

# SUMMIT SECURITIES LIMITED

Corporate Identification Number: L65921MH1997PLC194571

Registered Office: 213, Bezzola Complex, B Wing, 71, Sion-Trombay Road, Chembur, Mumbai - 400071

Tel No.: +91-22-25292152/54/55 Fax No: +91-22-25297423

Website : [www.summitsecurities.net](http://www.summitsecurities.net) Email : [investors@summitsecurities.net](mailto:investors@summitsecurities.net) ; [summitsec@gmail.com](mailto:summitsec@gmail.com)

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August 30, 2021

## **National Stock Exchange of India Limited**

Exchange Plaza, 5<sup>th</sup> Floor  
Plot No C/1, G Block  
Bandra Kurla Complex  
Bandra East  
Mumbai 400 051

## **BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai – 400 001

**Symbol: SUMMITSEC**

**Security Code: 533306**

**Security ID: SUMMITSEC**

### **Sub: Submission of AGM Notice and Annual Report for FY 2020-21.**

Dear Sir,

In accordance with our communication dated August 26, 2021, we wish to convey that the Twenty-Fourth Annual General Meeting (AGM) of Summit Securities Limited will be held on Friday, September 24, 2021 at 02.00 p.m. (I.S.T.) through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM') facility, in accordance with the relevant circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of India in this regard.

Pursuant to Regulation 34(1) and Regulation 30(2) read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report for FY 2020-21 including the Business Responsibility Report, together with the Notice of this AGM, being sent electronically to the members, whose email IDs are registered with the Company/Company's Registrar and Share Transfer Agent, TSR Darashaw Consultants Private Limited / Depository Participant(s).


The Notice of this AGM *inter-alia* provide the process and manner of remote e-Voting/ e-Voting at the AGM and instructions for participation at the AGM through VC/OAVM facility.

The Annual Report for FY 2020-21 including the Notice of this AGM is also available on the website of the Company viz. [www.summitsecurities.net](http://www.summitsecurities.net).

Kindly take the same on record.

Thanking you

Yours faithfully  
For Summit Securities Limited



Jiya Gangwani  
Company Secretary  
Encl: As above

**SUMMIT SECURITIES LIMITED**  
**ANNUAL REPORT 2020-21**

## BOARD OF DIRECTORS:

RAMESH D. CHANDAK	Chairman, Non-Executive, Independent Director
A. N. MISRA	Non-Executive Director
H. N. SINGH RAJPOOT	Non-Executive Director
A. V. NERURKAR	Non-Executive, Independent Director
H. C. DALAL	Non-Executive, Independent Director
PREM KAPIL	Non-Executive, Independent Director
REKHA DHANANI	Non-Executive, Additional (Independent) Director

## COMPANY SECRETARY AND COMPLIANCE OFFICER:

JIYA GANGWANI

## REGISTERED OFFICE :

213, Bezzola Complex,  
B Wing, 71, Sion-Trombay Road,  
Chembur, Mumbai 400 071.  
Phone: +91-22-25292152/54/55  
Fax: +91-22-25297423  
E-mail: [investors@summitsecurities.net](mailto:investors@summitsecurities.net);  
[summitsec@gmail.com](mailto:summitsec@gmail.com)  
Website: [www.summitsecurities.net](http://www.summitsecurities.net)

## AUDITORS :

M/s. SHARP & TANNAN,  
CHARTERED ACCOUNTANTS (w.e.f. August 13, 2021)  
M/s. CHATURVEDI & SHAH LLP,  
CHARTERED ACCOUNTANTS (Upto August 13, 2021)

## REGISTRAR AND SHARE TRANSFER AGENTS :

TSR DARASHAW CONSULTANTS PRIVATE LIMITED  
C-101, 1<sup>st</sup> Floor, 247 Park,  
Lal Bahadur Shastri Marg, Vikhroli West,  
Mumbai 400 083.  
Phone: +91-22-6656 8484  
Fax: +91-22-6656 8494  
E-mail: [csg-unit@tcplindia.com](mailto:csg-unit@tcplindia.com)

## BANKERS :

HDFC BANK LIMITED  
ICICI BANK LIMITED  
KOTAK MAHINDRA BANK LIMITED

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## NOTICE

NOTICE is hereby given that the Twenty-Fourth Annual General Meeting of the members of Summit Securities Limited will be held on **Friday, September 24, 2021 at 2.00 p.m.** Indian Standard Time (I.S.T.) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt:
  - a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2021, together with the Reports of the Auditors and the Board of Directors thereon.
  - b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2021, together with the Report of the Auditors thereon.
2. To appoint a Director in place of Mr. H. N. Singh Rajpoot (DIN: 00080836), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, has offered himself for re-appointment.

3. To consider and if deemed fit, to pass the following as **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 139(8), 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, RBI Act, 1934 read with the relevant Regulations / Notifications / Circulars issued thereunder, to the extent applicable ('applicable laws') to the Company (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. Sharp & Tannan, Chartered Accountants (Firm Registration No: 109982W), who had offered themselves for appointment and confirmed their eligibility in terms of the applicable laws, be and are hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused due to the resignation of M/s. Chaturvedi & Shah LLP, Chartered Accountants (FRN: 101720W/W100355) on August 13, 2021 and they shall hold office upto the conclusion of the Twenty Fourth Annual General Meeting of the Company at a remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

4. To consider and if deemed fit, to pass the following as **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, RBI Act, 1934 read with the relevant Regulations / Notifications / Circulars issued thereunder, to the extent applicable to the Company ('applicable laws') (including any statutory modification(s) or re-enactment thereof

for the time being in force), M/s. Sharp & Tannan, Chartered Accountants (Firm Registration Number: 109982W), who have offered themselves for appointment and confirmed their eligibility in terms of the applicable laws, be and are hereby appointed as Statutory Auditors of the company to hold office from the conclusion of this Twenty Fourth Annual General Meeting till the conclusion of the Twenty Seventh Annual General Meeting of the Company.

**RESOLVED FURTHER THAT** M/s. Sharp & Tannan, Chartered Accountants, Statutory Auditors be paid a remuneration of ₹ 2,25,000/- (Rupees Two Lakh Twenty-Five Thousand only) per annum plus applicable taxes towards audit fees, for FY 2021-22 and thereafter at a remuneration, as may be mutually agreed, annually between the Board of Directors and the Statutory Auditors and as may be further approved by the Board from time to time, with power to the Board, to alter and vary the terms and conditions of appointment, etc., including by reason of necessity on account of conditions as may be stipulated by the RBI and / or any other authority under applicable laws, in such manner and to such extent as may be mutually agreed with the Statutory Auditors."

### SPECIAL BUSINESS:

5. To consider and if deemed fit, to pass the following as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to Section 161 of the Companies Act, 2013 ('the Act') read with Rules made thereunder and the Articles of Association of the Company, Ms. Rekha Dhanani (DIN: 08927006), who was appointed by the Board of Directors as an Additional Director of the Company with effect from November 10, 2020 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Act and is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** pursuant to Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Act and the Rules made thereunder and Regulation 16, 17 and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'), as amended from time to time and upon recommendation of the Nomination and Remuneration Committee, Ms. Rekha Dhanani (DIN: 08927006), who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and the applicable provisions under the Listing Regulations and who is eligible for appointment as an Independent Director, be and is hereby appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation, for a term of five (5) consecutive years with effect from November 10, 2020 upto November 09, 2025."

6. To consider and if deemed fit, to pass the following as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) read with Rules made thereunder and Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof) and Articles of Association of the Company, the approval of members be and is hereby accorded for appointment of Mr. Anand Rathi as Manager of the Company, for a period of 3 (three) years with effect from February 16, 2021 upto February 15, 2024, upon such terms and conditions of appointment and remuneration as provided in the explanatory statement annexed hereto and as may be decided by the Board of Directors, based on recommendations by the Nomination and Remuneration Committee, subject to the overall limits including remuneration as prescribed under Schedule V of the Act.”

7. To consider and if deemed fit, to pass the following as a **Special Resolution**:

**“RESOLVED THAT** in supersession of the resolutions passed earlier in this regard and pursuant to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 2013 (‘Act’) and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), consent of the members be and is hereby accorded to keep the Registers and Indexes of members and Debenture Holders and copies of all Annual Returns under Section 92 of the Act together with the copies of certificates and documents required to be annexed thereto or any other documents as may be required at the office of TSR Darashaw Consultants Private Limited, Registrars and Share Transfer Agents of the Company (‘RTA’) presently situated at C-101, 1<sup>st</sup> Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai - 400 083 or at any such other place where the RTA may shift its office from time to time.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to take all such actions and to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this resolution.”

**NOTES:**

1. In view of the continuing COVID-19 pandemic, to ensure social distancing as a norm to be followed, and in accordance with the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 (collectively referred to as ‘MCA Circulars’) and Circulars dated May 12, 2020 and January 15, 2021 issued by the Securities and Exchange Board of India (‘SEBI’) and in compliance with the provisions of the Companies Act, 2013 (‘the Act’), Securities

and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), the Twenty-Fourth Annual General Meeting of the members of the Company (‘AGM’) is being held through Video Conferencing (VC)/Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. National Securities and Depository Limited (NSDL) shall be providing facility for voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC/OAVM is annexed herewith and is also available at the Company’s website [www.summitsecurities.net](http://www.summitsecurities.net).

2. In accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India (‘ICSI’) read with Clarification/Guidance on applicability of Secretarial Standards 1 and 2 dated April 15, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered office of the Company located at 213, Bezzola Complex, B Wing, 71, Sion-Trombay Road, Chembur, Mumbai – 400071.
3. An Explanatory Statement setting out material facts, pursuant to Section 102 of the Act read with Regulation 36(5) of LODR Regulations which sets out details relating to the Item Nos 3 to 7 of the AGM Notice, is annexed hereto.
4. Brief details of the Directors and Manager who are seeking appointment/is there any re-appointment? pursuant to Regulations 36(3) of the Listing Regulations and Clause 1.2.5 of Secretarial Standards on General Meetings (‘SS-2’) issued by The Institute of Company Secretaries of India (‘ICSI’), are annexed hereto.
5. **Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, since the physical attendance of members has been dispensed with, there is no requirement of appointment of proxies. Attendance of the members through VC/OAVM facility only, will be counted for the purpose of reckoning the quorum under section 103 of the Act. Accordingly, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.**
6. In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of members of the Company will be entitled to vote.
7. Pursuant to Regulation 40 of the Listing Regulations, as amended, with effect from April 1, 2019, transfer of securities of the Company were carried out in dematerialized form only, except in case of transmission or transposition of securities. Further, SEBI through Circulars dated September 7, 2020 and December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds lodged prior to April 01, 2019 and rejected/returned due to deficiency in the documents. These shares that were re-lodged for transfer were issued in demat mode only. Members holding shares in physical form are therefore requested

- to convert their holdings into the dematerialised to eliminate risks associated with physical shares and to avail various benefits of dematerialisation.
8. Pursuant to provisions of Section 91 of the Act, the Register of members and the Share Transfer Books of the Company will remain closed from Saturday, September 18, 2021 upto Friday, September 24, 2021 (both days inclusive).
  9. Consolidation of Folios:  
Members holding shares in the same name or in the same order of names, under different folios, are requested to notify the relevant details of their said holdings to TSR Darashaw Consultants Private Limited at C-101, 1<sup>st</sup> Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli West, Mumbai - 400083 for consolidation of their shareholdings into a single folio.
  10. Change in address/ email address/contact numbers etc.:  
Members are requested to notify immediately any change in their address:
    - a) If the shares are held in physical form to:
      - (i) The Company at its Registered Office at:  
Summit Securities Limited  
213, Bezzola Complex,  
B Wing, 71, Sion-Trombay Road,  
Chembur, Mumbai - 400 071  
E-mail: [investors@summitsecurities.net](mailto:investors@summitsecurities.net)
      - OR
      - (ii) The Registrar and Share Transfer Agents ("RTA") of the Company at the following address:  
TSR Darashaw Consultants Private Limited  
C-101, 1<sup>st</sup> Floor, 247 Park,  
Lal Bahadur Shastri Marg, Vikhroli West,  
Mumbai - 400083  
E-mail: [csg-unit@tcplindia.co.in](mailto:csg-unit@tcplindia.co.in)
    - b) If the shares are held in demat form: to the respective Depository Participant(s).
  11. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their DP with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's RTA.
  12. The Company after compliance with the due procedure laid down under Clause 5A of the erstwhile Listing Agreement entered into with the Stock Exchanges, now Regulation 39 of the Listing Regulations, had transferred the shares covered under the share certificates, which remained unclaimed by members, to a "Suspense Demat Account" opened with Keynote Capitals Limited, Depository Participant. Members who wish to claim their equity shares are therefore, requested to write to the Company or to the Registrar and Share Transfer Agents., viz., TSR Darashaw Consultants Private Limited alongwith requisite documentary proof to claim their shares.
  13. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Act will be available electronically for inspection by the members during the AGM. All other documents referred to in the accompanying Notice and Explanatory Statements will be available for inspection through electronic mode by the Members, in accordance with applicable statutory requirements. Members seeking to inspect such documents can send an e-mail to [summitsecurities.agm@gmail.com](mailto:summitsecurities.agm@gmail.com).
  14. Subject to the receipt of requisite number of votes, the Resolutions forming part of the AGM Notice shall be deemed to be passed on the date of the AGM i.e. September 24, 2021.
  15. **ELECTRONIC DISPATCH OF ANNUAL REPORT:**  
In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report of FY 2020-21 is being sent only through electronic mode to those members whose email IDs are registered with the Company / Depositories. Members may note that the Notice and Annual Report of FY 2020-21 will also be available on the Company's website [www.summitsecurities.net](http://www.summitsecurities.net) under 'Financials' tab, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and also on the website of National Securities Depository Limited ('NSDL') i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  16. **REGISTRATION OF EMAIL ID:**
    - i. **FOR MEMBERS HOLDING PHYSICAL SHARES:**  
The members of the Company holding equity shares of the Company in physical form and who have not registered their email may get their email IDs registered with the Company's RTA TSR Darashaw Consultants Private Limited at [csg-kyc@tcplindia.co.in](mailto:csg-kyc@tcplindia.co.in) by sending a request letter duly signed by first holder thereby providing details such as Name, Folio No., share certificate (front and back), self-attested copy of PAN card, self-attested copy of Aadhar Card, mobile number and e-mail ID.
    - ii. **FOR MEMBERS HOLDING SHARES IN DEMAT MODE:**  
The members holding shares in demat form may get their email address permanently registered with their respective Depository Participant(s).  
  
For receiving soft copy of Annual Report of FY 2020-21 and Notice of 24<sup>th</sup> AGM, such members may send an email to [investors@summitsecurities.net](mailto:investors@summitsecurities.net) alongwith their details such as Name of shareholder, DPID / Client ID, PAN and mobile number.

**17. PARTICIPATION AT THE AGM AND VOTING:****A. The details of the process and manner for participating in the Annual General Meeting ('AGM') through VC / OAVM are explained herein below:**

- i. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **"Access to NSDL e-Voting system"**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under "Join General Meeting" menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company - 117245 will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice to avoid last minute rush.
- ii. The members can join the AGM in the VC / OAVM mode 30 (thirty) minutes before the scheduled time of the commencement of the Meeting and window for joining the Meeting shall be kept open throughout the proceedings of the AGM.
- iii. Members are encouraged to join the Meeting through Laptops / IPads connected through broadband for a better experience. Please note that Participants connecting from mobile devices or tablets or through Laptop via mobile hotspot may experience Audio / Video loss due to fluctuation in their respective network connections. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- iv. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker and send their request mentioning their name, DP ID and Client ID / folio number, email id, PAN, mobile number at [summitsecurities.agm@gmail.com](mailto:summitsecurities.agm@gmail.com) between 9.00 a.m. (IST) on Saturday, September 18, 2021 and 5.00 p.m. (IST) on Monday, September 20, 2021. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time at the AGM.
- v. Members who do not wish to speak during the AGM but have queries on accounts or any matter to be placed at the AGM may send the same latest by Tuesday, September

21, 2021 mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at [summitsecurities.agm@gmail.com](mailto:summitsecurities.agm@gmail.com). These queries will be replied suitably either at the AGM or by an e-mail.

- vi. Corporate/ Institutional members intending to appoint their authorised representatives to attend and vote at the AGM through VC/OAVM or through remote e-Voting are requested to send a scanned copy (PDF/ JPG format) of their Board/Corporate Resolution authorizing its representative(s) to attend and vote at AGM on their behalf, pursuant to Section 113 of the Act, to the Scrutinizer by e-mail at [summitsecurities.scrutinizer@gmail.com](mailto:summitsecurities.scrutinizer@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- vii. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

**B. Remote e-Voting and Voting at AGM:**

- i. Pursuant to Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the Listing Regulations and Secretarial Standard - 2 (SS-2) on "General Meetings" issued by the Institute of Company Secretaries of India and in terms of SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020, in relation to e-voting facility provided by Listed Entities, the Company is pleased to provide its members, facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means and the business may be transacted through e-voting facility. The facility of casting the votes by the members using an electronic voting system before the meeting as well as during the AGM will be provided by National Securities Depository Limited ("NSDL").
- ii. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on **Friday, September 17, 2021 ("the cut-off date")**. Any 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 before the AGM and during the AGM.

Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. September 17, 2021, may obtain the login ID and

password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on [www.evoting.nsd.com](http://www.evoting.nsd.com) or call on toll free no. 1800 102 0990 and 1800 224 430. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned in the Notice of the AGM under “**Access to NSDL e-Voting system**”.

- iii. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM by way of VC / OAVM facility only but shall not be entitled to cast their vote again at the AGM.
- iv. Mr. P. N. Parikh (Membership No. FCS 327) or failing him Mr. Mitesh Dhaliwala (Membership No. FCS 8331) or failing him Ms. Sarvari Shah (Membership No. FCS 9697) of Parikh Parekh & Associates, Company Secretaries, has been appointed to act as the Scrutinizer, to scrutinize the remote e-voting process before and e-voting process during the AGM in a fair and transparent manner.
- v. The Scrutinizer shall, immediately after the conclusion of the e-voting at the AGM, unblock the votes cast through e-voting (votes cast during the AGM and votes cast through remote e-Voting before the AGM) and make, not later than two working days of conclusion of the AGM, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
- vi. The Results declared along with the Report of the Scrutinizer shall be placed on the Company’s website ([www.summitsecurities.net](http://www.summitsecurities.net)) and also be displayed on the website of NSDL ([www.evoting.nsd.com](http://www.evoting.nsd.com)) immediately after the results are declared and simultaneously communicated to the Stock Exchanges.

**The instructions for members for voting electronically are as under:-**

The remote e-voting period will commence at 09:00 a.m. (I.S.T.) on Tuesday, September 21, 2021 and will end at 5:00 p.m. (I.S.T.) on Thursday,

September 23, 2021. 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. Friday, September 17, 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. Once vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

**The details of the process and manner for remote e-voting and joining the AGM are explained herein below:-**

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 and joining AGM 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
Securities held with NSDL.	<p><b>(A) NSDL IDeAS facility</b></p> <p>If you are already registered, follow the below steps</p> <ol style="list-style-type: none"> <li>i. Visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com/">https://eservices.nsd.com/</a> either on a Personal Computer or on a mobile.</li> <li>ii. Once the home page of e-Services is launched, click on the “<b>Beneficial Owner</b>” icon under “Login” which is available under “<b>IDeAS</b>” section.</li> <li>iii. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services.</li> </ol>



Type of shareholders	Login Method
	<p>iv. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page.</p> <p>v. v. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining the AGM and voting during the AGM.</p> <p><b>If you are is not registered for IDeAS e-Services, follow below steps:</b></p> <p>(i) Option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>.</p> <p>(ii) Select “<b>Register Online for IDeAS</b>” Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>(iii) Please follow steps given in points (i) to (v).</p> <p><b>(B) E-Voting Website of NSDL:</b></p> <p>i. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile.</p> <p>ii. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section.</p> <p>iii. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</p> <p>iv. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining the AGM &amp; voting during the AGM.</p>

Type of shareholders	Login Method
Securities held 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> <li>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 &amp; 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.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to <b>e-Voting website of NSDL</b> for casting your vote during the remote e-Voting period or joining AGM and voting during the AGM.</p>

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

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

Login type	Helpdesk details
Securities held 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
Securities held 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 evoting and joining the AGM for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

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" section.
3. A new screen will open. You will have to enter your User ID, your Password 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 of the Company - 117245 followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 117245 then user ID is 117245001***

5. Your password details are given below:
  - i) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - ii) 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.
  - iii) 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. You will be required to 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 for procuring the User ID and password and registration of email IDs for e-voting for the resolutions set out in this notice:
 

Member may send an email request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for obtaining User ID and Password by providing the details mentioned in Point (a) or (b) as the case may be:

      - a) In case shares are held in physical mode please provide folio number, 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);
      - b) 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).
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - i. If you are holding shares in your demat account with NSDL or CDSL: Click on 'Forgot User Details / Password' option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

- ii. If you are holding shares in physical mode: **Physical User Reset Password** option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - iii. 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 DP ID-Client ID / folio number, your PAN, your name and your registered address.
  - iv. 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.
  9. After you click on the “Login” button, Home page of e-Voting will open.

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 5 (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.

**Step 2: Cast your vote electronically on NSDL e-Voting system and join AGM 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 and General Meeting is in active status.
2. Select ‘**EVEN**’ of **Summit Securities Limited** which is **117245**.
3. Now you are ready for e-Voting as the Voting page opens.
4. 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.

5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**E-VOTING AT THE AGM: -**

- i. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- ii. Only those members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- iii. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-voting.

**GUIDELINES AND ASSISTANCE TO MEMBERS**

In case of any queries relating to e-voting, with respect to remote e-voting or e-voting at the AGM and members may contact NSDL on [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) / 1800 1020 990 and 1800 22 44 30 or contact Ms. Pallavi Mhatre, Manager, NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Ms. Sarita Mote, Assistant Manager, NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or refer to the Frequently Asked Questions (FAQs) section / e-voting user manual for shareholders available at the Downloads section on <https://www.evoting.nsdl.com>.

**By Order of the Board of Directors**

Date : August 13, 2021  
Place : Mumbai

Jiya Gangwani  
Company Secretary

Summit Securities Limited  
CIN: L65921MH1997PLC194571

Registered Office:  
213, Bezzola Complex, B Wing,  
71, Sion-Trombay Road, Chembur, Mumbai 400071  
Tel No.: +91-22-25292152/54/55  
Website : [www.summitsecurities.net](http://www.summitsecurities.net)  
Email: [investors@summitsecurities.net](mailto:investors@summitsecurities.net);  
[summitsec@gmail.com](mailto:summitsec@gmail.com)

## ANNEXURE TO THE NOTICE

### EXPLANATORY STATEMENT pursuant to Section 102 of the Companies Act, 2013 (“the Act”) to the accompanying Notice dated August 13, 2021.

#### Item No. 3 and 4 of the Notice:

M/s. Chaturvedi & Shah LLP, Chartered Accountants (Firm Registration No.: 101720W/W100355) statutory auditors of the Company had vide their letter dated August 13, 2021 resigned as statutory auditors of the Company, considering the applicability of guidelines for appointment of statutory auditors of NBFCs as envisaged in the RBI Circular No. RBI/2021-22/25 Ref.No.DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021, w.e.f. August 13, 2021.

Pursuant to Section 139(8) and other applicable provisions of the Act read with Rules made thereunder, the Board of Directors of a company, is required to fill the casual vacancy caused due to resignation of auditor within 30 days from such resignation and such appointment shall also be approved by the company at a general meeting convened within three months of the recommendation of the Board of Directors and the auditor so appointed to fill such casual vacancy, shall hold the office till the conclusion of the next Annual General Meeting.

Accordingly, the Board of Directors of the Company in compliance with Section 139(8), 141, 142 and other applicable provisions, if any, of the Act read with rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, RBI Act, 1934 read with the relevant Regulations/Notifications/Circulars issued thereunder, to the extent applicable to the Company and based on the recommendations of the Audit Committee, at their meeting held on August 13, 2021, approved the appointment of M/s. Sharp & Tannan, Chartered Accountants (Firm Registration No.: 109982W), who had confirmed that they meet the eligibility criteria as per applicable laws, as statutory auditors of the Company to hold office w.e.f. August 13, 2021 till the conclusion of ensuing Twenty-Fourth Annual General Meeting (AGM) and thereafter from the conclusion of this Twenty-Fourth AGM till the conclusion of the Twenty-Seventh AGM of the Company.

Additional information about Statutory Auditors pursuant to Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided below:-

Terms of Appointment	M/s. Sharp & Tannan, Chartered Accountants (Firm Registration No.: 109982W), Chartered Accountants will hold office from August 13, 2021 upto the date of ensuing AGM and thereafter from the conclusion of ensuing Twenty-Forth AGM upto the conclusion of the Twenty-Seventh AGM of the Company, subject to the approval of members at the ensuing AGM of the Company.
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Proposed Audit fees payable to Auditor and material change in fee payable from that paid to the outgoing auditor	₹ 2,25,000/- (Rupees Two Lakh Twenty-Five Thousand only) per annum plus applicable taxes towards audit fees, for FY 2021-22 and thereafter a remuneration, as may be mutually agreed, annually between the Board of Directors and the Statutory Auditors and as may be further approved by the Board of Directors from time to time, with power to the Board of Directors to alter and vary the terms and conditions of appointment, etc., including by reason of necessity on account of conditions as may be stipulated by the RBI and / or any other authority under applicable laws, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.  There is no material change in the proposed fee payable to M/s. Sharp & Tannan, from the fee paid to the outgoing auditor.
Basis of recommendation for appointment including the details in relation to and credentials of the statutory auditor(s) proposed to be appointed.	The recommendation is based on the fulfillment of the eligibility criteria prescribed under the Act read with Rules made thereunder, Listing Regulations and the RBI Act, 1934, read with relevant Regulations / Notifications / Circulars issued thereunder, to the extent applicable to the Company.  M/s. Sharp & Tannan, Chartered Accountants (Firm Registration Number: 109982W) (“the Firm”) is headquartered at Mumbai with its offices at Pune, Goa, Bengaluru, Chennai, Vadodara, Ahmedabad and New Delhi.  The Firm is acting as a Trusted Advisor and serving nation since 1934 with over 85 years of extensive experience in assurance, advisory and other services. It has 18 Partners (and 8 equivalents), about 80 qualified professionals and a total strength over 350 people.  The Firm has experience in auditing varied clients (over 45 listed companies - past and present) from various sectors, like, infrastructure, transport and logistics, industrial and consumer markets, power, technology services, banking and finance, real estate, media and entertainment and hospitality and has a valid Peer Review Certificate.

The aforesaid appointment, if made, shall be in accordance with the provisions of Section 139 and other applicable provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and RBI Act, 1934 read with relevant Regulations/Notifications/Circulars issued thereunder.

Accordingly, the Board of Directors recommends these Ordinary Resolutions as set out at Item No. 3 and 4 of the Notice, for approval by the members.

Neither any of the Directors nor any Key Managerial Personnel of the Company nor any of their relatives are in any way concerned or interested, financially or otherwise, in these Ordinary Resolution(s) as set out at Item No. 3 and 4.

**Item No. 5 of the Notice:**

The Board of Directors of the Company, on recommendation of the Nomination and Remuneration Committee, had appointed Ms. Rekha Dhanani as a "Non-Executive, Additional (Independent) Director" in the category of Woman Independent Director with effect from November 10, 2020. In accordance with the provisions of Section 161 of the Act read with Rules made thereunder, Ms. Dhanani holds office upto the date of the ensuing Twenty-Fourth Annual General Meeting.

The Company has received notice from a member under Section 160 of the Act proposing her candidature as Independent Director. The Company has received a declaration from Ms. Dhanani confirming that she meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) read with Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and that she is eligible to be appointed as an "Independent Director" of the Company. The Company has also received her consent to act as an Independent Director and declaration that she is not disqualified under Section 164(2) of the Act

In the opinion of the Board of Directors, Ms. Dhanani fulfils the criteria as set out in Section 149(6) of the Act and Schedule IV of the Act and criteria specified in the Act read with the rules made thereunder and SEBI Listing Regulations for being appointed as an Independent Director of the Company and is independent of the management. Accordingly, based on the recommendations of the Nomination and Remuneration Committee and considering the skills, expertise and experience of Ms. Dhanani, the Board of Directors had, at its meeting held on November 10, 2020, appointed Ms. Dhanani, as an Additional (Independent) Director, not liable to retire by rotation, for a term of five consecutive years from November 10, 2020 to November 09, 2025, subject to the approval of members at the ensuing AGM.

Brief Resume of Ms. Dhanani is provided separately in this Notice. A copy of the draft Letter of Appointment for Independent Director, setting out the terms and conditions of appointment, is available for inspection through electronic mode, basis the request being sent on [summitsecurities.agm@gmail.com](mailto:summitsecurities.agm@gmail.com).

Accordingly, the Board of Directors recommends Ordinary Resolution as set out at Item No. 5 of the Notice, for approval of the members.

Neither any Directors nor any Key Managerial Personnel of the Company nor any of their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 5, except Ms. Dhanani being an appointee herself.

**Item No. 6 of the Notice:**

Pursuant provisions of Section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with Schedule V to the Act (including any statutory modification of re-enactment thereof), Mr. Anand Rathi has been appointed as the Manager of the Company by the Board of Directors at their meeting held on February 16, 2021 subject to the approval of the members, for a period of three years with effect from February 16, 2021 upto February 15, 2024 at a remuneration of Rs. 6,000 per annum including any additional or increments as may be decided in accordance with the Nomination and Remuneration Policy of the Company subject to overall limits prescribed under Schedule V to the Act.

Copy of the letter of appointment of Mr. Rathi as a Manager of the Company is available for inspection through electronic mode, basis the request being sent on [summitsecurities.agm@gmail.com](mailto:summitsecurities.agm@gmail.com).

Mr. Rathi is a Chartered Accountant having more than eight years of Corporate Experience in the areas of Accounts, Finance and Taxation, etc.

Section 196(4) of the Act inter-alia provides for the appointment, remuneration and terms and conditions of the appointment of the manager approved by the Board of Directors at a meeting shall be subject to approval by a resolution at the next General Meeting of the Company.

Accordingly, the Board of Directors recommends Ordinary Resolution as set out at Item No. 6 of the Notice, for approval of the members.

Neither any Director nor any Key Managerial Personnel of the Company nor any of their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 6, except Mr. Rathi being an appointee himself.

**Item No. 7 of the Notice:**

As required under the provisions of Section 94 the Act, certain documents such as the Register and Index of Members, Register and index of Debenture holders, Annual Returns, together with the copies of certificates and documents required to be annexed thereto etc. are required to be kept at the Registered Office of the Company.

However, these documents can be kept at any other place within the city, town or village in which the Registered Office of the Company is situated, with the approval of the members to be accorded by way of a Special Resolution.

The members of the Company at the Annual General Meeting held on September 30, 2010, had approved the Registers and Indexes of Members, Debenture holders, Annual Returns, etc. to be kept at the premises of TSR Darashaw Consultants Private Limited (previously TSR Darashaw Limited), the Registrars and Transfer Agents

('RTA') of the Company at 6-10 Haji Moosa Patrawala Industrial Estate, 20 Dr. E. Moses Road, Mahalaxmi, Mumbai, - 400 011 pursuant to the applicable provisions of the Companies Act, 1956. As the RTA has shifted its operations from the aforesaid address to C-101, 1<sup>st</sup> Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai – 400 083, approval of the members is sought by a Special Resolution for keeping the Registers and Indexes of Members, Debenture holders, Annual Returns and other documents at the office(s) of the RTA at Vikhroli (West), Mumbai – 400 083 or such other place where the office of RTA may be situated from time to time, as prescribed under the Act.

Accordingly, the Board of Directors recommends Special Resolution as set out at Item No. 7 of the Notice, for approval of the members.

The time for inspection of documents by members or such persons as entitled to such inspection, will be between 11.00 a.m. to 1.00 p.m. on any working day of RTA or by writing to the Company at [summitsecurities.agm@gmail.com](mailto:summitsecurities.agm@gmail.com) except when the Registers and Books are closed under the provisions of the Act or the Articles of Association of the Company.

Neither any of the Directors nor any Key Managerial Personnel of the Company nor any of their relatives are in any way concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 7.

**By Order of the Board of Directors**

Date : August 13, 2021

Place : Mumbai

Jiya Gangwani  
Company Secretary

Summit Securities Limited  
CIN: L65921MH1997PLC194571

Registered Office:

213, Bezzola Complex, B Wing,  
71, Sion-Trombay Road, Chembur, Mumbai 400071

Tel No.: +91-22-25292152/54/55

Website : [www.summitsecurities.net](http://www.summitsecurities.net)

Email: [investors@summitsecurities.net](mailto:investors@summitsecurities.net);  
[summitsec@gmail.com](mailto:summitsec@gmail.com)

## ANNEXURE TO THE NOTICE

Details of Directors/Manager seeking Appointment/Re-appointment at the Twenty-Fourth Annual General Meeting [Pursuant to Regulations and 36(3) of the Listing Regulations and Secretarial Standard-2 (SS-2) on General Meetings]

Particulars	Name of the Director / Manager		
	Mr. H. N. Singh Rajpoot	Ms. Rekha Dhanani	Mr. Anand Rathi
<b>Date of First Appointment on the Board</b>	February 11, 2010	November 10, 2020	February 16, 2021
<b>Age</b>	64 years	32 years	32 years
<b>Qualification</b>	<ul style="list-style-type: none"> <li>Graduate in Science,</li> <li>Masters in Economics,</li> <li>Company Secretary,</li> <li>Graduate in Law and</li> <li>Cost Accountant.</li> </ul>	<ul style="list-style-type: none"> <li>Graduate in Commerce;</li> <li>Certified Accounting Technician.</li> </ul>	<ul style="list-style-type: none"> <li>Graduate in Commerce;</li> <li>Chartered Accountant;</li> </ul>
<b>Expertise</b>	Mr. Rajpoot has over 43 years of experience in corporate laws, securities laws, accounts, finance, commercial, human resources, corporate governance, risk management, general management, business operations, development and strategy functions with corporates of repute, both in public as well as private sectors (such as National Textile Corporation of UP Limited, Kanpur, Pradeshiya Industrial and Investment Corporation of UP Limited, Lucknow, a state level financial institution and CEAT Limited, to name a few). He has also been actively involved in the functioning of professional bodies and industry forums.	Ms. Rekha Dhanani, a Commerce Graduate and Certified Accounting Technician by the Institute of Chartered Accountants of India (ICAI), is having more than 10 years of experience in the field of Statutory audit, Direct and Indirect Tax laws, CAG Reporting, BASEL Reporting, Internal Audit, Investigation Audit, SEBI regulations and other corporate compliances.	Mr. Rathi is a Chartered Accountant having more than eight years of Corporate Experience in the areas of Accounts, Finance and Taxation, etc.
<b>Other Directorships</b>	<ul style="list-style-type: none"> <li>Duncan Investments and Industries Limited;</li> <li>FGP Limited;</li> <li>RPG Ventures Limited;</li> <li>RPG Industries Private Limited;</li> <li>Janpragati Electoral Trust;</li> <li>Sudarshan Electronics &amp; T.V. Limited;</li> <li>Elasto Consulting Private Limited;</li> <li>Mantle Advisors Private Limited;</li> <li>Carnival Investments Limited.</li> </ul>	<ul style="list-style-type: none"> <li>Instant Holdings Limited</li> </ul>	<ul style="list-style-type: none"> <li>Astaka Properties Private Limited</li> </ul>
<b>Membership/ Chairmanship of Committees of the Board in other public Companies</b>	<ul style="list-style-type: none"> <li>FGP Limited – AC* and NRC***, Member, SRC**, Chairman, Carnival Investments Limited – AC*, Chairman and NRC***, Member.</li> </ul>	<ul style="list-style-type: none"> <li>Instant Holdings Limited – AC* Chairperson</li> </ul>	Nil
<b>Number of shares held in the Company</b>	1	1	1
<b>Relationship with other Directors and KMPs</b>	None of the Directors are related to any other Director or KMP of the Company.		

