

# SARVOTTAM FINVEST LIMITED

Regd. Office : 3, Bentinck Street, 2nd Floor, Kolkata - 700 001  
Ph. : (033) 2210 0875, e-mail : sarvottamfinvest@gmail.com  
CIN : L65993WB1978PLC031793 Website : www.sarvottamfinvest.in

Date:06.09.2021

To  
The Secretary  
The Calcutta Stock Exchange Ltd.  
7, Lyons Range  
Kolkata - 700 001

To  
BSE Corporate Compliance & Listing Centre  
BSE Limited  
P. J. Towers, Dalal Street  
Mumbai – 400001

Scrip Code: 10012144  
ISIN No: INE822Q01015

Scrip Code:539124  
ISIN No.:INE822Q01015

Ref: Regulation 30, 34 & 42 of the SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015 and Section 91 of the Companies Act, 2013 (read with allied rules)

Sub.: Intimation regarding 42<sup>nd</sup> Annual General Meeting, Record Date and Book Closure

Dear Sir/ Madam,

We hereby inform you that, the 42<sup>nd</sup> Annual General Meeting (AGM) of the Members of the Company will be held on Thursday, 30th September, 2021 at 3:00 P.M. at the Registered office of the Company at 3, Bentinck Street, 2nd Floor, Kolkata -700 001. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) for facilitating voting by electronic means. The cut off date (record date), for determining Members eligible for vote at the said ensuing AGM, has been fixed to be on Thursday, 23 September, 2021.

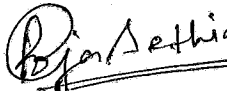
We have enclosed herewith, a copy of Notice calling the aforesaid ensuing AGM and Annual Report of the Company for the Financial Year 2020-21.

Further Pursuant to Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Register of Members and Share Transfer Books of the Company will remain closed from Friday, 24th September, 2021 to Thursday, 30th September, 2021 (both days inclusive), for taking record of Members of the Company for the purpose of ensuing AGM.

This is for your reference and record.

Thanking you.

Yours Faithfully,  
For Sarvottam Finvest Limited

  
Pooja Sethia  
Company Secretary



# **Sarvottam Finvest Limited**

**42<sup>nd</sup> Annual Report  
2020-21**

**Board of Directors:****Manoj Sethia**

Chairman

**Dilip Kumar Gupta**

Managing Director

**Rajesh Shah**

Independent Director

**Sangeeta Sethia**

Non-Independent Non-Executive Director

**Mali Chand Agarwala**

Independent Director

**Mukesh Agarwal**

Independent Director

**Anupama Madhogarhia**

Independent Director

**Company Secretary and Chief Compliance Officer:****Pooja Sethia****Chief Financial Officer:****Rohit Jain****Audit Committee:****RajeshShah****Mali Chand Agarwala****Manoj Sethia****Stakeholders' Relationship Committee:****Manoj Sethia****Rajesh Shah****Dilip Kumar Gupta****Nomination and Remuneration Committee:****Mali Chand Agarwala****Manoj Sethia****Rajesh Shah****Auditors:****M/s. V. Goyal & Associates**

Chartered Accountants

**Bankers:****IndusInd Bank Limited****RBL Bank Limited.****Registered Office:**

3, Bentinck Street, 2ndFloor

Kolkata-700 001

Telephone: 033-2210-0875

e-mail: sarvottamfinvest@gmail.com

website: www.sarvottamfinvest.in

**CIN:****L65993WB1978PLC031793****Registrar and Share Transfer Agent:****ABS Consultant Pvt. Ltd.**

Room No. 99, 6th Floor,

Stephen House,

4, B.B.D Bag (East), Kolkata-700 001

Telephone:033-22301043/22430153

e-mail: absconsultant99@gmail.com

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## NOTICE

NOTICE is hereby given that the 42<sup>nd</sup> Annual General Meeting of the Members of **Sarvottam Finvest Limited** will be held at the Registered Office of the Company at 3, Bentinck Street, 2nd Floor, Kolkata-700001 at 3:00 P.M. on Thursday, the 30<sup>th</sup> September, 2021 to transact the following businesses:-

### AS ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2021 together with the Director's Report and Auditors' Report thereon.
2. To appoint a director in place of Mr. Dilip Kumar Gupta (DIN: 01168576), who retires by rotation and being eligible, offers himself for re-appointment.

### AS SPECIAL BUSINESS

3. To consider and thought fit to pass with or without modification(s) the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of section 196, 197 and 203 read with the Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014(including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Members be and is hereby granted to the re-appointment of Mr. Dilip Kumar Gupta as the Managing Director of the Company, liable to retire by rotation for a period of 5(five) years with effect from 1<sup>st</sup> October, 2021, on the terms and conditions including remuneration as are set out in the Explanatory Statement annexed hereto with the liberty to the Board of Directors, including any committee thereof, to alter and vary and/or modify the terms and conditions of the re-appointment including remuneration, commission etc. payable to Mr. Dilip Kumar Gupta within the limits specified in Schedule V to the Companies Act, 2013 from time to time and as may be agreed between the Board of Directors and Mr. Dilip Kumar Gupta.”

