover at the entrance duly filled in and signed.

\*Applicable in case of shareholders holding shares in electronic form only.

**DECILLION FINANCE LIMITED****Regd. Office: JAJODIA TOWER" 4<sup>TH</sup> FLOOR, ROOM NO. D-8 , 3 BENTINCK STREET, KOLKATA-700 001****Email: [info@decillion.co.in](mailto:info@decillion.co.in); Website:[www.decillion.co.in](http://www.decillion.co.in)****CIN: L65999WB1995PLC067887****FORM NO. MGT 11****PROXY FORM**

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

Name(s) of the Shareholder(s) (including joint-holders, if any):	
Registered address of the Shareholder(s)	
Registered Folio No. /Client ID No. /DP ID No.:	
No. of equity Shares Held	

I/ We being the member(s) of \_\_\_\_ equity share of the above mentioned Company hereby appoint:

- Name : .....  
Address : .....  
E-mail ID:..... Signature..... Or failing him / her
- Name : .....  
Address : .....  
E-mail ID:..... Signature..... Or failing him / her
- Name : .....  
Address : .....  
E-mail ID:..... Signature..... Or failing him / her

As my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the Company, to be held at "COMPASS" - Computer Association of Eastern India, 37, Shakespeare Sarani, S.B. Tower, 1st Floor, Kolkata – 700017, West Bengal, on Wednesday, the 29th September, 2021 at 12.00 Noon.in respect of such resolutions as are indicated below:



**DECILLION FINANCE LIMITED**

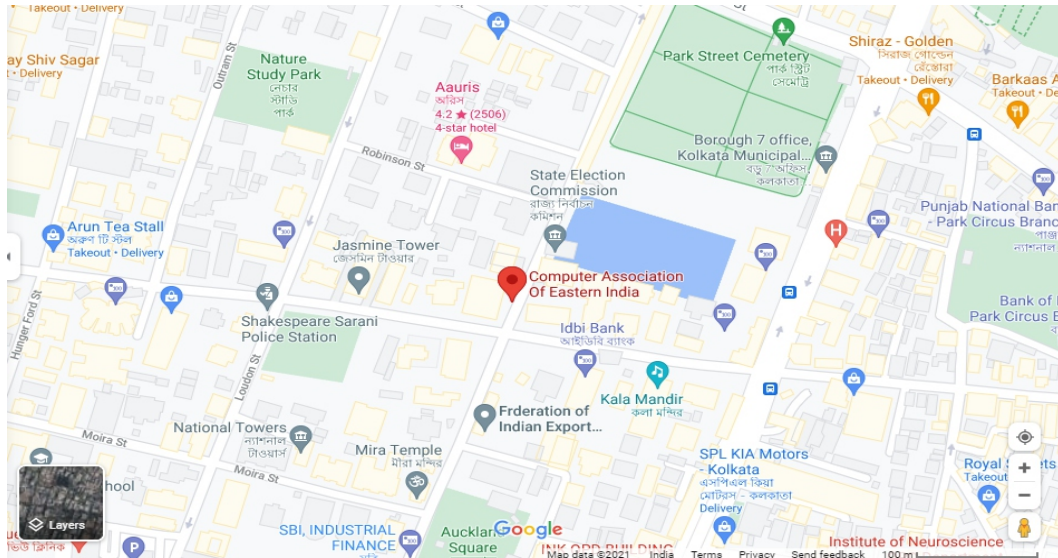
**CIN: L65999WB1995PLC067887**

**Regd. Office: JAJODIA TOWER” 4<sup>TH</sup> FLOOR, ROOM NO. D-8, 3 BENTINCK STREET, KOLKATA-700 001**

**Email: info@decillion.co.in; Website:www.decillion.co.in**

**MAP SHOWING LOCATION OF THE VENUE OF THE 27<sup>TH</sup> ANNUAL GENERAL MEETING**

**VENUE: “COMPASS” - Computer Association of Eastern India, 37, Shakespeare Sarani, S.B. Tower, 1st Floor, Kolkata – 700017,**



**DECILLION FINANCE LIMITED**

**Regd. Office: JAJODIA TOWER” 4<sup>TH</sup> FLOOR, ROOM NO. D-8, 3 BENTINCK STREET, KOLKATA-700 001**

**Email: info@decillion.co.in; Website:www.decillion.co.in**

**CIN: L65999WB1995PLC067887**

\* I wish my above Proxy to vote in the manner as indicated in the box below:

Resolution No.	Resolutions	For	Against
<b>ORDINARY BUSINESS</b>			
1.	Ordinary Resolution To consider and adopt the Audited Financial Statement of the Company for the year ended 31 <sup>st</sup> March, 2021 along with Directors' and Auditor's report thereon.		
2.	Ordinary Resolution To appoint a director in place of Mr. Jitendra Kumar Goyal (DIN: 00468744), who retires and being eligible, offers himself for re-appointment.		
3.	Ordinary Resolution. To modify the terms of appointment of Statutory Auditors and fix their remuneration		
<b>SPECIAL BUSINESS</b>			
4.	Ordinary Resolution To consider and approve the appointment of Mrs. Pooja Kalanouria (DIN: 09056683) as a Non-Executive Independent Woman Director of the Company.		

Signed this ..... day of September, 2021

Signature of Shareholder: \_\_\_\_\_

Signature of Proxy holder: \_\_\_\_\_

Note:

The Proxy Form signed across revenue stamp should reach the Registered Office of the Company at least 48 hours before the scheduled time of Meeting.

For the Resolutions, explanatory statements and notes please refer to the Notice of the 27<sup>th</sup> Annual General Meeting.

\*This is only optional. Please put 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

**Affix Revenue Stamp**