\* AC - Audit Committee \*\*SRC - Stakeholders Relationship Committee \*\*\* NRC - Nomination and Remuneration Committee

Note: For other details such as number of meetings of the Board attended during the year, remuneration drawn etc., please refer to the Corporate Governance Report section of the Annual Report



**BOARD'S REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Dear Members,

Your Directors are pleased to present their Twenty-Fourth Report together with Audited Financial Statements for the financial year ended March 31, 2021:

**FINANCIAL HIGHLIGHTS:**

The summary of financial performance of the Company for the year under review is as given below:

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the Year ended March 31, 2021	For the Year ended March 31, 2020
<b>Total Income</b>	<b>1,508.00</b>	<b>3,106.90</b>	<b>2,902.72</b>	<b>8,190.84</b>
<b>Profit before Depreciation &amp; Tax</b>	<b>1,293.59</b>	<b>2,444.11</b>	<b>2,589.90</b>	<b>7,036.70</b>
(-) Depreciation	2.16	0.85	2.16	0.85
<b>Profit/(Loss) before Tax</b>	<b>1,291.43</b>	<b>2,443.26</b>	<b>2,587.74</b>	<b>7,035.85</b>
(-) Tax Expenses	425.04	(103.48)	757.87	(168.96)
<b>Profit/(Loss) after Tax</b>	<b>866.39</b>	<b>2,546.74</b>	<b>1,829.87</b>	<b>7,204.81</b>
(+) Other Comprehensive Income	1,04,512.70	(63,451.94)	2,61,808.36	(1,44,421.28)
<b>Total Comprehensive Income for the year</b>	<b>1,05,379.09</b>	<b>(60,905.20)</b>	<b>2,63,638.23</b>	<b>(1,37,216.47)</b>

**FINANCIAL PERFORMANCE:**Revenue:

On a standalone basis, the total income for FY 2020-21 was ₹ 1,508 lakhs which was lower as compared to revenue of ₹ 3,106.90 lakhs of the previous year, mainly due to lower dividend income, which was ₹ 301.40 lakhs for FY 2020-21 as compared to ₹ 3,092.06 lakhs in the previous year. There was a net gain on fair value change of Mutual Funds and other investments, which was ₹ 1,186.92 lakhs for FY 2020-21 as compared to Net loss of ₹ (432.97) lakhs in the previous year for Standalone financial statements. For consolidated financial statements, revenue was ₹ 2,902.72 lakhs which was lower as compared to ₹ 8,190.84 lakhs in the previous year, mainly due to lower dividend income, which was ₹ 537.69 lakhs for FY 2020-21 as compared to ₹ 8,130.43 lakhs in the previous year. Net gain on fair value changes of Mutual Funds and other investments was ₹ 2,245.51 lakhs for FY 2020-21 as compared to Net loss of ₹ (809.98) lakhs in the previous year. The cashflow arising from the profits for the year has been deployed in the business.

Other Comprehensive Income includes fair valuation of the equity investments made by the Company and taxes on the same. Due to the Covid-19 pandemic, the Indian equity market was significantly impacted, affecting the investment valuations as on March 31, 2020. However as on March 31, 2021 the valuations have substantially improved in line with the bounce back in stock markets during the current year.

Expenses:

The total expenses for FY 2020-21 were ₹ 216.57 lakhs as compared to expenses of ₹ 663.64 lakhs for the previous year. The decrease is mainly on account of Net loss on fair value changes which was Nil for the FY 2020-21 as against Net loss on fair value changes of ₹ 432.97 lakhs in the previous year.

Profit After Tax:

Standalone Profit after Tax (PAT) for FY 2020-21 was ₹ 866.39 lakhs as compared to PAT of ₹ 2,546.74 lakhs during the previous year mainly due to decrease in dividend income and increase in Net Gain on fair value changes of Mutual Funds and other investments which was ₹ 1,186.92 lakhs for FY 2020-21 as compared to Net loss of ₹ (432.97) lakhs in the previous year. The cashflow arising from the profits for the year has been deployed in the business.

Consolidated Profit after Tax (PAT) for FY 2020-21 was ₹ 1,829.87 lakhs in comparison to PAT of ₹ 7,204.81 lakhs during the previous year mainly due to decrease in dividend income and increase in Net Gain on fair value changes of Mutual Funds and other investments was ₹ 2,245.51 lakhs for FY 2020-21 as compared to Net loss of ₹ (809.98) lakhs in the previous year. The cashflow arising from the profits for the year has been deployed in the business.

Amounts to be carried to reserves:

An amount of ₹ 173.28 lakh have been transferred to Statutory Reserve as per the statutory requirements for



standalone financial statement. The Company has not transferred any amount to General Reserves during the year.

**DIVIDEND:**

With a view to conserve resources and based on liquidity position including working capital requirements, your Directors consider it prudent not to recommend any dividend for the year under review.

**MANAGEMENT DISCUSSION AND ANALYSIS:****a. Industry Structure & Developments, Opportunities and Future Outlook:**

The COVID 19 pandemic, has severely disrupted the world economy in the last year and a half. The pandemic has hit every country in the world and India has been no exception. For the last several months, lockdowns, uncertainties on recurrence of waves and ensuing panic paralysed most economic activities in both developed and developing economies.

India is experiencing an uneven economic recovery with some sectors performing better than others. The growth rate was (-)7.3 % for Fiscal FY 2021 and as per recent Economic Survey, India's real GDP growth for FY 2021-22 is projected at early double digits, though the occurrence of subsequent waves could impact the economy. Recovery is underway, as demonstrated by a sustained resurgence in indicators such as power demand, e-way bills, GST collections, steel consumption, higher exports etc. However, the downside risk includes the possibility of further waves of the virus, vaccination delays, inflation caused by increase in commodity and fuel prices and stress in the banking and financial sector.

The Company is a Non-Banking Financial Company ('NBFC') registered with RBI as a Non-Deposit Accepting NBF1 and derives major revenue from investments. Also, the value of the stocks, shares and bonds depends on the prevailing capital markets scenario. The future success of the Company continues to depend on its ability to anticipate the volatility of the financial markets, minimising risks and increasing returns through prudent investment decisions.

The investments of the Company are typically long term in nature and predominantly in the equity markets. The Company invests in Companies, where it is part of the promoter group entity from long-term perspective. All investments decisions are reviewed by the Board of Directors on a periodic basis.

**b. Risks, Threats and Concerns:**

Risk management comprises of identification, assessment, and prioritization of risks followed by co-ordinated and economical application of resources to minimize, monitor and control the probability and/ or impact of unfortunate events or to maximize the realization of opportunities.

The Risk Management Committee ('RMC') of the Board of Directors manages and monitors the

Company's risks, as detailed herein below under the heading "Risk Management Process".

**c. Internal control systems and their adequacy:**

The Company has an adequate internal audit and control system commensurate with its size and nature of business to ensure operational efficiency, accuracy and promptness in financial reporting and compliance of various laws and regulations. The Audit Committee of the Board of Directors reviews the Internal Audit Report and the adequacy and effectiveness of internal controls periodically.

**d. Human Resources:**

Employee relations continued to remain cordial during the year under review as majorly work was conducted from home. As on March 31, 2021, there were 8 (Eight) employees including Key Managerial Personnel ('KMP') of the Company.

**e. Significant Changes in Key Financial Ratios (i.e., change of 25% or more as compared to immediately previous financial year) and Change in Return on Net Worth as compared to the immediately previous financial year, along with a detailed explanation thereof:**

Return on Net Worth for FY 2020-21: 0.39%

Return on Net Worth for FY 2019-20: 2.14%

Change in return on Net Worth as compared to immediately preceding previous financial year: (81.95%).

Net Profit Margin for FY 2020-21: 57.45%

Net Profit Margin for FY 2019-20: 81.97%

Change in Net Profit Margin as compared to immediately preceding previous financial year: (29.91%).

As compared to previous year, the Company's Return on Net Worth and Net Profit margin has decreased due to decrease in the profits for FY 2020-21 on account of lower dividend income. Except for this, there is no significant change (i.e. change of more than 25%) in any other key financial ratios during the current financial year as compared to immediately preceding financial year.

**CAUTIONARY STATEMENT:**

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

**MATERIAL CHANGES AND COMMITMENTS:**

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

**CONSOLIDATED FINANCIAL STATEMENTS:**

In accordance with Section 129(3) of the Companies Act, 2013 ('the Act') and Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('the Listing Regulations') the Consolidated Financial Statements of the Company and its subsidiaries, including the statement containing salient features of the financial statements of all the subsidiary companies of the Company as set out in prescribed Form AOC-1, which forms part of this Annual Report.

The Consolidated Financial Statements have been prepared in accordance with the applicable Indian Accounting Standards issued by the Institute of Chartered Accountants of India.

**SUBSIDIARY COMPANIES:**

There was no change in the subsidiaries, joint ventures or associates during the year under review.

Further, the Financial Statements of the subsidiaries are uploaded on the website of the Company in accordance with Section 136 of the Act. The Financial Statements of these subsidiaries and the other related information will be made available to any Member of the Company seeking such information and also available for inspection at the Registered Office of the Company.

As required under Regulation 16(1)(c) of the Listing Regulations, the Company has formulated the Policy on Materiality of Subsidiaries and the same is published on the Company's website at [https://www.summitsecurities.net/files/corporate\\_governance/PolicyonMaterialSubsidiary.pdf](https://www.summitsecurities.net/files/corporate_governance/PolicyonMaterialSubsidiary.pdf)

**DIVIDEND DISTRIBUTION POLICY**

Pursuant to Regulation 43A of the SEBI Listing Regulations as amended upto date, being one of the top 1000 listed companies in terms of market capitalization, the Company has adopted a Dividend Distribution Policy. The same is published on the Company's website <https://www.summitsecurities.net/>

**RISK MANAGEMENT POLICY/ PROCESS:**

Though, the requirements of constitution of the Risk Management Committee contained in Regulation 21 of the Listing Regulations were made applicable to the Company recently, pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021, the Board of Directors had already constituted the Risk Management Committee of the Board of Directors ('RMC') in terms of the Guidelines on Corporate Governance (Guidelines) issued by the Reserve Bank of India (RBI) as applicable to the Company. The terms of reference of the RMC are in accordance with the aforesaid Guidelines, the Act and the Listing Regulations as well.

RMC had formulated a Risk Management Policy. This policy defines a process to ensure that a structured, disciplined and consistent risk strategy, providing guidance for risk activity within the Company by embedding Enterprise Risk Management within the culture of the business is in place.

One of the elements in the Risk Management Process as defined in the Risk Management Policy is identification and assessment of risks. The identified risks pertaining to the nature of business carried out by the Company comprise of Business Risks, Finance Risks, Regulatory Risks, Environment Risks, Information Technology Risks etc. Risk mitigation measures are also reviewed alongside the identified risks. A report on risk evaluation and mitigation covering the elements of risks, impact and likelihood, mitigation measures and risk assessment is periodically presented before the RMC for review and placed before the Board of Directors for information.

**RELATED PARTY TRANSACTIONS:**

The Company has in place a Policy on Related Party Transactions for purpose of identification and monitoring of Related Party Transactions. The Policy on Related Party Transactions as approved by the Board of Directors is published on the Company's website at [https://www.summitsecurities.net/files/corporate\\_governance/RelatedPartyTransactionPolicy.pdf](https://www.summitsecurities.net/files/corporate_governance/RelatedPartyTransactionPolicy.pdf)

The Company has not entered into any transaction with related parties during the year under review which requires reporting in Form AOC-2 in terms of the Section 134(3) and 188(1) of the Act read with Rule 8(1) of the Companies (Accounts) Rules, 2014.

There are no relationships between the Directors inter-se nor any relationship between the Key Managerial Personnel (KMP) inter-se.

None of the Directors nor KMP had any pecuniary relationships or transactions vis-a-vis the Company except the sitting fees paid to Directors and remuneration paid to KMPs.

**ANNUAL RETURN:**

Pursuant to Section 134(3)(a) of the Act read with Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, Annual Return is published on the Company's website at [https://www.summitsecurities.net/files/AGM/MGT-7/MGT-7\\_FY-21.pdf](https://www.summitsecurities.net/files/AGM/MGT-7/MGT-7_FY-21.pdf)

**PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:**

The Company is registered as a Non-Banking Financial Company (NBFC) not accepting public deposits, with the Reserve Bank of India and having its principal business of making investments, the Company is accordingly exempted from the relevant provisions under Section 186 (11) of the Act.

**PUBLIC DEPOSITS:**

Since the Company is registered with the Reserve Bank of India as an NBFC not accepting public deposits, it is exempted from the provisions of Section 73 of the Act.

Further, the Company has not accepted public deposits as defined under RBI's Master Direction on NBFC-Acceptance of Public Deposit (Reserve Bank) Directions, 2016.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL:**a. Directors:

Pursuant to approval of the members at the Twenty-Third Annual General Meeting of the Company held on September 25, 2020, Mr. Abhay Vasant Nerurkar (DIN: 00045309) was re-appointed as Non-Executive Independent Director of the Company for the second term of five (5) years w.e.f. October 29, 2020 to October 28, 2025.

Pursuant to the provisions of the Act and Articles of Association of the Company, Mr. H. N. Singh Rajpoot (DIN: 00080836), Non-Executive Director, retires by rotation and being eligible, has offered himself for re-appointment.

Based on the skills, expertise and experience of Ms. Rekha Dhanani (DIN: 08927006), evaluation of her performance and recommendations of the Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 152 read with Schedule IV and any other applicable provisions of the Act and Listing Regulations, the Board of Directors at its meeting held on November 10, 2020, had approved the appointment of Ms. Dhanani, as a "Non-Executive, Additional (Independent) Director" in the category of Woman Independent Director, w.e.f. November 10, 2020, subject to the approval of members at the ensuing Annual General Meeting (AGM).

Proposal for appointment of Ms. Dhanani as an Independent Director for a term of 5 (five) years from November 10, 2020 upto November 9, 2025 is being submitted for approval of Members at the ensuing AGM. In this regard, necessary details have been annexed to the Notice of the AGM in terms of Section 102(1) of the Act, Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 (SS-2) on General Meetings.

Ms. Sneha Ranade (DIN: 06878346), Non-executive Independent Director of the Company, re-appointed for a term of 5 (five) years with effect September 27, 2019, resigned w.e.f. November 11, 2020, owing to certain pre-occupations and confirming that there was no other material reason than the one provided hereinabove.

b. Key Managerial Personnel:

Pursuant to the provisions of sub-section (51) of Section 2 and Section 203 of the Act read with the rules framed thereunder, the following persons were Key Managerial Personnel of the Company as on March 31, 2021:

1. Mr. Anand Rathi, Manager;
2. Mr. Paras Mal Rakhecha, Chief Financial Officer; and
3. Ms. Jiya Gangwani, Company Secretary.

During the year under review, Mr. Rohin Bomanji resigned as the Manager of the Company with effect from February 15, 2021.

Based on recommendations of Nomination and Remuneration Committee, the Board of Directors at its meeting held on February 09, 2021, approved the appointment of Mr. Anand Rathi as the Manager of the Company for a period of three years, subject to the approval of the members at the ensuing AGM.

Accordingly, it is proposed to appoint Mr. Anand Rathi as the Manager of the Company for a period of 3 years with effect from February 16, 2021 upto February 15, 2024.

Necessary resolutions alongwith the requisite explanatory statement for the appointment of abovementioned Director/KMP forms part of the Notice convening the ensuing AGM

c. Declarations from Independent Directors:

In terms of the provisions of sub-section (6) of Section 149 of the Act and Regulation 16 and other applicable provisions under Listing Regulations including any amendment(s) thereof, the Company has received declarations from all the Independent Directors of the Company that they meet with the criteria of independence as provided in the Act and the Listing Regulations. There has been no change in the circumstances affecting their status as an Independent Director during the year.

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

The Independent Directors have confirmed that they have registered and renewed, if applicable, their names in the data bank maintained with the Indian Institute of Corporate Affairs ('IICA'). In terms of Section 150 of the Act read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, except Ms. Rekha Dhanani, all the Independent Directors of the Company are exempted from undertaking the online proficiency self-assessment test. The Independent Directors are in compliance with the provisions of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended and applicable.

Statement regarding the opinion of the Board concerning integrity, expertise and experience (including the proficiency) of the Independent Directors appointed during the year:

In the opinion of the Board, Mr. Abhay Nerurkar (DIN: 00045309) who was re-appointed as an Independent Director during the year and Ms. Dhanani (DIN: 08927006) who was appointed as an Additional Director (Independent) during the year are persons of integrity and have the relevant expertise and experience as required under the Nomination and Remuneration Policy of the Company.

d. Familiarization Programme for Independent Directors:

Pursuant to the Code of Conduct for Independent Directors specified under the Act and Regulation 25(7) of the Listing Regulations, the Company

familiarises its Independent Directors on their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates and business model of the Company, etc. The note on this familiarisation programme is also published on the Company's website at [https://www.summitsecurities.net/files/Note\\_on\\_Familiarisation\\_Prog\\_for\\_Ind.pdf](https://www.summitsecurities.net/files/Note_on_Familiarisation_Prog_for_Ind.pdf)

#### MEETINGS OF THE BOARD OF DIRECTORS:

The Board of Directors met four times during the year ended March 31, 2021, the details of the same are mentioned in the Corporate Governance Report, which forms part of this Annual Report.

#### BOARD COMMITTEES:

As on March 31, 2021, the Board Committees comprised of mandatory committees as per the Act and the Listing Regulations viz., Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. During the year Corporate Social Responsibility Committee of the Board of Directors was dissolved w.e.f. February 09, 2021.

Further, pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021, Risk Management Committee constituted under the RBI Requirement was considered as meeting the requirements under Regulation 21 of the Listing Regulations.

The non-mandatory committees comprise of Asset Liability Management Committee and IT Strategy Committee constituted as per applicable RBI guidelines. Details of composition of these committees alongwith number of meetings held during the year and other related details are set out in the Corporate Governance Report which forms part of this Annual Report.

There have been no situations where the Board of Directors has not accepted recommendations of any of its committee including the Audit Committee.

#### ANNUAL PERFORMANCE EVALUATION OF BOARD, ITS COMMITTEES AND DIRECTORS:

The Annual Evaluation as required under the Act and the Listing Regulations has been carried out by the Board of Directors of its own performance, the performance of each individual Director (including its chairperson) and its Committees. For this purpose, an Evaluation Questionnaire which was prepared considering the criteria for evaluation in accordance with the Company's "Nomination and Remuneration Policy", approved by the Board of Directors on recommendation of the Nomination and Remuneration Committee, taking into account the applicable provisions of the Act and the rules made thereunder, the Listing Regulations read with the Circulars issued by SEBI in this regard, which inter-alia covered various aspects such as participation in meetings, contributions to strategic decision making, core governance and compliance, etc. The aforesaid Evaluation Questionnaire was circulated to all the Directors and their responses were received in a sealed envelope addressed to the Chairman of the Board of Directors and results thereof were then discussed in the next meeting of the Board of Directors.

#### NOMINATION AND REMUNERATION POLICY:

The Board of Directors had on the recommendation of the Nomination and Remuneration Committee adopted a Nomination and Remuneration Policy in terms of the provisions of Section 178(3) of the Act and SEBI Listing Regulations and RBI Directions, dealing with appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel. The Policy inter-alia covers the criteria for determining qualifications, positive attributes and independence of a director, etc. The detailed Policy is given as **Annexure A** to this Report and is also published on the Company's website at [https://www.summitsecurities.net/files/corporate\\_governance/Nomination\\_and\\_Remuneration\\_Policy.pdf](https://www.summitsecurities.net/files/corporate_governance/Nomination_and_Remuneration_Policy.pdf).

#### DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 134(3)(c) of the Act, your Directors to the best of their knowledge and belief confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures, if any;
- (b) such accounting policies have been selected and applied consistently and such judgements and estimates have been made that are reasonable and prudent to give a true and fair view of the state of affairs of the Company in the Balance Sheet as at March 31, 2021 and the Statement of Profit and Loss for the financial year ended March 31, 2021;
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a going concern basis;
- (e) the proper internal financial controls were in place and that such internal financial controls were adequate and were operating effectively;
- (f) the systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

#### VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has adopted vigil mechanism in the form of Whistle Blower Policy ('WBP') for directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The WBP is also published in the Company's website at [https://www.summitsecurities.net/files/corporate\\_governance/Whistle\\_BlowerPolicy.pdf](https://www.summitsecurities.net/files/corporate_governance/Whistle_BlowerPolicy.pdf).

#### PARTICULARS OF EMPLOYEES:

- a. A statement containing the Disclosures pursuant to Section 197(12) of the Act and Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure B** to this Report.

- b. The statements required under Section 197 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('the Rules'), as amended, will be made available to any Member upon request. Any member interested in obtaining a copy of the said statement may write to the Company.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The company is an NBFC and engaged in investments and financial activities, its operations do not account for substantial energy consumption. However, the Company adopts all possible measures to conserve energy and at the same time several environment friendly measures are adopted by the Company.

The provisions relating to research and development and technology absorption are not applicable to the Company. During the year under review, there have been no transactions in the Company relating to foreign exchange earnings and outgo.

**CORPORATE SOCIAL RESPONSIBILITY:**

The Board of Directors had constituted a Corporate Social Responsibility ('CSR') Committee, in terms of the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Pursuant to the introduction of sub-section(9) under Section 135 of the Companies Act, 2013 vide the Companies Amendment Act, 2020, which was effective from January 22, 2021, provided that if the amount to be spent by a company as a CSR expenditure did not exceed fifty lakh rupees, the requirement for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such committee provided under this section shall, in such cases, be discharged by the Board of Directors of the company.

Considering the annual expenditure to be made under the Act read with Rules made thereunder was below the threshold limits specified i.e., less than Rs. 50 lakhs per annum, the Company was not required to have a separate CSR Committee. Accordingly, the Board of Directors at their meeting held on February 09, 2021 approved the dissolution of the Corporate Social Responsibility Committee. The Board of Directors are empowered to perform the functions of CSR Committee since its dissolution.

The CSR policy of the Company is published on the Company's website at [https://www.summitsecurities.net/files/corporate\\_governance/CSR\\_Policy.pdf](https://www.summitsecurities.net/files/corporate_governance/CSR_Policy.pdf).

A report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as **Annexure C** to this Report.

**BUSINESS RESPONSIBILITY REPORT:**

In compliance with Regulation 34 of the Listing Regulations, a separate section on the Business Responsibility Report, as approved by the Board of Directors, which includes principles to assess compliance with environmental,

social and governance norms for the year under review is attached as **Annexure D** to this Report.

**STATUTORY AUDITORS:**

M/s. Chaturvedi & Shah LLP, Chartered Accountants were re-appointed as the statutory auditors of the Company at the Twenty First AGM of the Company held on September 27, 2018 to hold office from the conclusion of the Twenty First AGM till the conclusion of the Twenty Sixth AGM. However, they had expressed their ineligibility to continue as statutory auditors of the Company w.e.f. August 13, 2021, considering the applicability of guidelines for appointment of statutory auditors of NBFC's as envisaged in RBI Circular no. RBI/2021-22/25 Ref. No. DoS.CD.ARG/SEC.01/08.91.001/ 2021-22 dated April 27, 2021 ('RBI Circular').

Based on the recommendation(s) of the Audit Committee, Board has appointed M/s. Sharp & Tannan, Chartered Accountants (Firm Registration No. 109982W) as statutory auditors of the Company to fill the casual vacancy caused due to resignation of M/s. Chaturvedi & Shah LLP, Chartered Accountants to hold office till the conclusion of ensuing AGM and thereafter from the conclusion of Twenty Fourth AGM till the conclusion of Twenty Seventh AGM of the Company, subject to the approval of the members at the ensuing AGM.

M/s. Sharp & Tannan, Chartered Accountants have confirmed that they are eligible to act as the Statutory Auditors of the Company in compliance with Section 139 and 141 of the Act read with rules made there under, Listing Regulations and RBI Act, 1934, read with relevant Regulations / Notifications / Circulars issued thereunder, to the extent applicable.

Necessary resolution(s) and explanation(s) thereto as required under the Act, and Listing Regulations have been provided in the ensuing AGM notice seeking approval of members on the aforesaid appointment.

**INTERNAL AUDITORS:**

M/s. V. S. Somani & Co, Chartered Accountants were the Internal Auditors of the Company for the FY 2020-21 They have consented to act as Internal Auditors of the Company for FY 2021-22.

Based on the recommendations of the Audit Committee, the Board of Directors at their meeting held on May 24, 2021 re-appointed M/s. V. S. Somani & Co., Chartered Accountants as the Internal Auditors of the Company for FY 2021-22.

**SECRETARIAL AUDITORS:**

M/s. Parikh Parekh & Associates, Company Secretaries were appointed as the Secretarial Auditors for conducting the Secretarial Audit in accordance with Section 204 of the Act for the year ended March 31, 2021. The Secretarial Audit Report prepared in accordance with Section 134(3) and Section 204(1) of the Act in the prescribed Form No. MR-3 by M/s. Parikh Parekh & Associates, Company Secretaries is attached as **Annexure E** to this Report.

**SECRETARIAL AUDIT OF MATERIAL UNLISTED SUBSIDIARY:**

Instant Holdings Ltd ('Instant'), material unlisted subsidiary of the Company carried out Secretarial Audit for the year ended March 31, 2021 in accordance with Regulation 24A of the Listing Regulations, although the provisions of Section 204(1) of the Companies Act, 2013, read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 were not applicable to Instant. The Secretarial Audit Report of Instant issued by M/s. Parikh Parekh & Associates, Company Secretaries is attached as **Annexure F** to this Report.

**EXPLANATION AND COMMENTS ON AUDITORS' REPORT AND SECRETARIAL AUDIT REPORT:**

There is no qualification, reservation or adverse remark or disclaimer made either by the Statutory Auditor in Auditors Report or by the Company Secretary in Practice (Secretarial Auditor) in the Secretarial Audit Report.

Further, the Statutory Auditors have not reported any instances of fraud to the Central Government and Audit Committee as per the provisions of Section 143(12) of the Act read with Rule 13 of the Companies (Audit and Auditors) Rules, 2014.

**CORPORATE GOVERNANCE:**

A report on Corporate Governance along with a certificate from the Auditors of the Company stipulated pursuant to Regulation 34 of the Listing Regulations are annexed as **Annexure G** to this Report.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS:**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

**CHANGE IN THE NATURE OF BUSINESS:**

During the year under review, there was no change in the nature of business.

**CHANGE IN THE PLACE OF KEEPING REGISTER OF MEMBERS AND OTHER RELATED BOOKS:**

Owing to the shifting of operations of TSR Darashaw Consultants Private Limited, Registrar and Share Transfer Agent of the Company ('RTA'), the Company's Register and Index of Members, Register and index of Debenture holders, Annual Returns, other related books and certificates, etc. being earlier kept at the premises of the RTA located at Mahalaxmi, Mumbai have been shifted to C-101, 1<sup>st</sup> Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai - 400 083.

Necessary resolution(s) and explanation thereto have been provided in the AGM notice seeking approval of members for approving the change in the place of keeping the aforesaid registers and other related books and certificates, etc., to the abovementioned new address of the RTA, or at such other place, where the RTA may shift its office from time to time.

**INTERNAL FINANCIAL CONTROLS:**

Details in respect of adequacy on internal financial controls with reference to the financial statements are stated in the Management Discussion and Analysis section of this Report.

**MAINTENANCE OF COST RECORDS:**

The provisions of Section 148(1) of the Act are not applicable to the Company.

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

The Company has in place a policy on Prevention of Sexual Harassment of Women at Workplace in accordance with the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee ('ICC') had been set up to redress complaints. During the year under review, no complaints were received by ICC.

**SECRETARIAL STANDARDS:**

The Institute of Company Secretaries of India has currently mandated compliance with the Secretarial Standards on board meetings and general meetings. During the year under review, the Company has complied with the applicable Secretarial Standards.

**ACKNOWLEDEMENTS:**

Your Directors place on record their gratitude for the continued support and co-operation extended by the Government authorities, banks, members and employees of the Company.

**On behalf of the Board of Directors**

**Ramesh D. Chandak**  
Chairman  
DIN: 00026581

Place: Mumbai  
Date: August 13, 2021

## Nomination and Remuneration policy

### 1 INTRODUCTION:

This policy has been formulated in terms of the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to the appointment and remuneration of the Directors, Key Managerial Personnel (KMP), Senior Management Personnel (SMP) and other employees and Board diversity.

### 2 OBJECTIVE:

This Policy sets out the guiding principles on:

- (i) appointment and remuneration of the Directors, KMP and SMP;
- (ii) qualifications, positive attributes and independence for appointment of a Director and assessment of independence of Independent Director;
- (iii) performance evaluation of all the directors;
- (iv) core skills/expertise/competencies required of the Board of Directors of the Company;
- (v) Board diversity.

### 3 DEFINITIONS:

- (i) "Applicable Laws" means the Companies Act, 2013 and Rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended from time to time.
- (ii) "Board" means Board of Directors of the Company.
- (iii) "Company" means Summit Securities Limited.
- (iv) "Directors" means Directors of the Company.
- (v) "Independent Director" (ID) shall have the same meaning as defined under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
- (vi) "Key Managerial Personnel" (KMP) means:
  - a) the Chief Executive Officer (CEO) or the Managing Director (MD) or the Manager;
  - b) the Company Secretary (CS);
  - c) the Whole-time Director (WTD);
  - d) the Chief Financial Officer (CFO); and
  - e) Such other officer, not more than one level below the directors who is in whole time employment and designated as KMP by the Board
- (vii) "Non-Executive Directors" (NED) means a member of a Company's Board of Directors who is not in whole time employment of the Company.
- (viii) "Senior Management Personnel" (SMP) means persons working one level below CEO/ MD/ WTD/ Manager and shall specifically include Company Secretary and Chief Financial Officer or other persons as may be defined as SMP under the Applicable Laws from time to time.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Applicable Laws as may be amended from time to time, shall have the meaning respectively assigned to them therein.

### 4 DIVERSITY IN THE BOARD OF DIRECTORS

Diversity refers to the variety of attributes of diverse nature between people and encompasses acceptance, respect and an understanding that each individual is unique. These aspects can include age, gender, ethnicity, physical abilities, marital status, ideologies, background, knowledge and skills with a view to achieving a sustainable development, the Company shall aim to increase diversity at the Board level, as an essential element in terms of:

- Experience of diverse nature;
- Gender in having the right representation of female members to ensure compliance with applicable laws.
- Qualifications, Knowledge and core skills/expertise/competencies required of the Board of Directors in context of company's business/sector.

### 5 REQUIREMENTS RELATING TO DIRECTORS

#### A. Appointment of Directors:

The Company shall appoint those persons who possess requisite qualifications & experience and positive attributes within overall framework of diversity as described in this Policy.

#### B. Qualifications & Experience:

- (i) Any person to be appointed as a Director on the Board of Directors of the Company, including Independent Director shall, in addition to a formal professional qualification, possess appropriate skills, experience and knowledge in one or more fields viz. sciences, actuarial sciences, banking, finance, economics, law, management, sales, marketing, administration, research, corporate governance or technical operations.
- (ii) Any person to be appointed as a Director on the Board of the Company shall be such person who shall be able to provide policy directions to the Company, including directions on good corporate governance

#### C. Positive attributes:

The person to be appointed as a Director of the Company shall, in addition to the formal qualifications and relevant experience described in this Policy, shall also possess the attributes such as integrity, leadership, business orientation, commitment, proven track record and such other attributes, which in the opinion of the Nomination and Remuneration Committee (NRC), are in the interest of the Company.

**D. Disqualification:**

Any person to be appointed as Director shall not possess the disqualifications prescribed under the Applicable Laws.

**E. Evaluation:**

- (i) The NRC shall facilitate the Board to undertake evaluation of performance of all Directors on yearly basis including making recommendations to the Board on appropriate performance criteria for the Directors and formulating criteria and framework for evaluation of every Director's performance.
- (ii) The Board shall evaluate, every year, the performance of the individual directors including Chairman, IDs, independence of IDs, its own performance and of its Committees.

**F. Familiarization Programme:**

The Company shall familiarise the independent directors of the company with their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company through various programmes.

- (ii) KMP and SMP shall meet the expectations of operational transparency to stakeholders while at the same time maintaining confidentiality of information in order to foster a culture for good decision making.

**D. Performance Evaluation:**

- (i) Evaluation of all the SMPs and KMPs shall be carried out by the Departmental Head, excluding himself/herself and the MD/CEO/WTD, if any.
- (ii) The evaluation process adopted by the Company shall always consider the appropriate benchmarks set as per industry standards, performance of the Industry, the Company and of the individual KMP/SMP.
- (iii) Evaluation of performance shall be carried out at least once in a year, in accordance with the existing evaluation process of the Company.

**7 REMUNERATION:****Guiding Principles:**

- (i) The terms of employment and remuneration of MD, WTD, KMPs and SMPs shall be competitive in order to ensure that the Company can attract and retain competent talent
- (ii) This Policy shall ensure that:
  - (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors/KMPs and SMPs of the quality required to run the Company successfully.
  - (b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
  - (c) Remuneration to directors, KMP and SMP involves a balance between fixed and variable pay reflecting short and long term performance objectives and goals set by the Company.
  - (d) Remuneration package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders
- (iii) While determining the remuneration and incentives for the MD/ WTD and KMP's, the following shall be considered:
  - (a) Pay and employment conditions with peers / elsewhere in the competitive market
  - (b) Benchmarking with the industry practices
  - (c) Performance of the individual
  - (d) Company Performance
- (iv) For the benchmarking with Industry practice, criteria of size, complexity, data transparency and geographical area shall also be given due consideration.

**6 REQUIREMENT RELATING TO SENIOR MANAGEMENT PERSONNEL INCLUDING KEY MANAGERIAL PERSONNEL****A. Appointment of KMP and SMP:**

- (i) Based on the recommendation of NRC, the appointment of the MD, CEO, WTD, Manager, CFO and the CS shall be approved by the Board of Directors by means of a resolution.
- (ii) KMP shall not hold office in more than one company except in its subsidiary company at the same time.
- (iii) The appointments of SMP shall be approved by MD, if any or the Department Head on recommendation of the Human Resources Department (HRD). Remuneration payable to SMP shall be recommended by the NRC and approved by the Board.

**B. Qualifications & experience:**

- (i) Any person to be appointed as KMP or as SMP shall possess relevant educational or professional qualifications, experience and domain knowledge required for performing the job for which they are appointed.
- (ii) There shall be no discrimination on account of gender, race and religion in terms of appointment as KMP or SMP.

**C. Positive Attributes:**

- (i) KMP and the SMP shall also possess attributes like decision making skills, leadership skills, integrity and proven track record and shall demonstrate commitment to the organisation.



- (v) The pay structures shall be appropriately aligned across levels in the Company.

## **8 Remuneration Policy:**

### **A. MD/WTD/CEO/Manager:**

- (i) The remuneration to the MD/CEO/Manager/WTD at the time of his/her appointment shall be recommended by the NRC and subsequently approved by the Board of Directors. Such remuneration shall be subject to approval of the shareholders of the Company or the Central Government wherever required and shall not exceed the limits mentioned under applicable laws.
- (ii) Annual increment/ subsequent variation in remuneration to the MD/CEO/Manager/WTD shall be approved by the NRC/ Board of Directors, within the overall limits approved by the shareholders of the Company or the Central Government, as the case may be.

### **B. NEDs:**

- (i) NEDs shall be entitled to such sitting fees as may be decided by the Board of Directors from time to time for attending the meeting of the Board and of the Committee thereof.
- (ii) NEDs shall also be entitled for payment of commission as recommended by NRC and approved by the Board of Directors and wherever required approval of the shareholders shall be obtained.
- (iii) IDs shall not be eligible for any Stock Options, pursuant to any Stock Option Plan adopted by the Company.
- (iv) NEDs shall be eligible for remuneration of such professional services rendered if in the opinion of the NRC, the NED possesses the requisite qualification for rendering such professional services.

### **C. SMPs & KMPs (other than MD/WTD/ CEO / Manager):**

- (i) Remuneration packages shall be designed in such manner that:
  - (a) Motivates delivery of key business strategies, creates a strong performance-orientated environment and rewards achievement of the Company's objectives & goals over the short and long-term.
  - (b) Attracts high-flier executives in a competitive global market and remunerate executives fairly and responsibly.
- (ii) Remuneration shall be competitive and shall include salary comprising of both fixed and variable components, performance incentives and other benefits as per the Policy of the Company, considering relevant qualification, experience and performance of the individual as well as the prevailing market conditions.