**By order of the Board**

Pooja Sethia  
Company Secretary

Place: Kolkata

Date: 3<sup>rd</sup> September, 2021

**NOTES**

1. A member entitled to attend and vote is also entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. Proxies in order to be effective must be received by the company at its registered office not less than 48 hours before the meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member.
2. Proxies submitted on behalf of Limited Companies, Body corporates, Societies etc. must be supported by appropriate resolution/authority, as applicable. Blank Proxy form is attached.
3. Route-map to the venue of the Meeting is provided in the notice for the convenience of the members.
4. Corporate members intending to send their Authorized Representatives to attend the Meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. Register of Members and Share Transfer Books of the Company will remain closed from 24.09.2021 to 30.09.2021 (both days inclusive).
6. Brief resume of the Directors being re-appointed, nature of the expertise in specific functional areas, names of Indian Public Limited Companies in which she holds directorship and membership/Chairmanship of Board Committees, shareholding and relationships between directors inter-se as stipulated under regulation 36(3) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the notice forming part of Annual Report.
7. The Company's shares are listed on BSE Ltd. and The Calcutta Stock Exchange Ltd. with scrip Code 538895 and 10012144 are respectively.
8. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during office hours on all working days except Sundays and Holidays between 11:00 a.m. and 1:00 p.m. up to the date of the Annual General Meeting.

**9. Updation of Members' Details:**

The format of Register of Members prescribed by Ministry of Corporate Affairs under the Act requires the Company/Registrar and Share Transfer Agents to record additional details of Members, including their PAN details, e-mail address, bank details for payment of dividend, etc. A form requesting for such additional details is appended to this Notice. Members holding shares in physical form are requested to submit the form duly filled in to the Company or ABS Consultant Private Limited.

10. Members are requested:
  - a) To bring their attendance slip along with their copy of Annual Report to the Meeting;
  - b) To quote their Ledger Folio No./DP ID and Client ID in all communications addressed to the Company;
  - c) To notify immediately any change in your address (including pin code), bank details to Company/RTA in case the shares are held in physical form; and
  - d) In case the shares held in dematerialized form please update any change in your address (including pin code), bank details to your respective Depository Participant.

**11. Voting through electronic means**

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Members are provided with the facilities to cast their votes on all resolutions set forth in the Notice of the Annual General Meeting using electronic means and business may be transacted through remote e-voting. The Company has engaged the service of Central Depository Services (India) Ltd. (CDSL) as the authorized agency to provide the remote e-voting facilities.

The facility for voting through ballot paper shall be made available at the Annual General Meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.

The notice of the e-voting process along with printed Attendance Slip and Proxy Form is being dispatched to all the Members. The e-voting particulars are provided at the bottom of the Attendance Slip.

**The Instructions for E-Voting are as under:**

(i) The remote e-voting period begins from 27-09-2021 from 9.00 A.M. and ends on 29-09-2021 till 5.00 P.M. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off/entitlement date of 23-09-2021 may cast their vote electronically. The remote e-voting module shall be disabled by Central Depository Services (India) Ltd. for voting thereafter.

(ii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System My easi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service</li> </ol>

	<p>providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with NSDL	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
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. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

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

(iv) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

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

(v) After entering these details appropriately, click on “SUBMIT” tab.

(vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also



(vii) used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN for the relevant <Sarovottam Finvest Limited> on which you choose to vote.

(x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

(xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) Facility for Non – Individual Shareholders and Custodians – Remote Voting

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [sarvottamfinvest@gmail.com](mailto:sarvottamfinvest@gmail.com) (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

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

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

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

- A. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help Section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- B. Once the vote on a resolution is cast by the shareholder by electronic means, the shareholder shall not be allowed to change it subsequently or cast his vote by any other means.
- C. Any Person who becomes a Member of the Company after dispatch of this Notice and holding shares as on the cut-off date i.e.23.09.2021, may obtain the User ID and password for Remote E-voting by sending request at [sarvottamfinvest@gmail.com](mailto:sarvottamfinvest@gmail.com).
- D. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off/entitlement date of 23.09.2021.
- E. M/s Agarwal Priti& Associates, a Practicing Company Secretary, (PCS No. 10877) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- F. The Scrutinizer shall, after scrutinizing the votes cast at the Annual General Meeting and through Remote E-voting, not later than 3 (three) days from the conclusion of the Annual General Meeting make a consolidated Scrutinizer's report and submit the same to the Chairman.
- G. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website at [www.sarvottamfinvest.in](http://www.sarvottamfinvest.in) and on the website of Central Depository Services (India) Ltd. viz. [www.evotingindia.com](http://www.evotingindia.com) within three days of passing of the resolutions at the 42<sup>nd</sup> Annual General Meeting (AGM) of the Company on 30th September 2021 and communicate to BSE Ltd. And The Calcutta Stock Exchange Ltd.(CSE), where Equity Shares of the Company are listed.

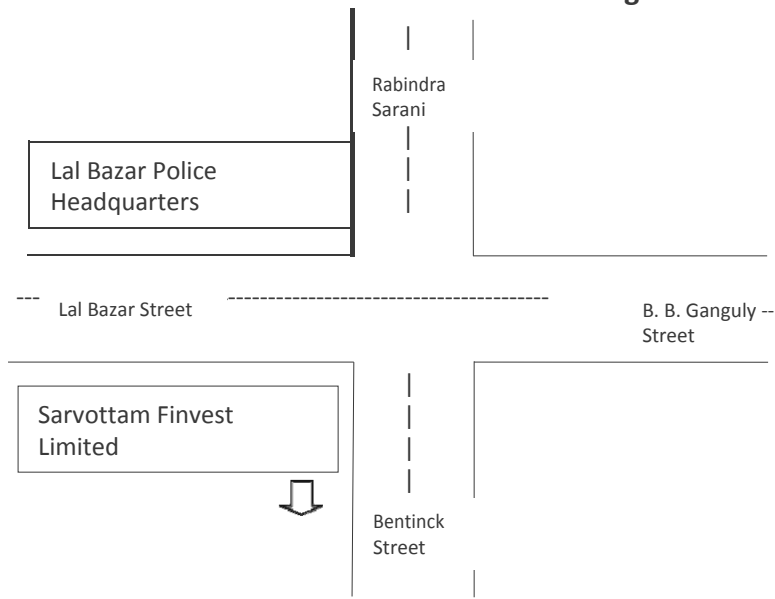
**By order of the Board**

Pooja Sethia  
Company Secretary

Place: Kolkata

Date: 3<sup>rd</sup> September, 2021

### Route Map to the Venue of the 42<sup>ND</sup> Annual General Meeting of Sarvottam Finvest Limited



**EXPLANATORY STATEMENT [PUSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013(the Act)]****Item No. 3**

Mr. Dilip Kumar Gupta was re-appointed as the Managing Director of the Company for a period of five years effective from 1<sup>st</sup> October 2016 till 30<sup>th</sup> September, 2021, liable to retire by rotation, and the said re-appointment was approved by the shareholders at the 37<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> September, 2016.