- (iii) The remuneration to the KMPs and SMPs, at the time of his/her appointment, shall be recommended by the NRC and approved by the Board considering relevant qualification, experience and performance of the individual as well as the prevailing market conditions. The remuneration may be a combination of fixed and variable pay;
- (iv) Remuneration shall be evaluated annually and annual increase shall be decided considering the performance of the individual and also of the Company. Industry practices/ trends shall also be given due consideration. Annual increment / subsequent variation in remuneration to the KMPs/SMPs shall be approved by the NRC/ Board of Directors.
- (v) Remuneration can be reset at any time considering the benchmark of international and domestic companies, which are similar in size and complexity to the Company. Benchmark information shall be obtained from internationally recognized compensation service consultancies.
- (vi) NRC may consider grant of Stock Options to KMPs & SMPs pursuant to any Stock Option Plan adopted by the Company, if any.

### **D. DIRECTOR AND OFFICERS LIABILITY INSURANCE:**

- (i) The Company may provide an insurance cover to Directors, KMPs & SMPs for indemnifying them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust and the premium paid on the same shall not be treated as a part of remuneration paid to them.
- (ii) The premium paid by the Company for such insurance cover, called for Directors and Officers Liability Insurance Policy, taken for the above purpose shall be paid by the Company without any charge to the Directors, KMPs and SMPs.

## **9 AMENDMENTS TO THE POLICY:**

The Board of Directors may amend this Policy, as and when deemed fit. Any or all provisions of this Policy would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail notwithstanding the provisions hereunder from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

## Annexure B

**Statement containing the Disclosures pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.****(i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:**

No director has received remuneration from the Company apart from sitting fees for attending the meetings of the Board, Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee held from time to time.

Based on the sitting fees for attending the meetings held during the F.Y. 2020-21 and meetings attended by each Director, the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year is as under:

Sr. No.	Name of Director	Ratio
1.	Mr. Ramesh D. Chandak	0.03
2.	Mr. H. N. Singh Rajpoot	0.05
3.	Mr. A. N. Misra	0.03
4.	Mr. H. C. Dalal	0.05
5.	Mr. Prem Kapil	0.03
6.	Mr. Abhay Nerurkar	0.05
7.	Ms. Sneha Ranade*	0.03
8.	Ms. Rekha Dhanani#	0.02

\* Resigned as an Independent Director w.e.f. November 11, 2020

# Appointed as an Additional Director (Independent) w.e.f. November 10, 2020.

**(ii) The percentage increase/(decrease) in remuneration of each Director, Chief Financial Officer (CFO), Chief Executive Officer (CEO), Company Secretary (CS) or Manager, if any, in the financial year:**

As stated above, none of the Directors received remuneration apart sitting fees for attending the meetings of the Board, Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee, where they were members. There had been no increase in the amount

of sitting fees paid per meeting for attending the meetings during the year under review as compared to the financial year 2020-21.

Further, there has been no increase in remuneration of Manager during the year under review.

The percentage increase in remuneration of CFO and CS during the year under review as compared to the previous year is 6.00% each, effective January 01, 2021.

**(iii) The percentage increase in the median remuneration of the employees in the financial year: 2.75%, effective January 01, 2021.****(iv) The number of permanent employees on the rolls of the Company:**

As on March 31, 2021, the Company had 8 (Eight) employees on its rolls, including Key Managerial Personnel(s) of the Company.

**(v) Average percentile increase 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 made in the salaries of employees other than the Manager during the previous FY 2020-21 was 3.14%, effective January 01, 2021.

The increment given to each employee was based on criteria's such as performance of the company and of the individual employee during the financial year.

There was no increase made in the remuneration of Manager during the year under review.

**(vi) Affirmation that the remuneration is as per the remuneration policy of the company:**

Remuneration paid during the year ended March 31, 2021 was as per Remuneration Policy of the Company.

**On behalf of the Board of Directors**

Ramesh D. Chandak  
Chairman

DIN: 00026581

Place : Mumbai

Date : August 13, 2021

**ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2020-21****1. A brief outline of the Company's CSR Policy, including review of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs:**

Summit Securities Limited ('the Company') has framed a Policy on Corporate Social Responsibility which was amended by the Board of Directors on August 13, 2021, covering *inter-alia*, statutory amendments in accordance with Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 read with Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 effective January 22, 2021. The purpose remains to support communities to lead purposeful, healthy & dignified lives, thereby driving "holistic empowerment" and overall well-being of the community. Our vision is to bring about a long-term sustainable change in the lives of less privileged through implementation of initiatives that have a clear societal impact.

The Company proposes to undertake CSR activities as envisaged in the CSR policy of the Company particularly relate to:-

- (i) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
- (ii) Promoting education including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- (iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- (iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining quality of soil, air and water;

**2. Composition of CSR Committee\*:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. H. C. Dalal	Chairman of the Committee and Non-Executive Independent Director	2	2
2	Mr. H. N. Singh Rajpoot	Member and Non-Executive Director	2	2
3	Abhay Nerurkar	Member and Non-Executive Independent Director	2	2

\*CSR Committee was dissolved by the Board of Directors on February 09, 2021. Accordingly, as per the amended provisions of Section 135 (9) of the Companies Act 2013, the Board of Directors are empowered to perform the functions of the CSR Committee since its dissolution.

**3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:**

[https://www.summitsecurities.net/files/corporate\\_governance/CSR\\_Policy.pdf](https://www.summitsecurities.net/files/corporate_governance/CSR_Policy.pdf)

**4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):**

Not Applicable.

**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:**

Not Applicable.

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
Not Applicable			

**6. Average net profit/ (loss) of the Company for last three financial years (Amount in Rupees): (-)181.78 lakhs**

**7. Details of CSR spent during the financial year:**

- (a) **Two percent of average net profit of the company as per section 135(5):-** Nil as the average net profit for the last three preceding years is negative.
- (b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:-** Not Applicable
- (c) **Amount required to be set off for the financial year, if any:-** Not Applicable
- (d) **Total CSR obligation for the financial year (7a+7b+7c):-** Nil

**8. (a) CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Not Applicable					

**(a) Details of CSR amount spent against ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in ₹).	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number.
Not Applicable												

**(b) Details of CSR amount spent against other than ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number.
Not Applicable									

**(c) Amount spent in Administrative Overheads:- Nil****(d) Amount spent on Impact Assessment, if applicable:- Nil****(e) Total amount spent for the Financial Year (8a+8b+8c+8d) :- Nil****(f) Excess amount for set off, if any:- Not Applicable**

Sl. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	-
(ii)	Total amount spent for the Financial Year	-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

**9. (a) Details of Unspent CSR amount for the preceding three financial years:**

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the Reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.
				Name of the Fund	Amount (in ₹)	Date of transfer.	
Not Applicable							

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount Allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed /Ongoing.
Not Applicable								

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):**

- (a) Date of creation or acquisition of the capital asset(s): Not Applicable
- (b) Amount of CSR spent for creation or acquisition of capital asset: Not Applicable
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

**11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):** Not Applicable

H. N. Singh Rajpoot  
Director  
DIN: 00080836

Place : Mumbai  
Date : August 13, 2021

H. C. Dalal  
Chairman, CSR Committee  
DIN: 00206232

## Annexure D

**BUSINESS RESPONSIBILITY REPORT**

The Company consistently endeavors to fulfill its duties as a responsible corporate citizen. This Business Responsibility Report, prepared as per Regulation 34 of the Listing Regulations, provides information on the initiatives taken by the Company on the environmental, social and governance perspective. This Report is in line with 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' (NVGs), as released by the Ministry of Corporate Affairs.

**SECTION A: GENERAL INFORMATION ABOUT THE COMPANY**

1.	Corporate Identity Number (CIN) of the company	L65921MH1997PLC194571
2.	Name of the Company	Summit Securities Limited
3.	Registered address	213, Bezzola Complex, B Wing, 71, Sion-Trombay Road, Chembur, Mumbai – 400071.
4.	Website	<a href="http://www.summitsecurities.net">www.summitsecurities.net</a>
5.	E-mail ID	<a href="mailto:investors@summitsecurities.net">investors@summitsecurities.net</a>
6.	Financial Year reported	April 01, 2020 – March 31, 2021
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Investment activity (NIC Code - 64990)
8.	List three key products/services that the Company manufactures/provides (as in Balance Sheet)	The Company is a Non-deposit taking Systemically Important Non-Banking Financial Company registered with Reserve Bank of India ("the RBI") and is mainly engaged in the business of making investments in shares and securities.
9.	Total number of locations where business activity is undertaken by the Company. (a) Number of International Locations (Provide details of major 5) (b) Number of National Locations	The Company is operating only through Registered Office located at:  213, Bezzola Complex, B Wing, 71, Sion-Trombay Road, Chembur, Mumbai – 400071.
10.	Markets served by the Company - Local / State / National / International	National

**SECTION B: FINANCIAL DETAILS OF THE COMPANY**

1.	Paid up capital (INR)	1,090.18 lakhs
2.	Total Turnover (INR)	1,501.91 lakhs
3.	Total profit after taxes (INR)	866.39 lakhs
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit after taxes (%)	Nil as the Average Net Profit of the Company, as per Section 135 read with Section 198 of the Companies Act, 2013 and rules made thereunder, for the three preceding financial year was negative.
5.	List of activities in which expenditure in 4 above has been incurred	Not Applicable.

**SECTION C: OTHER DETAILS****1. Does the Company have any Subsidiary Company/ Companies?**

Yes, The Company has one subsidiary viz. Instant Holdings Limited and one step down subsidiary viz. Sudarshan Electronics & TV Limited.

**2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**

The subsidiary company/companies do not participate in the Company's Business Responsibility initiatives.

**3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, more than 60%]**

No.

**SECTION D: BUSINESS RESPONSIBILITY (BR) INFORMATION**

**1. Details of Director/ Directors responsible for BR**

**a) Details of the Director/ Directors responsible for implementation of the BR policy/ policies**

1. DIN Number: 00080836
2. Name: Mr. H. N. Singh Rajpoot
3. Designation: Non-Executive Director

**b) Details of the BR Head**

No.	Particulars	Details
1.	DIN Number (if applicable)	00080836
2.	Name	Mr. H. N. Singh Rajpoot
3.	Designation	Non-Executive Director
4.	Telephone Number	022-25292152
5.	E-mail ID	investors@summitsecurities.net

**2. Principle-wise (as per NVGs) BR Policy/ policies**

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policy/policies for these principles?	Y	N	Y	Y	Y	N	N	Y	N
2	Has the policy been formulated in consultation with relevant stakeholders?	Y	N	Y	Y	Y	N	N	Y	N
		All the applicable policies are approved by the Board or under its authority as may be mandated under the applicable laws, or otherwise.								
3	Does the policy conform to any national / international standards? If yes, specify.	Y	N	Y	Y	Y	N	N	Y	N
		The applicable policies are framed as per the requirements of applicable laws in India and in line with global best practices.								
4	Has the policy been approved by the Board? If yes, has it been signed by the MD / owner / CEO / appropriate Board Director?	The Policies have been approved by the Board or under its authority as may be mandated under the applicable laws, or otherwise.								
5	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Yes								
6	Indicate the link to view the policy online?	Applicable policies are available at the website of the Company at: <a href="http://www.summitsecurities.net">www.summitsecurities.net</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes								
8	Does the Company have in-house structure to implement its policy/policies?	Yes								
9	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to policy/policies?	The queries regarding to BR polices can be sent to <a href="mailto:investors@summitsecurities.net">investors@summitsecurities.net</a>								
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	No								

**a) If answer to Sr. No. 2 against any principle, is 'No', please explain why:**

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles	Not Applicable								
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	*	-	-	-	*	*	-	*
3.	The company does not have financial or manpower resources available for the task	Not Applicable								
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

\* The Company is a Non-deposit taking Systemically Important Non-Banking Financial Company registered with RBI and is mainly engaged in the business of making investments in shares and securities. Accordingly, the Company is not engaged in manufacturing or service activity nor covering any area attracting the BRR impact as required under the said principles.

### 3. Governance related to BR

- a. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

An annual review of BR performance is conducted, inter-alia, through adoption of BRR for inclusion in Annual Report.

- b. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The BRR forms part of the Annual Report and can be viewed on the website of the Company at [www.summitsecurities.net](http://www.summitsecurities.net).

## SECTION E: PRINCIPLE-WISE PERFORMANCE

### Principle 1 (P1):

#### **Businesses should conduct and govern themselves with Ethics, Transparency and Accountability:**

The Company endeavours to adopt high standards of corporate governance and adheres to all applicable guidelines with transparent disclosures about the Company's performance.

The Company has a Code of Conduct for its Directors and Senior Management Personnel and all its employees are required to adhere to the Company's Code of Corporate Governance and Ethics, which supports the functioning of the Company in an ethical manner. The said codes are enforced by the Company.

The Company's Whistle Blower Policy provides a framework through which an individual can report genuine concerns and actual/potential violations without fear of victimization. The said policy is available on the Company's website.

No stakeholder complaints with respect to the Company's Code of Conduct and Whistle Blower Policy were received during the reporting year.

### Principle 2 (P2):

#### **Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.**

The Company being a Non-deposit taking Systemically Important Non-Banking Financial Company ('NBFC') registered with Reserve Bank of India ('the RBI'), is mainly engaged in the business making investments in shares and securities and is not involved in any manufacturing activity of goods or provision of services.

### Principle 3 (P3):

#### **Businesses should promote the well-being of all employees.**

The employees are of foremost importance for the Company. Protecting the health and life of all its employees and their families occupies center stage. The Company is committed to implement all the guidelines recommended by the Government to ensure the safety and well-being of employee.

To reduce the spread of the pandemic in the society at large and ensuring safety of all its employees and their families, the Company implemented work from home or remote working policy for all its employees which lead to cutting commuting time, adjusting to urban lifestyle, reducing stress and improving overall work-life balance.

Remuneration practices are based on merit irrespective of the person's ethnic background or gender and adhere to the overall guidelines prescribed under the Nomination & Remuneration Policy framed by the Company. The Company has policies and procedures in place and ensures there is no discrimination of any type against socially disadvantaged sections in the workplace.

The Company has also adopted Policy on Prevention of Sexual Harassment at Workplace and is fully committed to uphold and maintain the dignity of every person working in the Company. The Company did not receive any complaint relating to child labour, forced labour, involuntary labour, sexual harassment or discriminatory employment during the year 2020-21 nor are there any complaints as on March 31, 2021.

As on March 31, 2021, the Company had 8 (Eight) number of total employees. This also included 2 (two) number of women employees.

### Principle 4 (P4):

#### **Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.**

The Company has different types of stakeholders covering, Government and regulatory authorities, Investors and Shareholders, Employees, Consultants, Bankers, Statutory Auditors, Internal Auditors, etc.

The Company has adopted various policies for all its internal as well external stakeholders of the Company such as Corporate Social Responsibility (CSR) Policy, Policy on Code of Conduct for Board Members and Senior Management,



Whistle Blower Policy for External Stakeholders etc. through which the stakeholder's engagement with the Company is encouraged.

The Company constantly endeavours to provide the best of services to its shareholders and investors and to maintain a high level of corporate governance. The Annual General Meeting is also a forum where the shareholders of the Company engage directly with the Board of Directors and get answers to their queries on Company's business.

**Principle 5 (P5):****Businesses should respect and promote human rights.**

The Company duly endorses the human rights element of the Constitution of India, various laws and regulations and the contents of the International Human rights.

The Company ensures that all rules and regulations related to human rights, as applicable are adhered to without any exceptions. The Company did not receive any complaint relating to violation of human rights during the year 2020-21.

**Principle 6 (P6):****Business should respect protect and make efforts to restore the environment.**

Given the fact that the Company's business is related to making investments, the Company does not have any significant environmental impact. Nonetheless, the Company evaluates and follows practices that are environment friendly.

**Principle 7 (P7):****Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.**

Not applicable as the Company is not engaged in influencing public and regulatory policy.

**Principle 8 (P8):****Businesses should support inclusive growth and equitable development**

Driven by its CSR policy, the Company aims at supporting communities to lead purposeful, healthy & dignified lives, thereby driving "holistic empowerment" and overall well-being of the community.

As part of various initiatives and programmes under its CSR activities, the Company had earlier contributed to economic and social development through RPG Foundation, the Implementing Agency. RPG Foundation is set up as a public charitable trust to undertake activities in the field of social welfare and reform.

**Principle 9 (P9):****Businesses should engage with and provide value to their customers and consumers in a responsible manner.**

The Company being an investment company does not have any direct customers.

## Annexure E

## FORM No. MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2021

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

To,

The Members,  
Summit Securities Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Summit Securities Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information to the extent provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by The Ministry of Corporate Affairs and The Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on 31<sup>st</sup> 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:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2021 according to the applicable provisions of:

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

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (Not applicable to the Company during the audit period)
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)
- (vi) Other laws applicable specifically to the Company namely:-
  - (a) The Reserve Bank of India Act, 1934
  - (b) Directions issued under the Reserve Bank of India Act, 1954
  - (c) Non-Banking Financial Company-Systematically important Non-Deposit taking Company (Reserve Bank) Directions, 2016 as amended from time to time.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of 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 was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, 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.

Decisions at the Board Meetings were taken unanimously.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, standards etc.

We further report that during the audit period no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

**For Parikh Parekh & Associates**  
Company Secretaries

Place: Mumbai

Date : August 13, 2021

Signature:

**Shalini Bhat**  
Partner  
FCS No:6484  
CP No: 6994  
UDIN : F006484C000778464

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

**'Annexure A'**

To,

The Members  
Summit Securities Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process 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. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we 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. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Parikh Parekh & Associates**  
Company Secretaries

Place: Mumbai

Date : August 13, 2021

Signature:

**Shalini Bhat**  
Partner  
FCS No:6484  
CP No: 6994  
UDIN : F006484C000778464

## Annexure F

## FORM No. MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2021

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

To,  
The Members,  
Instant Holdings Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Instant Holdings Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information to the extent provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by The Ministry of Corporate Affairs warranted due to the spread of the COVID-19 pandemic, we hereby report that in our 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:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March, 2021 according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (Not applicable to the Company during the audit period)
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)
- (vi) Other laws applicable specifically to the Company namely:-
  - a) The Reserve Bank of India Act, 1934
  - b) Directions issued under the Reserve Bank of India Act, 1954

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

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

We further report that:

The Board of Directors of the Company is duly constituted. 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 was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings, 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.

Decisions at the Board Meetings were taken unanimously.

We further report that there are systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines etc.

We further report that during the audit period no specific events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

**For Parikh Parekh & Associates**  
Company Secretaries

Place: Mumbai

Date : May 13, 2021

Signature:

**J.U Poojari**  
Partner

FCS No: 8102 CP No: 8187  
UDIN: F008102C000293783

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

**'Annexure A'**

To,

The Members  
Instant Holdings Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process 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. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we 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. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Parikh Parekh & Associates**  
Company Secretaries

Place: Mumbai

Date : May 13, 2021

Signature:

**J.U Poojari**  
Partner

FCS No: 8102 CP No: 8187  
UDIN: F008102C000293783

## CORPORATE GOVERNANCE REPORT

### I. COMPANY PHILOSOPHY:

Corporate Governance is the set of systems, principles and processes by which a Company is governed. It is an ethically driven business process that is committed to values and conduct of the organization in order to attain the objects of the Company. Our philosophy on Corporate Governance envisages attainment of the highest levels of transparency, accountability and equity in all facets of its operations and in all interactions with its stakeholders, including shareholders, employees, the Government and the society in general. As a result, our philosophy extends beyond what is stated under this Report and it has been the Company's constant endeavor to attain the highest levels of Corporate Governance.

This Report is in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as amended upto date and as applicable to the Company, it forms part of the Boards' Report to the members of the Company.

### II. BOARD OF DIRECTORS:

In terms of the Company's Corporate Governance Policy, all statutory and other significant and material information including information mentioned in Regulation 17 read with Schedule II of the Listing Regulations, are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company with due compliance of applicable laws and as trustees of stakeholders.

#### 1. Composition:

As on March 31, 2021, the Board of Directors comprised of seven (7) members, all of whom are Non-Executive Directors including the Chairman.

The Directors are eminent professionals with experience in industry/business/finance/law and bring with them the reputation of independent judgment and experience, which they exercise.

All the Independent Directors of the Company have confirmed that they meet with the criteria of independence laid down under the Companies Act, 2013 ('the Act') and the Listing Regulations. All such declarations are placed before the Board. Further, pursuant to Section 164(2) of the Act, all the Directors have also provided annual declarations that he/she has not been disqualified to act as a Director.

None of the Directors on the Board is a member of more than Ten (10) committees or Chairman of more than Five (5) committees across all listed entities in which he/she is a Director as

stipulated in Regulation 26(1) of the Listing Regulations. Further, none of the Independent Directors on the Board is serving as an Independent Director in more than Seven (7) listed companies and none of the Directors on the Board is a Director in more than Seven (7) listed companies. The necessary declarations regarding Committee positions have been made by all the Directors.

None of the Directors are related to any other Director on the Board in terms of definition of 'relative' given under the Act.

During the year under review:

- i. The members of the Company re-appointed Mr. Abhay Vasant Nerurkar (DIN: 00045309) as Non-Executive Independent Director of the Company for the second term of five years w.e.f. October 29, 2020 to October 28, 2025.
- ii. The Board of Directors at its meeting held on November 10, 2020, based on the recommendations of Nomination and Remuneration Committee, appointed Ms. Rekha Dhanani, as a "Non-Executive, Additional (Independent) Director" in the category of Woman Independent Director for a term of five consecutive years, w.e.f. November 10, 2020, subject to the approval of members at the ensuing Annual General Meeting (AGM).
- iii. Ms. Sneha Ranade (DIN: 06878346), Non-executive Independent Director of the Company, re-appointed for a term of 5 (five) years with effect September 27, 2019, resigned w.e.f. November 11, 2020 tendered her resignation from the position of Non-Executive Independent Director of the Company with effect from November 11, 2020, owing to certain pre-occupations and confirming that there was no other material reason than the one provided hereinabove.

#### 2. Board Meetings held during the year and attendance thereat:

During the year under review, Four (4) meetings of the Board were held on June 23, 2020, August 11, 2020, November 10, 2020 and February 09, 2021, through video conferencing in accordance with applicable laws including circulars issued by the Ministry of Corporate Affairs (MCA)/SEBI in this regard. Details of Directors and their attendance at the said Board Meetings and also at the Twenty Third Annual General Meeting is as given below:

Name	Director Identification Number	Category of Directorship	No. of Board Meetings attended during the year	Attendance at Twenty Third AGM held on September 25, 2020	No. of Directorships in other Public Limited Companies (as on March 31, 2021)	No. of Committee positions held in other Public Limited Companies* (as on March 31, 2021)		List of directorships of other listed entities and the category of such directorship
						Chairman	Member**	
Mr. Ramesh D. Chandak	00026581	Non-Executive, Independent, Chairman	4	Yes	5	4	7	<ul style="list-style-type: none"> <li>• Parag Milk Foods Limited, Independent Director</li> <li>• KEC International Limited, Independent Director***</li> <li>• Ram Ratna Wires Limited, Independent Director</li> <li>• Prince Pipes and Fittings Limited, Independent Director</li> </ul>
Mr. A. N. Misra	00350790	Non- Executive	4	Yes	2	0	1	Not Applicable
Mr. H. N. Singh Rajpoot	00080836	Non-Executive	4	No	5	3	5	<ul style="list-style-type: none"> <li>• FGP Limited, Non-Executive, Non-Independent Director</li> </ul>
Mr. H. C. Dalal	00206232	Non- Executive, Independent	4	Yes	2	1	4	<ul style="list-style-type: none"> <li>• FGP Limited, Independent Director</li> <li>• STEL Holdings Limited, Independent Director</li> </ul>
Mr. Prem Kapil	06921601	Non-Executive, Independent	4	Yes	2	0	2	<ul style="list-style-type: none"> <li>• FGP Limited, Independent Director</li> <li>• STEL Holdings Limited, Independent Director</li> </ul>
Ms. Sneha Ranade***	06878346	Non-Executive, Independent	3	Yes	-	-	-	Not Applicable
Mr. Abhay Nerurkar	00045309	Non-Executive, Independent	4	Yes	1	1	1	Not Applicable
Ms. Rekha Dhanani****	08927006	Non-Executive, Independent	2	No	1	1	3	Not Applicable

**Note:**

\* Committee positions pertain to position held in Audit Committee and Stakeholders Relationship Committee in public limited companies including the Company.

\*\* Membership in a Committee is inclusive of Chairmanship held, if any, by the Director.

\*\*\* Resigned as an Independent Director w.e.f. November 11, 2020.

\*\*\*\* Appointed as an Additional Director (Independent) w.e.f. November 10, 2020.

**Details of skills/expertise/competence of the Board of Directors:**

The Directors on the Board are eminent industrialists/professionals and have expertise in their respective functional areas, which bring with them the reputation of independent judgement and experience which adds value to the Company's business. Directors are inducted on the Board basis the possession of the skills identified by the Board as below and their special skills with regards to the industries/fields they come from.









































The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company, which are currently available with the Board.

**Global Business** – Understanding of global business dynamics across various geographies, industry verticals and regulatory jurisdictions.

**Strategy and Planning** - Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.

**Governance** - Experience in developing governance framework, serving the best interests of all stakeholders, driving board and management accountability, building long-term effective stakeholder engagements and sustaining corporate ethics and values.

The skills/expertise/ competencies have been further elaborated as under:

Name of Director	Skills / Expertise / Competence			
<b>Mr. Ramesh Chandak</b> Chairman – Non-Executive Independent Director	 General Management and Business Operations	 Business Development	 Strategy / M&A / Restructuring	 Accounting / Finance / Legal
	 CEO/Senior Management Experience	 Risk Management	 Corporate Governance	
<b>Mr. H. C. Dalal</b> Non-Executive Independent Director	 General Management and Business Operations	 Accounting / Finance / Legal	 Corporate Governance	
<b>Mr. Prem Kapil</b> Non-Executive Independent Director	 General Management and Business Operations	 Business Development	 Public Policy	 Human Resources Management
<b>Mr. Abhay Nerurkar</b> Non-Executive Independent Director	 General Management and Business Operations	 Accounting / Finance / Legal	 Corporate Governance	 Public Policy
<b>Ms. Rekha Dhanani</b> Non-Executive Independent Director*	 General Management and Business Operations	 Accounting / Finance / Legal	 Risk Management	 CEO/Senior Management Experience
	 Corporate Governance			
<b>Mr. A. N. Misra</b> Non-Executive Director	 General Management and Business Operations	 Business Development	 Strategy / M&A / Restructuring	 Accounting / Finance / Legal
	 CEO/Senior Management Experience	 Risk Management	 Public Policy	 Human Resources Management
	 Corporate Governance			
<b>Mr. H. N. Singh Rajpoot</b> Non-Executive Director	 General Management and Business Operations	 Strategy / M&A / Restructuring	 Accounting / Finance / Legal	 CEO/Senior Management Experience
	 Risk Management	 Human Resources Management	 Corporate Governance	 Business Development

\* Appointed as an Additional Director (Independent) w.e.f. November 10, 2020.



**III. COMMITTEES OF THE BOARD:**

**(i) Audit Committee:**

**a. Composition and Attendance:**

The Company has complied with the requirements of Regulation 18 of the Listing Regulations and Section 177 of the Act in respect of the composition of the Audit Committee.

At present, the Audit Committee of Board of Directors of the Company consists of 4 members, Mr. H. N. Singh Rajpoot, Mr. H. C. Dalal, Ms. Rekha Dhanani and Mr. Abhay Nerurkar. Mr. Abhay Nerurkar, Independent Director, is the Chairman of the Audit Committee. All the members of the Audit Committee are Non-Executive Directors and have sound knowledge of finance, accounts, company law and general management.

During the year under review, four (4) meetings of the Audit Committee were held on June 23, 2020, August 11, 2020, November 10, 2020 and February 09, 2021 through video conferencing in accordance with applicable laws.

Attendance at the Audit Committee Meetings held during the year ended March 31, 2021:

<b>Name(s) of members</b>	<b>No. of meetings attended</b>
Mr. Abhay Nerurkar	4
Mr. H. N. Singh Rajpoot	4
Mr. H. C. Dalal	4
Ms. Sneha Ranade*	3
Ms. Rekha Dhanani**	1

\* Ceased to be member of Audit Committee w.e.f. November 10, 2020.

\*\* Appointed as a member of Audit Committee w.e.f. November 10, 2020

The Company Secretary functions as the Secretary to the Audit Committee.

The Audit Committee Meetings are also generally attended by the representatives of Statutory Auditors, Internal Auditors, the Chief Financial Officer and the Manager of the Company.

In accordance with Regulation 18(1)(d) of the listing regulations, the Chairman of the Audit Committee had attended the Twenty Third Annual General Meeting of the Company held on September 25, 2020.

**b. Terms of reference:**

The role, powers, functions and the terms of reference of the Audit Committee specified by the Board are in conformity with the requirements of the Listing Regulations and Section 177 of the Act.

The terms of reference include the matters specified under Regulation 18 of the Listing Regulations read with Part C of Schedule II thereof, as well as Section 177 of the Act which inter-alia include the following matters:

- i. To recommend the appointment/re-appointment/re-placement, remuneration and terms of appointment of the Statutory Auditors and the Internal Auditors of the Company.
- ii. To review and monitor independence and performance of the Statutory and Internal auditors and reviewing, with the management adequacy of the internal control systems.
- iii. To approve or ratify transactions of the Company with Related Parties, including any subsequent modifications.
- iv. To examine Financial Statements and Auditor's report thereon and for this purpose, to call, if necessary, the comments of the Auditors about the following:
  - (i) Internal Control systems;
  - (ii) Scope of audit, including observations of Auditors.
- v. To scrutinize inter-corporate loans and investments made by the Company.
- vi. To carry out valuation of undertakings and the assets of the Company as and when necessary.
- vii. To evaluate the internal financial control systems.
- viii. To evaluate the Risk Management Systems.
- ix. To monitor, end use of funds raised through public offers (including public issue, rights issue, preferential issue, qualified institutional placement etc.) and related matters.
- x. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- xi. To review effectiveness of the audit process and adequacy of the internal audit function including structure/staffing and reporting process and frequency of the internal audit.
- xii. To recommend the Financial Statement to the Board for its approval, after carrying out the procedure mentioned at iv. above.
- xiii. To give personal hearing to the Auditors and key managerial personnel when, if necessary, while reviewing the Auditor's Report.
- xiv. To oversee the Company's financial reporting process and disclosure of the financial information to ensure that the financial statements are correct, sufficient and creditable.
- xv. To review the Annual Financial Statements and auditor's report with the Management before submitting the same to the Board particularly the following:
  - a) Matters required to be included in the Director, 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.
  - b) Changes, if any, in accounting policies and practices and reasons for the same.

- c) Major accounting entries involving estimates based on the exercise of judgment by management.
- d) Significant adjustments made in the financial statements arising out of audit findings
- e) Compliance with listing and other legal requirements relating to financial statements.
- f) Disclosure of any related party transactions.
- g) Qualifications/ modified opinions in draft Audit Report.
- xvi. To review with the Management the quarterly financial statements before submitting the same to the Board.
- xvii. To discuss with the Internal Auditors any significant findings and follow-up thereof.
- xviii. To review findings of the internal investigation, including the matters of suspected frauds or irregularities or failure of internal control systems of material nature and reporting the matter to the Board.
- xix. To discuss with the Statutory Auditors the nature and scope of audit before commencement of the audit and also after completion of audit, to ascertain any internal area of concern.
- xx. To look into the reasons for substantial defaults for payment to the deposit holders, debenture holders and creditors.
- xxi. Review the functioning of the Vigil Mechanism/ Whistle Blower Mechanism for the Directors and employees to report their genuine concerns or grievances and provide mechanism for adequate safeguards against victimization.
- xxii. Approval for appointment of CFO (i.e. the whole-time Finance Director or any other persons heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- xxiii. Reviewing financial statements, in particular the investments made by the Company's unlisted subsidiaries.
- xxiv. Reviewing the utilization of loans and /or advances existing loans and/ or advances from/ investment made by the Company in its subsidiary exceeding Rs. 100 crore or 10% of the total gross assets of the subsidiary, whichever is lower including existing loans/ advances /investment or such other limit as may be prescribed from time to time.
- xxv. Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.
- xxvi. To carry out any other function, as may be assigned to Audit Committee pursuant to any amendments to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, RBI guidelines and the applicable provisions of the Companies Act, 2013 as amended or re-enacted from time to time.
- xvii. To review the following information/document:
- (i) Management discussion and analysis of financial condition and results of operation;
  - (ii) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - (iii) Management letter of internal control weakness issued by the statutory auditors;
  - (iv) Internal audit reports relating to internal control weakness; and
  - (v) The appointment, removal and terms of remuneration of the Internal Auditor.
  - (vi) Statement of deviations:
    - (a) Review the quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
    - (b) Review the annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7).
- xviii. To investigate into any matter specified under serial nos. i. to xxvii. above and for this purpose to obtain advise of external professionals, if necessary, and accord them full access to the information contained in the records of the Company.
- (ii) Nomination and Remuneration Committee:**
- a. Composition and attendance:
- The Company has complied with the requirements of Regulation 19 of the Listing Regulations and Section 178 of the Act in respect of the composition of the Nomination and Remuneration Committee ('NRC').
- At present, the NRC consists of Four (4) members, Mr. H. N. Singh Rajpoot, Mr. H. C. Dalal, Mr. Prem Kapil and Mr. Abhay Nerurkar. All the members of the NRC are Non-Executive Directors. Mr. Prem Kapil, Independent Director is the Chairman of NRC.
- The Company Secretary functions as the Secretary to the NRC.
- During the year under review, Three (3) meetings of NRC were held on June 23, 2020, November 10, 2020 and February 09, 2021 through video conferencing in accordance with applicable laws. These meetings were attended by all the members of the NRC.
- b. Terms of reference:
- The terms of reference of Nomination and Remuneration Committee include the matters specified under Regulation 19 of the Listing Regulations read with Part D of Schedule II thereof,

as well as Section 178 of the Act which inter-alia include the following matters:

- (i) To ensure that the general character of the management or the proposed management of the Company shall not be prejudicial to the interest of its present and/or future depositors, if any.
  - (ii) To ensure fit and proper criteria status of existing/proposed directors.
  - (iii) To lay down criteria such as qualification, positive attributes and independence for appointment persons as directors or in the senior management.
  - (iv) To identify persons who are qualified to become directors and who may be appointed in senior management positions, as per the criteria laid down, and recommend to the Board of Directors their appointment and removal.
  - (v) To recommend to the Board the appointment and removal of the Directors, including Independent Directors.
  - (vi) To formulate the criteria for effective evaluation of performance of Board of Directors, its Committees, Chairperson and individual Directors to be carried out either by the Board or by NRC or through an independent external agency and review its implementation and compliance.
  - (vii) To recommend to the Board a policy relating to the remuneration for directors, including Managing Director(s) and Whole-time Director(s), Senior Management Personnel (SMP), Key Managerial Personnel (KMP) and other employees. While formulating the policy, the NRC shall ensure that:
    - a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
    - b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
    - c. Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
  - (viii) To recommend to the Board, remuneration payable to Directors, KMPs and SMPs in accordance with the Nomination and Remuneration Policy;
    - a. To devise and recommend to the Board for approval a policy on diversity of board of directors;
    - b. To opine as per Section 197(4)(b) whether the Director possess the requisite qualification.
    - c. Recommending to the Board, appointment and removal of KMPs and SMPs in accordance with the criteria laid down.
- d. To determine whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
  - e. To carry out any other function, as may be assigned or delegated to Nomination and Remuneration Committee by (i) the Board of Directors (ii) the virtue of the applicable provisions of the Companies Act, 2013 (iii) the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (iv) RBI guidelines and any other applicable provisions of Laws, as amended or re-enacted from time to time.
- c. Performance evaluation criteria for independent directors:
- As required pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out an annual evaluation of its own performance and that of its Committees, Chairperson and individual directors. For this purpose, an Evaluation Questionnaire prepared considers the criteria for evaluation in accordance with the Company's "Nomination and Remuneration Policy", approved by the Board on recommendation of the Nomination and Remuneration Committee, taking into account the applicable provisions under the Act and the rules made thereunder, the Listing Regulations read with the circulars issued by SEBI in this regard, which inter-alia covered various aspects such as participation in meetings, contributions to strategic decision making etc. The aforesaid Evaluation Questionnaire was circulated to all Directors and their responses were received in sealed envelopes addressed to the Chairman of the Board and results thereof were discussed at the next meeting of the Board of Directors.