The Board of Directors of the Company at its meeting held on 3<sup>rd</sup> September, 2021 has, subject to the approval of the shareholders, re-appointed Mr. Dilip Kumar Gupta as Managing Director of the Company for another term of 5 (five) years with effect from 1<sup>st</sup> October, 2021 on the terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee of the Company.

Brief particulars of Mr. Dilip Kumar Gupta, as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed to this Notice.

Mr. Dilip Kumar Gupta is interested in the resolution set out at item no. 3 of the Notice with regard to his re-appointment.

The terms and conditions of his appointment are as follows:

**1. Tenure:**

Mr. Dilip Kumar Gupta will be appointed for a period from 1<sup>st</sup> October, 2021 to 30<sup>th</sup> September, 2026

**2. Remuneration:**

Rs. 6,00,000/- per annum (Rupees Six Lacs Only) inclusive of all the perquisite and benefits. For the purpose of calculating the above ceiling, perquisite and allowances shall be evaluated as per Income Tax Rules, 1962 wherever applicable. In the absence of any such rules, perquisite and allowances shall be evaluated as per rules of the Company. The gratuity payment shall be considered as per Company's rules and shall not be included in the computation of ceiling on remuneration and perquisite.

**3. Other terms of Appointment:**

The terms set out for payment of remuneration specified herein may be altered and varied from time to time by the Board of Directors/Nomination and Remuneration Committee as it may, at its discretion deem fit. The Board is also entitled to revise the salary of Mr. Dilip Kumar Gupta at any time, such that the overall yearly remuneration payable to the said Directors shall not exceed the limits specified under Schedule V of the Companies Act, 2013.

**4. Minimum Remuneration:**

Notwithstanding anything to the contrary herein contained, where in any financial year, the Company has suffered loss or its profits are inadequate, Mr. Dilip Kumar Gupta shall be paid the above remuneration as minimum remuneration subject to the limit prescribed under section 197 read with Schedule V to the Companies Act, 2013.

Mr. Dilip Kumar Gupta will not be entitled to any sitting fee for attending meetings of the Board.

The Board of Directors, therefore, recommends the resolution for approval of the Member.

By order of the Board

Pooja Sethia  
Company Secretary

Place: Kolkata

Date: 3<sup>rd</sup> September, 2021

**Annexure**

**Information pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to the director seeking appointment/re-appointment at the forthcoming Annual General Meeting (Refer item no. 2 and 3 of the Notice)**

Name of Director	<b>Mr. Dilip Kumar Gupta</b>
Date of Birth	27 <sup>th</sup> July, 1983
Qualification	Bachelors of Commerce
Expertise in specific functional area	He has over 12 years of experiences in the field of Finance and Accounts.
Directorship Held in other Indian Public Listed Companies (Excluding foreign companies)	NIL
Membership/Chairmanship of Committees of other Indian Public Companies:	NIL
Number of shares held in the Company as on 31 <sup>st</sup> March, 2021	NIL
Directors' inter-se Relationship	NONE

**DIRECTORS' REPORT**

**Dear Members,**

Your Directors have pleasure in presenting the 42<sup>nd</sup> Annual Report along with the Audited Statement of Accounts of the Company for the financial year ended 31st March, 2021.

**FINANCIAL HIGHLIGHTS***(Rs. In Lakhs)*

Particulars	31st March, 2021	31st March, 2020
<b>Profit /(Loss )before tax</b>	<b>(4.45)</b>	<b>(0.84)</b>
Less: Tax Expense	1.38	4.43
<b>Profit /(Loss) after tax</b>	<b>(5.84)</b>	<b>(5.27)</b>
Other Comprehensive Income for the year, net of tax	0.00	0.00
<b>Total Comprehensive Income for the year</b>	<b>(5.84)</b>	<b>(5.27)</b>

**DIVIDEND**

With a view to conserve resources for growth of Company, the Board recommends no dividend for the year ended 31st March, 2021.

**COVID-19**

The COVID-19 pandemic which is a once in a lifetime occurrence has brought with it an unimaginable suffering to people and to almost all sections of the economy. The nationwide lockdowns to curtail the transmission of disease, had put the global economy in extreme stress of the level not seen since the Great Depression and would have a long-lasting economic impact. The dynamic and evolving nature of the pandemic with its resurgence (second wave) at the close of the year once again creates uncertainty, including economic impact. Hopefully, the outreach of vaccination drives across the country, additional efforts to set up medical infrastructure and obtain required medical supplies, in addition to continued adherence to COVID-19 specific protocols will help in overcoming this testing situation. Like the greater economy, the pandemic coupled with the lockdown and relief measures provided by RBI had a bearing on the performance of the Company. The impact of the above on the performance of the Company and the measures adopted by the Company to steer through the pandemic have been discussed in detail in Management Discussion and Analysis.

**TRANSFER TO RESERVE**

The Company did not transfer any amount to General Reserve during the year.

**PUBLIC DEPOSITS**

The Company is registered with Reserve Bank of India as a Non-Deposit taking Non-Banking Financial Company. The Company has neither invited nor accepted/renewed any deposits from the public within the meaning of Chapter V of Companies Act, 2013 or extant regulations of the Reserve Bank of India during the year under review.

**CAPITAL STRUCTURE**

During the year, there has been no change in the capital base of the Company, which comprises of 7500000 Equity Shares of Rs.10/-each.

**CHANGE IN NATURE OF THE BUSINESS**

There has been no change in the nature of business of the Company during the year.

**STATUTORY & LEGAL MATTERS**

There has been no significant and/or material order(s) passed by any Regulators/Courts/Tribunals impacting the going concern status of the Company's operations in future.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In terms of Section 152 of the Companies Act, 2013, Mr. Dilip Kumar Gupta (DIN:01168576), retires by rotation from the Board of Directors of the Company at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

Additional information pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Director seeking re-appointment is given in the Notice convening Annual General Meeting Notice of the Company.

None of the Directors of the Company is disqualified for being appointed as a Director, under section 164(2) of the Companies Act, 2013.

## **DECLARATION BY INDEPENDENT DIRECTORS**

The Company has received the necessary declaration from each Independent Director of the Company under section 149(7) of Companies Act, 2013 that they meet the criteria of Independence as laid down under the provisions of sub-section (6) of section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **DETAILS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

There are no Subsidiaries, Joint Ventures and Associate Company during the financial year 2020-21 under review.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of section 134(3)(c) of the Companies Act, 2013, it is hereby confirmed that:

- a) In the preparation of the Annual Accounts for the year ended 31st March, 2021, the applicable accounting standards had been followed along with the proper explanation relating to material departures, if any;
- b) That such accounting policies have been selected as mentioned in the Notes to Financial Statements and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2021 and of the loss of the Company for the year ended on that date;
- c) That 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 Company and for preventing and detecting fraud and other irregularities;
- d) that annual accounts have been prepared for the financial year ended 31st March, 2021 on 'going concern 'basis;
- e) that proper internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) that proper system have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **STATUTORY AUDITORS AND AUDIT REPORT**

M/s. V. Goyal & Associates., Chartered Accountants, Statutory Auditors of the Company were re-appointed by the shareholders at thirty eighth Annual General Meeting for further period of five years till conclusion of 43rd Annual General Meeting to be scheduled in 2022. They have confirmed their eligibility and are not disqualified to act as auditors of the Company.

The observations made by the auditor's in the Auditors' Report are self explanatory and do not contain any qualification or any adverse remarks and, therefore need no further clarifications or any further explanations as required under sub-section (3) of section 134 of Companies Act, 2013.

## **SECRETARIAL AUDIT**

In compliances with provisions of Section 204 and other applicable provisions of Companies Act 2013, a Secretarial Audit was conducted during the year by Secretarial Auditors M/s Agarwal Priti & Associates (CP No.9937). The Secretarial Auditor's Report for the financial year ended 31st March, 2021 is attached as **Annexure-A** and form part

of this report. There are no qualifications or observations or remarks made by the Secretarial Auditors in their Audit Report.

### **SECRETARIAL STANDARD**

The Company complies with all applicable Secretarial Standard.

### **FRAUD REPORTING**

There was no fraud reported by Auditors of the Company under Section 143 (12) of the Companies Act, 2013, to the Audit Committee or Board of Directors during the year under review.

### **MEETINGS OF THE BOARD**

Eight meetings of the Board of Directors were held during the year. The details of various Board Meetings are provided in the Corporate Governance Report of this Annual Report.

### **CORPORATE GOVERNANCE**

Transparency is the cornerstone of your Company's philosophy and all requirements of Corporate Governance are adhered to both in letter and spirit. All the Committees of the Board of Directors meets at regular intervals as required in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Your Board of Directors has taken all the necessary steps to ensure compliances with all statutory requirements. The Directors and Key Managerial Personnel of your Company have complied with the approved code of conduct for the Board and Senior Management.

The Report on Corporate Governance as required under regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached as a separate section forming part of the Annual Report. The Auditors' Certificate on compliance with Corporate Governance Requirements is also attached to this report.

### **BUSINESS RESPONSIBILITY REPORT (BRR)**

Preparation of Business Responsibility Report is not applicable to the Company.

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

In terms of provision of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the management discussion and analysis report for the year is presented, in a separate section forming part of the Annual Report.

### **LISTED WITH STOCK EXCHANGES**

The Company's share continues to remain listed with BSE Ltd. and The Calcutta Stock Exchange Ltd. The Company has paid the annual listing fees for the year 2021-22 to both the Stock Exchanges.

### **MATERIALS CHANGES AND COMMITMENTS**

No material changes and commitments have occurred after the close of the financial year 2020-21 till the date of this Report, which affect the financial position of the Company.

### **INTERNAL FINANCIAL CONTROL**

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosure.

### **MANAGERIAL REMUNERATION**

In terms of the provision of Section 197(12) of the Act read with Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 or amendment thereof, if any, in respect of the managerial personnel of the company is attached here as **Annexure-B**.



**PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

There are no employees who are in receipt of remuneration in excess of the limit specified under section 134(3)(q) read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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

Your Company does not have any activity requiring conservation of energy or technology absorption and there was no foreign exchange earnings and/or foreign exchange outgo.

**RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into during the financial year were at arm's length basis and were in the ordinary course of business. Details of materially significant related party transactions that are the transactions of a material nature between the Company and the Promoters, Management, Directors or their relatives etc. are disclosed in the Note No. 30 of the Financial Statements in compliance with the Accounting Standard relating to "Related Party Disclosures".

There are no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which may have a potential conflict with the interest of the Company.

**EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return of the Company as on the financial year ended 31st March, 2021 in Form No. MGT 9 is annexed to this report as **Annexure-C**.

The Extract is also available on the website of the Company at [www.sarvottamfinvest.in](http://www.sarvottamfinvest.in).

**RISK MANAGEMENT POLICY**

As required under provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has established a well documented and robust risk management framework.

The Audit Committee of the Board of Directors reviews the Risk Management Strategy of the Company to ensure effectiveness of the Risk Management policy and procedures. Board of Directors of the Company is regularly apprised on the key risk assessment areas and a mitigation mechanism is recommended.

During the year, the Board has reviewed the risk assessment and a risk minimization procedure commensurate to the risks has been adopted and is in place.

**CORPORATE SOCIAL RESPONSIBILITY**

The Company does not fall in the category of Companies to where under section 135(1) is applicable. Hence Corporate Social Responsibility requirements are not applicable to Company.

**VIGIL MECHANISM**

In accordance with Section 177(9) and 177(10) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has established a Vigil Mechanism/Whistle Blower Policy. The policy is available at Company's website.

**PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated the criteria for the evaluation of the performance of Board of Directors, Independent Directors, Non-Independent Directors and the Chairman of the Board. Based on that performance evaluation has been undertaken. The Independent Directors of the Company have also convened a separate meeting for this purpose. All the results and evaluation has been communicated to the Chairman of the Board of Directors. All Directors of the Board are familiar with the business of the Company.

**RBI GUIDELINES**

The Company continues to comply with all the requirements prescribed by the Reserve Bank of India from time to time.

**DISCLOSURE AS REQUIRED UNDER SECTION 22 OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees are covered under this policy.

During the year under review, no case was filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**APPRECIATION**

Your Directors wish to place on record their appreciation for continued guidance and co-operation received from the various stakeholders including financial institutions and banks, regulators, government authorities and other business associates, who have extended their valuable support and encouragement during the year under review. The Directors thank the Company's employees, customers, vendors, investors and academic partners for their continuous support.

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic. The Directors appreciate and value the contribution made by every member of the Company.

For and on behalf of the Board

**Manoj Sethia**

Chairman

DIN: 00585491

Place: Kolkata

Date: 3<sup>rd</sup> September, 2021

**ANNEXURE-A****Form No. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021**

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

To,  
The Members,  
**Sarvottam Finvest Limited**  
3, Bentinck Street, 2nd Floor,  
Kolkata - 700001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Sarvottam Finvest 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 and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations given to us and the representations made by the Management 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 report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

- (i) The Companies Act, 2013 (the Act) and the rules made there under, as applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (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 (Not applicable to the Company during the Audit Period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act,1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations,2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. (Not applicable to the Company during the Audit Period);
  - (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
  - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 -The Company has appointed M/s ABS Consultant Private Limited as Registrar and Transfer Agent.
  - (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period);

- (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998(Not applicable to the Company during the Audit Period);and
- (h) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014(Not applicable to the Company during the Audit Period);
- (vi) Rules, Regulations, Guidelines and Directions issued by the Reserve Bank of India or Non-Deposit taking NBFCs; as specifically applicable to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with The Calcutta Stock Exchange Limited and BSE Ltd. as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review and as per the explanations and clarifications given to us and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above.

**We further report that:**

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

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case maybe.

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.

During the year under report, the Company has not undertaken any event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For M/s. Agarwal Priti & Associates

**Priti Agarwal**

Proprietor

(Company Secretary in Practice)

PCS No.:10877 and C.P. No :9937

Place: Kolkata

Date :3<sup>rd</sup> September, 2021

UDIN:F010877C000894309

**NOTE-**This report is to be read out with our letter of even date which is annexed as **Annexure I** and forms an integral part of this report.

**Annexure-I**

(TO THE SECRETARIAL AUDIT REPORT OF  
**Sarvottam Finvest Limited**  
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021)

To,  
The Members,  
**Sarvottam Finvest Limited**  
3, Bentinck Street, 2nd Floor,  
Kolkata - 700001

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

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the Audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes 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. Wherever 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 and standards is the responsibilities of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For M/s. Agarwal Priti & Associates

**Priti Agarwal**

Proprietor

(Company Secretary in Practice)

PCS No.:10877

C.P. No :9937

UDIN:F010877C000894309

Place: Kolkata

Date :3<sup>rd</sup> September, 2021

**ANNEXURE - B****1) REMUNERATION PAID TO DIRECTORS**

SL	NAME OF THE DIRECTOR	DESIGNATION	REMUNERATION IN F.Y. 2020-21 (Rs.)	REMUNERATION IN F.Y. 2019-20 (Rs.)	% INCREASE OF REMUNERATION IN 20-21 AGAINST 19-20	RATIO OF REMUNERATION TO MRE (Note-1)	RATIO OF REMUNERATION TO REVENUES IN 2021 (Note-1)
1	Mr. Dilip Kumar Gupta	Managing Director	4,50,000	4,50,000	0.00	1.38	0.02
2	Mr. Manoj Sethia	Non Executive Director	NIL	NIL	NIL	NIL	NIL
3	Mr. Rajesh Shah	Independent Director	NIL	NIL	NIL	NIL	NIL
4	Mrs. Sangeeta Sethia	Non Executive Director	NIL	NIL	NIL	NIL	NIL
5	Mr. Mali Chand Agarwala	Independent Director	NIL	NIL	NIL	NIL	NIL
6	Mr. Mukesh Agarwal	Independent Director	NIL	NIL	NIL	NIL	NIL
7	Mrs. Anupama Madhogarhia*	Independent Director	NIL	NIL	NIL	NIL	NIL