#### **Directors Remuneration:**

➤ Payments to Non-Executive Directors and details of remuneration paid to all the Directors:

The Non-executive Directors do not receive any commission on profits. They are entitled to sitting fees for attending every Board meeting. Further, members of the Board of Directors, who are members on the Audit Committee and/or Stakeholders Relationship Committee and/or Nomination and Remuneration Committee and/or Corporate Social Responsibility Committee, receive sitting fees for attending the meetings of the same. The sitting fees paid to the directors are within the limits prescribed under the Companies Act, 2013 and Rules made thereunder.

During the year under review, no remuneration except sitting fees was paid to the Directors of the Company. The details pertaining to the sitting fees for meetings attended by the Directors during F.Y. 2020-21 are enumerated below:

Name of Director	Sitting Fees for 2020-21 (All figures in ₹)
Mr. Ramesh D. Chandak	20,000
Mr. H. N. Singh Rajpoot*	41,000
Mr. A. N. Misra*	24,000
Mr. H. C. Dalal *	37,000
Mr. Prem Kapil*	23,000
Mr. Abhay Nerurkar*	37,000
Ms. Rekha Dhanani*	14,000
Ms. Sneha Ranade*	27,000

\*Includes sitting fees for attending meetings of Audit Committee and/or Stakeholders Relationship Committee and/or Nomination and Remuneration Committee and/or Corporate Social Responsibility Committee.

➤ Shareholding of Directors:

As on March 31, 2021, following shares of the Company were held by the Directors of the Company:

Name of Director	No of shares held
Mr. H. N. Singh Rajpoot	1

**Independent Directors Meeting:**

As per sub-regulation (3) and (4) of Regulation 25 of the Listing Regulations as well as pursuant to Section 149(8) of the Act read with Schedule IV and in accordance with the Nomination and Remuneration Policy, the Independent Directors have at their meeting held on March 02, 2021:

- Reviewed the performance of Non-Independent Directors, the Chairman of the Company, Committees and the Board of Directors as a whole;
- Assessed the quality, quantity and timeliness of the flow of information between the company management and the Board.

All Independent Directors were present at the said meeting through video conferencing.

**Familiarization Programme for Independent Directors:**

Details of familiarization programme imparted to independent directors is disclosed on the website of the Company at [https://www.summitsecurities.net/files/Note\\_on\\_Familiarisation\\_Prog\\_for\\_Ind.pdf](https://www.summitsecurities.net/files/Note_on_Familiarisation_Prog_for_Ind.pdf)

**(iii) Stakeholders Relationship Committee:**

a. Composition and attendance:

The Company has complied with the requirements of Regulation 20 of the Listing Regulations and Section 178 of the Act in respect of the composition of the Stakeholders Relationship Committee ('SRC').

As on March 31, 2021, the SRC of the Board of Directors of the Company consists of three (3) members all being Non-Executive Directors, Mr. A. N. Misra, Mr. H. N. Singh Rajpoot and Ms. Rekha Dhanani. Mr. H. N. Singh Rajpoot, Non-Executive

Director is the Chairman of the SRC.

The Company Secretary functions as the Secretary to the SRC.

During the year under review, four (4) meetings of the SRC were held on June 23, 2020, August 11, 2020, November 10, 2020 and February 09, 2021 though video conferencing in accordance with applicable laws.

Attendance at the SRC Meetings held during the year ended March 31, 2021:

Name(s) of members	No. of meetings attended
Mr. H. N. Singh Rajpoot	4
Mr. A. N. Misra	4
Ms. Sneha Ranade*	3
Ms. Rekha Dhanani**	1

\* Ceased to be a member w.e.f. November 10, 2020

\*\* Appointed w.e.f. November 10, 2020

b. Terms of Reference:

The functions and powers of the SRC inter-alia include reviewing and addressing the complaints, queries of all investors and to ensure that the same are expeditiously responded to and redressed accordingly. Further, the SRC also reviews and deals with responses to the letters received by it from the Statutory Authorities such as the Stock Exchanges, Securities and Exchange Board of India and the Ministry of Corporate Affairs pertaining to shareholder grievances. The Committee also reviews the measures taken for effective exercise of voting rights by shareholders, adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent and various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the Company.

c. The status of the Complaints received from investors is as follows:

Shareholders/ Investors Complaints:

Particulars of the Complaints	Number of Complaints
Pending as on April 1, 2020	1*
Received during the year	Nil
Resolved to the satisfaction of shareholders during the year	1
Remained unresolved as on March 31, 2021	Nil

\* 1 complaint directly received by TSR Darashaw Consultants Private Limited, Registrar and Transfer Agents, pending as on March 31, 2020, had been resolved by SEBI on April 15, 2020.

**(iv) Corporate Social Responsibility Committee:**

**a. Composition and attendance:**

The Company has complied with the requirements of Section 135 of the Act and the rules made thereunder in respect of the constitution and composition of the Corporate Social Responsibility Committee ('CSR Committee').

Pursuant to the introduction of sub-section(9) under Section 135 of the Companies Act, 2013 vide the Companies Amendment Act, 2020, effective from January 22, 2021, provided that the amount to be spent by a company as a Corporate Social Responsibility ('CSR') expenditure does not exceed fifty lakh rupees, the requirement for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee provided under this section shall, in such cases, be discharged by the Board of Directors of such company.

As annual expenditure to be made under the Act read with Rules made thereunder was below the threshold limits specified i.e., less than Rs. 50 lakhs per annum, the Company was not required to have a separate CSR Committee. Accordingly, the Board of Directors at their meeting held on February 09, 2021 approved the dissolution of the Corporate Social Responsibility Committee the Board of Directors are empowered to perform the functions of CSR Committee since its dissolution.

During the year under review, two (2) meetings of the CSR Committee were held on June 23, 2020 and November 10, 2020 through video conferencing in accordance with applicable laws. These meetings were attended by all members of the CSR Committee.

**b. Terms of reference of CSR Committee - (Upto its dissolution on February 09, 2021. Thereafter, the functions of this Committee are being carried out by the Board of Directors of the Company):**

- i. To formulate and recommend to the Board the Corporate Social Responsibility Policy (CSR Policy) as specified in Schedule VII of the Act read with Companies (Corporate Social Responsibility) Rules, 2014.
- ii. To recommend to the Board the amount of expenditure to be incurred on the activities undertaken by the Company as per the CSR Policy within the overall limit specified in Section 135 (5) of the Act, as amended from time to time, but not less than 2% of the average net profits of the Company during the (3) three immediately preceding financial years, (calculated pursuant to Section 198 of the Act) or any other sum, as may be prescribed under Section 135 of the Act from time to time.
- iii. To monitor the CSR Policy of the Company from time to time.
- iv. To carry out any other function, as may be assigned to the CSR Committee pursuant to any amendments to the provisions of the Companies Act, 2013 and the rules made thereunder.

**(v) Risk Management Committee:**

Pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021, the Company was required to constitute Risk Management Committee ('RMC') under Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. RMC as constituted in terms of the guidelines of corporate governance issued by the Reserve Bank of India ('RBI') was considered by the Board as meeting the requirement under Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Presently, the terms of reference of RMC are in accordance with Regulation 21 of the Listing Regulations read with applicable provisions of the Act and Rules made thereunder.

**a. Composition and attendance:**

As on March 31, 2021, the RMC of the Board of Directors of the Company consists of four (4) members all being Non-Executive Directors, Mr. H. N. Singh Rajpoot, Mr. Prem Kapil, Mr. Abhay Nerurkar and Mr. A. N. Misra. Mr. H. N. Singh Rajpoot is Chairman of the RMC.

During the year under review, two (2) meetings of the RMC were held on August 11, 2020 and February 09, 2021 through video conferencing in accordance with applicable laws.

Attendance at the RMC Meetings held during the year ended March 31, 2021:

<b>Name(s) of members</b>	<b>No. of meetings attended</b>
Mr. H. N. Singh Rajpoot	2
Mr. A. N. Misra	2
Mr. Abhay Nerurkar	2
Mr. Prem Kapil	2

**b. Terms of reference of RMC:**

The scope and duties of the RMC inter-alia include:

- (i) To formulate a detailed risk management policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, liquidity, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - (c) Business continuity plan.
- (ii) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

- (iii) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.
- (iv) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
- (v) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.
- (vi) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- (vii) The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.
- (viii) To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, as might be considered necessary.
- (ix) Carrying out any other function, as may be assigned to the RMC pursuant to any amendments to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable provisions of the Companies Act, 2013 and notifications issued by the RBI from time to time.

**(vi) Asset Liability Management Committee:**

The Board of Directors had constituted the Asset Liability Management Committee ('ALMC') in terms of the guidelines of corporate governance issued by the RBI in the year 2010.

a. Composition and attendance:

As on March 31, 2021, ALMC consists of three (3) members all being Non-Executive Directors, Mr. H. N. Singh Rajpoot, Mr. H. C. Dalal and Mr. Abhay Nerurkar. Mr. H. N. Singh Rajpoot is the Chairman of the ALMC.

The Company Secretary functions as the Secretary to the ALMC.

During the year, two (2) meetings of the ALMC were held on June 23, 2020 and November 10, 2020 through video conferencing in accordance with applicable laws. These meetings were attended by all the members of the ALMC.

b. Terms of reference:

The terms of reference of the ALMC inter-alia include to monitor the asset liability gap and strategize action to mitigate the risk associated and other matters as may be provided in accordance with the RBI Notifications/Circulars issued from time to time as applicable to the Company.

**(vii) IT Strategy Committee:**

The Board of Directors had constituted the IT Strategy Committee ('ITSC') of the Company at their meeting held on August 7, 2017 in terms of the Information Technology Framework for the NBFC sector issued by the RBI on June 8, 2017, as applicable to the Company

a. Composition and attendance:

As on March 31, 2021, ITSC consisted of four (4) members, Mr. H. N. Singh Rajpoot, Mr. Abhay Nerurkar, Ms. Rekha Dhanani and Mr. Pragnesh Mistry. Mr. Abhay Nerurkar, Independent Director is the Chairman of the ITSC.

The Company Secretary functions as the Secretary to the ITSC.

During the year under review, three (3) meetings of the ITSC were held on June 23, 2020, November 10, 2020 and February 09, 2021 through video conferencing.

Attendance at the ITSC Meetings held during the year ended March 31, 2021:

Name(s) of members	No. of meetings attended
Mr. H. N. Singh Rajpoot	3
Mr. Abhay Nerurkar#	3
Ms. Sneha Ranade*	2
Ms. Rekha Dhanani**	1
Mr. Pragnesh Mistry	3

# Appointed as Chairman w.e.f. February 09, 2021.

\* Ceased to be Chairperson and member of ITSC w.e.f. November 10, 2020.

\*\* Appointed as a member of ITSC w.e.f. November 10, 2020.

b. Terms of reference:

- (a) To formulate IT strategy and policy documents, placing the same with its recommendations for the approval of the Board of Directors;
- (b) To formulate Information Security (IS) Policy, Cyber Security Policy, Cyber Crisis Management Plan and placing the same for the approval of the Board of Directors for approval;
- (c) To ensure and monitor to ensure that the management has:
  - (i) effective strategic planning process in place;
  - (ii) implemented processes and practices to ensure that the IT delivers value to the business;
  - (iii) Ensured that IT investments represent a balance of risks and benefits and that the budgets are acceptable;



- (iv) Used a method to determine the IT resources required to achieve the strategic goals and provide high-level direction for sourcing and use of IT resources and monitoring its methodology;
- (v) Ensured a proper balance of IT investments for sustaining the Company's growth and manage exposure towards IT risks and controls.
- (d) To formulate IS Audit framework and place the same for the approval of the Board and carry out or engage competent auditor for the IS Audit;
- (e) To formulate a Business Continuity Planning (BCP) Policy and place its recommendations along with the policy for approval of the Board;
- (f) To periodically review the effectiveness of all policies and procedures and as and when required to suggest amendment to IT strategies in line with the corporate strategies, including cyber security arrangements and matters related to IT Governance to the Board of Directors;
- (g) To suggest methods and monitor an appropriate governance mechanism for outsourced processes, comprising of risk-based policies and procedures, to effectively identify, measure, monitor and control risks associated with outsourcing in an end-to-end manner;
- (h) To recommend to the approval authorities, the outsourcing depending on nature of risks and materiality of outsourcing including development of sound and responsive outsourcing risk management policies and procedures commensurate with the nature, scope, and complexity of outsourcing arrangements, whenever applicable;
- (i) To undertake a periodic review of outsourcing strategies and all existing material outsourcing arrangements;
- (j) To evaluate the risks and materiality of all prospective outsourcing based on the framework developed by the Board of Directors and communicating significant risks in outsourcing and place the same before the Board of Directors on a periodic basis for review, whenever applicable;
- (k) To ensure an independent review and audit, either by an inhouse team or by an outside expert if necessary, in accordance with approved policies and procedures and that the contingency plans have been developed and tested adequately;
- (l) To carry out any other function, as may be assigned to IT Strategy Committee by the Board of Directors in accordance with the Directions issued by the Reserve Bank of India and any applicable statute pertaining to Information Technology Law and Governance.

**IV. DETAILS OF GENERAL BODY MEETINGS:**

The details of the last three (3) General Meetings are as below:

Meeting	Day, Date, Time and Venue	Particulars of the Special Resolution(s) passed at the Annual General Meeting
23 <sup>rd</sup> Annual General Meeting	Friday, September 25, 2020, 11:00 a.m. (I.S.T.) through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") deemed to convened at registered office of the Company pursuant to the MCA Circulars.	1. Re-appointment of Mr. Abhay Nerurkar as an Independent Director for the second consecutive term of five years w.e.f. October 29, 2020.
22 <sup>nd</sup> Annual General Meeting	Wednesday, September 25, 2019 at 11:00 a.m. (I.S.T.) at The Auditorium, Textile Committee, next to Trade Plaza, (TATA Press), P. Balu Road, Prabhadevi Chowk, Prabhadevi, Mumbai 400 025.	1. Re-appointment of Mr. H. C. Dalal as an Independent Director for the second consecutive term of five years w.e.f. September 27, 2019; 2. Re-appointment of Mr. Prem Kapil as an Independent Director for the second consecutive term of five years w.e.f. September 27, 2019; 3. Re-appointment of Ms. Sneha Ranade as an Independent Director for the second consecutive term of five years w.e.f. September 27, 2019; 4. Appointment of Mr. Ramesh Chandak as an Independent Director for a term of five years w.e.f. September 27, 2019.
21 <sup>st</sup> Annual General Meeting	Thursday, September 27, 2018 at 3.30 p.m. (I.S.T.) at The Auditorium, Textile Committee, next to Trade Plaza, (TATA Press), P. Balu Road, Prabhadevi Chowk, Prabhadevi, Mumbai 400 025.	None

**Postal Ballot:**

There were no Special Resolutions, which were put through postal ballot during the year under review. None of the businesses proposed to be transacted at the ensuing AGM requires passing a resolution by postal ballot.

**V. DISCLOSURES:**

- i. **Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large:**

There were no material and/or significant

related party transactions during the year under review that were prejudicial to the interest of the Company.

The transactions entered into with the Related Parties as defined under the Act and Regulation 23 of the Listing Regulations during the financial year which were in the ordinary course of business and at arm's length basis were placed before the Audit Committee.

Details of related party transactions are included in the Notes to the Financial Statements as per India Accounting Standard - 24 (AS-18) issued by the Institute of Chartered Accountants of India.

The Company has in place a policy on Related Party Transactions and the same has been displayed on the Company's website at [https://www.summitsecurities.net/files/corporate\\_governance/RelatedPartyTransactionPolicy.pdf](https://www.summitsecurities.net/files/corporate_governance/RelatedPartyTransactionPolicy.pdf)

There were no transactions of the Company with any person or entity belonging to promoter/promoter group which holds 10% or more shareholding in the Company.

**ii. Details of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:**

There were no penalties nor strictures imposed on the Company either by the Stock Exchanges or SEBI or any other Statutory Authorities on any matter related to capital markets, during the last three years.

**iii. Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee:**

In compliance with the Listing Regulations and the Act, the Company has formulated a "Whistle Blower Policy and Vigil Mechanism" and the same is also published on the website of the Company. No personnel have been denied access to the Chairman of the Audit Committee.

**iv. Compliance with Mandatory and adoption of non-mandatory requirements:**

The Company complies with the mandatory requirements of Part C of Schedule V of Listing Regulations and most of the non-mandatory/discretionary requirements as mentioned in Part E of Schedule II of the said Regulations namely, appointment of Non-Executive, Independent Director as Chairman of the Board of Directors, financial statements for the year ended March 31, 2021 are unqualified and Internal Auditor reports to the Audit Committee directly in all the functional matters.

**v. Certificate on compliance of conditions of Corporate Governance:**

The 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 to the extent applicable to the Company have been complied with.

Part E of Schedule V of Listing Regulations mandates to obtain a certificate either from the Auditors or Practicing Company Secretaries regarding compliance of conditions of Corporate Governance and annex the certificate with the Director's Report, which is sent annually to all the shareholders. The Company has obtained a certificate from its Statutory Auditors to this effect and the same is given as an annexure to the Board's Report.

**vi. Weblinks:**

- (a) Policy for determining 'material' subsidiaries is disclosed in the website of the Company at [https://www.summitsecurities.net/files/corporate\\_governance/PolicyonMaterialSubsidiary.pdf](https://www.summitsecurities.net/files/corporate_governance/PolicyonMaterialSubsidiary.pdf)
- (b) Policy on dealing with related party transactions at the link Policy at [https://www.summitsecurities.net/files/corporate\\_governance/RelatedPartyTransactionPolicy.pdf](https://www.summitsecurities.net/files/corporate_governance/RelatedPartyTransactionPolicy.pdf); and
- (c) the "Nomination and Remuneration policy" at the web link at [https://www.summitsecurities.net/files/corporate\\_governance/Nomination\\_and\\_Remuneration\\_Policy.pdf](https://www.summitsecurities.net/files/corporate_governance/Nomination_and_Remuneration_Policy.pdf)

**vii. Disclosure of Accounting Treatment:**

The Company has followed Indian Accounting Standards (IND AS) specified under Section 133 of the Act, to the extent applicable, in the preparation of the financial statements.

**viii. Confirmation in respect of Independent Directors:**

Pursuant to Schedule V, Part C, Clause (2) (i), it is hereby confirmed that in the opinion of the Board, the independent directors fulfill the conditions specified in these regulations and are independent of the management.

**ix. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).**

The requirement to provide details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) is not applicable to the Company.

**x. Certificate of a Practicing Company Secretary for non-debarment and non-disqualification of Directors:**

A certificate from M/s. Parikh Parekh & Associates, Practicing Company Secretaries



certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority pursuant to Schedule V, Part C Clause (10)(i) forms part of the Annexure to this report.

**xi. Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

During the year, no complaints were received relating to Sexual Harassment.

**xii. Disclosure of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part:**

Details of total fees paid/payable for all services availed by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part, during the year under review is as given below:

Name of the Statutory Auditor and Network Entity	Type of Services	Name of the Company or its subsidiary obtaining the service	Amount (₹ in Lakhs)
Chaturvedi & Shah LLP	Audit fee	Summit Securities Limited	2.25
Chaturvedi & Shah LLP	Certification fees.	Summit Securities Limited	1.08
<b>Total</b>			<b>3.33</b>

**VI. MEANS OF COMMUNICATION:**

(a) Financial Results:

The Company has submitted to the Stock Exchanges, where the Company's share are listed viz., BSE Limited and National Stock Exchange of India Limited in the prescribed format, its Annual Audited Results for the year ended March 31, 2021 within 60 (sixty) days from the end of that financial year, Un-audited Quarterly Financial Results within 45 (forty-five) days from the end of the quarter.

(b) Publication and Display of Financial Results:

The Company has published the Financial Results within 48 hours of the conclusion of the Board Meeting(s) in Business Standard / Free Press Journal (English Newspaper) and Mumbai Lakshadweep / Navshakti (Marathi Newspaper) as per the format prescribed under the Listing Regulations read with applicable circulars issued by SEBI from time to time in this regard.

The financial results are also displayed on the Company's website [www.summitsecurities.net](http://www.summitsecurities.net).

(c) Company's website:

The Company has maintained a functional website [www.summitsecurities.net](http://www.summitsecurities.net) which depicts the detailed informed about the business activities of the Company, shareholding pattern, financial results, annual report apart other statutory information required to be made available in terms of the Act and Listing Regulations.

The Company provides all requisite information under the Listing Regulations to Stock Exchanges where the shares of the Company are listed. Information to Stock Exchanges is filed electronically on the online dedicated portals of BSE Limited and National Stock Exchange of India Limited.

The Company has provided an email address on its website namely, [investors@summitsecurities.net](mailto:investors@summitsecurities.net) where the investors can directly contact the Company.

**VII. GENERAL SHAREHOLDER INFORMATION:**

➤ **AGM: Date, Time and Venue**

As indicated in the notice accompanying this Annual Report, the Annual General Meeting of the Company will be held on Friday, September 24, 2021 at 2.00 p.m. (I.S.T) through Video Conferencing.

➤ **Dates of Book Closure:**

Saturday, September 18, 2021 upto Friday, September 24, 2021 (both days inclusive).

➤ **Financial Year:**

The Company follows April 1 to March 31 as the financial year.

➤ **Dividend Payment Date:**

The Directors of the Company have not recommended any dividend for the year under review.

➤ **Listing on Stock Exchanges:**

The Equity Shares of the Company are listed on the following stock exchanges:

Name of the Stock Exchange	Address	Stock Code (Security Code/ Symbol)
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001	533306
National Stock Exchange of India Limited	Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai-400 051	SUMMITSEC

The ISIN of the Company: INE519C01017

The listing fees have been paid to both the stock exchanges for the FY 2020-21 and 2021-22.

➤ **Market Price data:**

Month	BSE		NSE		SENSEX	
	High	Low	High	Low	High	Low
April 2020	333.00	280.00	332.90	280.15	33,887.25	27,500.79
May 2020	315.00	264.55	309.95	271.85	32,845.48	29,968.45
June 2020	358.30	295.00	368.85	290.05	35,706.55	32,348.10
July 2020	375.00	326.10	373.00	311.10	38,617.03	34,927.20
August 2020	479.00	350.00	439.00	350.05	40,010.17	36,911.23
September 2020	423.95	370.00	415.50	375.60	39,359.51	36,495.98
October 2020	418.90	363.00	416.05	376.05	41,048.05	38,410.20
November 2020	498.00	330.20	496.00	382.10	44,825.37	39,334.92
December 2020	551.50	481.55	555.00	451.10	47,896.97	44,118.10
January 2021	599.90	524.20	610.00	517.40	50,184.01	46,160.46
February 2021	625.00	545.40	619.00	540.00	52,516.76	46,433.65
March 2021	595.50	500.10	596.80	499.95	51,821.84	48,236.35

➤ **The Company Website:** [www.summitsecurities.net](http://www.summitsecurities.net)➤ **Registrar & Share Transfer Agents:**

The share management work, both physical and demat is handled by the Registrar and Share Transfer Agents of the Company whose name and address is as given below:

TSR Darashaw Consultants Private Limited

C-101, 1<sup>st</sup> Floor,  
247 Park, Lal Bahadur Shastri Marg,  
Vikhroli (west), Mumbai – 400 083.  
E-mail : [csg-unit@tcplindia.co.in](mailto:csg-unit@tcplindia.co.in)  
Web : <https://www.tcplindia.co.in>  
Tel: 022-66568484; Fax: 022-66568494

For the convenience of investors based in the following cities, documents will also be accepted at the following branches:-

**Branch Offices:****1. Bangalore**

TSR Darashaw Consultants Private Limited  
C/o. Mr. D. Nagendra Rao  
"Vaghdevi" 543/A, 7<sup>th</sup> Main  
3<sup>rd</sup> Cross, Hanumanthnagar  
Bengaluru – 560019.  
Tel: +91-80-26509004  
Email : [tsrdlbg@tcplindia.co.in](mailto:tsrdlbg@tcplindia.co.in)

**2. Jamshedpur**

TSR Darashaw Consultants Private Limited  
Bungalow No. 1, "E" Road,  
Northern Town, Bistupur,  
Jamshedpur – 831 001.  
E-mail : [tsrdljsr@tcplindia.co.in](mailto:tsrdljsr@tcplindia.co.in)  
Tel: 0657- 2426937

**3. Kolkata**

TSR Darashaw Consultants Private Limited  
C/o Link Intime India Private Limited  
Vaishno Chamber, Flat No. 502 & 503  
5<sup>th</sup> Floor, 6, Brabourne Road  
Kolkata – 700001  
Email : [tsrdlcal@tcplindia.co.in](mailto:tsrdlcal@tcplindia.co.in)  
Tel: +91-33-40081986

**4. New Delhi**

TSR Darashaw Consultants Private Limited  
C/o Link Intime India Private Limited  
Noble Heights, 1st Floor  
Plot No NH-2, C-1 Block, LSC  
Near Savitri Market, Janakpuri  
New Delhi – 110058  
Email : [tsrdldel@tcplindia.co.in](mailto:tsrdldel@tcplindia.co.in)  
Tel: +91-11-49411030

**5. Ahmedabad**

TSR Darashaw Consultants Private Limited  
C/o Link India Intime Private Limited  
Amarnath Business Centre-1 (ABC-1)  
Beside Gala Business Centre  
Nr. St. Xavier's College Corner  
Off. C.G. Road, Ellisbridge  
Ahmedabad – 380006.  
Email : [csg-unit@tcplindia.co.in](mailto:csg-unit@tcplindia.co.in)  
Tel: +91-79-26465179

➤ **Share Transfer System:**

Pursuant to the amendment to the Listing Regulations, made effective from April 1, 2019, no shares can be transferred unless they are held in dematerialized mode and re-lodgment of transfer deed(s) lodged prior to deadline and returned due to deficiency in the document has also been discontinued after March 31, 2021 as per circular issued by SEBI in this regard. Members holding shares in physical form are therefore requested to convert their holdings into dematerialized mode to avoid loss of shares and fraudulent transactions and avail better investor servicing.

The Company has obtained the half yearly certificates from a Company Secretary in Practice for due compliance of share transfer formalities as per the requirement of Regulation 40(9) of the SEBI Listing Regulations. These certificates have been submitted to the Stock Exchanges.

Every effort is made to clear such requests of share transmissions or transposition, split or consolidation requests within 21 days.

➤ **Distribution of shareholding as of March 31, 2021:**

No. of Equity shares held		No. of Shareholders		No. of Shares		% of Equity Capital	
From	to	Physical	Demat	Physical	Demat	Physical	Demat
1	500	17,297	32,869	84,932	6,30,491	0.78	5.78
501	1,000	3	189	1,993	1,37,507	0.02	1.26
1,001	2,000	3	82	5,332	1,18,028	0.05	1.08
2,001	3,000	0	35	0	86,392	0.00	0.79
3,001	4,000	0	22	0	75,945	0.00	0.70
4,001	5,000	0	18	0	81,035	0.00	0.74
5,001	10,000	0	21	0	1,42,783	0.00	1.31
10,001	10,901,781	0	29	0	95,37,343	0.00	87.48
<b>Total</b>		<b>17,303</b>	<b>33,265</b>	<b>92,257</b>	<b>1,08,09,524</b>	<b>0.85</b>	<b>99.15</b>

➤ **Dematerialisation of shares and liquidity:**

The Company has arrangement with National Securities Depositories Limited ('NSDL') as well as Central Depository Services (India) Limited ('CDSL') for dematerialisation of shares with ISIN "INE519C01017" for both NSDL and CDSL.

99.15% of the Equity shares corresponding to 1,08,09,524 equity shares are held in dematerialised form as on March 31, 2021.

➤ **Categories of shareholding as of March 31, 2021:**

Category	No. of Shares	Percentage
Promoter		
Promoter Holdings	81,37,866	74.65
Public		
Mutual fund	412	0.00
Foreign Portfolio Investors	1,06,801	0.98
Financial Institutions/ Banks	897	0.01
Insurance Companies	1,91,979	1.76
Non-Resident Indian	32,372	0.30
Corporate Bodies, Indian Public and Others	24,31,454	22.30
<b>Total</b>	<b>1,09,01,781</b>	<b>100.00</b>

➤ **Outstanding GDRs / ADRs / Warrants / Any other Convertible Instruments:**

The Company has not issued any such instruments.

➤ **Commodity Price risk or foreign exchange risk and hedging activities:**

The Company's operations were not exposed to any commodity or foreign exchange risk nor has it indulged in any hedging activities during the year under review.

➤ **List of all credit ratings obtained by the Company along with any revisions thereto during the relevant financial year**

Since, the Company had no borrowings during the year under review, no credit ratings were obtained by the Company from any credit rating agencies.

➤ **Compliance Officer:**

Ms. Jiya Gangwani  
Company Secretary and Compliance Officer  
Summit Securities Limited  
Registered Office:  
213, Bezzola Complex,  
B wing, 71, Sion-Trombay Road,  
Chembur, Mumbai 400 071  
Tel: 91-22-25292152/54/55  
Fax: 91-22-25297423  
Email: [investors@summitsecurities.net](mailto:investors@summitsecurities.net)

➤ **Disclosure in respect to Unclaimed Equity Shares in Summit Securities Limited – Unclaimed Securities Suspense Account:**

Pursuant to Regulation 39(4) of the Listing Regulations [Clause 5A of the erstwhile Listing Agreement], 25,673 equity shares of the Company were transferred in December 2014 to Summit Securities Limited-Unclaimed Securities Suspense Account ('the Suspense Account') of the Company.

Particulars	Number of members	Number of shares
Aggregate number of members and the outstanding shares lying in the suspense account as on April 1, 2020	4,539	25,419
Number of members who approached the company for transfer of shares from the suspense account during the year	2	10
Members to whom shares were transferred from the suspense account during the year	2	10
Aggregate number of members and the outstanding shares lying in the Suspense account as on March 31, 2021	4,537	25,409

The voting rights on the equity shares lying in the Suspense Account as on March 31, 2021 remain frozen till the rightful owner of such shares claims the shares.

➤ **Prevention of Insider Trading:**

The Company has formulated a Code of Fair Disclosure (Including Determination of Legitimate Purpose), Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Designated Person(s) ('the Code') in accordance with provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, to come into effect from April 1, 2019, with a view to regulate trading in securities by the Directors and Designated Persons as identified therein. The Company Secretary acts as the Compliance Officer in terms of the Code.

During the year under review, the Board of Directors at its meeting held on February 09, 2021, amended the code in view of the various amendments made by SEBI in the said SEBI (Prohibition of Insider Trading) Regulations, 2015.

➤ **Registration of email ID:**

As a step towards Green Initiative, the Company had availed special services offered by NSDL to update email IDs of more number of Members of the Company who have not registered their email IDs. This enabled such Members to immediately receive various email communication from the Company from time to time including the annual report, dividend credit intimation etc.

In view of the restrictions of dispatching the Annual Reports or other communications through post, we request you to permanently register your email ID with the Company's RTA in case you hold shares in physical mode or with your Depository Participant, if you hold shares are held in demat mode. For more details you may also refer the Notice of the AGM.

➤ **CEO & CFO Certification:**

The Manager and Chief Financial Officer have issued a certificate pursuant to Regulation 17(8) of the Listing Regulations read with Schedule II, Part B thereof certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs.

➤ **Code of Conduct:**

The Board has laid down a code of conduct for all Board Members and Senior Management Personnel of the Company and is also available at [https://www.summitsecurities.net/files/corporate\\_governance/Code\\_of\\_conduct.pdf](https://www.summitsecurities.net/files/corporate_governance/Code_of_conduct.pdf).

All Board Members and Senior Management Personnel have affirmed compliance with the code for the financial year ended March 31, 2021. A declaration to this effect signed by the Manager forms a part of this report.

## ANNEXURE TO CORPORATE GOVERNANCE REPORT

## Declaration - Code of Conduct

All Board Members and Senior Management Personnel of the Company have for the year ended March 31, 2021 affirmed compliance with the Code of Conduct laid down by the Board of Directors in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For Summit Securities Limited

Place : Mumbai

Anand Rathi

Date : May 14, 2021

Manager

## CERTIFICATE

To,

**Summit Securities Limited**

213, Bezzola Complex, B Wing, 71,  
Sion-Trombay Road, Chembur  
Mumbai - 400071

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Summit Securities Limited having CIN L65921MH1997PLC194571** and having registered office at 213, Bezzola Complex, B Wing, 71, Sion-Trombay Road, Chembur Mumbai - 400071 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of Director	DIN	*Date of Appointment in Company
1.	Mr. Ramesh Chandak	00026581	29/09/1999
2.	Mr. Abhay Vasant Nerurkar	00045309	29/10/2015
3.	Mr. Hari Narain Singh Rajpoot	00080836	11/02/2010
4.	Mr. Hemendra Chimanlal Dalal	00206232	08/11/2012
5.	Mr. Amarendra Nath Misra	00350790	07/10/2010
6.	Mr. Prem Kapil	06921601	13/08/2014
7.	Ms. Rekha Rameshlal Dhanani	08927006	10/11/2020

*\*the date of appointment is as per the MCA Portal.*

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate 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.

For **Parikh Parekh & Associates**

Practising Company Secretaries

Shalini Bhat

FCS No:6484 CP No: 6994

Mumbai, May 25, 2021

UDIN: F006484C000365491

## Independent Auditors' Certificate on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,  
The Members  
Summit Securities Limited  
213, Bezzola Complex, B Wing, 71  
Sion Trombay Road, Chembur  
Mumbai-400071

1. The Corporate Governance Report prepared by Summit Securities Limited ("the Company"), contains details as stipulated in Regulation 17 to 27, Clause (b) to (i) of regulation 46(2) and Para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended ("the Listing Regulations") ('applicable criteria') with respect to Corporate Governance for the year ended March 31, 2021. This certificate is required by the Company for annual submission to the stock exchange and to be sent to the shareholders of the Company.

### MANAGEMENTS' RESPONSIBILITY

- The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
- The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

### AUDITORS' RESPONSIBILITY

- Our responsibility is to provide a reasonable assurance that the Company has complied with the conditions of Corporate Governance, as stipulated in the Listing Regulations.
- We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
- We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
- The procedures selected depend on the auditors' judgement, including the assessment of the

risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include, but not limited to, verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.

- The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

### OPINION

- Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2021, referred to in paragraph 1 above.

### OTHER MATTERS AND RESTRICTION ON USE

- This Certificate 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.
- This Certificate is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

For **Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm Registration No. 101720W/W100355

**Amit Chaturvedi**  
Partner  
Membership No.: 103141  
UDIN: 21103141AAAAQU2020

Place: Mumbai  
Date: August 13, 2021

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**INDEPENDENT AUDITOR'S REPORT**

To the Members of  
**SUMMIT SECURITIES LIMITED**

**Report on the Standalone Financial Statements****Opinion**

We have audited the accompanying standalone financial statements of **Summit Securities Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss, including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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 ("Ind AS") specified under Section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, its profit including other comprehensive income, its cash flows and the statement of changes in equity for the year ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

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

We have determined that there are no key audit matters to communicate in our report for the year ended 31st March, 2021.

**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 Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. The Board Report is not made available to us as at the date of this auditor's report. We have nothing to report in this regard.