\*Appointed w.e.f.10.07.2020

**2) REMUNERATION PAID TO KEY MANAGERIAL PERSONNEL**

SL.	NAME OF THE KEY MANAGERIAL PERSONNEL	DESIGNATION	REMUNERATION IN F.Y 2020-21 (RS)	REMUNERATION IN F.Y.2019-20 (RS)	% INCREASE OF REMUNERATION IN 20-21 AGAINST 19-20	RATIO OF REMUNERATION TO MRE (Note - 1)	RATIO OF REMUNERATION TO REVENUES IN 2021 (Note - 1)
1.	Ms. Pooja Sethia*	Company Secretary	2,45,000	-	-**	1.29	0.02
2.	Mr. Rohit Jain	Chief Financial Officer (CFO)	3,50,000	2,60,000	16.67%	1.08	0.02

\* Appointment w.e.f . 05.09.2020

\*\* The disclosure with respect to increase in remuneration is not given as the tenure of Director/KMP was only for the part of F.Y. 2020-21.

**NOTES:**

1. Calculation based on annualized salary.
2. No remuneration is paid to any Non Executive director during the period
  - a. The percentage increase in the median remuneration of employees in the financial year – 8.33%
  - b. The number of permanent employees in the rolls of the company as on 31.03.2021 - 16
  - c. Average percentile increased already made in the salaries of employee other than the KMPs in the last financial year and its comparison with the percentile increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration - 4.38%
  - d. The remuneration is paid as per recommendation of the Nomination and Remuneration Committee.
  - e. During the Financial year 2019-20 no employee received remuneration in excess of that paid to Managing Director.

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

As on financial year ended on 31.03.2021

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

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L65993WB1978PLC031793
2.	Registration Date	30/11/1978
3.	Name of the Company	Sarvottam Finvest Limited
4.	Category/Sub-category of the Company	Public Limited
5.	Address of the Registered office & contact details	3, Bentinck Street, 2 <sup>nd</sup> Floor Kolkata – 700001 Telephone : (033) 22100875 e-mail : <a href="mailto:sarvottamfinvest@gmail.com">sarvottamfinvest@gmail.com</a> Website : <a href="http://www.sarvottamfinvest.in">www.sarvottamfinvest.in</a>
6.	Whether listed Company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	ABS Consultant Pvt. Ltd. Room No. 99, 6th Floor, Stephen House 4, B.B.D. Bag (East), Kolkata-700001 Telephone : (033) 2230 1043, 2243 0153 E-mail : <a href="mailto:absconsultant99@gmail.com">absconsultant99@gmail.com</a>

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Lending Activities(Making Loan and Investment and other fund based activities)	6492	100%

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

Sl. No.	Name and Address of the Company	CIN	Holding/Subsidiary/Associate	% of shares held	Applicable Section
1	NIL	NIL	NIL	NIL	NIL

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

Category of Shareholders	No. of Shares held at the beginning of the year[As on 01/04/2020]				No. of Shares held at the end of the year[As on 31/03/2021]				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	50	0.00	50	0.00	50	0.00	50	0.00	0.00
b) Central Govt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) State Govt(s)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) Bodies Corp.	1800000	0.00	1800000	24.00	1800000	0.00	1800000	24.00	0.00
e) Banks / FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f) Any other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Sub-Total(A)(1)</b>	<b>1800050</b>	<b>0.00</b>	<b>1800050</b>	<b>24.00</b>	<b>1800050</b>	<b>0.00</b>	<b>1800050</b>	<b>24.00</b>	<b>0.00</b>
<b>(2) Foreign</b>									
a) NRI-Individual	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Other Individual	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Bodies Corporate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) Banks/FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Any Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Sub-Total(A)(2)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter &amp; Promoter Group(A)=(A)(1)+(2)</b>	<b>1800050</b>	<b>0.00</b>	<b>1800050</b>	<b>24.00</b>	<b>1800050</b>	<b>0.00</b>	<b>1800050</b>	<b>24.00</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Banks / FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Central Govt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) State Govt(s)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Venture Capital Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f) Insurance Companies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
g) FII's	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
h) Foreign Venture Capital Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
i) Others (specify)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Sub-total (B)(1):-</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>



2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0.00	4657000	4657000	62.09	25000	4632000	4657000	62.09	0.00
ii) Overseas	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	364	2500	2864	0.04	364	2500	2864	0.04	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	739236	300850	1040086	13.87	739236	300850	1040086	13.87	0.00
c) Others (specify)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Sub-total (B)(2):-</b>	<b>739600</b>	<b>4960350</b>	<b>5699950</b>	<b>76.00</b>	<b>764600</b>	<b>4935350</b>	<b>5699950</b>	<b>76.00</b>	<b>0.00</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>739600</b>	<b>4960350</b>	<b>5699950</b>	<b>76.00</b>	<b>764600</b>	<b>4935350</b>	<b>5699950</b>	<b>76.00</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>2539650</b>	<b>4960350</b>	<b>7500000</b>	<b>100.00</b>	<b>2564650</b>	<b>4935350</b>	<b>7500000</b>	<b>100.00</b>	<b>0.00</b>

## ii) Shareholding of Promoters-

SN	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2020)			Shareholding at the end of the year (As on 31-03-2021)			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Jain Commodity Broking Pvt. Ltd.	1800000	24.00	0.00	1800000	24.00	0.00	0.00
2	Mr. Manoj Sethia	50	0.00	0.00	50	0.00	0.00	0.00

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

There is no Change in Promoters' Shareholding for financial year 01.04.2020 to 31.03.2021

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year 01.04.2020	1800050	24.00	1800050	24.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year 31.03.2021	1800050	24.00	1800050	24.00