**Management Responsibility for the Standalone Financial Statements**

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements 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 fair presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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 Responsibility**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Financial Statement in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions

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

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended;



- e) On the basis of written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021, from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- g) In our opinion, the managerial remuneration for the year ended 31st March, 2021 has been paid by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rules 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the

best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 26 to the standalone financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

**For Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm Registration No. 101720W/W100355

**Jignesh Mehta**  
Partner

Place: Mumbai  
Dated: 24<sup>th</sup> May, 2021

Membership No. 102749  
UDIN: 21102749AAAAJKZ9981

## ANNEXURE TO AUDITOR'S REPORT

### “ANNEXURE A” TO INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF SUMMIT SECURITIES LIMITED

(Referred to in Paragraph 1 under the heading of “Report on other legal and regulatory requirements” of our report of even date)

- i) In respect of its Fixed Assets :
- a. The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets on the basis of available information.
  - b. As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - c. As the Company has no immovable properties during the year, clause (c) (i) of the paragraph 3 of the order is not applicable on the Company.
- ii) In respect of its inventories:
- As the Company did not have inventories during the year, clause (ii) of paragraph 3 of the order is not applicable to the Company.
- iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Consequently, the requirement of clause (iii) (a) to clause (iii) (c) of paragraph 3 of the order is not applicable to the Company.
- iv) In respect of loans, investments, guarantee and securities given by the Company:-
- a) According to the information and explanation given to us, the Company has not directly or indirectly advanced loan to the persons or given guarantees or securities in connection with the loan taken by persons covered under Section 185 of the Act.
  - b) According to the Information and explanation given to us, Company has complied with the provisions of Section 186 of the Act, in respect of Investments, loans, guarantee or security given.
- v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.
- vi) To the best of our knowledge and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act in respect of the activities undertaken by the Company. Accordingly, the provision of clause 3(vi) of the order is not applicable.
- vii) In respect of Statutory dues :
- a. According to the records of the Company, undisputed statutory dues including goods and service tax, provident fund, income-tax, duty of customs, value added tax, cess and any other statutory dues as applicable to it have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2021 for a period of more than six months from the date of becoming payable.
  - b. On the basis of our examination of accounts and documents on records of the Company and information and explanations given to us upon enquires in this regard, there are no disputed amounts payable in respect of goods and service tax, provident fund, income tax, sales tax, service tax, duty and cess and any other statutory dues as applicable to it on account of any dispute, which have not been deposited with the appropriate authorities.
- viii) The Company has not raised loans from financial institutions, banks, issue of debentures and government during the year and hence clause (viii) of paragraph 3 of the order is not applicable to the Company.
- ix) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) or term loan and hence clause (ix) of paragraph 3 of the order is not applicable to the Company.
- x) Based on the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and as per information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi) In our opinion and according to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii) In our opinion Company is not a nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
- xiii) In respect of transactions with related parties:-
- In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with Sections 177 and 188 of the Act and their details have been disclosed in the

- standalone financial statements etc., as required by the applicable accounting standards.
- xiv) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or of fully or partly convertible debentures during the year and hence clause (xiv) of paragraph 3 of the Order is not applicable to the Company.
- xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with the directors or persons connected with him and covered under Section 192 of the Act. Hence, clause (xv) of the paragraph 3 of the Order is not applicable to the Company.
- xvi) Based on information and explanation given to us, the Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and necessary registration has been obtained by the Company.

For **Chaturvedi & Shah LLP**

Chartered Accountants

Firm Registration No. 101720W/W100355

**Jignesh Mehta**

Partner

Place: Mumbai

Membership No. 102749

Dated: 24<sup>th</sup> May, 2021

UDIN: 21102749AAAAJKZ9981

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## **ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF SUMMIT SECURITIES LIMITED**

**(Referred to in paragraph 2 (f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)**

### **Report on the Internal Financial Controls over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the Internal Financial Control over financial reporting of

Summit Securities Limited (“the Company”) as of 31st March, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year then ended.

#### **Management Responsibility for the Internal Financial Controls**

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

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal

Financial Controls Over Financial Reporting (the ‘Guidance Note’) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

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

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become

inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Chaturvedi & Shah LLP**

Chartered Accountants

Firm Registration No. 101720W/W100355

**Jignesh Mehta**

Partner

Place: Mumbai

Dated: 24<sup>th</sup> May, 2021

Membership No. 102749

UDIN: 21102749AAAAJKZ9981

Balance Sheet as at 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

	Note No	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	3	272.24	1,009.78
Investments	4	2,46,129.60	1,26,030.16
Other financial assets	5	1.48	10.93
		<b>2,46,403.32</b>	<b>1,27,050.87</b>
<b>Non-financial Assets</b>			
Current tax assets (net)	24	32.39	12.60
Property, plant and equipment	6	4.58	4.83
Other non-financial assets	7	41.34	48.26
		<b>78.31</b>	<b>65.69</b>
<b>Total Assets</b>		<b>2,46,481.63</b>	<b>1,27,116.56</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>Financial Liabilities</b>			
Payables	8		
Other Payables			
Total outstanding dues of micro enterprise and small enterprise		-	-
Total outstanding dues of creditors other than micro enterprise and small enterprise		12.83	10.65
Other financial liabilities	9	-	0.18
		<b>12.83</b>	<b>10.83</b>
<b>Non-Financial Liabilities</b>			
Provisions	10	28.02	26.25
Deferred tax liabilities (net)	11	21,580.29	7,595.81
Other non-financial liabilities	12	337.43	339.70
		<b>21,945.74</b>	<b>7,961.76</b>
<b>Equity</b>			
Equity share capital	13	1,090.18	1,090.18
Other equity	14	2,23,432.88	1,18,053.79
		<b>2,24,523.06</b>	<b>1,19,143.97</b>
<b>Total Liabilities and Equity</b>		<b>2,46,481.63</b>	<b>1,27,116.56</b>

See accompanying notes to the financial statements

1 to 33

As per our report of even date  
**For Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm's Regn No. : 101720W/W100355

**Jignesh Mehta**  
Partner  
Membership No. 102749

Place: Mumbai  
Date: 24<sup>th</sup> May 2021

For and on behalf of Board of Directors  
**Summit Securities Limited**

**H N Singh Rajpoot**  
Director  
(DIN: 00080836)

**A.V. Nerurkar**  
Director  
(DIN: 00045309)

**Parasmal Rakhecha**  
Chief Financial Officer

**Jiya Gangwani**  
Company Secretary

**Anand Rathi**  
Manager

## Statement of Profit and Loss for the year ended 31<sup>st</sup> March 2021

*(All amounts in ₹ Lakhs, unless otherwise stated)*

	Note No	Year ended 31 <sup>st</sup> March, 2021	Year ended 31 <sup>st</sup> March, 2020
<b>Revenue from operations</b>			
Interest income	15	13.59	14.62
Dividend income	16	301.40	3,092.06
Net gain on fair value changes	17a	1,186.92	-
		<b>1,501.91</b>	<b>3,106.68</b>
<b>Other income</b>	18	6.09	0.22
<b>Total Income</b>		<b>1,508.00</b>	<b>3,106.90</b>
<b>Expenses</b>			
Net loss on fair value changes	17b	-	432.97
Finance costs	19	6.27	-
Employee benefits expense	20	114.57	108.12
Depreciation, amortisation and impairment	21	2.16	0.85
Other expenses	22	93.57	121.70
<b>Total Expenses</b>		<b>216.57</b>	<b>663.64</b>
<b>Profit before tax</b>		<b>1,291.43</b>	<b>2,443.26</b>
Tax Expense:	23		
Current tax		228.13	11.00
Deferred tax (including Mat credit)		194.63	(114.48)
Short/(Excess) Provision of Tax For Earlier Years		2.28	-
<b>Total tax expense</b>		<b>425.04</b>	<b>(103.48)</b>
<b>Profit for the year</b>		<b>866.39</b>	<b>2,546.74</b>
<b>Other Comprehensive Income</b>			
(i) Items that will not be reclassified to profit or loss			
- Fair valuation of equity instruments through other comprehensive income		1,18,302.12	(71,795.67)
- Remeasurement benefit of defined benefit plans		0.44	(11.95)
(ii) Income tax relating to items that will not be reclassified to profit or loss		13,789.86	(8,355.68)
<b>Total other comprehensive income</b>		<b>1,04,512.70</b>	<b>(63,451.94)</b>
<b>Total comprehensive income for the year</b>		<b>1,05,379.09</b>	<b>(60,905.20)</b>
<b>Earnings per equity share (Face Value ₹ 10 each)</b>	25		
Basic (₹)		7.95	23.36
Diluted (₹)		7.95	23.36

See accompanying notes to the financial statements

1 to 33

As per our report of even date  
**For Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm's Regn No. : 101720W/W100355

**Jignesh Mehta**  
Partner  
Membership No. 102749

Place: Mumbai  
Date: 24<sup>th</sup> May 2021

For and on behalf of Board of Directors  
**Summit Securities Limited**

**H N Singh Rajpoot**  
Director  
(DIN: 00080836)

**A.V. Nerurkar**  
Director  
(DIN: 00045309)

**Parasmal Rakhecha**  
Chief Financial Officer

**Jiya Gangwani**  
Company Secretary

**Anand Rathi**  
Manager

Cash flow statement for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

	Year ended 31 <sup>st</sup> March, 2021	Year ended 31 <sup>st</sup> March, 2020
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	1,291.43	2,443.26
Adjustment for :		
Net (gain)/loss on fair value changes	(1,186.92)	432.97
Interest Expenses on Income Tax	6.27	-
Depreciation, amortisation and impairment	2.16	0.85
<b>Operating profit before working capital changes</b>	<b>112.94</b>	<b>2,877.09</b>
<b>Adjustments for changes in working capital</b>		
(Increase)/Decrease in other financial assets	9.45	(4.19)
(Increase)/Decrease in other non-financial assets	6.92	(7.00)
Increase / (Decrease) in other financial liabilities	(0.18)	0.15
Increase / (Decrease) in payables	2.18	(6.13)
Increase / (Decrease) in provision	2.20	(0.40)
Increase / (Decrease) in other non financial liabilities	(2.27)	1.52
<b>Cash generated from operating activities</b>	<b>131.24</b>	<b>2,861.03</b>
Income tax paid (net of refunds)	(253.70)	(20.90)
<b>Net cash generated from operating activities</b> (A)	<b>(122.46)</b>	<b>2,840.13</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipments	(1.91)	(4.70)
Purchase of investments	(891.48)	(2,355.78)
Sale of investments	278.31	234.19
<b>Net cash generated from investing activities</b> (B)	<b>(615.08)</b>	<b>(2,126.29)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
<b>Net cash (used in) financing activities</b> (C)	-	-
<b>Net increase/(decrease) in cash and cash equivalents</b> (A+B+C)	<b>(737.54)</b>	<b>713.84</b>
Cash and cash equivalents as at beginning of the year	1,009.78	295.94
<b>Cash and cash equivalents as at end of the year</b>	<b>272.24</b>	<b>1,009.78</b>
<b>Notes:</b>		
(i) The above Standalone Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, "Statement of Cash Flows".		
(ii) Cash and cash equivalents comprises of:		
Cash on hand	0.41	0.50
Balances with banks		
- In current accounts	11.84	694.28
- In deposit accounts (with maturity less than 3 months)	260.00	315.00
	<b>272.24</b>	<b>1,009.78</b>

As per our report of even date  
**For Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm's Regn No. : 101720W/W100355

**Jignesh Mehta**  
Partner  
Membership No. 102749

Place: Mumbai  
Date: 24<sup>th</sup> May 2021

For and on behalf of Board of Directors  
**Summit Securities Limited**

**H N Singh Rajpoot**  
Director  
(DIN: 00080836)

**A.V. Nerurkar**  
Director  
(DIN: 00045309)

**Parasmal Rakhecha**  
Chief Financial Officer

**Jiya Gangwani**  
Company Secretary

**Anand Rathi**  
Manager

## Statement of Changes in Equity for the period ended 31st March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at		As at	
	31 <sup>st</sup> March 2021	31 <sup>st</sup> March 2020	31 <sup>st</sup> March 2021	31 <sup>st</sup> March 2020
<b>A. Equity Share Capital</b>				
Balance at the beginning of the reporting year			1,090.18	1,090.18
Changes in equity share capital during the year			-	-
Balance at the end of the reporting year			<b>1,090.18</b>	<b>1,090.18</b>
<b>B. Other Equity</b>				
	<b>Reserves and Surplus</b>	<b>Other comprehensive income</b>		
	<b>General Reserve</b>	<b>Statutory Reserves</b>	<b>Retained Earnings</b>	<b>Fair valuation of equity instruments</b>
<b>Balance as at 01st April 2019</b>	37,967.25	2,930.95	11,650.33	1,26,410.46
Profit for the year	-	-	2,546.74	-
Transferred to statutory reserves	-	509.35	(509.35)	-
<b>Other comprehensive income (Net)</b>	-	-	-	<b>(63,451.94)</b>
- Remeasurement of defined benefit plans	-	-	-	(11.95)
- Net fair value gain on investment in equity, preference instruments and debentures through OCI	-	-	-	(71,795.67)
- Tax impact	-	-	-	8,355.68
<b>Balance as at 31st March 2020</b>	<b>37,967.25</b>	<b>3,440.30</b>	<b>13,687.72</b>	<b>62,958.52</b>
Profit for the year	-	-	866.39	-
Transferred to statutory reserves	-	173.28	(173.28)	-
<b>Other comprehensive income (Net)</b>	-	-	-	<b>1,04,512.69</b>
- Remeasurement of defined benefit plans	-	-	-	0.44
- Net fair value gain on investment in equity, preference instruments and debentures through OCI	-	-	-	1,18,302.12
- Tax impact	-	-	-	(13,789.86)
<b>Balance as at 31st March 2021</b>	<b>37,967.25</b>	<b>3,613.57</b>	<b>14,380.84</b>	<b>1,67,471.21</b>
See accompanying notes to the financial statements	1 to 33			

For and on behalf of Board of Directors  
**Summit Securities Limited****H N Singh Rajpoot**  
Director  
(DIN: 00080836)**Parasmal Rakhecha**  
Chief Financial Officer**Anand Rathi**  
ManagerFor our report of even date  
**For Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm's Regn No. : 101720W/W100355**Jignesh Mehta**  
Partner  
Membership No. 102749Place: Mumbai  
Date: 24<sup>th</sup> May 2021**A. V. Nerurkar**  
Director  
(DIN: 00045309)**Jiya Gangwani**  
Company Secretary



## Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

1. Summit Securities Limited (the 'Company') is a public limited company domiciled in India and incorporated under the provisions of Companies Act, 1956. The Company is listed on Bombay Stock Exchange & National Stock Exchange. The Company is a non-deposit taking Systemically Important Non-Banking Financial Company ("NBFC") registered with Reserve Bank of India ("the RBI") and is engaged in the business of providing loans and making investments in shares and securities.

The standalone financial statements were approved by Board of Directors on 24th May 2021.

### Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under Section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act and the Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ('the NBFC Master Directions') issued by RBI. The financial statements have been prepared on a going concern basis. The Company uses accrual basis of accounting except in case of significant uncertainties.

These financial statements have been prepared in accordance with the Accounting Standards notified under the Section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014, along with other relevant provisions of the Act and the Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ('the NBFC Master Directions') issued by RBI (as amended) and the regulatory guidance on implementation of IND AS as notified by the RBI vide notification dated 13 March 2020.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities that are measured at fair value.

The financial statements are presented in INR, which is also the Company's functional currency, and all values are rounded to the nearest Lakhs (INR 000,00), except when otherwise indicated.

## 2. Summary of significant accounting policies followed by the Company

### (A) Use of Significant judgements, estimates and assumptions

The preparation of the standalone financial statements requires management to make judgements, estimates

and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### 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 business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance 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.

### Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

### Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened

## Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings 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 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.

### (B) Revenue recognition

#### Interest income (Effective interest rate method)

Under Ind AS 109 interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost, debt instrument measured at FVOCI and debt instruments designated at FVTPL. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset. The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges). If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk. The adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through interest income in the statement of profit and loss.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets net of upfront processing fees. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis. For purchased or originated credit-impaired (POCI) financial assets, the Company

calculates interest income by calculating the credit-adjusted EIR and applying that rate to the amortised cost of the asset. The credit adjusted EIR is the interest rate that, at original recognition, discounts the estimated future cash flows (including credit losses) to the amortised cost of the POCI assets. Interest income on all trading assets and financial assets mandatorily required to be measured at FVTPL is recognised using the contractual interest rate in net gain on fair value changes.

#### Dividend income

Dividend income (including from FVOCI investments) is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.

### (C) Financial instruments

#### Point of recognition

Financial assets and liabilities, with the exception of loans, debt securities, deposits and borrowings are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace. Loans are recognised when funds are transferred to the customers' account. The Company recognises debt securities, deposits and borrowings when funds reach the Company.

#### Initial recognition

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments, as per the principles of the Ind AS. 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 mentioned 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 Group recognises the difference between the transaction price and fair value in net gain on fair value changes. 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 profit or

## Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

loss when the inputs become observable, or when the instrument is derecognised.

### Subsequent measurement of financial assets

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

- i. The Company's business model for managing the financial asset; and
- ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

- (a) Financial assets measured at amortized cost
- (b) Financial assets measured at fair value through other comprehensive income (FVTOCI)
- (c) Financial assets measured at fair value through profit or loss (FVTPL)

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

A Financial asset is measured at the amortized cost if both the following conditions are met:

- (i) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows; and
- (ii) The contractual terms of the financial asset give rise on specified dates to cash Flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method. Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset. The same is included under other income in the Statement of Profit and Loss. The amortized cost of a financial asset is also adjusted for loss allowance, if any.

#### (b) Financial assets measured at FVTOCI:

A financial asset is measured at FVTOCI if both of the following conditions are met:

- (i) The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets; and
- (ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to certain investments in debt and equity instruments. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of profit and loss under 'Other Comprehensive Income (OCI)'. However, the Company recognizes interest income and impairment losses and its reversals in the Statement of Profit and Loss. On de-recognition of such financial assets, cumulative gain or loss previously recognized in OCI is reclassified from equity to the Statement of Profit and Loss, except for instruments which the Company has irrevocably elected to be classified as equity through OCI at initial recognition, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation and they are not held for trading. The Company has made such election on an instrument by instrument basis.

Gains and losses on these equity instruments are never recycled to profit or loss. Dividends are recognised in the statement of profit or loss as dividend income when the right of the payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

#### (c) Financial assets measured at FVTPL:

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the Company excluding investments in subsidiary and associate companies. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

#### Financial assets or financial liabilities held for trading:

The Company classifies financial assets as held for trading when they have been purchased or

## Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

issued primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there is evidence of a recent pattern of short-term profit taking. Held-for-trading assets and liabilities are recorded and measured in the balance sheet at fair value. Changes in fair value are recognised in net gain on fair value changes.

Interest and dividend income or expense is recorded in net gain on fair value changes according to the terms of the contract, or when the right to payment has been established. Included in this classification are debt securities, equities, and customer loans that have been acquired principally for the purpose of selling or repurchasing in the near term.

### De-recognition:

#### (a) Financial asset:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's balance sheet) when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset. A regular way purchase or sale of financial assets has been derecognised, as applicable, using trade date accounting.
- iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis

that reflects the rights and obligations that the Company has retained.

On de-recognition of a financial asset, (except as mentioned in ii above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

#### (b) Financial liability:

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

#### Impairment of financial assets:

In accordance with Ind AS 109, the Company applies expected credit loss ('ECL') model for measurement and recognition of impairment loss for financial assets.

ECL is the weighted-average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

#### Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

#### Other financial assets:

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly

## Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

### Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### (D) Fair Value

The Company measures its financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 input) and the lowest priority to unobservable inputs (Level 3 inputs).

- Level 1 (unadjusted) - 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 - 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 - Those that include one or more unobservable input that is significant to the measurement as whole.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

### (E) Income Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

#### Current tax

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961. Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

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

## Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

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.

### Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The Company has not recognised a deferred tax liability for all taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint arrangements, except to the extent that both of the following conditions are satisfied:

- the parent, investor, joint venture or joint operator is able to control the timing of the reversal of the temporary difference; and
- it is probable that the temporary difference will not reverse in the foreseeable future.

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 include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, to the extent it would be available for set off against future current income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realised.

### Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income. 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 realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

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

### (F) Provisions and contingencies

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of

## Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

example, a reduction in future payments or a cash refund.

### (G) Investment in subsidiaries

Investment in subsidiaries is recognised at cost and are not adjusted to fair value at the end of each reporting period. Cost of investment represents amount paid for acquisition of the said investment.

The Company assesses at the end of each reporting period, if there are any indications that the said investment may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

### (H) Cash and Cash Equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

### (I) Employee Benefits

#### Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

#### Post-employment benefits

##### (i) Defined contribution plans

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees.

Recognition and measurement of defined contribution plans:

The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for

##### (ii) Defined benefits plans

#### Gratuity scheme:

Gratuity is a post-employment benefit and is a defined benefit plan. The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if any. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

#### Recognition and measurement of defined benefit plans

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss. Re-measurements of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such re-measurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company does not present the above liability/(asset) as current and non-current in the Balance Sheet as per the principles of Division III financial statements as per the MCA notification dated 11 October 2018.

##### (J) Lease accounting

The Company, as a lessee, recognizes a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The

## Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

### (K) Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

### (L) Events after reporting date

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

### (M) Property, plant & equipment

#### Measurement at recognition

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at

cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### Capital work-in-progress and capital advances:

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work-in-progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as other non-financial assets.

#### Depreciation

Depreciation on each part of an item of property, plant and equipment is provided using the written down value method based on the useful life of the asset as prescribed in Schedule II to the Act. Depreciation is calculated on a pro-rata basis from the date of installation till date the assets are sold or disposed. Leasehold improvements are amortised over the underlying lease term on a straight-line basis.

#### De-recognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

### (N) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value



## Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been

recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

### (O) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted-average number of equity shares outstanding during the period. The weighted-average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted-average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>3 Cash and cash equivalents</b>		
Cash on hand	0.41	0.50
Balances with banks in current account	11.84	694.28
Bank deposit with remaining maturity of less than 3 months	260.00	315.00
	<b>272.24</b>	<b>1,009.78</b>

### 4 Investments

	As at 31 <sup>st</sup> March 2021			As at 31 <sup>st</sup> March 2020				
	Cost	At fair value		Total	Cost	At fair value		Total
		Through other comprehensive income	Through profit and loss			Through other comprehensive income	Through profit and loss	
Mutual funds (quoted)	-	-	3,376.39	<b>3,376.39</b>	-	-	2,241.34	<b>2,241.34</b>
<b>Equity instruments</b>								
- Subsidiaries (unquoted)	40,269.24	-	-	<b>40,269.24</b>	40,269.24	-	-	<b>40,269.24</b>
- Others (quoted)	- 2,00,720.56	-	-	<b>- 2,00,720.56</b>	- 81,698.47	-	-	<b>- 81,698.47</b>
- Others (unquoted)	1,763.41	-	-	<b>1,763.41</b>	- 1,677.27	-	-	<b>- 1,677.27</b>
<b>Investments through Portfolio Management Services ('PMS'):</b>								
- Equity instruments (quoted)	-	-	-	-	-	-	141.07	<b>141.07</b>
- Mutual funds (unquoted)	-	-	-	-	-	-	-	-
- Others	-	-	-	-	2.77	-	-	<b>2.77</b>
	<b>40,269.24</b>	<b>2,02,483.98</b>	<b>3,376.39</b>	<b>2,46,129.60</b>	<b>40,272.01</b>	<b>83,375.74</b>	<b>2,382.41</b>	<b>1,26,030.16</b>

Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

	Face value ₹	As at 31st March 2021		As at 31st March 2020	
		Number	Amount	Number	Amount
<b>(a) Investment in mutual funds</b>					
(measured at Fair Value through PL)					
Aditya Birla Sunlife Corporate Bond Fund (formerly known as Birla Sunlife Short Term Fund) - Direct Plan - Growth		1,18,276	102.58	1,18,276.01	93.30
Axis Bluechip Fund Direct Growth		3,20,410	136.65	3,20,410.13	90.68
Axis Dynamic Bond Fund - Direct Plan - Growth		2,95,063	73.21	2,95,062.92	67.72
DSP Mid cap Fund - Direct Plan - Growth		2,63,569	214.52	2,63,569.43	123.84
HDFC Small Cap Fund - Direct Growth - Plan		4,24,583	245.09	4,24,583.38	119.35
ICICI Prudential Bluechip Fund - Direct Plan - Growth		9,37,211	538.15	9,37,210.83	316.87
ICICI Prudential Liquid Fund - Direct Plan- Growth		74,623	227.40	74,623.39	219.23
Invesco India Opp. Fund - Direct Plan - Growth		5,45,405	266.54	5,45,404.96	163.29
Kotak Emerging Equity Fund - Direct Plan - Growth		3,67,755	232.37	3,67,755.22	118.11
L&T Banking and PSU Debt Fund Direct Plan - Growth		19,23,784	386.91	19,23,783.76	357.17
Mirae Assets Large Cap Fund - Direct Plan- Growth		2,15,308	152.20	2,15,308.43	89.25
Motilal Oswal Nasdaq 100 Fund Direct Plan Growth		7,65,058	153.67	7,65,058.26	97.89
UTI Nifty Index Fund - Direct Growth Plan		4,07,876	399.76	4,07,875.77	232.15
UTI Nifty Next 50 Index Fund - Direct Plan Growth		19,99,700	247.33	19,99,700.05	152.49
			<b>3,376.39</b>		<b>2,241.34</b>
<b>(b) Investment in equity instruments</b>					
<b>Subsidiary, unquoted</b>					
(Measured at cost)					
Instant Holdings Limited	10	47,13,895	40,269.24	47,13,895	40,269.24
			<b>40,269.24</b>		<b>40,269.24</b>
<b>Others, unquoted</b>					
( Measured at Fair Value Through OCI)					
Bombay Mercantile Co-op Bank Limited	30	1,666	-	1,666	0.50
CFL Capital Financial Services Limited	10	2,46,00,921	-	2,46,00,921	-
Spencer & Co. Limited (paid up value ₹ 9 per share)	10	19,73,600	1,763.41	19,73,600	1,676.77
			<b>1,763.41</b>		<b>1,677.27</b>
			<b>42,032.65</b>		<b>41,946.51</b>
<b>Quoted</b>					
(Measured at Fair Value Through OCI)					
CEAT Limited	10	10,36,248	16,178.42	10,14,230	7,983.00
Harrisons Malayalam Limited	10	160	0.22	160	0.09
HCL Technologies Limited	2	1	0.01	-	-
KEC International Limited	2	2,81,04,322	1,15,326.09	2,79,10,754	51,774.45
RPG Life Sciences Limited	8	398	1.54	398	0.68
State Bank of India Limited	1	1	0.00	1	0.00
STEL Holding Limited	10	8,78,501	727.40	8,78,501	339.10
Zensar Technologies Limited	2	2,49,72,427	68,486.88	2,49,72,427	21,601.15
			<b>2,00,720.56</b>		<b>81,698.47</b>

Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

	Face value ₹	As at 31st March 2021		As at 31st March 2020	
		Number	Amount	Number	Amount
<b>(c) Investments through portfolio managers:</b>					
(Measured at Fair Value through PL)					
Equity instruments, quoted					
ACC Limited	10	-	-	790	7.65
Ambuja Cements Limited	2	-	-	5,805	9.04
Astra Microwave Products Limited	2	-	-	10,053	5.22
Bharti Airtel Limited	5	-	-	1,427	6.29
Chambal Fertilizer & Chemcial Limited	10	-	-	4,653	5.05
Container Corporation of India Limited	5	-	-	1,765	5.85
Gujarat Pipavav Port Limited	10	-	-	9,822	5.92
HDFC Bank Limited	1	-	-	643	5.54
Hindalco Industries Limited	1	-	-	3,849	3.68
ICICI Bank Limited	2	-	-	936	3.03
JK Lakshmi Cement Limited	5	-	-	1,524	2.99
JSW Energy Limited	10	-	-	17,579	7.51
KNR Constructions Limited	2	-	-	4,152	8.16
Larsen & Toubro Limited	2	-	-	1,591	12.86
NTPC Limited	10	-	-	14,694	12.37
Sundaram Finance Limited	10	-	-	436	5.25
Tata Metaliks Limited	10	-	-	1,516	5.03
Tata Power Co Limited	1	-	-	21,899	7.19
Tata Steel Limited	10	-	-	616	1.66
TD Power Systems Limited	10	-	-	3,611	3.06
Thermax Limited	2	-	-	555	4.11
Voltamp Transformers Limited	10	-	-	422	3.71
VRL Logistics Limited	10	-	-	3,555	5.49
VST Tillers Tractors Limited	10	-	-	166	1.11
Wheels India Limited	10	-	-	982	3.30
					<b>141.07</b>
<b>Other *</b>					<b>2.77</b>
* Consists of balances in bank accounts maintained by portfolio managers.					
					<b>2.77</b>
					<b>2,46,129.60</b>
					<b>1,26,030.16</b>
<b>Out of above,</b>					
In India			2,46,129.60		1,26,030.16
Outside India			-		-
				<b>As at 31<sup>st</sup> March 2021</b>	<b>As at 31<sup>st</sup> March 2020</b>
<b>5 Other financial assets</b>					
Interest Receivable				1.37	0.10
Other receivables				0.10	10.83
				<b>1.48</b>	<b>10.93</b>

## Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

### 6 Property, plant and equipment

	Computer	Office Equipment	Total
<b>Gross block</b>			
<b>Balance as at 01st April 2019</b>	3.02	0.25	3.27
Additions	1.20	3.08	4.28
Disposals	-	-	-
<b>Balance as at 31st March 2020</b>	<b>4.22</b>	<b>3.33</b>	<b>7.55</b>
Additions	1.91	-	1.91
Disposals	-	-	-
<b>Balance as at 31st March 2021</b>	<b>6.12</b>	<b>3.33</b>	<b>9.45</b>
<b>Accumulated depreciation</b>			
<b>Balance as at 01st April 2019</b>	1.65	0.22	1.87
Depreciation charge for the year	0.84	0.02	0.85
Disposals	-	-	-
<b>Balance as at 31st March 2020</b>	<b>2.48</b>	<b>0.23</b>	<b>2.72</b>
Depreciation charge for the year	1.59	0.56	2.16
Disposals	-	-	-
<b>Balance as at 31st March 2021</b>	<b>4.08</b>	<b>0.80</b>	<b>4.87</b>
<b>Carrying value</b>			
<b>As at 31st March 2020</b>	<b>1.74</b>	<b>3.09</b>	<b>4.83</b>
<b>As at 31st March 2021</b>	<b>2.05</b>	<b>2.53</b>	<b>4.58</b>

	As at 31st March 2021	As at 31st March 2020
<b>7 Other non-financial assets</b> (unsecured, considered good)		
Balances with government authorities	39.16	39.16
Security Deposit	2.10	2.10
Receivable from Employee	-	7.00
Prepaid Expenses	0.08	-
Other receivables	0.00	-
	<b>41.34</b>	<b>48.26</b>

### 8 Payables

#### Other Payables

Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	12.83	10.65
	<b>12.83</b>	<b>10.65</b>

## Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

<b>Particulars</b>	<b>As at 31st March 2021</b>	<b>As at 31st March 2020</b>
Principal amount due to suppliers under MSMED Act, as at the year end (since paid)	-	-
Interest accrued and due to suppliers under MSMED Act, on the above amount as at the year end (since paid)	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
Interest paid to suppliers under MSMED Act (other than section 16)	-	-
Interest paid to suppliers under MSMED Act (section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
Interest accrued and remaining unpaid at the year end to suppliers under MSMED Act (since paid)	-	-
<b>9 Other financial liabilities</b>		
Salary Payable	-	0.18
	<u>-</u>	<u>0.18</u>
<b>10 Provisions</b>		
Provision for Gratuity	21.99	20.33
Provision for Compensated Absence	6.03	5.93
	<u>28.02</u>	<u>26.25</u>
<b>11 Deferred taxes</b>		
<b>Deferred tax liability:</b>		
Fair valuation on investments carried at fair value through OCI	22,210.51	8,420.65
Fair valuation on investments carried at fair value through PL	234.82	(105.84)
<b>Total deferred tax liabilities</b>	<u>22,445.33</u>	<u>8,314.82</u>
<b>Deferred tax assets:</b>		
Difference between written down value of property, plant and equipment as per books of accounts and Income tax Act, 1961	0.32	(0.25)
Provision for employee benefits	8.16	7.64
on carry forward of losses	4.69	-
Mat Credi Entitlement	851.86	711.61
<b>Total deferred tax assets</b>	<u>865.03</u>	<u>719.01</u>
<b>Deferred tax liabilities (net)</b>	<u>21,580.29</u>	<u>7,595.81</u>

## Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

### Movement in deferred tax liabilities for year ended 31st March 2020:

Particulars	As at 31st March 2019	Statement of Profit or Loss	Other comprehensive Income	As at 31st March 2020
<b>Deferred tax liabilities for taxable temporary differences on:</b>				
Fair valuation on investments carried at fair value through OCI	16,776.33	-	(8,355.68)	8,420.65
Fair valuation on investments carried at fair value through PL	16.39	(122.22)	-	(105.84)
<b>Total</b>	<b>16,792.72</b>	<b>(122.22)</b>	<b>(8,355.68)</b>	<b>8,314.82</b>
<b>Deferred tax assets for deductible temporary differences on:</b>				
Difference between written down value of property, plant and equipment as per books of accounts and Income tax Act, 1961	(0.23)	(0.02)	-	(0.25)
Provision for employee benefits through PL	4.23	3.41	-	7.64
Mat Credit Entitlement	722.75	(11.13)	-	711.61
<b>Total</b>	<b>726.75</b>	<b>(7.74)</b>	<b>-</b>	<b>719.01</b>
<b>Deferred tax liabilities (net)</b>	<b>16,065.97</b>	<b>(114.48)</b>	<b>(8,355.68)</b>	<b>7,595.81</b>

### Movement in deferred tax liabilities for year ended 31st March 2021:

Particulars	As at 31st March 2020	Statement of Profit or Loss	Other comprehensive Income	As at 31st March 2021
<b>Deferred tax liabilities for taxable temporary differences on:</b>				
Fair valuation on investments carried at fair value through OCI	8,420.65	-	13,789.86	22,210.51
Fair valuation on investments carried at fair value through PL	(105.84)	340.65	-	234.82
<b>Total</b>	<b>8,314.82</b>	<b>340.65</b>	<b>13,789.86</b>	<b>22,445.33</b>
<b>Deferred tax assets for deductible temporary differences on:</b>				
Difference between written down value of property, plant and equipment as per books of accounts and Income tax Act, 1961	(0.25)	0.57	-	0.32
Provision for employee benefits through PL	7.64	0.51	-	8.16
on carry forward of losses	-	4.69	-	4.69
Mat Credit Entitlement	711.61	140.25	-	851.86
<b>Total</b>	<b>719.01</b>	<b>146.02</b>	<b>-</b>	<b>865.03</b>
<b>Deferred tax liabilities (net)</b>	<b>7,595.81</b>	<b>194.63</b>	<b>13,789.86</b>	<b>21,580.30</b>

### 12 Other non-financial liabilities

	As at 31st March 2021	As at 31st March 2020
Statutory dues	0.67	3.00
Sales Tax Payable	253.46	253.46
Other Payable for Expenses	83.30	83.24
	<b>337.43</b>	<b>339.70</b>

Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

## 13 Share capital

Note 1: Disclosure pursuant to Note no. S(a, b, c &amp; d) of Divison III of Schedule III to the Companies Act, 2013

Particular of Share Capital	Equity Share Capital (FV ₹ 10/- each)		Preference Share Capital (FV ₹ 100/- each)		Preference Share Capital (FV ₹ 10/- each)	
	Number	Amount	Number	Amount	Number	Amount
<b>Authorised Share Capital</b>						
At April 01, 2019	14,20,00,000	14,200.00	25,00,000	2,500.00	1,50,00,000	1,500.00
Increase/(decrease) during the year	-	-	-	-	-	-
At March 31, 2020	14,20,00,000	14,200.00	25,00,000	2,500.00	1,50,00,000	1,500.00
Increase/(decrease) during the year	-	-	-	-	-	-
At March 31, 2021	14,20,00,000	14,200.00	25,00,000	2,500.00	1,50,00,000	1,500.00
<b>Issued Share Capital</b>						
At April 01, 2019	1,09,01,987	1,090.20	-	-	-	-
Increase/(decrease) during the year	-	-	-	-	-	-
At March 31, 2020	1,09,01,987	1,090.20	-	-	-	-
Increase/(decrease) during the year	-	-	-	-	-	-
At March 31, 2021	1,09,01,987	1,090.20	-	-	-	-
<b>Subscribed and Paid-up Share Capital</b>						
At April 01, 2019	1,09,01,781	1,090.18	-	-	-	-
Increase/(decrease) during the year	-	-	-	-	-	-
At March 31, 2020	1,09,01,781	1,090.18	-	-	-	-
Increase/(decrease) during the year	-	-	-	-	-	-
At March 31, 2021	1,09,01,781	1,090.18	-	-	-	-

Note 2: Disclosure pursuant to Note no. S(e) of Divison III of Schedule III to the Companies Act, 2013

**Terms and rights attached to equity shares**

**Equity Shares:** The Company has issued one class of equity shares having face value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held.

The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

The shareholders have all other rights as available to the Equity Shareholders as per the provisions of Companies Act, 2013 read together with the Memorandum of Association and Articles of Association of the Company, as applicable.

Note 3: Disclosure pursuant to Note no. S(f) of Divison III of Schedule III to the Companies Act, 2013

(i) Swallow Associates LLP is directly holding more than 50% of total paid up share capital of the Company.

Note 4 : Disclosure pursuant to Note no. S(g) of Divison III of Schedule III to the Companies Act, 2013 (if more than 5%)

Name of Shareholder	As at 31st March 2021		As at 31st March 2020	
	Share Holding	% of Holding	Share Holding	% of Holding
Swallow Associates LLP	76,93,928	70.57%	76,93,928	70.57%

Note 5 : Disclosures pursuant to Note no. S(h), (i), (j), (k) and (l) of Divison III of Schedule III to the Companies Act, 2013 are not applicable to the company and hence not given.

## Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31st March 2021	As at 31st March 2020
<b>14 Other equity</b>		
<b>(i) General reserve</b>		
Balance at the beginning of the year	37,967.25	37,967.25
Add : Changes during the year	-	-
<b>Balance at the end of the year</b>	<b>37,967.25</b>	<b>37,967.25</b>
<b>(ii) Statutory reserves (as per Sec 45 IC (1) of RBI Act, 1934)</b>		
Balance at the beginning of the year	3,440.30	2,930.95
Add : Changes during the year	173.28	509.35
<b>Balance at the end of the year</b>	<b>3,613.57</b>	<b>3,440.30</b>
<b>(iii) Retained earnings</b>		
Balance at the beginning of the year	13,687.72	11,650.33
Add:- Profit for the year	866.39	2,546.74
Appropriations:		
Transfer to reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934	(173.28)	(509.35)
<b>Balance at the end of the year</b>	<b>14,380.83</b>	<b>13,687.72</b>
<b>(iv) Other comprehensive income</b>		
Balance at the beginning of the year	62,958.52	1,26,410.46
Add : Changes during the year	1,04,512.70	(63,451.94)
Less : Items recognised directly in retained earnings		-
<b>Balance at the end of the year</b>	<b>1,67,471.22</b>	<b>62,958.52</b>
	<b>2,23,432.88</b>	<b>1,18,053.79</b>

### Description of nature and purpose of each reserve:

#### General reserve

General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

#### Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfer to general reserves.

#### Statutory reserve

The Company is required to create a reserve in accordance with the provisions of Section 45IC of the Reserve Bank of India Act, 1934. Accordingly 20% of the profits after tax for the year is transferred to this reserve at the end of every reporting period.

#### Other comprehensive income

This represents the cumulative gains and losses arising on the revaluation of financial instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off, if any.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised directly in other comprehensive income.

	Year ended 31st March 2021	Year ended 31st March 2020
<b>15 Interest Income</b>		
(on financial assest measued at amortised cost)		
Interest on Deposit with banks	13.59	14.62
	<b>13.59</b>	<b>14.62</b>



Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

	Year ended 31st March 2021	Year ended 31st March 2020
<b>16 Dividend Income</b>		
Dividend income on investments	301.40	3,092.06
	<b>301.40</b>	<b>3,092.06</b>
On Investment Measured at FVTPL	1.73	4.32
On Investment Measured at FVTOCI	299.67	3,087.74
	<b>301.40</b>	<b>3,092.06</b>
<b>17 Net gain/loss on fair value changes</b>		
<b>(a) Net gain on financial instruments at FVTPL</b>		
mutual funds	1,135.05	-
equity shares through PMS	51.87	-
	<b>1,186.92</b>	-
<b>Fair value changes:</b>		
Unrealised Mutual Fund	1,135.05	-
Realised equity shares through PMS	51.87	-
	<b>1,186.92</b>	-
<b>(b) Net loss on financial instruments at FVTPL</b>		
mutual funds	-	350.39
equity shares through PMS	-	82.58
	-	<b>432.97</b>
<b>Fair value changes:</b>		
Realised during the year Mutual Fund	-	(4.63)
Unrealised Mutual Fund	-	355.02
Realised during the year equity shares through PMS	-	16.17
Unrealised equity shares through PMS	-	66.41
	-	<b>432.97</b>
<b>18 Other income</b>		
Provisions/liabilities written back	5.93	0.22
Interest on Income Tax refund	0.16	-
Miscellaneous income	0.00	0.00
	<b>6.09</b>	<b>0.22</b>
<b>19 Finance Cost</b>		
Interest Expenses		
- on delayed payment of Tax	6.27	-
	<b>6.27</b>	-
<b>20 Employee benefits expense</b>		
Salaries and wages	110.69	104.68
Contribution to provident and other funds	3.02	1.08
Staff welfare expenses	0.86	2.36
	<b>114.57</b>	<b>108.12</b>
<b>(a) Defined benefits plans - Gratuity (unfunded)</b>		

Gratuity plan is a defined benefit plan that provides for lump sum gratuity payment to employees made at the time of their exit by the way of retirement (on superannuation or otherwise), death or disability. The benefits are defined on the basis of their final salary and period of service and such benefits paid under the plan is not subject to the ceiling limit specified in the Payment of Gratuity Act, 1972. Liability as on the Balance Sheet date is provided based on actuarial valuation done by a certified actuary using projected unit credit method.

The following tables summarise the components of defined benefit expense recognised in the statement of profit or loss/OCI and amounts recognised in the Balance Sheet for the respective plans:

## Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

	Year ended 31st March 2021	Year ended 31st March 2020
<b>(i) Change in projected benefit obligation</b>		
Projected benefit obligation at the beginning of the year	20.33	6.83
Current service cost	1.21	1.02
Interest cost	1.40	0.53
Benefit Paid	(0.52)	-
Actuarial (gain)/loss arising from changes in financial assumption	0.08	0.71
Actuarial (gain)/loss arising from changes in demographic assumption	-	0.00
Actuarial (gain)/loss arising from experience adjustments	(0.52)	11.24
<b>Benefit obligation at the end of the year</b>	<b>21.99</b>	<b>20.33</b>
<b>(ii) Expenses charged to the Statement of Profit and Loss</b>		
- Current service costs	1.21	1.02
- Interest costs	14.03	0.53
	<b>15.24</b>	<b>1.55</b>
<b>(iii) Remeasurement (gains)/losses in other comprehensive income</b>		
Actuarial (gains)/losses arising from change in financial assumption	0.08	0.71
Actuarial (gains)/losses arising from experience adjustments	(0.52)	11.24
	<b>(0.44)</b>	<b>11.95</b>
<b>(iv) Key actuarial assumptions</b>		
Discount rate	6.80%	6.90%
Salary growth rate	8.00%	8.00%
Average remaining working life (in years)	16	14
Retirement age	58 years	58 years
	<b>As at 31st March 2021</b>	<b>As at 31st March 2020</b>
<b>Mortality rate:</b>		
Less than 30 years	2%	2%
31-44 years	2%	2%
45 years and above	2%	2%
<b>(v) Sensitivity analysis</b>		
A quantitative sensitivity analysis for significant assumption is as shown below:		
Particulars	Year ended 31st March 2021	Year ended 31st March 2020
DBO with discount rate + 1%	(0.78)	(0.80)
DBO with discount rate - 1%	0.90	0.92
DBO with + 1% salary escalation	0.88	0.90
DBO with - 1% salary escalation	(0.78)	(0.80)
DBO with + 1% withdrawal rate	(0.07)	(0.07)
DBO with - 1% withdrawal rate	0.08	0.07
<b>Methods and assumptions used in preparing sensitivity analysis and their limitations:</b>		
The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the Balance Sheet.		
<b>(vi) Expected Company Contribution in next year</b>	1.21	1.26

Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

## (vii) Maturity analysis of the benefit payments:

Particulars	As at	As at
	31st March 2021	31st March 2020
Year 1	11.74	10.79
Year 2	0.13	0.12
Year 3	0.15	0.13
Year 4	4.43	0.15
Year 5	0.08	4.34
Year 6 to 10	0.56	4.80

## (b) Compensated Absences

Particulars	As at	As at
	31st March 2021	31st March 2020
<b>Maturity profile</b>		
Present Value of unfunded obligation	6.03	5.93
Expenses recognised in Statement of Profit and Loss	0.40	(0.47)
Discount rate (p.a)	6.80%	6.90%
Salary Escalation Rate (p.a)	8%	8%

## 21 Depreciation, amortisation and impairment

	Year ended 31st March 2021	Year ended 31st March 2020
Depreciation on property, plant and equipment (refer note 6)	2.16	0.85
	<b>2.16</b>	<b>0.85</b>

## 22 Other Expenses

	Year ended 31st March 2021	Year ended 31st March 2020
Rent	5.04	4.54
Advertisement	1.17	1.02
Brokerage	0.36	-
Rates and taxes	10.03	15.43
Legal and professional expenses	51.68	62.84
Investment Expenses	4.34	5.93
Listing and custodian fees	9.37	9.20
Repairs and maintenance		
- Others	0.56	1.16
Communication Expenses	1.46	6.66
Filing fees	0.09	0.06
Printing and stationery	1.17	5.17
Sitting fees	2.23	2.13
Insurance charges	0.72	1.02
Miscellaneous expenses	2.00	3.20
Payment to auditors:		
- Statutory audit	2.25	2.25
- Certification	1.08	1.08
	<b>93.57</b>	<b>121.70</b>

## Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

	Year ended 31st March 2021	Year ended 31st March 2020
<b>23 Tax expense</b>		
Current tax	228.13	11.00
Short/(Excess) Provision of Tax For Earlier Years	2.28	-
Deferred tax	334.88	(125.61)
Mat Credit	(140.25)	11.13
	<b>425.04</b>	<b>(103.48)</b>
<p>The major components of income tax expense and the reconciliation of expense based on the domestic tax rate of 29.12% and 26% for financial year ended 31st March 2021 and 31st March 2020 respectively and the reported tax expense in profit or loss are as follows:</p>		
<b>(a) Reconciliation of Current tax expenses :</b>		
<b>Profit before tax</b>	<b>1,291.43</b>	<b>2,443.26</b>
Enacted tax rates in India (%)	29.12%	26.00%
<b>Computed tax expense</b>	<b>376.07</b>	<b>635.25</b>
Effect of prior period taxes	2.28	-
Effect of Income exempted from tax	-	(803.94)
Effect of non-deductible expenses	56.16	59.97
Others	(9.46)	5.23
<b>Total income tax expense as per the statement of profit and loss</b>	<b>425.04</b>	<b>(103.48)</b>
<b>24 Current tax assets/(liabilities):</b>		
Opening balance	12.60	2.70
Add: During the year	19.78	9.90
	<b>32.39</b>	<b>12.60</b>
<b>25 Earnings per share (EPS)</b>		
<b>Net profit attributable to equity shareholders</b>		
Net profit attributable to equity shareholders (in ₹ lakhs)	866.39	2,546.74
Nominal value of equity share (₹)	10.00	10.00
Weighted average number of equity shares outstanding	1,09,01,781	1,09,01,781
Basic earnings per share (₹)	7.95	23.36
Diluted earnings per share (₹)	<b>7.95</b>	<b>23.36</b>
	<b>As at 31st March 2021</b>	<b>As at 31st March 2020</b>
<b>26 Contingent liabilities and commitments</b>		
<b>(a) Contingent liabilities</b>		
Income Tax	1.60	68.15
Civil Suits	140.14	140.14
	<b>141.74</b>	<b>208.29</b>
<b>(b) Capital Commitments towards investments</b>	19.74	19.74

Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

**27 Related party disclosures**

Information on related party transactions as required by Ind AS - 24 - Related Party Disclosures for the year ended 31st March 2021

**Relationship****(i) Holding**

Swallow Associates LLP

**(ii) Subsidiaries of Company (Control exist)**

Instant Holdings Limited

Sudarshan Electronics and T.V. Limited

**(iii) Key managerial personnel ('KMP')**

Key person	Designation
Ramesh Chandak	Director
Hari Narain Singh Rajpoot	Director
Amarendra Nath Mishra	Director
Hemendra Chimanlal Dalal	Director
Sneha Sohan Ranade	Director (till 10th Nov 2020)
Rekha Dhanani	Director (w.e.f 11th Nov 2020)
Prem Kapil	Director
Abhay Vasant Nerurakar	Director
Paras Mal Rakhecha	Chief Financial Officer
Jiya Gangwani	Company Secretary
Rohin Feroze Bomanji	Manager (till 15 <sup>th</sup> Feb 2021)
Anand Rathi	Manager (w.e.f 16 <sup>th</sup> Feb 2021)

Information on related party transactions as required by Ind AS - 24 - Related Party Disclosures for the year ended 31st March 2021 :

**Transactions with related parties**

Name of the party/Nature of transaction	Year ended 31st March 2021	Year ended 31st March 2020
<b>Key Managerial Personnel</b>		
Remuneration	79.69	76.54
Sitting Fees	2.23	2.13

**28 Fair value measurement****(a) Category wise classification of financial instruments**

Particulars	Note	As at 31st March 2021	As at 31st March 2020
<b>A. Financial assets:</b>			
<b>Carried at cost</b>			
Cash and cash equivalents	3	272.24	1,009.78
Investments	4	40,269.24	40,272.01
Other financial assets	5	1.48	10.93
		<b>40,542.96</b>	<b>41,292.72</b>

## Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Note	As at 31st March 2021	As at 31st March 2020
<b>Carried at FVTPL</b>			
Investments	4	3,376.39	2,382.41
		<b>3,376.39</b>	<b>2,382.41</b>
<b>Carried at FVOCI</b>			
Investments in Equity Instruments	4	2,02,483.98	83,375.74
		<b>2,02,483.98</b>	<b>83,375.74</b>
		<b>2,46,403.32</b>	<b>1,27,050.87</b>
<b>B. Financial liabilities</b>			
<b>Measured at cost</b>			
Payables	8	12.83	10.65
Other financial liabilities	9	-	0.18
		<b>12.82</b>	<b>10.83</b>

### (b) Fair value hierarchy

The Group determines fair values of its financial instruments according to the following hierarchy:

Level 1: Valuation based on quoted market price: Financial instruments with quoted prices for identical instruments in active markets that the Company can access at the measurement date.

Level 2: Valuation based on using observable inputs: Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

Level 3: Valuation technique with significant unobservable inputs: – financial instruments valued using valuation techniques where one or more significant inputs are unobservable.

Particulars	As at 31st March 2021	As at 31st March 2020
<b>Level 1 (Quoted prices in active market)</b>		
<b>Financial assets measured at FVOCI</b>		
Investments in quoted equity instruments	2,00,720.56	81,698.47
<b>Financial assets measured at FVTPL</b>		
Investments in mutual funds	3,376.39	2,241.34
Investments in quoted equity instruments	-	141.07
<b>Level 3 (Significant observable inputs)</b>		
<b>Financial assets measured at FVOCI</b>		
Investments in unquoted equity instruments	1,763.41	1,677.27
	<b>2,05,860.36</b>	<b>85,758.15</b>

### Reconciliation of fair value of measurement categorised within level 3 of the value hierarchy

Particulars	As at 31st March 2021	As at 31st March 2020
<b>Opening Fair value</b>	1,677.27	1,616.48
Purchase/Sales of Financial Instruments	-	-
Amount transferred to/from level 3	-	-
Change in Fair Value during the year	86.14	60.79
<b>Closing Fair value</b>	<b>1,763.41</b>	<b>1,677.27</b>

## Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

### Financial Instruments measured at Fair value - Level III

Type	Valuation Technique	Significant Observable Input	Inter-relationship between significant unobservable inputs and fair value measurement
Investment in unquoted equity shares	Adjusted NAV (Net Asset Value) method. Adjusted NAV method involves determination of fair values of asset/liability/ business based on its book value with appropriate relevant adjustments.	Not Applicable	Not Applicable

### (c) Fair value of assets and liabilities measured at cost/amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amount would be significantly different from the values that would be eventually received or settled. Management assessed that fair values of cash and cash equivalents, other bank balances, other financial assets and other financial liabilities approximate their carrying amounts of these instruments.

### 29 Financial risk management

The Company is a Non-Banking Financial Company-Non Deposit Taking - Systemically Important (NBFC-ND-SI) registered with the Reserve Bank of India. On account of its business activities it is exposed to various financial risks associated with financials products such as credit or default risk, market risk, interest rate risk, liquidity risk and inflationary risk. However, the Company has a robust financial risk management system in place to identify, evaluate, manage and mitigate various risks associated with its financial products to ensure that desired financial objectives are met. The Company's senior management is responsible for establishing and monitoring the risk management framework within its overall risk management objectives and strategies. Such risk management strategies and objectives are established to identify and analyse potential risks faced by the Company, set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and assess risk management performance.

#### (a) Credit risk

This risk is common to all investors who invest in bonds and debt instruments and it refers to a situation where a particular bond issuer is unable to make the expected principal payments, interest rate payments, or both. Similarly, a lender bears the risk that the borrower may default in the payment of contractual interest or principal on its debt obligations, or both. The entity continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

#### Financial instruments

Risk concentration is minimized by investing in highly rated, investment grade bonds and debt instruments, which has the least risk of default. The Company lends to borrowers with a good credit score and generally most of the lending is secured against assets pledged by the borrower in favour of the Company. These investments and loans are reviewed by the Board of Directors on a regular basis.

#### (b) Market risk:

Market risk is a form of systematic risk associated with the day-to-day fluctuation in the market prices of shares and securities and such market risk affects all securities and investors in the same manner. These daily price fluctuations follows its own broad trends and cycles and are more news and transaction driven rather than fundamentals and many a times, it may affect the returns from an investment. Market risks majorly comprises of two types - interest rate risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risks include borrowings and investments.

#### (i) Price risk

Price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. It arises from financial assets such as investments in equity instruments, bonds, mutual funds etc. The Company is exposed to price risk arising mainly from investments carried at fair value through FVTPL or FVOCI which are valued using quoted prices in active markets (level 1 investments). A sensitivity analysis demonstrating the impact of change in market prices of these instruments from the prices existing as at the reporting date is given below:

Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Carrying value as at	
	31st March 2021	31st March 2020
Investments carried at FVTPL or FVOCI valued using quoted prices in active market	2,04,096.95	84,080.88

Particulars	Sensitivity analysis on total comprehensive income upon fluctuation of market prices	
	Increase by 10%	Decrease by 10%
	Impact on total comprehensive income for year ended 31st March 2021	20,409.69
Impact on total comprehensive income for year ended 31st March 2020	8,408.09	(8,408.09)

**(ii) Interest Rate Risk**

Risk of exposure to interest rate risk is not material.

**(c) Liquidity risk:**

Liquidity refers to the readiness of the Company to sell and realise its financial assets. Liquidity risk is one of the most critical risk factors for Companies which is into the business of investments in shares and securities. It is the risk of not being able to realise the true price of a financial asset, or is not being able to sell the financial asset at all because of non-availability of buyers. Unwillingness to lend or restricted lending by Banks and Financial Institutions may also lead to liquidity concerns for the entities.

The Company maintains a well-diversified portfolio of investments in shares and securities which are saleable at any given point of time. A dedicated team of market experts are monitoring the markets on a continuous basis, which advises the management for timely purchase or sale of securities. The Company is currently having a mix of both short-term and long-term investments. The management ensures to manage its cash flows and asset liability patterns to ensure that the financial obligations are satisfied in timely manner.

The following table shows the remaining contractual maturities of financial liabilities at the reporting date. The amounts reported are on gross and undiscounted basis.

Particulars	Less than 1 year	Between 1 to 5 years	Over 5 years	Total
<b>As at 31st March 2021</b>				
Other Payables	12.83	-	-	12.83
	<b>12.82</b>	-	-	<b>12.82</b>
<b>As at 31st March 2020</b>				
Other Payables	10.65	-	-	10.65
Other financial liabilities	0.18	-	-	0.18
	<b>10.83</b>	-	-	<b>10.83</b>

**30 Capital management**

For the purpose of Company's capital management, capital includes issued equity share capital, other equity reserves and borrowed capital less cash and cash equivalents. The primary objective of capital management is to maintain an efficient capital structure to reduce the cost of capital, support corporate expansion strategies and to maximize shareholder's value.

The entity manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the entity may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The entity monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The entity's policy is to keep an optimum gearing ratio. The entity includes within net debt, interest bearing loans and borrowings less cash and cash equivalents.



## Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

Following table summarizes the capital structure of the Company.

Particulars	As at 31st March 2021	As at 31st March 2020
Borrowings	-	-
Less: Cash and cash equivalents (including other bank balances)	272.24	1,009.78
<b>Adjusted net debt</b>	<b>(272.24)</b>	<b>(1,009.78)</b>
Total equity (*)	2,24,523.06	1,19,143.97
<b>Net debt to equity ratio</b>	<b>(0.00)</b>	<b>(0.01)</b>

(\*) Equity includes capital and all reserves of the Company that are managed as capital.

### Regulatory Capital

Particulars	As at 31st March 2021	As at 31st March 2020
Tier I Capital	9056.99	9,534.22
Tier II Capital	-	-
	<b>9,056.99</b>	<b>9,534.22</b>
Risk Weighted Assets (RWA)	<b>8,346.35</b>	<b>8,168.88</b>
Tier I CRAR	108.51%	116.71%
Tier II CRAR	-	-
	<b>108.51%</b>	<b>116.71%</b>

### 31 As required by RBI Master Direction - Non Banking Financial Company - Systemically Important Non - Deposit taking Company and Deposit taking Company (Reserve Bank ) Direction, 2016 ("the NBFC Master Direction)

Particulars		As at 31st March 2021	
Liabilities side:			
1	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:	Amount outstanding	Amount overdue
	(a) Debentures : Secured	-	-
	: Unsecured	-	-
	(other than falling within the meaning of public deposits*)	-	-
	(b) Deferred Credits	-	-
	(c) Term Loans	-	-
	(d) Inter-corporate loans and borrowing	-	-
	(e) Commercial Paper	-	-
	(f) Public Deposits*	-	-
	(g) Other Loans (specify nature)	-	-
2	<b>Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):</b>		
	(a) In the form of Unsecured debentures	-	-
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	(c) Other public deposits	-	-

Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

	Assets side :	Amount outstanding
<b>3</b>	<b>Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :</b>	
	(a) Secured	-
	(b) Unsecured	-
<b>4</b>	<b>Break-up of Leased Assets and stock on hire and Other assets counting towards AFC activities :</b>	
	(i) Lease assets including lease rentals under sundry debtors :	
	(a) Financial lease	-
	(b) Operating lease	-
	(ii) Stock on hire including hire charges under sundry debtors:	
	(a) Assets on hire	-
	(b) Repossessed Assets	-
	(iii) Other loans counting towards AFC activities	
	(a) Loans where assets have been repossessed	-
	(b) Loans other than (a) above	-
<b>5</b>	<b>Break-up of Investments :</b>	
	Current Investments :	
<b>1</b>	<b>Quoted :</b>	
	(i) Share : (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-
<b>2</b>	<b>Unquoted :</b>	
	(i) Share : (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others	-
	<b>Long Term Investments :</b>	
<b>1</b>	<b>Quoted :</b>	
	(i) Share : (a) Equity	2,00,720.56
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others	-

Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

Assets side :		Amount outstanding
2	Unquoted :	
	(i) Share: (a) Equity	42,032.65
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	3,376.39
	(iv) Government Securities	-
	(v) Others- PMS Bank Balance	-

**6 Borrower group-wise classification of assets financed as in (3) and (4) above :**

Category	Amount net of provisions		
	Secured	Unsecured	Total
<b>1 Related Parties **</b>			
(a) Subsidiaries & Step Down Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
<b>2 Other than related parties</b>	-	-	-
<b>Total</b>	-	-	-

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

Category		Market Value/ Break-up or fair value or NAV	Book Value (Net of Provisions)
<b>1 Related Parties</b>			
(a) Subsidiaries		3,16,496.48	40,269.24
(b) Companies in the same group		2,02,483.96	12,798.44
(c) Other related parties		-	-
<b>2 Other than related parties</b>		3,376.39	2,570.50
<b>Total</b>		<b>5,22,356.83</b>	<b>55,638.18</b>

\*\*As per Accounting Standard of ICAI

**8 Other information**

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

## Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

Disclosures are made as per Ind AS financial statements except otherwise stated)

	As at 31st March 2021	As at 31st March 2020
<b>9 Capital</b>		
Capital to Risk/Weighted Assets Ratio (CRAR) (%)	108.51%	116.71%
CRAR-Tier I Capital (%)	108.51%	116.71%
CRAR-Tier II Capital (%)	0.00%	0.00%
<b>10 Investments</b>		
<b>A. Value of Investments</b>		
<b>Gross Value of Investments:</b>		
a) In India	2,46,129.60	1,26,030.16
b) Outside India	-	-
<b>Provisions for Depreciation:</b>		
a) In India	-	-
b) Outside India	-	-
<b>Net Value of Investments</b>		
a) In India	<u>2,46,129.60</u>	<u>1,26,030.16</u>
b) Outside India	-	-
<b>B. Movement of provisions held towards depreciation on investments</b>		
Opening Balance	-	-
Add: Provisions made during the year	-	-
Less: Write-off/Write-back of excess provisions during the year	-	-
<b>Closing Balance</b>	<u>-</u>	<u>-</u>
<b>11 Derivatives</b>		
The Company does not have any derivatives exposure in the current and previous years.		
<b>12 Disclosures relating to Securitisation</b>		
The Company does not have any securitisation transactions in the current and previous years.		
<b>13 Asset Liability Management</b>		
Disclosures relating to maturity pattern of certain items of assets and liabilities are given in note 32.		
<b>14 Exposures</b>		
<b>A) Exposure to Real Estate Sector</b>		
<b>Category</b>		
a) Direct Exposure		
<b>i) Residential Mortgages-</b>	-	-
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented		
<b>ii) Commercial Real Estate</b>	-	-
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits		

Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31st March 2021	As at 31st March 2020
<b>iii) Investments in Mortgage Backed Securities (MBS) and other securitized exposures -</b>		
a) Residential	-	-
b) Commercial Real Estate	-	-
<b>Total exposure to Real estate sector</b>	<b>-</b>	<b>-</b>
<b>B) Exposure to Capital Market</b>		
i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	2,04,096.95	84,080.88
ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
vii) bridge loans to companies against expected equity flows / issues;	-	-
viii) all exposures to Venture Capital Funds (both registered and unregistered)	-	-
<b>Total Exposure to Capital Market</b>	<b>2,04,096.95</b>	<b>84,080.88</b>

**C) Details of financing of parent company products**

No disclosures required.

**D) Details of Single Borrower Limit (SBL)/Group Borrower Limit (GBL) exceeded by the NBFC**

There are no instances of exceeding the single and group borrowing limit by the Company during the current and previous year.

**E) Unsecured Advances**

The Company does not have any unsecured advances for which intangible securities such as charge over rights, license, authority, etc. has been taken.

## Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

### 15 Miscellaneous

#### A) Registration obtained from other financial sector regulators

The Company does not have any registrations obtained from other financial sector regulators.

#### B) Disclosure of Penalties imposed by RBI and other regulators

There have been no penalties imposed on the Company by RBI or other financial sector regulators during the current and previous year.

#### C) Ratings assigned by credit rating agencies and migration of ratings during the year

The Company has not obtained credit ratings from any agencies during the year.

#### D) Related Party Transaction

Refer Note No 27

### 16 Additional Disclosures

	Year ended 31st March 2021	Year ended 31st March 2020
<b>A) Provisions and Contingencies</b>		
<b>Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of Profit and Loss</b>		
Provisions for depreciation on Investment	-	-
Provision towards NPA	-	-
Provision made towards Income tax	228.13	11.00
Other Provision and Contingencies	3.02	1.08
Provision for Standard Assets	-	-

#### B) Draw Down from Reserves

There have been no instances of draw down from reserves by the Company during the current and previous year.

	As at 31st March 2021	As at 31st March 2020
<b>C) Concentration of Advances, Exposures and NPAs</b>		
<b>a) Concentration of Deposits</b>		
Total Deposit to twenty largest borrowers	-	-
Percentage of deposit to twenty largest borrowers to Total Advances	0.00%	0.00%
<b>a) Concentration of Advances</b>		
Total Advances to twenty largest borrowers	-	-
Percentage of Advances to twenty largest borrowers to Total Advances	0.00%	0.00%

Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31st March 2021	As at 31st March 2020
<b>b) Concentration of Exposures</b>		
Total exposure to twenty largest borrowers/customers		
Percentage of exposures to twenty largest borrowers / customers to Total Exposure	-	-
<b>c) Concentration of NPAs</b>		
Total exposure to top four NPA accounts	-	-
<b>d) Sector-wise NPAs</b>		
	<b>Percentage of NPAs to Total Advances in that sector</b>	
Agriculture & allied activities	-	-
MSME	-	-
Corporate borrowers	-	-
Services	-	-
Unsecured personal loans	-	-
Auto loans	-	-
Other personal loans	-	-
<b>e) Movement of NPAs</b>		
i) Net NPAs to Net Advances (%)	0.00%	0.00%
ii) Movement of NPAs (Gross)		
a) Opening Balance	-	-
b) Additions during the year	-	-
c) Reductions during the year	-	-
d) Closing balance	-	-
iii) Movement of Net NPAs		
a) Opening Balance	-	-
b) Additions during the year	-	-
c) Reductions during the year	-	-
d) Closing balance	-	-
iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening Balance	-	-
b) Provisions made during the year	-	-
c) Write-off/write-back of excess provisions	-	-
d) Closing balance	-	-
<b>f) Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)</b>		
The Company did not have any overseas assets during the current and previous year.		
<b>g) Off-balance sheet SPVs sponsored (which are required to be consolidated as per accounting norms)</b>		
The Company did not sponsor any SPVs during the current and previous year.		

## Notes to standalone financial statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31st March 2021	As at 31st March 2020
<b>17 Disclosure of customer complaints</b>		
a) No. of complaints pending at the beginning of the year	-	-
b) No. of complaints received during the year	-	-
c) No. of complaints redressed during the year	-	-
d) No. of complaints pending at the end of the year	-	-

**Note:**

(a) Amounts for the current year and comparative years included above are based on the restated financial statements prepared under Ind AS.

### 32 Asset liability management

**Maturity pattern of assets and liability as on 31st March 2021**

Particulars	Upto 1 month	1 - 2 months	2 - 3 months	3 - 6 months	6 - 12 months	1 - 3 years	3 - 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	5,139.80	2,00,720.56	40,269.24	2,46,129.60
Borrowings	-	-	-	-	-	-	-	-	-
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-

**Maturity pattern of assets and liability as on 31st March 2020**

Particulars	Upto 1 month	1 - 2 months	2 - 3 months	3 - 6 months	6 - 12 months	1 - 3 years	3 - 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-
Investments	2.77	-	-	-	-	81,839.54	3,918.61	40,269.24	1,26,030.16
Borrowings	-	-	-	-	-	-	-	-	-
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-

### 33 Segment reporting

As per the requirement of IND AS 108 on "Operating Segments", based on evaluation of financial information for allocation of resources and assessing performance, the company identified as single segments i.e. holding and investing with focus on earning income through dividends, interest and gains from investments. Accordingly, there are no separate reportable segments as per IND AS.

**For Chaturvedi & Shah LLP**

Chartered Accountants

Firm's Regn No. : 101720W/W100355

**Jignesh Mehta**

Partner

Membership No. 102749

Place: Mumbai

Date: 24<sup>th</sup> May 2021

For and on behalf of Board of Directors

**Summit Securities Limited**

**H N Singh Rajpoot**

Director  
(DIN: 00080836)

**Parasmal Rakhecha**  
Chief Financial Officer

**Anand Rathi**

Manager

**A.V. Nerurkar**

Director  
(DIN: 00045309)

**Jiya Gangwani**  
Company Secretary



**INDEPENDENT AUDITOR'S REPORT**

To the Members of

**SUMMIT SECURITIES LIMITED****Report on the Consolidated Financial Statements****Opinion**

We have audited the accompanying consolidated financial statements of **Summit Securities Limited** (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31<sup>st</sup> March, 2021, and the consolidated Statement of Profit and Loss, including consolidated Other Comprehensive Income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements and on other financial information of the subsidiary companies, the aforesaid consolidated 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 ("Ind AS") specified under Section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2021, its profit including other comprehensive income, its cash flows and the statement of changes in equity for the year ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit

of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report for the year ended 31<sup>st</sup> March, 2021.

**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 Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. The Board Report is not made available to us as at the date of this auditor's report. We have nothing to report in this regard.

**Management Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation and presentation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including consolidated other comprehensive income, consolidated cash flows and the consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the each Company included in the Group and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements 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 fair presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

### Auditor's Responsibility

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Financial Statement in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate,

to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

### Other Matters

- We did not audit the financial statements of the subsidiary Instant holdings limited, and step down subsidiary Sudarshan Electronics & TV Limited, whose financial statements reflect total assets of ₹ 3,38,126.28 Lakhs as at 31st March, 2021, total revenue of ₹ 1,394.72 Lakhs, total profit after tax of ₹ 963.48 Lakhs, total comprehensive profit of ₹ 1,58,259.14 Lakhs and net cash outflow of ₹ 1,742.40 Lakhs for the year ended 31st March, 2021, as considered in the consolidated financial statements. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and step down subsidiary, is based solely on the reports of such auditors and the procedure performed by us.

Our opinion on the consolidated financial statement, and our report on other Legal and Regulatory requirements below, is not modified in respect of above matters with respect to reliance on the work done and the reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

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 aforesaid consolidated financial statements;
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid

- consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) In our opinion, the aforesaid consolidated financial statements comply with the 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 of the Holding Company as on 31<sup>st</sup> March, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31<sup>st</sup> March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group internal financial controls over financial reporting;
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according
- to the explanations given to us, the remuneration paid during the year by the Holding Company to its directors and the reports of the statutory auditors of its subsidiary companies incorporated in India, are in accordance with the provisions of Section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rules 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 28 to the consolidated financial statements;
  - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31<sup>st</sup> March, 2021, and
  - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

For **Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm Registration No. 101720W/W100355

**Jignesh Mehta**  
Partner

Place: Mumbai  
Dated: 24<sup>th</sup> May, 2021

Membership No. 102749  
UDIN: 21102749AAAAKA2863

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## ANNEXURE TO THE AUDITOR'S REPORT

### **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SUMMIT SECURITIES LIMITED**

**(Referred to in paragraph 2 (f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)**

#### **Report on the Internal Financial Controls over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the Internal Financial Control over financial reporting of **Summit Securities Limited** (hereinafter referred to as “the Holding Company”) and its subsidiary companies incorporated in India as of 31<sup>st</sup> March, 2021 in conjunction with our audit of the consolidated financial statements of the Company for the year then ended.

#### **Management Responsibility for the Internal Financial Controls**

The respective Board of Directors of the Holding Company

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

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial

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

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

We believe that the audit evidence we have obtained and obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

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

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

that could have a material effect on the consolidated financial statements.