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

SN	Name of Shareholders	Shareholding at the beginning of the year (01-04-2020) end of the year(31.03.2021)		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2020 to 31.03.2021)	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1.	Helios Vincom Pvt. Ltd.	125050	1.67	01-04-2020 31-03-2021	NO CHANGE	N.A.	125050	1.67
2.	KaveriDealcom Pvt. Ltd	125050	1.67	01-04-2020 31-03-2021	NO CHANGE	N.A.	125050	1.67
3.	ChitrakalaVincom Pvt. Ltd.	101500	1.35	01-04-2020 31-03-2021	NO CHANGE	N.A.	101500	1.35
4.	DastakVincom Pvt. Ltd.	79650	1.06	01-04-2020 31-03-2021	NO CHANGE	N.A.	79650	1.06
5.	FreshupVinimay Pvt. Ltd.	79650	1.06	01-04-2020 31-03-2021	NO CHANGE	N.A.	79650	1.06
6.	Apex Dealmark Pvt. Ltd.	79550	1.06	01-04-2020 31-03-2021	NO CHANGE	N.A.	79550	1.06
7.	BhagyalaxmiVincom Pvt. Ltd.	79550	1.06	01-04-2020 31-03-2021	NO CHANGE	N.A.	79550	1.06
8.	Deepraj Trading Pvt. Ltd.	79550	1.06	01-04-2020 31-03-2021	NO CHANGE	N.A.	79550	1.06
9.	Aristo Dealmark Pvt. Ltd.	79500	1.06	01-04-2020 31-03-2021	NO CHANGE	N.A.	79500	1.06
10.	Pixel Commotrade Pvt. Ltd.	79450	1.06	01-04-2020 31-03-2021	NO CHANGE	N.A.	79450	1.06

**(v) Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year 01.04.2020 Manoj Sethia	50	0.00	50	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equityetc.):	NIL	NIL	NIL	NIL
	At the end of the year 31.03.2021 Manoj Sethia	50	0.00	50	0.00

**V) INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year 01.04.2019</b>	<b>NIL</b>			
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				
<b>Change in Indebtedness during the financial year</b>				
* Addition				
* Reduction				
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year 31.03.2020</b>				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

SN.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
		<b>Dilip Kumar Gupta (Managing Director)</b>	
1	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	4,50,000	4,50,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under Section 17(3) Income- tax Act, 1961	NIL	NIL
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission - as % of profit - others, specify...	NIL	NIL
5	Others, please specify	NIL	NIL
	Total (A)	4,50,000	4,50,000
	Ceiling as per the Act	NIL	NIL

**B. Remuneration to other directors**

SN.	Particulars of Remuneration	Name of Directors				Total Amount
	<b>Independent Directors</b>	<b>Rajesh Shah</b>	<b>Mukesh Agarwal</b>	<b>Mali Chand Agarwala</b>	<b>Anupama Madhogarhia</b>	
1	Fee for attending board committee meetings	NIL	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total(1)	NIL	NIL	NIL	NIL	NIL

	Other Non-Executive Directors	Mr. Manoj Sethia	Mrs. Sangeeta Sethia
2	Fee for attending board committee meetings	NIL	NIL
	Commission	NIL	NIL
	Others, please specify	NIL	NIL
	Total (2)	NIL	NIL
	Total (B)=(1+2)	NIL	NIL
	Total Managerial Remuneration	NIL	NIL
	Overall Ceiling as per the Act	NIL	NIL

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

SN	Particulars of Remuneration	Key Managerial Personnel		
		Rohit Jain Chief Financial Officer	Ms. Pooja Sethia* Company Secretary	Total
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	3,50,000	2,45,000	5,95,000
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	NIL	NIL	NIL
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL
	- as % of profit	NIL	NIL	NIL
	others, specify...	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL
	Total	3,50,000	2,45,000	5,95,000

\* Appointed w.e.f. 05.09.2020

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

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

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report has to be read in conjunction with the Company's financial statements, covering overall performance and outlook of its activities which read as follows-

### MACROECONOMIC VIEW

The Indian economy, after subdued growth in 2019, had begun to regain momentum January 2020 onwards, only to be stalled by the once-in-a-century black swan COVID-19 outbreak. The economy witnessed a sharp contraction of 23.9 per cent in Q1: FY 2020-21 and 7.5 per cent in Q2: FY 2020-21 due to the stringent lockdown imposed during March-April, 2020. Since then, several high frequency indicators have demonstrated a V-shaped recovery. The fundamentals of the economy remain strong as gradual scaling back of lockdowns along with the astute support of Atmanirbhar Bharat Mission have placed the economy firmly on the path of revival. There has been rapid recovery in India's economic activity from the COVID-19 pandemic induced unprecedented lows of the first quarter of FY 2020-21 on the back of extraordinary fiscal and monetary support provided by the Government and RBI. Overall movement of high frequency indicators over Q1, Q2 and Q3 indicated speedy pickup in Q2 and growing convergence to pre-pandemic levels in Q3. As India's mobility and pandemic trends aligned and improved concomitantly, indicators like E-way bills, rail freight, GST collections and power consumption not only reached pre-pandemic levels but also surpassed previous year levels.

The year also saw manufacturing sector's resilience, rural demand cushioning overall economic activity and structural consumption shifts in booming digital transactions. The full impact of the pandemic on the Indian economy is still unravelling and the future growth prospects would critically depend on sustenance of momentum of this recovery. Agriculture is set to cushion the shock of the COVID-19 pandemic on the Indian economy in 2020-21 with a growth of 3.4 per cent in both Q1 and Q2. It is the only sector that has contributed positively to the overall Gross Value Added (GVA) in both Q1 and Q2 2020-21. This indicates that agricultural activities for rabi harvesting and kharif sowing were largely unaffected by the Covid-19 induced lockdown.