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

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

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors, as referred to in Other Matters paragraph, the Holding Company, its subsidiary companies which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls system over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at 31<sup>st</sup> March, 2021, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### **Other Matters**

Our aforesaid reports under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to its subsidiary companies i.e. Instant Holdings Limited and step down subsidiary i.e. Sudarshan Electronics & TV Limited, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm Registration No. 101720W/W100355

**Jignesh Mehta**  
Partner

Place: Mumbai  
Dated: 24<sup>th</sup> May, 2021

Membership No. 102749  
UDIN: 21102749AAAAKA2863

Consolidated Balance Sheet as at 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

	Note No	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	3	681.68	3,160.71
Other bank balances	4	37.55	38.45
Loans	5	0.20	0.20
Investments	6	5,42,606.78	2,42,714.80
Other financial assets	7	20.18	25.82
		<b>5,43,346.39</b>	<b>2,45,939.98</b>
<b>Non-financial Assets</b>			
Current tax assets (net)	26	104.92	77.39
Property, plant and equipment	8	21.12	21.37
Other non-financial assets	9	41.34	48.27
		<b>167.38</b>	<b>147.03</b>
<b>Total Assets</b>		<b>5,43,513.77</b>	<b>2,46,087.01</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>Financial Liabilities</b>			
Payables	10		
Other Payables			
Total outstanding dues of micro enterprise and small enterprise		1.11	0.92
Total outstanding dues of creditors other than micro enterprise and small enterprise		12.83	10.65
Other financial liabilities	11	195.94	201.34
		<b>209.88</b>	<b>212.91</b>
<b>Non-Financial Liabilities</b>			
Provisions	12	38.33	35.48
Deferred tax liabilities (net)	13	49,292.66	15,501.60
Other non-financial liabilities	14	337.88	340.23
		<b>49,668.87</b>	<b>15,877.31</b>
<b>Equity</b>			
Equity share capital	15	1,090.18	1,090.18
Other equity	16	4,92,544.84	2,28,906.61
<b>Total equity attributable to the owners</b>		<b>4,93,635.02</b>	<b>2,29,996.79</b>
<b>Total Liabilities and Equity</b>		<b>5,43,513.77</b>	<b>2,46,087.01</b>

See accompanying notes to the consolidated financial statements

1 to 35

**For Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm's Regn No. : 101720W/W100355

For and on behalf of Board of Directors  
**Summit Securities Limited**

**H N Singh Rajpoot**  
Director  
(DIN: 00080836)

**A.V. Nerurkar**  
Director  
(DIN: 00045309)

**Jignesh Mehta**  
Partner  
Membership No. 102749

**Parasmal Rakhecha**  
Chief Financial Officer

**Jiya Gangwani**  
Company Secretary

Place: Mumbai  
Date : 24<sup>th</sup> May 2021

**Anand Rathi**  
Manager

## Statement of Consolidated Profit and Loss for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

	Note No	Year ended 31 <sup>st</sup> March 2021	Year ended 31 <sup>st</sup> March 2020
<b>Revenue from operations</b>			
Interest income	17	113.42	58.02
Dividend income	18	537.69	8,130.43
Net gain on fair value changes	19a	2,245.51	-
		<b>2,896.62</b>	<b>8,188.45</b>
<b>Other income</b>	20	<b>6.10</b>	<b>2.39</b>
<b>Total Income</b>		<b>2,902.72</b>	<b>8,190.84</b>
<b>Expenses</b>			
Net loss on fair value changes	19b	-	809.98
Finance costs	21	6.27	-
Employee benefits expenses	22	151.56	142.35
Depreciation, amortisation and impairment	23	2.16	0.85
Other expenses	24	154.99	201.81
<b>Total Expenses</b>		<b>314.98</b>	<b>1,154.99</b>
<b>Profit before tax</b>		<b>2,587.74</b>	<b>7,035.85</b>
Tax Expense:	25		
Current tax		463.81	30.82
Short/(Excess) Provision of Tax For Earlier Years		2.29	0.35
Deferred tax (including Mat credit)		291.77	(200.13)
<b>Total tax expense</b>		<b>757.87</b>	<b>(168.96)</b>
<b>Profit for the year</b>		<b>1,829.88</b>	<b>7,204.81</b>
<b>Other Comprehensive Income</b>			
(i) Items that will not be reclassified to profit or loss			
- Fair valuation of equity instruments through other comprehensive income		2,95,307.15	(1,63,020.15)
- Remeasurement benefit of defined benefit plans		0.50	(12.63)
(ii) Income tax relating to items that will not be reclassified to profit or loss		33,499.29	(18,611.50)
<b>Total other comprehensive income</b>		<b>2,61,808.36</b>	<b>(1,44,421.28)</b>
<b>Total comprehensive income for the year</b>		<b>2,63,638.23</b>	<b>(1,37,216.47)</b>
<b>Profit for the year attributable to :</b>			
-Owners of the Company		1,829.88	7,204.81
-Non Controlling Interest		-	-
		<b>1,829.88</b>	<b>7,204.81</b>
<b>Other Comprehensive income for the year attributable to :</b>			
-Owners of the Company		2,61,808.36	(1,44,421.28)
-Non Controlling Interest		-	-
		<b>2,61,808.36</b>	<b>(1,44,421.28)</b>
<b>Total Comprehensive income for the year attributable to :</b>			
-Owners of the Company		2,63,638.23	(1,37,216.47)
-Non Controlling Interest		-	-
		<b>2,63,638.23</b>	<b>(1,37,216.47)</b>
<b>Earnings per equity share (Face Value ₹ 10 each)</b>			
Basic (₹)	27	16.79	66.09
Diluted (₹)		16.79	66.09

See accompanying notes to the consolidated financial statements 1 to 35

**For Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm's Regn No. : 101720W/W100355

**Jignesh Mehta**  
Partner  
Membership No. 102749

Place: Mumbai  
Date : 24<sup>th</sup> May 2021

For and on behalf of Board of Directors  
**Summit Securities Limited**

**H N Singh Rajpoot**  
Director  
(DIN: 00080836)

**A.V. Nerurkar**  
Director  
(DIN: 00045309)

**Parasmal Rakhecha**  
Chief Financial Officer

**Jiya Gangwani**  
Company Secretary

**Anand Rathi**  
Manager

## Consolidated Cash flow statement for the year ended 31<sup>st</sup> March 2021

*(All amounts in ₹ Lakhs, unless otherwise stated)*

	Year ended 31 <sup>st</sup> March 2021	Year ended 31 <sup>st</sup> March 2020
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	2,587.74	7,035.85
Adjustment for :		
Net gain on fair value changes	(2,245.51)	809.98
Interest Expenses on Income Tax	6.27	-
Depreciation, amortisation and impairment	2.16	0.85
<b>Operating profit before working capital changes</b>	<b>350.66</b>	<b>7,846.68</b>
<b>Adjustments for changes in working capital</b>		
(Increase)/Decrease in loans	-	10.18
(Increase)/Decrease in other financial assets	5.64	(15.66)
(Increase)/Decrease in other non-financial assets	6.93	(7.00)
Increase / (Decrease) in other financial liabilities	(3.04)	187.56
Increase / (Decrease) in provision	3.36	12.50
Increase / (Decrease) in other non financial liabilities	(2.35)	1.54
<b>Cash generated from operating activities</b>	<b>361.20</b>	<b>8,035.81</b>
Income tax paid (net of refunds)	(497.14)	(70.26)
<b>Net cash generated from operating activities</b> (A)	<b>(135.94)</b>	<b>7,965.55</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipments	(1.91)	(20.82)
Purchase of investments	(3,239.74)	(6,539.95)
Sale of investments	897.65	1,139.42
<b>Net cash generated from investing activities</b> (B)	<b>(2,344.00)</b>	<b>(5,421.35)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
<b>Net cash (used in) financing activities</b> (C)	<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents</b> (A+B+C)	<b>(2,479.94)</b>	<b>2,544.19</b>
Cash and cash equivalents as at beginning of the year	3,199.16	654.97
<b>Cash and cash equivalents as at end of the year</b>	<b>719.22</b>	<b>3,199.16</b>

**Notes:**

- (i) The above Consolidated Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, "Statement of Cash Flows".
- (ii) Cash and cash equivalents comprises of:

Cash on hand	0.51	0.57
Balances with banks		
- In current accounts	28.94	1,159.16
- In deposit accounts (with maturity less than 3 months)	652.23	2,000.97
	<b>681.67</b>	<b>3,160.71</b>
Add: Other bank balances	37.55	38.45
	<b>719.22</b>	<b>3,199.16</b>

As per our report of even date  
**For Chaturvedi & Shah LLP**  
 Chartered Accountants  
 Firm's Regn No. : 101720W/W100355

**Jignesh Mehta**  
 Partner  
 Membership No. 102749

Place: Mumbai  
 Date : 24<sup>th</sup> May 2021

For and on behalf of Board of Directors  
**Summit Securities Limited**

**H N Singh Rajpoot**  
 Director  
 (DIN: 00080836)

**A.V. Nerurkar**  
 Director  
 (DIN: 00045309)

**Parasmal Rakhecha**  
 Chief Financial Officer

**Jiya Gangwani**  
 Company Secretary

**Anand Rathi**  
 Manager

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

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Reserves and Surplus				Other comprehensive income		Total
	General Reserve	Statutory Reserves	Capital Redemption Reserve	Capital Reserve	Retained Earnings	Fair valuation of equity instruments	
<b>A. Equity Share Capital</b>							
Balance at the beginning of the reporting year							1,090.18
Changes in equity share capital during the year							1,090.18
Balance at the end of the reporting year							<u>1,090.18</u>
<b>B. Other Equity</b>							
<b>Balance as at 01st April 2019</b>	36,710.33	7,404.85	1.00	1,809.07	21,784.51	2,98,413.33	3,66,123.09
Profit for the year	-	-	-	-	7,204.81	-	7,204.81
Transferred to statutory reserves	-	1,439.81	-	-	(1,439.81)	-	-
Other comprehensive income (Net)	-	-	-	-	0.50	(1,44,421.78)	(1,44,421.28)
- Remeasurement of defined benefit plans	-	-	-	-	-	(12.63)	(12.63)
- Net fair value gain on investment in equity, preference instruments and debentures through OCI	-	-	-	-	-	(1,63,020.15)	(1,63,020.15)
- Realised profit transfer to retained earnings	-	-	-	-	0.35	(0.35)	-
- Tax impact	-	-	-	-	0.15	18,611.35	18,611.50
<b>Balance as at 31st March 2020</b>	<b>36,710.33</b>	<b>8,844.66</b>	<b>1.00</b>	<b>1,809.07</b>	<b>27,550.02</b>	<b>1,53,991.53</b>	<b>2,28,906.61</b>
Profit for the year	-	-	-	-	1,829.88	-	1,829.88
Transferred to statutory reserves	-	364.67	-	-	(364.67)	-	-
Other comprehensive income (Net)	-	-	-	-	-	2,61,808.36	2,61,808.36
- Remeasurement of defined benefit plans	-	-	-	-	-	0.50	0.50
- Net fair value gain on investment in equity, preference instruments and debentures through OCI	-	-	-	-	-	2,95,307.15	2,95,307.15
- Tax impact	-	-	-	-	-	(33,499.29)	(33,499.29)
<b>Balance as at 31st March 2021</b>	<b>36,710.33</b>	<b>9,209.33</b>	<b>1.00</b>	<b>1,809.07</b>	<b>29,015.23</b>	<b>4,15,799.88</b>	<b>4,92,544.83</b>

1 to 35

See accompanying notes to the consolidated financial statements

As per our report of even date

**For Chaturvedi & Shah LLP**

Chartered Accountants

Firm's Regn No. : 101720W/W100355

**Jignesh Mehta**

Partner

Membership No. 102749

Place: Mumbai

Date : 24<sup>th</sup> May 2021

For and on behalf of Board of Directors

**Summit Securities Limited**

**H N Singh Rajpoot**

Director

(DIN: 00080836)

**Parasamal Rakhecha**

Chief Financial Officer

**Anand Rathi**

Manager

**A.V. Nerurkar**

Director

(DIN: 00045309)

**Jiya Gangwani**

Company Secretary



## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021

1. Summit Securities Limited (the 'Company') is a public limited company domiciled in India and incorporated under the provisions of Companies Act, 1956. The Company is listed on Bombay Stock Exchange & National Stock Exchange. The Company is a non-deposit taking Systemically Important Non-Banking Financial Company ("NBFC") registered with Reserve Bank of India ("the RBI") and is engaged in the business of providing loans and making investments in shares and securities.

The consolidated financial statements were approved by Board of Directors on 24<sup>th</sup> May 2021.

### Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under Section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act and the Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ('the NBFC Master Directions') issued by RBI. The financial statements have been prepared on a going concern basis. The Group uses accrual basis of accounting except in case of significant uncertainties.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities that are measured at fair value.

The financial statements are presented in INR, which is also the Groups' functional currency and all values are rounded to the nearest Lakhs (INR 000,00), except when otherwise indicated.

## 2. Summary of significant accounting policies followed by the Group

### (A) Use of Significant judgements, estimates and assumptions

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a business objective.

This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance 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 Group 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 Group'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.

#### Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

#### Provisions and other contingent liabilities

The Group 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 and regulatory investigations and proceedings in the ordinary course of the Group's business. When the Group can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Group records a provision against the case. Where the probability of outflow is 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 Group considers several factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021

### (B) Basis of Consolidation

The consolidated financial statements of the Group incorporate the financial statements of the Parent Company and its subsidiaries. The Parent Company has control over the subsidiaries as it is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to affect its returns through its power over the subsidiaries. Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including the contractual arrangement with the other vote holders of the investee, rights arising from other contractual arrangements, the Group's voting rights and potential voting rights and the size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders. The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

#### Consolidation Procedure:

- a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- b) Consolidation of a subsidiary begins when the Parent Company obtains control over the subsidiary and ceases when the Parent Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Parent Company gains control until the date when the Parent Company ceases to control the subsidiary.
- c) Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Parent Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.
- d) Adjustments are made to the financial statements of subsidiaries, as and when necessary, to bring their accounting policies into line with the Group's accounting policies.
- e) All intragroup assets and liabilities, equity, income, expenses and cash flows relating to

transactions between members of the Group are eliminated in full on consolidation.

- f) Carrying amount of the Parent's investment in each subsidiary and the Parent's portion of equity are eliminated. Business combinations policy explains how the related goodwill is accounted at the time of acquisition of subsidiary.
- g) Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Parent Company.

### (C) Revenue recognition

#### Interest income (Effective interest rate method)

Under Ind AS 109 interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost, debt instrument measured at FVOCI and debt instruments designated at FVTPL. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset. The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Group recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges). If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk. The adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through interest income in the statement of profit and loss.

The Group calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets net of upfront processing fees. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Group calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures

## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021

and is no longer credit-impaired, the Group reverts to calculating interest income on a gross basis. For purchased or originated credit-impaired (POCI) financial assets, the Group calculates interest income by calculating the credit-adjusted EIR and applying that rate to the amortised cost of the asset. The credit adjusted EIR is the interest rate that, at original recognition, discounts the estimated future cash flows (including credit losses) to the amortised cost of the POCI assets. Interest income on all trading assets and financial assets mandatorily required to be measured at FVTPL is recognised using the contractual interest rate in net gain on fair value changes.

### Dividend income

Dividend income (including from FVOCI investments) is recognised when the Group's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.

## (D) Financial instruments

### Point of recognition

Financial assets and liabilities, with the exception of loans, debt securities, deposits and borrowings are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace. Loans are recognised when funds are transferred to the customers' account. The Group recognises debt securities, deposits and borrowings when funds reach the Group.

### Initial recognition

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments, as per the principles of the Ind AS. 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 Group accounts mentioned 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 Group recognises the difference between the transaction price and fair value in net gain on fair value changes.

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 profit or loss when the inputs become observable, or when the instrument is derecognised.

### Subsequent measurement of financial assets

For subsequent measurement, the Group classifies a financial asset in accordance with the below criteria:

- i. The Group's business model for managing the financial asset; and
- ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Group classifies its financial assets into the following categories:

- (a) Financial assets measured at amortized cost
- (b) Financial assets measured at fair value through other comprehensive income (FVTOCI)
- (c) Financial assets measured at fair value through profit or loss (FVTPL)

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

A Financial asset is measured at the amortized cost if both the following conditions are met:

- (i) The Group's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows; and
- (ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Group. Such financial assets are subsequently measured at amortized cost using the effective interest method. Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset. The same is included under other income in the Statement of Profit and Loss. The amortized cost of a financial asset is also adjusted for loss allowance, if any.

## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021

### (b) Financial assets measured at FVTOCI:

A financial asset is measured at FVTOCI if both of the following conditions are met:

- (i) The Group's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets; and
- (ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to certain investments in debt and equity instruments. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of profit and loss under 'Other Comprehensive Income (OCI)'. However, the Group recognizes interest income and impairment losses and its reversals in the Statement of Profit and Loss. On de-recognition of such financial assets, cumulative gain or loss previously recognized in OCI is reclassified from equity to the Statement of Profit and Loss, except for instruments which the Group has irrevocably elected to be classified as equity through OCI at initial recognition, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation and they are not held for trading. The Group has made such election on an instrument by instrument basis.

Gains and losses on these equity instruments are never recycled to profit or loss. Dividends are recognised in the statement of profit or loss as dividend income when the right of the payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

### (c) Financial assets measured at FVTPL:

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the Group excluding investments in subsidiary and associate companies. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

### Financial assets or financial liabilities held for trading:

The Group classifies financial assets as held for trading when they have been purchased or issued primarily for short-term profit making through trading

activities or form part of a portfolio of financial instruments that are managed together, for which there is evidence of a recent pattern of short-term profit taking. Held-for-trading assets and liabilities are recorded and measured in the balance sheet at fair value. Changes in fair value are recognised in net gain on fair value changes.

Interest and dividend income or expense is recorded in net gain on fair value changes according to the terms of the contract, or when the right to payment has been established. Included in this classification are debt securities, equities, and customer loans that have been acquired principally for the purpose of selling or repurchasing in the near term.

### De-recognition:

#### (a) Financial asset:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Group's balance sheet) when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Group transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset. A regular way purchase or sale of financial assets has been derecognised, as applicable, using trade date accounting.
- iii. The Group retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The Group neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Group has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Group continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Group also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

On de-recognition of a financial asset, (except as mentioned in ii above for financial assets measured at FVTOCI), the difference between

## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021

the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

### (b) Financial liability:

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

### Impairment of financial assets:

“In accordance with Ind AS 109, the Group applies expected credit loss (‘ECL’) model for measurement and recognition of impairment loss for financial assets.

ECL is the weighted-average of difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Group is required to consider:

- ‘- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.”

### “Trade receivables

In respect of trade receivables, the Group applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.”

### “Other financial assets:

In respect of its other financial assets, the Group assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.”

When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

### Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### (E) Fair Value

The Group measures its financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 input) and the lowest priority to unobservable inputs (Level 3 inputs).

- Level 1 (unadjusted) - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Group has access to at the measurement date. The Group considers markets as active only if there are sufficient trading activities with

## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021

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 - 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 Group will classify the instruments as Level 3.
- Level 3 - Those that include one or more unobservable input that is significant to the measurement as whole.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

### (F) Income Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

#### Current tax

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961. Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

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.

#### Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The Group has not recognised a deferred tax liability for all taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint arrangements, except to the extent that both of the following conditions are satisfied:

- the parent, investor, joint venture or joint operator is able to control the timing of the reversal of the temporary difference; and
- it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax relating to items recognised outside

## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021

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 include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, to the extent it would be available for set off against future current income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realised.

### Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income. The Group 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 realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Group has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group.

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

### (G) Provisions and contingencies

The Group recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of

time is recognized as a finance cost. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

### (H) Cash and Cash Equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

### (I) Employee Benefits

#### Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized in the period in which the employee renders the related service. The Group recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

#### Post-employment benefits

##### (i) Defined contribution plans

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees.

Recognition and measurement of defined contribution plans:

The Group recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Group during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021

### (ii) Defined benefits plans

#### Gratuity scheme:

Gratuity is a post-employment benefit and is a defined benefit plan. The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if any. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

Recognition and measurement of defined benefit plans

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss. Re-measurements of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such re-measurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Group does not present the above liability/(asset) as current and non-current in the Balance Sheet as per the principles of Division III financial statements as per the MCA notification dated 11 October 2018.

### (J) Lease accounting

The Group, as a lessee, recognizes a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Group has substantially all the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less

any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate.

For short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

### (K) Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

### (L) Events after reporting date

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

### (M) Property, plant & equipment

Measurement at recognition

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate



## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021

of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### **Capital work-in-progress and capital advances:**

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work-in-progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as other non-financial assets.

### **Depreciation**

Depreciation on each part of an item of property, plant and equipment is provided using the written down value method based on the useful life of the asset as prescribed in Schedule II to the Act. Depreciation is calculated on a pro-rata basis from the date of installation till date the assets are sold or disposed. Leasehold improvements are amortised over the underlying lease term on a straight-line basis.

### **De-recognition**

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

### **(N) Impairment of non-financial assets**

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its

value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

### **(O) Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted-average number of equity shares outstanding during the period. The weighted-average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted-average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>3 Cash and cash equivalents</b>		
Cash on hand	0.51	0.57
Balances with banks in current account	28.94	1,159.16
Bank deposit with remaining maturity of less than 3 months	652.23	2,000.97
	<b>681.68</b>	<b>3,160.71</b>
<b>4 Other bank balances</b>		
Balances with banks in current account (*)	37.55	38.45
	<b>37.55</b>	<b>38.45</b>
* Consists of balances in bank accounts maintained by portfolio managers.		
<b>5 Loans (at amortised cost)</b>		
<b>Security Deposit</b>		
Unsecured, considered good Deposit	0.20	0.20
	<b>0.20</b>	<b>0.20</b>

## 6 Investments

	As at 31st March 2021			As at 31st March 2020				
	Cost	At fair value		Cost	At fair value			
		Through other comprehensive income	Through profit and loss		Through other comprehensive income	Through profit and loss		
Mutual funds (unquoted)	-	-	6,130.30	6,130.30	-	-	3,930.80	3,930.80
Equity instruments								
- Others (quoted)	-	5,30,523.58	-	5,30,523.58	-	2,33,679.06	-	2,33,679.06
- Others (unquoted)	-	3,989.10	-	3,989.10	-	3,793.60	-	3,793.60
Preference instruments:								
- Others (unquoted)	-	-	97.35	97.35	-	-	97.35	97.35
Venture Capital Fund (unquoted)	-	-	491.15	491.15	-	-	403.73	403.73
Debenture (quoted)	-	-	300.99	300.99				
Investments through Portfolio Management Services (PMS):								
- Equity instruments (quoted)	-	-	1,074.31	1,074.31	-	-	807.49	807.49
- Mutual funds (unquoted)	-	-	-	-	-	-	-	-
- Others	-	-	-	-	2.77	-	-	2.77
	-	<b>5,34,512.68</b>	<b>8,094.10</b>	<b>5,42,606.78</b>	<b>2.77</b>	<b>2,37,472.67</b>	<b>5,239.37</b>	<b>2,42,714.80</b>

## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021

*(All amounts in ₹ Lakhs, unless otherwise stated)*

	Face value ₹	As at 31st March 2021		As at 31st March 2020	
		Number	Amount	Number	Amount
<b>(a) Investment in mutual funds</b>					
(measured at Fair Value through PL)					
Aditya Birla Sunlife Corporate Bond Fund (formerly known as Birla Sunlife Short Term Fund) - Direct Plan - Growth		2,36,552.02	205.17	2,36,552.02	186.60
Axis Bluechip Fund Direct Growth		3,20,410.13	136.65	3,20,410.13	90.68
Axis Banking & PSU Debt Fund - Direct Growth		10,853.20	227.68	10,853.20	210.66
Axis Dynamic Bond Fund - Direct Plan - Growth		18,21,737.97	451.99	5,90,125.83	135.44
Axis Liquid Fund Direct Growth		10,681.87	244.06		
DSP Mid cap Fund - Direct Plan - Growth		2,63,569.43	214.52	2,63,569.43	123.84
Edelweiss Alternate Equity Scheme : Class A		6,08,605.62	175.94	6,08,743.70	124.21
Franklinn India Prima Plus - Direct Growth		-	-	-	-
HDFC Small Cap Fund - Direct Growth - Plan		4,24,583.38	245.09	4,24,583.38	119.35
ICICI Prudential Bluechip Fund - Direct Plan - Growth		12,09,362.31	694.42	9,37,210.83	316.87
ICICI Prudential Liquid Fund - Direct Plan- Growth		74,623.39	227.40	74,623.39	219.23
ICICI Prudential Banking & PSU Fund - Direct Plan Growth		5,77,894.38	148.04	5,77,894.38	136.64
ICICI Prudential Multi Assets Fund - Direct Plan Growth		3,883.44	12.86	3,883.44	8.19
ICICI Prudential Value Discovery Fund - Direct Plan Growth		6,606.77	12.73	6,606.77	6.98
IDFC Banking & PSU Debt Fund - Direct Plan - Growth		11,80,735.13	230.72	11,80,735.13	212.11
IDFC Corporate Bond Fund Direct Plan - Growth		4,71,120.32	71.93	4,71,120.32	65.78
Invesco India Opp. Fund - Direct Plan - Growth		7,00,636.26	342.40	5,45,404.96	163.29
Kotak Corporate Bond Fund Direct Growth		-	-	-	-
Kotak Emerging Equity Fund - Direct Plan - Growth		3,67,755.22	232.37	3,67,755.22	118.11
L&T Banking and PSU Debt Fund Direct Plan - Growth		19,23,783.76	386.91	19,23,783.76	357.17
Mirae Assets Large Cap Fund - Direct Plan- Growth		6,01,058.81	424.89	6,01,058.81	249.15
Motilal Oswal Nasdaq 100 Fund Direct Plan Growth		7,65,058.26	153.67	7,65,058.26	97.89
Reliance ETF		-	-	-	-
Reliance Short Term Fund Direct Growth Plan Growth option		2,33,843.11	100.67	2,33,843.11	92.46
SBI Blue Chip Fund- Direct Plan Growth		-	-	-	-
UTI Nifty Index Fund - Direct Growth Plan		7,01,935.78	687.96	10,30,463.24	586.50
UTI Nifty Next 50 Index Fund - Direct Growth		40,60,620.86	502.24	40,60,620.86	309.65
			<b>6,130.30</b>		<b>3,930.80</b>
<b>(b) Investment in equity instruments</b>					
<b>Others, unquoted</b>					
(Non-trade, measured at Fair Value Through OCI)					
Bombay Mercantile Co-op Bank Limited	30	1,666.00	-	1,666	0.50
CFL Capital Financial Services Limited	10	2,46,00,921.00	-	2,46,00,921	-
Rado Tyres Limited	10	27,45,310.00	-	27,45,310	-
Spencer & Co. Limited (paid up value Rs 9 per share)	10	44,64,576.00	3,989.10	44,64,576	3,793.10
			<b>3,989.10</b>		<b>3,793.60</b>

## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

	Face value ₹	As at 31st March 2021		As at 31st March 2020	
		Number	Amount	Number	Amount
<b>Quoted</b>					
(measured at Fair Value Through OCI)					
CEAT Limited	10	1,28,89,808.00	2,01,242.13	1,28,34,755	1,01,713.86
CG Power & Industrial Solution Limited	2	12.00	0.01	12	0.00
FGP Limited	10	17,13,898.00	29.14	17,13,898	27.94
Gammon India Limited	2	1.00	0.00	1	0.00
Harrisons Malayalam Limited	10	360.00	0.50	360	0.19
Hindustan Oil Exploration Company Limited	10	200.00	0.19	200	0.07
HCL Technologies Limited	2	3.00	0.03	-	-
Jyoti Structures Limited	2	5.00	0.00	5	0.00
KEC International Limited	2	5,03,12,150.00	2,06,455.91	4,99,25,514	92,611.83
Reliance Industries Limited	10	1.00	0.02	1	0.01
RPG Life Sciences Limited	8	996.00	3.86	996	1.70
State Bank of India Limited	1	2.00	0.01	2	0.00
STEL Holdings Limited	10	24,83,701.00	2,056.50	24,83,701	957.10
Zensar Technologies Limited	2	4,40,23,806.00	1,20,735.29	4,40,23,806	38,366.36
			<b>5,30,523.58</b>		<b>2,33,679.06</b>
<b>(c) Investment in preference shares</b>					
<b>Quoted</b>					
(measured at Fair Value through PL)					
16.46 % Non Convertible Pref. Share ILFS	7,500	660.00	97.35	660	97.35
			<b>97.35</b>		<b>97.35</b>
<b>(d) Investments through portfolio managers:</b>					
(measured at Fair Value through PL)					
<b>Equity instruments, quoted</b>					
ACC Limited	10	-	-	790	7.65
Aegis Logistics Limited	1	5,730.00	17.11	5,730	7.99
Alkem Laboratories Limited	2	324.00	8.97	634	14.75
Ambuja Cements Limited	2	-	-	5,805	9.04
Asta Microwave Products Limited	2	-	-	10,053	5.22
Axis Bank Limited	2	3,854.00	26.88	2,404	9.11
Bajaj Finance Limited.	2	-	-	344	7.62
Bayer Cropscience Limited	10	221.00	11.81	221	7.64
Bharat Forge Limited	2	2,182.00	13.00	3,351	7.87
Bharti Airtel Limited	5	-	-	1,427	6.29
Birla Corporation Limited	10	991.00	9.41	-	-
Bosch Limited.	10	120.00	16.91	120	11.27
Chambal Fertilizer & Chemical Limited	10	-	-	4,653	5.05
Container Corporation of India	5	2,911.00	17.41	4,676	15.51

## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021

*(All amounts in ₹ Lakhs, unless otherwise stated)*

	Face value ₹	As at 31st March 2021		As at 31st March 2020	
		Number	Amount	Number	Amount
Colgate Palmolive India Limited	1	1,070.00	16.69	3,635	45.54
City Union Bank Limited	1	-	-	13,000	16.78
Cummins India Limited	2	1,689.00	15.53	1,689	5.52
Eicher Motors Limited	10	1,200.00	31.25	120	15.72
Emami Limited	1	3,954.00	19.22	3,164	5.38
Engineers India Limited	5	-	-	3,512	2.11
Exide Industries Limited	1	-	-	12,550	16.52
Federal Bank Limited	2	-	-	14,097	5.79
Gland Pharma Limited	1	1,131.00	28.03	-	-
Glaxosmithkline Consumer Healthcare Limited	10	-	-	198	19.75
Gujarat Pipavav Port Limited	10	-	-	9,822	5.92
Godrej Industries Limited	1	3,740.00	20.41	9,550	27.04
Godrej Consumer Products Limited	1	4,604.00	33.59	-	-
HDFC Bank Limited	1	-	-	643	5.54
Hindalco Industries Limited	1	-	-	3,849	3.68
Hindustan Petroleum Corporation Limited	10	5,556.00	13.03	5,556	10.56
Ipca Lab Limited	2	1,406.00	26.77	1,786	24.87
ICICI Bank Limited	2	14,128.00	82.24	18,464	59.78
ITC Limited	1	6,135.00	13.40	-	-
JK Lakshmi Cement Limited	5	-	-	1,524	2.99
JSW Energy Limited	10	-	-	17,579	7.51
J&K Bank Limited	1	-	-	8,196	1.02
Kotak Mahindra Bank Limited	5	3,914.00	68.61	4,564	59.15
KNR Constructions Limited	2	-	-	4,152	8.16
Larsen & Toubro Limited	2	3,762.00	53.38	4,312	34.86
Larsen & Toubro Infotech Limited	1	334.00	13.54	-	-
L&T Technology Services Limited	2	1,508.00	40.02	1,508	17.51
Mahanagar Gas Limited	10	-	-	3,982	32.59
Maruti Suzuki India Limited	5	392.00	26.89	-	-
Max Financial Services Limited	2	4,729.00	40.64	9,024	34.71
NTPC Limited	10	-	-	14,694	12.37
Natco Pharma Limited	2	3,411.00	28.16	-	-
Oberoi Realty Limited	10	5,489.00	31.57	-	-
Page Industries Limited	10	105.00	31.83	201	34.10
Reliance Industries Limited ₹ 2.50 Partly Paid	10	2,157.00	23.52	-	-
State Bank of India Limited	1	4,604.00	16.77	-	-
SRF Limited	2	-	-	290	8.07
Sunpharmaceuticals Industries Limited	2	7,979.00	47.70	7,117	25.07
Sundaram Finance Limited	10	-	-	436	5.25

## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

	Face value ₹	As at 31st March 2021		As at 31st March 2020	
		Number	Amount	Number	Amount
Tata Metaliks Limited	10	-	-	1,516	5.03
Tata Power Co Limited	1	-	-	21,899	7.19
Tata Steel Limited	10	-	-	616	1.66
Tata Consultancy Limited	1	790.00	25.11	-	-
Tech Mahindra Limited	1	2,656.00	26.33	2,656	15.02
TD Power Systems Limited	10	-	-	3,611	3.06
Thermax Limited	2	-	-	555	4.11
Titan Company Limited	1	2,068.00	32.22	2,068	19.31
Voltamp transformers Limited	10	-	-	422	3.71
Voltas Limited	1	14,607.00	146.35	14,607	69.66
VRL Logistics Limited	10	-	-	3,555	5.49
VST Tillers Tractors Limited	10	-	-	166	1.11
Wheels India Limited	10	-	-	982	3.30
			<b>1,074.31</b>	<b>807.49</b>	
<b>(e) Investments in Debentures</b>					
(measured at Fair Value through PL)					
Muthoot Finance Limited	10,00,000	30	300.99	-	-
			<b>300.99</b>		
<b>(f) Investments through Venture Capital Fund</b>					
(measured at Fair Value through PL)					
Trifecta Venture Debt Fund	100	4,91,146	491.15	4,03,725	403.73
			<b>491.15</b>		<b>403.73</b>
			<b>5,42,606.78</b>	<b>2,42,712.03</b>	
<b>Out of above,</b>					
In India			5,42,606.78	2,42,712.03	
Outside India			-	-	
				<b>As at</b>	<b>As at</b>
				<b>31<sup>st</sup> March</b>	<b>31<sup>st</sup> March</b>
				<b>2021</b>	<b>2020</b>
<b>7 Other financial assets</b>					
Interest Receivable				6.09	4.73
Dividend receivable				0.21	-
Other receivables				13.78	20.99
Receivable Share of profit from LLP				0.09	0.09
Advances				0.01	0.01
				<b>20.18</b>	<b>25.82</b>

## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021

*(All amounts in ₹ Lakhs, unless otherwise stated)*

### 8 Property, plant and equipment

	Computer	Office Equipment	Leasehold land	Total
<b>Gross block</b>				
<b>Balance as at 01st April 2019</b>	3.02	0.25	-	3.27
Additions	1.20	3.08	16.55	20.82
Disposals	-	-	-	-
<b>Balance as at 31st March 2020</b>	<b>4.22</b>	<b>3.33</b>	<b>16.55</b>	<b>24.09</b>
Additions	1.91	-	-	1.91
Disposals	-	-	-	-
<b>Balance as at 31st March 2021</b>	<b>6.12</b>	<b>3.33</b>	<b>16.55</b>	<b>26.00</b>
<b>Accumulated depreciation</b>				
<b>Balance as at 01st April 2019</b>	1.65	0.22	-	1.87
Depreciation charge for the year	0.84	0.02	-	0.85
Disposals	-	-	-	-
<b>Balance as at 31st March 2020</b>	<b>2.48</b>	<b>0.23</b>	-	<b>2.72</b>
Depreciation charge for the year	1.59	0.56	-	2.16
Disposals	-	-	-	-
<b>Balance as at 31st March 2021</b>	<b>4.08</b>	<b>0.80</b>	-	<b>4.87</b>
<b>Carrying value</b>				
<b>As at 31st March 2020</b>	1.74	3.09	16.55	21.37
<b>As at 31st March 2021</b>	<b>2.04</b>	<b>2.53</b>	<b>16.55</b>	<b>21.12</b>
			<b>As at 31st March 2021</b>	<b>As at 31st March 2020</b>
<b>9 Other non-financial assets</b>				
(unsecured, considered good)				
Balances with government authorities			39.16	39.16
Security Deposit			2.10	2.11
Receivable from Employee			-	7.00
Prepaid Expenses			0.08	-
Other receivables			0.00	-
			<b>41.34</b>	<b>48.27</b>
<b>10 Payables</b>				
<b>Other Payables</b>				
Total outstanding dues of micro enterprises and small enterprises			1.11	0.92
Total outstanding dues of creditors other than micro enterprises and small enterprises			12.83	10.65
			<b>13.94</b>	<b>11.57</b>

**Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021***(All amounts in ₹ Lakhs, unless otherwise stated)*

<b>Particulars</b>	<b>As at 31st March 2021</b>	<b>As at 31st March 2020</b>
Principal amount due to suppliers under MSMED Act, as at the year end (since paid)	-	-
Interest accrued and due to suppliers under MSMED Act, on the above amount as at the year end (since paid)	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
Interest paid to suppliers under MSMED Act (other than section 16)	-	-
Interest paid to suppliers under MSMED Act (section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
Interest accrued and remaining unpaid at the year end to suppliers under MSMED Act (since paid)	-	-
<b>11 Other financial liabilities</b>		
Salary Payable	-	0.18
Advance	190.00	190.00
Payable for Expenses	5.94	11.16
	<b>195.94</b>	<b>201.34</b>
<b>12 Provisions</b>		
Provision for Gratuity	30.17	27.62
Provision for Compensated Absence	8.16	7.86
	<b>38.33</b>	<b>35.48</b>
<b>13 Deferred taxes</b>		
<b>Deferred tax liability:</b>		
Fair valuation on investments carried at fair value through OCI	51,538.60	18,039.31
Fair valuation on investments carried at fair value through PL	424.64	(138.64)
<b>Total deferred tax liabilities</b>	<b>51,963.24</b>	<b>17,900.67</b>
<b>Deferred tax assets:</b>		
Difference between written down value of property, plant and equipment as per books of accounts and Income tax Act, 1961	0.32	(0.25)
Provision for employee benefits	11.03	10.02
on carry forward of losses	4.69	-
Mat Credit Entitlement	2,654.54	2,389.30
<b>Total deferred tax assets</b>	<b>2,670.58</b>	<b>2,399.07</b>
<b>Deferred tax liabilities (net)</b>	<b>49,292.66</b>	<b>15,501.60</b>

**Movement in deferred tax liabilities for year ended 31st March 2020:**



## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021

*(All amounts in ₹ Lakhs, unless otherwise stated)*

Particulars	As at 31st March 2019	Statement of Profit or Loss	Other comprehensive Income	As at 31st March 2020
<b>Deferred tax liabilities for taxable temporary differences on:</b>				
Fair valuation on investments carried at fair value through OCI	36,650.81	-	(18,611.50)	18,039.31
Fair valuation on investments carried at fair value through PL	69.95	(208.59)	-	(138.64)
<b>Total</b>	<b>36,720.76</b>	<b>(208.59)</b>	<b>(18,611.50)</b>	<b>17,900.67</b>
<b>Deferred tax assets for deductible temporary differences on:</b>				
Difference between written down value of property, plant and equipment as per books of accounts and Income tax Act, 1961	(0.23)	(0.02)	-	(0.25)
Provision for employee benefits	7.32	2.70	-	10.02
Mat Credit Entitlement	2,417.93	(28.63)	-	2,389.30
<b>Total</b>	<b>2,425.02</b>	<b>(25.95)</b>	<b>-</b>	<b>2,399.07</b>
<b>Deferred tax liabilities (net)</b>	<b>34,295.73</b>	<b>(182.63)</b>	<b>(18,611.50)</b>	<b>15,501.60</b>
<b>Movement in deferred tax liabilities for year ended 31st March 2021:</b>				
Particulars	As at 31st March 2020	Statement of Profit or Loss	Other comprehensive Income	As at 31st March 2021
<b>Deferred tax liabilities for taxable temporary differences on:</b>				
Fair valuation on investments carried at fair value through OCI	18,039.31	-	33,499.29	51,538.60
Fair valuation on investments carried at fair value through PL	(138.64)	563.28	-	424.64
<b>Total</b>	<b>17,900.67</b>	<b>563.28</b>	<b>33,499.29</b>	<b>51,963.24</b>
<b>Deferred tax assets for deductible temporary differences on:</b>				
Difference between written down value of property, plant and equipment as per books of accounts and Income tax Act, 1961	(0.25)	0.57	-	0.32
Provision for employee benefits	10.02	1.01	-	11.03
on carry forward of losses	-	4.69	-	4.69
Mat Credit Entitlement	2,389.30	265.25	-	2,654.54
<b>Total</b>	<b>2,399.07</b>	<b>271.51</b>	<b>-</b>	<b>2,670.58</b>
<b>Deferred tax liabilities (net)</b>	<b>15,501.60</b>	<b>291.77</b>	<b>33,499.29</b>	<b>49,292.66</b>
			<b>As at 31st March 2021</b>	<b>As at 31st March 2020</b>
<b>14 Other non-financial liabilities</b>				
Statutory dues			1.12	3.53
Sales Tax Payable			253.46	253.46
Other Payable for Expenses			83.30	83.24
			<b>337.88</b>	<b>340.23</b>

## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

### 15 Share capital

**Note 1: Disclosure pursuant to Note no. S(a, b, c & d) of Divison III of Schedule III to the Companies Act, 2013**

Particulars of Share Capital	Equity Share Capital (FV ₹ 10/- each)		Preference Share Capital (FV ₹ 100/- each)		Preference Share Capital (FV ₹ 10/- each)	
	Numbers	Amount	Numbers	Amount	Numbers	Amount
<b>Authorised Share Capital</b>						
At April 01, 2019	14,20,00,000	14,200.00	25,00,000	2,500.00	1,50,00,000	15,000.00
Increase/(decrease) during the year	-	-	-	-	-	-
At March 31, 2020	14,20,00,000	14,200.00	25,00,000	2,500.00	1,50,00,000	15,000.00
Increase/(decrease) during the year	-	-	-	-	-	-
At March 31, 2021	14,20,00,000	14,200.00	25,00,000	2,500.00	1,50,00,000	15,000.00
<b>Issued Share Capital</b>						
At April 01, 2019	1,09,01,987	1,090.20	-	-	-	-
Increase/(decrease) during the year	-	-	-	-	-	-
At March 31, 2020	1,09,01,987	1,090.20	-	-	-	-
Increase/(decrease) during the year	-	-	-	-	-	-
At March 31, 2021	1,09,01,987	1,090.20	-	-	-	-
<b>Subscribed and Paid-up Share Capital</b>						
At April 01, 2019	1,09,01,781	1,090.18	-	-	-	-
Increase/(decrease) during the year	-	-	-	-	-	-
At March 31, 2020	1,09,01,781	1,090.18	-	-	-	-
Increase/(decrease) during the year	-	-	-	-	-	-
At March 31, 2021	1,09,01,781	1,090.18	-	-	-	-

**Note 2 : Disclosure pursuant to Note no. S(e) of Divison III of Schedule III to the Companies Act, 2013**

#### Terms and rights attached to equity shares

**Equity Shares:** The Company has issued one class of equity shares having face value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held.

The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

The shareholders have all other rights as available to the Equity Shareholders as per the provisions of Companies Act, 2013 read together with the Memorandum of Association and Articles of Association of the Company, as applicable.

**Note 3 : Disclosure pursuant to Note no. S(f) of Divison III of Schedule III to the Companies Act, 2013**

(i) Swallow Associates LLP is directly holding more than 50% of total paid up share capital of the Company.

**Note 4 : Disclosure pursuant to Note no. S(g) of Divison III of Schedule III to the Companies Act, 2013 (if more than 5%)**

Name of Shareholder	As at March 31, 2021		As at March 31, 2020	
	Share Holding	% of Holding	Share Holding	% of Holding
Swallow Associates LLP	76,93,928	70.57%	76,93,928	70.57%

**Note 5 : Disclosures pursuant to Note no. S(h), (i), (j), (k) and (l) of Divison III of Schedule III to the Companies Act, 2013 are not applicable to the company and hence not given.**

## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

	As at 31st March 2021	As at 31st March 2020
<b>16 Other equity</b>		
<b>(i) General reserve</b>		
Balance at the beginning of the year	36,710.33	36,710.33
Add : Changes during the year	-	-
<b>Balance at the end of the year</b>	<b>36,710.33</b>	<b>36,710.33</b>
<b>(ii) Statutory reserves (as per Sec 45 IC (1) of RBI Act, 1934)</b>		
Balance at the beginning of the year	8,844.66	7,404.85
Add : Changes during the year	364.67	1,439.81
<b>Balance at the end of the year</b>	<b>9,209.33</b>	<b>8,844.66</b>
<b>(iii) Capital redemption reserve</b>		
Balance at the beginning of the year	1.00	1.00
Add: Changes during the year	-	-
<b>Balance at the end of the year</b>	<b>1.00</b>	<b>1.00</b>
<b>(iv) Capital Reserve</b>		
Balance at the beginning of the year	1,809.07	1,809.07
Add: Changes during the year	-	-
<b>Balance at the end of the year</b>	<b>1,809.07</b>	<b>1,809.07</b>
<b>(v) Retained earnings</b>		
Balance at the beginning of the year	27,550.02	21,784.51
Add:- Profit for the year	1,829.88	7,204.81
<u>Item of other comprehensive income recognised directly in retained earnings</u>		
On realised profit transfer to retained earnings	-	0.35
Tax Impact	-	0.15
Appropriations:		
Transfer to reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934	(364.67)	(1,439.81)
<b>Balance at the end of the year</b>	<b>29,015.23</b>	<b>27,550.02</b>
<b>(vi) Other comprehensive income</b>		
Balance at the beginning of the year	1,53,991.53	2,98,413.33
Add : Changes during the year	2,61,808.36	(1,44,421.28)
Less : Items recognised directly in retained earnings	-	(0.50)
<b>Balance at the end of the year</b>	<b>4,15,799.89</b>	<b>1,53,991.53</b>
	<b>4,92,544.84</b>	<b>2,28,906.61</b>
Non Controlling Interest	-	-
	-	-
	<b>4,92,544.84</b>	<b>2,28,906.61</b>

### Description of nature and purpose of each reserve:

#### General reserve

General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

#### Securities premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium.

#### Retained earnings

Retained earnings are the profits that the Group has earned till date, less any transfer to general reserves.

## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

### Statutory reserve

The Group is required to create a reserve in accordance with the provisions of Section 45IC of the Reserve Bank of India Act, 1934. Accordingly 20% of the profits after tax for the year is transferred to this reserve at the end of every reporting period.

### Other comprehensive income

This represents the cumulative gains and losses arising on the revaluation of financial instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off, if any.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised directly in other comprehensive income.

	<u>Year ended 31st March 2021</u>	<u>Year ended 31st March 2020</u>
<b>17 Interest Income</b>		
(on financial assest measued at amortised cost)		
Interest on Deposit with banks	51.33	38.34
Interest Income on Venture Capital Fund	62.09	19.67
Interest Income on Others	-	0.01
	<u><b>113.42</b></u>	<u><b>58.02</b></u>
<b>18 Dividend Income</b>		
Dividend income on investments	537.69	8,130.43
	<u><b>537.69</b></u>	<u><b>8,130.43</b></u>
On Investment Measured at FVTPL	8.74	15.02
On Investment Measured at FVTOCI	528.95	8,115.41
	<u><b>537.69</b></u>	<u><b>8,130.43</b></u>
<b>19 Net gain on fair value changes</b>		
<b>(a) Net gain on financial instruments at FVTPL</b>		
mutual funds & venture capital fund	1,761.44	-
equity shares through pms	484.07	-
	<u><b>2,245.51</b></u>	<u>-</u>
<b>Fair value changes:</b>		
Realised mutual fund & venture capital fund	(11.93)	-
Unrealised mutual fund & venture capital fund	1,773.36	-
Realised equity shares through PMS	79.28	-
Unrealised equity shares through PMS	404.80	-
	<u><b>2,245.51</b></u>	<u>-</u>
<b>(b) Net loss on financial instruments at FVTPL</b>		
mutual funds & venture capital fund	-	516.35
mutual funds through PMS	-	(0.83)
equity shares through pms	-	294.46
	<u>-</u>	<u><b>809.98</b></u>

## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

	Year ended 31st March 2021	Year ended 31st March 2020
<b>Fair value changes:</b>		
Realised mutual fund & venture capital fund	-	(56.24)
Unrealised mutual fund & venture capital fund	-	572.59
Realised mutual fund through PMS	-	(0.92)
Unrealised mutual fund through PMS	-	0.09
Realised equity shares through PMS	-	(3.91)
Unrealised equity shares through PMS	-	298.37
	<u>-</u>	<u>809.98</u>
<b>20 Other income</b>		
Provisions/liabilities written back	5.93	2.30
Interest on Income Tax refund	0.16	-
Share of Profit from LLP	-	0.09
Miscellaneous income	0.00	0.00
	<u>6.10</u>	<u>2.39</u>
<b>21 Finance Cost</b>		
Interest Expenses		
- on delayed payment of Tax	6.27	-
	<u>6.27</u>	<u>-</u>
<b>22 Employee benefits expenses</b>		
Salaries and wages	146.52	138.03
Contribution to provident and other funds	4.18	1.95
Staff welfare expenses	0.87	2.37
	<u>151.56</u>	<u>142.35</u>
<b>(a) Defined benefits plans - Gratuity (unfunded)</b>		
<p>Gratuity plan is a defined benefit plan that provides for lump sum gratuity payment to employees made at the time of their exit by the way of retirement (on superannuation or otherwise), death or disability. The benefits are defined on the basis of their final salary and period of service and such benefits paid under the plan is not subject to the ceiling limit specified in the Payment of Gratuity Act, 1972. Liability as on the Balance Sheet date is provided based on actuarial valuation done by a certified actuary using projected unit credit method.</p> <p>The following tables summarise the components of defined benefit expense recognised in the statement of profit or loss/OCI and amounts recognised in the Balance Sheet for the respective plans:</p>		
<b>(i) Change in projected benefit obligation</b>		
Projected benefit obligation at the beginning of the year	27.62	12.57
Current service cost	1.67	1.44
Interest cost	1.91	0.98
Benefit Paid	(0.52)	
Actuarial (gains)/losses arising from change in financial assumption	0.13	1.07
Actuarial (gains)/losses arising from change in demographic assumption	-	0.00
Actuarial (gains)/losses arising from experience adjustments	(0.63)	11.56
<b>Projected benefit obligation at the end of the year</b>	<u>30.17</u>	<u>27.62</u>
<b>(ii) Expenses charged to the Statement of Profit and Loss</b>		
- Current service costs	1.67	1.44
- Interest costs	14.53	0.98
	<u>16.20</u>	<u>2.42</u>

## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

	Year ended 31st March 2021	Year ended 31st March 2020
<b>(iii) Components of net cost charged taken to Other comprehensive income</b>		
Actuarial (gains)/losses arising from change in financial assumption	0.13	1.07
Actuarial (gains)/losses arising from change in demographic assumption	-	0.00
Actuarial (gains)/losses arising from experience adjustments	(0.63)	11.56
	<b>(0.50)</b>	<b>12.63</b>
<b>(iv) Key actuarial assumptions</b>		
Discount rate	6.80%	6.90%
Salary growth rate	8.00%	8.00%
Retirement age	58 years	58 years

	As at 31st March 2021	As at 31st March 2020
<b>Mortality rate:</b>		
Less than 30 years	2%	2%
31-44 years	2%	2%
45 years and above	2%	2%

### (v) Sensitivity analysis

A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
DBO with discount rate + 1%	(1.19)	(1.20)
DBO with discount rate - 1%	1.36	1.37
DBO with + 1% salary escalation	1.33	1.34
DBO with - 1% salary escalation	(1.19)	(1.20)
DBO with + 1% withdrawal rate	(0.10)	(0.09)
DBO with - 1% withdrawal rate	0.11	0.10

### Methods and assumptions used in preparing sensitivity analysis and their limitations:

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the Balance Sheet.

<b>(vi) Expected Group Contribution in next year</b>	1.67	1.69
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### (vii) Maturity analysis of the benefit payments:

Particulars	As at 31st March 2021	As at 31st March 2020
Year 1	11.86	10.90
Year 2	0.27	0.24
Year 3	0.30	0.26
Year 4	4.60	0.29
Year 5	8.87	4.50
Year 6 to 10	0.64	11.44

## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021

*(All amounts in ₹ Lakhs, unless otherwise stated)*

### (b) Compensated Absences

Particulars	As at 31st March 2021	As at 31st March 2020
Present Value of unfunded obligation	8.16	7.86
Expenses recognised in Statement of Profit and Loss	0.61	(0.48)
Discount rate (p.a)	6.90%	6.90%
Salary Escalation Rate (p.a)	8%	8%
	<b>Year ended 31st March 2021</b>	<b>Year ended 31st March 2020</b>
<b>23 Depreciation, amortisation and impairment</b>		
Depreciation on property, plant and equipment (refer note 8)	2.16	0.85
	<b>2.16</b>	<b>0.85</b>
<b>24 Other Expenses</b>		
Rent	5.17	4.67
Advertisement	1.17	1.02
Brokerage	0.36	-
Rates and taxes	15.70	22.60
Legal and professional expenses	63.52	98.58
Investment Expenses	45.86	41.16
Listing and custodian fees	9.37	9.20
- Others	0.56	1.16
Communication Expenses	2.27	7.16
Filing fees	0.13	0.19
Printing and stationery	1.17	5.17
Sitting fees	2.23	2.13
Insurance charges	0.72	1.02
Miscellaneous expenses	2.51	3.53
Payment to auditors:		
- Statutory audit (including limited review)	3.16	3.15
- Others	1.08	1.08
	<b>154.99</b>	<b>201.81</b>
<b>25 Tax expense</b>		
Current tax	463.81	30.82
Short/(Excess) Provision of Tax For Earlier Years	2.29	0.35
Deferred tax	557.01	(228.76)
Mat Credit	(265.25)	28.63
	<b>757.87</b>	<b>(168.96)</b>

The major components of income tax expense and the reconciliation of expense based on the domestic tax rate of 29.12% and 26% for financial year ended 31st March 2021 and 31st March 2020 respectively and the reported tax expense in profit or loss are as follows:

**Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021***(All amounts in ₹ Lakhs, unless otherwise stated)*

	<b>Year ended 31st March 2021</b>	<b>Year ended 31st March 2020</b>
<b>(a) Reconciliation of Current tax expenses :</b>		
<b>Profit before tax</b>	<b>2,587.74</b>	<b>7,035.85</b>
Enacted tax rates in India (%)	29.12%	26%
<b>Computed tax expense</b>	<b>755.39</b>	<b>1,829.32</b>
Effect of prior period taxes	2.87	0.35
Effect of Income exempted from tax	0.00	(2,113.91)
Effect of non-deductible expenses	74.86	187.73
Effect of tax on Capital Gain	(48.11)	(72.45)
<b>Total income tax expense as per the statement of profit and loss</b>	<b>785.01</b>	<b>(168.96)</b>
<b>26 Current tax assets:</b>		
Opening balance	77.39	20.26
Add: During the year	27.53	57.13
	<b>104.92</b>	<b>77.39</b>
<b>27 Earnings per share (EPS)</b>		
<b>Net profit attributable to equity shareholders</b>		
Net profit attributable to equity shareholders (in ₹ lakhs)	1,829.88	7,204.81
Nominal value of equity share (₹)	10.00	10.00
Weighted average number of equity shares outstanding	1,09,01,781	1,09,01,781
Basic earnings per share (₹)	16.79	66.09
Diluted earnings per share (₹)	16.79	66.09
	<b>As at 31st March 2021</b>	<b>As at 31st March 2020</b>
<b>28 Contingent liabilities and commitments</b>		
<b>(a) Contingent liabilities</b>		
Income Tax	214.51	839.66
Civil Suits	140.14	140.14
Sales Tax	1.97	1.97
Excise Duty	18.78	18.78
	<b>375.40</b>	<b>1,000.55</b>
<b>(b) Capital Commitment</b>		
Capital commitment towards investment	<b>44.65</b>	<b>132.07</b>
<b>29 Related party disclosures</b>		
Information on related party transactions as required by Ind AS - 24 - Related Party Disclosures for the year ended 31st March 2021		
<b>Relationship</b>		
<b>(i) Holding</b>		
Swallow Associates LLP		



## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

### (ii) Key managerial personnel ('KMP')

Key person	Designation
Ramesh Chandak	Director
Hari Narain Singh Rajpoot	Director
Amarendra Nath Mishra	Director
Hemendra Chimanlal Dalal	Director
Sneha Sohan Ranade	Director (till 10th Nov 2020)
Rekha Dhanani	Director (w.e.f 11th Nov 2020)
Prem Kapil	Director
Abhay Vasant Nerurakar	Director
Paras Mal Rakhecha	Chief Financial Officer
Jiya Gangwani	Company Secretary
Rohin Feroze Bomanji	Manager (till 15th Feb 2021)
Anand Rathi	Manager (w.e.f 16th Feb 2021)

### Transactions with related parties

Name of the party/Nature of transaction	Year ended 31st March 2021	Year ended 31st March 2020
<b>Key Managerial Personnel</b>		
Remuneration	79.69	76.54
Sitting Fees	2.23	2.13

### 30 Fair value measurement

#### (a) Category wise classification of financial instruments

Particulars	Note	As at 31st March 2021	As at 31st March 2020
<b>A. Financial assets:</b>			
<b>Carried at cost</b>			
Cash and cash equivalents	3	681.68	3,160.71
Other bank balances	4	37.55	38.45
Loans	5	0.20	0.20
Investments	6	-	2.77
Other financial assets	7	20.18	25.82
		<b>739.60</b>	<b>3,227.95</b>
<b>Carried at FVTPL</b>			
Investments	6	8,094.10	5,239.37
		<b>8,094.10</b>	<b>5,239.37</b>
<b>Carried at FVOCI</b>			
Investments in Equity Instruments	6	5,34,512.68	2,37,472.66
		<b>5,34,512.68</b>	<b>2,37,472.66</b>
		<b>5,43,346.38</b>	<b>2,45,939.98</b>

## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Note	As at 31st March 2021	As at 31st March 2020
<b>B. Financial liabilities</b>			
<b>Measured at cost</b>			
Payables	10	13.93	11.57
Other financial liabilities	11	195.94	201.34
		<b>209.88</b>	<b>212.91</b>

### (b) Fair value hierarchy

The Group determines fair values of its financial instruments according to the following hierarchy:

Level 1: Valuation based on quoted market price: Financial instruments with quoted prices for identical instruments in active markets that the Group can access at the measurement date.

Level 2: Valuation based on using observable inputs: Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

Level 3: Valuation technique with significant unobservable inputs: – financial instruments valued using valuation techniques where one or more significant inputs are unobservable.

Particulars	As at 31st March 2021	As at 31st March 2020
<b>Level 1 (Quoted prices in active market)</b>		
<b>Financial assets measured at FVOCI</b>		
Investments in quoted equity instruments	5,30,523.58	2,33,679.06
<b>Financial assets measured at FVTPL</b>		
Investments in mutual funds	6,130.30	3,930.80
Investments in quoted equity instruments	1,074.31	807.49
Investments in Debenture	300.99	-
<b>Level 3 (Significant observable inputs)</b>		
<b>Financial assets measured at FVOCI</b>		
Investments in unquoted equity instruments	3,989.10	3,793.60
<b>Financial assets measured at FVTPL</b>		
Investments in Preference Shares	97.35	97.35
Investments in Venture capital funds	491.15	403.73
	<b>5,42,606.78</b>	<b>2,42,712.03</b>

### Reconciliation of fair value of measurement categorised within level 3 of the value hierarchy

<b>Opening Fair value</b>	4,294.68	3,753.44
Purchase/Sales of Financial Instruments	87.42	403.73
Change in Fair Value during the year	195.50	137.51
<b>Closing Fair value</b>	<b>4,577.59</b>	<b>4,294.68</b>

## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

### Financial Instruments measured at Fair value - Level III

Type	Valuation Technique	Significant Observable Input	Inter-relationship between significant unobservable inputs and fair value measurement
Investment in unquoted equity shares	Adjusted NAV (Net Asset Value) method. Adjusted NAV method involves determination of fair values of asset/liability/ business based on its book value with appropriate relevant adjustments.	Not Applicable	Not Applicable
Investment in Venture Capital Fund	net asset value certificates from the investee parties.	Not Applicable	Not Applicable

### (c) Fair value of assets and liabilities measured at cost/amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amount would be significantly different from the values that would be eventually received or settled. Management assessed that fair values of cash and cash equivalents, other bank balances, loans, other financial assets and other financial liabilities approximate their carrying amounts of these instruments.

### 31 Financial risk management

The Company is a Non-Banking Financial Company-Non Deposit Taking - Systemically Important (NBFC-ND-SI) registered with the Reserve Bank of India. On account of its business activities it is exposed to various financial risks associated with financials products such as credit or default risk, market risk, interest rate risk, liquidity risk and inflationary risk. However, the Group has a robust financial risk management system in place to identify, evaluate, manage and mitigate various risks associated with its financial products to ensure that desired financial objectives are met. The Group senior management is responsible for establishing and monitoring the risk management framework within its overall risk management objectives and strategies. Such risk management strategies and objectives are established to identify and analyse potential risks faced by the Company, set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and assess risk management performance.

#### (a) Credit risk

This risk is common to all investors who invest in bonds and debt instruments and it refers to a situation where a particular bond issuer is unable to make the expected principal payments, interest rate payments, or both. Similarly, a lender bears the risk that the borrower may default in the payment of contractual interest or principal on its debt obligations, or both. The entity continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

#### Financial instruments

Risk concentration is minimized by investing in highly rated, investment in debt instruments. The Group lends to borrowers with a good credit score and generally most of the lending is secured against assets pledged by the borrower in favour of the Group. These investments and loans are reviewed by the Board of Directors on a regular basis.

The Group has categorised all its financial assets at low credit risks on account of no past trends of defaults by any parties. Therefore, the provision for expected credit loss has been made as per the Reserve Bank of India's prudential norms at 0.4% of the loan assets (which are not credit impaired).

Nature	Assets covered	Basis of expected credit loss
Low credit risk	Cash and cash equivalents and other bank balances, Loans, Investments, Other financial assets	Life time expected credit loss or 12 month expected credit loss
Moderate credit risk	-	-
High credit risk	-	-

**Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021***(All amounts in ₹ Lakhs, unless otherwise stated)***Financial assets that are exposed to credit risk (\*)**

Particulars	As at 31st March 2021	As at 31st March 2020
<b>Low credit risk</b>		
Cash and cash equivalents and other bank balances	719.22	3,199.16
Loans	0.20	0.20
Investments	-	2.77
Other financial assets	20.18	25.82
<b>Moderate credit risk</b>	-	-
<b>High credit risk</b>	-	-
	<b>739.60</b>	<b>3,227.95</b>

(\*) These represent gross carrying values of financial assets, without netting off impairment loss allowance.

**Expected credit losses for financial assets :****As at 31st March 2021:**

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents and other bank balances	719.22	-	719.22
Loans	0.20	-	0.20
Investments	-	-	-
Other financial assets	20.18	-	20.18

**As at 31st March 2020:**

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents and other bank balances	3,199.16	-	3,199.16
Loans	0.20	-	0.20
Investments	2.77	-	2.77
Other financial assets	25.82	-	25.82

**(b) Market risk:**

Market risk is a form of systematic risk associated with the day-to-day fluctuation in the market prices of shares and securities and such market risk affects all securities and investors in the same manner. These daily price fluctuations follows its own broad trends and cycles and are more news and transaction driven rather than fundamentals and many a times, it may affect the returns from an investment. Market risks majorly comprises of two types - interest rate risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risks include borrowings and investments.

**Interest rate risk**

Interest rate risk is a type of systematic risk that particularly affects fixed rate debt instruments like bonds and debentures. The value of the fixed-rate debt instruments generally decline due to rise in interest rates and vice versa. The rationale is that a bond is a promise of a future stream of payments; an investor will offer less for a bond that pays-out at a rate lower than the rates offered in the current market. A rising interest rate scenario also affects the Group's interest expenditure on borrowed funds.

## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

### a. Borrowings

Particulars	As at	As at
	31st March 2021	31st March 2020
Borrowings at variable interest rate	-	-
Borrowings at fixed interest rate	-	-
<b>Total borrowings</b>	<b>-</b>	<b>-</b>
<b>Percentage of borrowings at variable interest rate</b>	<b>0.00%</b>	<b>0.00%</b>

### Price risk

Price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. It arises from financial assets such as investments in equity instruments, bonds, mutual funds etc. The Group is exposed to price risk arising mainly from investments carried at fair value through FVTPL or FVOCI which are valued using quoted prices in active markets (level 1 investments). A sensitivity analysis demonstrating the impact of change in market prices of these instruments from the prices existing as at the reporting date is given below:

Particulars	Carrying value as at	
	31st March 2021	31st March 2020
Investments carried at FVTPL or FVOCI valued using quoted prices in active market	5,38,029.18	2,38,417.36

Particulars	Sensitivity analysis on total comprehensive income upon fluctuation of market prices	
	Increase by	Decrease by
	10%	10%
Impact on total comprehensive income for year ended 31st March 2021	53,802.92	(53,802.92)
Impact on total comprehensive income for year ended 31st March 2020	23,841.74	(23,841.74)

### (c) Liquidity risk:

Liquidity refers to the readiness of the Group to sell and realise its financial assets. Liquidity risk is one of the most critical risk factors for companies which is into the business of investments in shares and securities. It is the risk of not being able to realise the true price of a financial asset, or is not being able to sell the financial asset at all because of non-availability of buyers. Unwillingness to lend or restricted lending by Banks and Financial Institutions may also lead to liquidity concerns for the entities.

The Group maintains a well-diversified portfolio of investments in shares and securities which are saleable at any given point of time. A dedicated team of market experts are monitoring the markets on a continuous basis, which advises the management for timely purchase or sale of securities. The Group is currently having a mix of both short-term and long-term investments. The management ensures to manage its cash flows and asset liability patterns to ensure that the financial obligations are satisfied in timely manner.

The following table shows the remaining contractual maturities of financial liabilities at the reporting date. The amounts reported are on gross and undiscounted basis.

Particulars	Less than	Between	Over	Total
	1 year	1 to 5 years	5 years	
<b>As at 31st March 2021</b>				
Payables	13.93	-	-	13.93
Other financial liabilities	195.94	-	-	195.94
	<b>209.88</b>	<b>-</b>	<b>-</b>	<b>209.88</b>
<b>As at 31st March 2020</b>				
Payables	11.57	-	-	11.57
Other financial liabilities	201.34	-	-	201.34
	<b>212.91</b>	<b>-</b>	<b>-</b>	<b>212.91</b>

## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

### (d) Inflationary risk:

Inflationary or purchasing power risk refers to the variation in investor returns caused by inflation. It is the risk that results in increase of the prices of goods and services which results in decrease of purchasing power of money, and likely negatively impact the value of investments. The two important sources of inflation are rising costs of production and excess demand for goods and services in relation to their supply. Inflation and interest rate risks are closely related as interest rates generally go up with inflation.

The Group closely monitors the inflation data and analyses the reasons for wide fluctuations thereof and its effect on various sectors and businesses. The main objective is to avoid inflationary risk and accordingly invest in securities and debt instruments that provides higher returns as compared to the inflation in long-term.

### 32 Capital management

For the purpose of Group's capital management, capital includes issued equity share capital, other equity reserves and borrowed capital less cash and cash equivalents. The primary objective of capital management is to maintain an efficient capital structure to reduce the cost of capital, support corporate expansion strategies and to maximize shareholder's value.

The entity manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the entity may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The entity monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep an optimum gearing ratio. The entity includes within net debt, interest bearing loans and borrowings less cash and cash equivalents.

Following table summarizes the capital structure of the Group.

Particulars	As at	As at
	31st March 2021	31st March 2020
Borrowings	-	-
Less: Cash and cash equivalents (including other bank balances)	719.22	3,199.16
<b>Adjusted net debt</b>	<b>-719.22</b>	<b>-3,199.16</b>
Total equity (*)	4,93,635.02	2,29,996.79
<b>Net debt to equity ratio</b>	<b>(0.00)</b>	<b>(0.00)</b>

(\*) Equity includes capital and all reserves of the Company that are managed as capital.

### 33 Disclosure of Additional Information pertaining to the Parent Company, and its subsidiary per Schedule III of Companies Act, 2013

Name of the entity in the Group	As at 31st March 2021		Year ended 31st March 2021		Year ended 31st March 2021		Year ended 31st March 2021	
	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of Consolidated total comprehensive income	Amount
<b>Parent Company :</b>								
Summit Securities Limited	45.48%	2,24,518.36	47.09%	861.69	39.92%	1,04,512.70	39.97%	1,05,374.39
<b>Subsidiary Company :</b>								
Instant Holdings Limited	62.99%	3,10,959.12	52.30%	956.97	60.08%	1,57,294.67	60.03%	1,58,251.64
Sudarshan Electronics and T.V. Limited	0.01%	32.14	0.36%	6.52	0.00%	1.00	0.00%	7.52

## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March 2021

(All amounts in ₹ Lakhs, unless otherwise stated)

Name of the entity in the Group	As at 31st March 2020		Year ended 31st March 2020		Year ended 31st March 2020		Year ended 31st March 2020	
	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of Consolidated total comprehensive income	Amount
<b>Parent Company :</b>								
Summit Securities Limited	51.80%	1,19,143.97	35.35%	2,546.74	43.94%	(63,451.94)	44.39%	(60,905.20)
<b>Subsidiary Company :</b>								
Instant Holdings Limited	66.40%	1,52,707.49	64.60%	4,654.42	56.06%	(80,968.97)	55.62%	(76,314.55)
Sudarshan Electronics and T.V. Limited	0.01%	24.62	0.05%	3.64	0.00%	(0.36)	0.00%	3.28

**34** The Company does not exercise any control and does not have significant influence over CEAT Limited, and Spencer and Company Limited. Hence these entities are not considered as associates of the Company as per IND AS- 28 "Investments in Associates". The Investments have been accounted for as per IND AS - 109 "Financial Instruments".

### 35 Segment reporting

As per the requirement of IND AS 108 on "Operating Segments", based on evaluation of financial information for allocation of resources and assessing performance, the Group identified as single segments i.e. holding and investing with focus on earning income through dividends, interest and gains from investments. Accordingly, there are no separate reportable segments as per IND AS.

#### For Chaturvedi & Shah LLP

Chartered Accountants  
Firm's Regn No. : 101720W/W100355

#### Jignesh Mehta

Partner  
Membership No. 102749

Place: Mumbai

Date : 24<sup>th</sup> May 2021

For and on behalf of Board of Directors  
**Summit Securities Limited**

#### H N Singh Rajpoot

Director  
(DIN: 00080836)

#### A.V. Nerurkar

Director  
(DIN: 00045309)

**Parasmal Rakhecha**  
Chief Financial Officer

**Jiya Gangwani**  
Company Secretary

#### Anand Rathi

Manager

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rule, 2014 (as amended))

**PART - "A" - Subsidiaries**

(All amounts in ₹ Lakhs, unless otherwise stated)

Sr. No	Name of Subsidiary Company	Reporting Currency	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments	Turnover/ Total Income	Profit Before Taxation	Tax Expenses	Profit After Taxation	Other Comprehensive Income	Total Comprehensive Income	Proposed Dividend	% of Shareholding
1	Instant Holdings Limited	INR	471.39	3,10,487.73	3,38,689.27	27,730.14	3,38,354.45	1,384.19	1,287.10	330.13	956.97	1,57,294.67	1,58,251.64	-	100%
2	Sudarshan Electronics and T.V. Limited	INR	782.67	(750.52)	222.20	190.06	2.00	10.54	9.21	2.69	6.52	1.00	7.52	-	100%

**Note :** There are no subsidiaries which are yet to commence operations or liquidated or sold during the year**PART - "B" - Associates and Joint Ventures****Statement Pursuant to Section 129(3) of the Companies Act, 2013 Related to Associate Company**

(All amounts in ₹ Lakhs, unless otherwise stated)

Sr. No	Name of Associate Company	Shares of Associates held by company on year end			Networth Attributable to shareholding as per latest Audited Balance Sheet	Profit/Loss for the year								
		Latest Audited Balance Sheet Date	Nos.	Amount of Investment in Associates #		Extent of Holding (%)	Considered in Consolidation	Not Considered in Consolidation	Description of how there is significant influence	Reason why the associates is not consolidated				
1	CEAT Limited	31.03.2021	1,28,89,808	2,01,242.13	-	-	31.86	-	-	-	-	13,022.14	Not Applicable	Refer Note 3
2	Spencer and Company Limited	31.03.2020	44,64,576	3,989.10	-	-	40.83	-	-	-	-	157.25	Not Applicable	Refer Note 3

**Note :**

- There are no associates which are yet to commence operations or liquidated or sold during the year
- Company along with its subsidiary Instant Holdings Limited and Sudarshan Electronics and T.V. Limited hold more than 20% of the total share capital of CEAT Limited and Spencer and Company Limited.
- The Company does not exercise any control and does not have significant influence over CEAT Limited, and Spencer and Company Limited. Hence these entities are not considered as associates of the Company as per IND AS- 28 "Investments in Associates". The Investments have been accounted for as per IND AS - 109 "Financial Instruments".

For and on behalf of Board of Directors  
**Summit Securities Limited**

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Director  
(DIN: 00080836)

**A. V. Nerurkar**  
Director  
(DIN: 00045309)

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**Anand Rathi**  
Manager