The pandemic led receipts-expenditure wedge witnessed in this year has been bridged mainly through additional market borrowing, as demonstrated in the revised borrowing calendar announced by the Centre and higher market borrowing limits given to states. As on 8th January 2021, the Central Government gross market borrowing for FY2020-21 reached `10.72 lakh crore, while State Governments have raised `5.71 lakh crore. Since the COVID-19 outbreak depressed growth and revenues, a significant scale up of borrowings amply demonstrates the government's commitment to provide sustained fiscal stimulus by maintaining high public expenditure levels in the economy. The Indian economy recorded a negative growth rate of 24.4 percent and 7.3 percent in Q1 FY 2021 and Q2 FY 2021 due to lockdown measures. However, the lifting of lockdown measures brought the GDP growth into positive territory of 0.4 percent in Q3 FY2021, which again fell into a negative territory of 1.1 percent in Q4 FY2021 due to the reimposition of certain lockdown type restrictions in certain states. Hence, the overall growth is expected to be in negative territory by 8.0% in FY2021 compared to the growth rate of 4.2 percent in 2019-20. However, agriculture sector growth was estimated at 3.4 percent in FY 2021 due to lower COVID-19 incidence in rural areas and the Government measures to support the sector.

The external sector provided an effective cushion to India during these uncertain times. Amid domestic and global demand and supply disruptions, India's merchandise exports fell by 21.1 per cent in the first half of 2020-21 with the contraction being more severe for imports at 38.8 per cent. Exports, however, revived gradually as the rate of contraction eased to 5.0 per cent in Q3:2020-21, with non-oil exports increasing by 2.3 per cent during the quarter. India remained a preferred investment destination in FY 2020-21. FDI poured in amidst global asset shifts towards equities and prospects of quicker recovery in emerging economies. During April-December 2020, equities witnessed inflow of at USD 30.0 billion, five times its previous year value - India was the only country among emerging markets to receive equity FII inflows in 2020. As a result of these inflows, buoyant Sensex and NIFTY resulted in India's market-capitalisation to Gross Domestic Product (GDP) ratio crossing 100 per cent for the first time since October 2010.

Overall, India is well on its path to a V-shaped recovery to pre-pandemic levels and beyond. The economy was well supported by strategically paced macro-economic policies and resilient fundamentals. The coordinated policy response on both health and economic fronts helped India to endure the pandemic-induced shocks this year.

### INDUSTRY VIEW

On the non-bank financing side, assets under management (AUM) of mutual funds grew at 17.73 per cent during April to November 2020. These funds faced aggressive redemption pressures during the first quarter of the year amid liquidity crunch in debt markets. However, RBI's special liquidity window for mutual funds helped them to tide over this difficult period. RBI's liquidity enhancing measures also boosted Commercial Paper (CP) issuances and eased spreads. In December

2020, CP issuances rose by 55 percent to reach 1.88 lakh crore as compared to ₹1.21 lakh crore in November 2020. The effective Weighted Average Yield of CPs continued to ease to reach 3.6 per cent in December 2020. The mutual fund holdings of NBFCs, after declining substantially post the IL&FS episode, increased by around 40 per cent in November 2020 from its March 2020 levels.

The Government and RBI established an SBI Capital market administered Special Purpose Vehicle (SPV) to acquire eligible NBFCs' short-term papers for repayment of their short-term liabilities. RBI released draft measures on securitisation proposing allowance of single asset securitisations. Exposures which may be purchased from other lenders was also proposed to allowed for securitisation. The Reserve Bank of India (RBI) released a draft discussion paper on the revised legislative structure for NBFCs. However, the proposed quantitative norms, such as capital adequacy ratio, regular asset provisioning, and NPA classification, are not expected to have a significant effect on STFC because we are already well above the minimum compliance steps.

### **FINANCIAL PERFORMANCE-OVERVIEW**

Sarvottam Finvest Limited ("The Company") is a registered Non-Banking Financial Company (NBFC). The performance of the Company is discussed in the Directors' Report. The Company is listed on Calcutta Stock Exchange Limited and BSE Ltd. The financial statements of the Company are prepared in compliance with applicable provision of the Companies Act, 2013 and Generally Accepted Accounting Principles in India (GAAP). The Company has earned income from financing, providing loans and advances trading of Securities, interest and dividend. The Company will extend the business further through identification of promising investment opportunities, through leveraging its resources. Company is also looking forward to expand its operations in the other fields permitted by the regulator, in conformity with its present status. The Company is engaged in the businesses permitted for Non-Banking Financial Company and offered a wide range of fund based financial services to its customers. Nearly 100 percent of the operating profits were contributed by core businesses viz., lending, trading in securities and investments.

### **CAPABILITIES AND STRATEGY**

India's financial services sector comprises of commercial banks/co-operative banks, non-banking financial companies, insurance companies, pension / mutual funds and other various entities. India is expected to be fourth largest private wealth market globally by 2028.

NBFC sector plays important role in financial inclusion by meeting credit needs of retail and MSME sector. NBFC sector provides efficient credit distribution reach to untapped and under-penetrated regions and customer class. NBFC bring the much needed diversity to the financial sector by providing consumer credit, including automobile finance, home finance and consumer durable products finance, wholesale finance products such as bills discounting for small and medium companies and fee based services such as investment banking and underwriting. NBFCs have carved niche business areas for them within the financial sector space and are also popular for providing customized products. The credit delivery of NBFC sector constituted 11.6 per cent of GDP.

NBFCs have emerged as lenders to both Corporates and Non-Corporates. Few NBFCs have upheld their position in this market. However, intense competition, dynamic environment, compliance framework and stricter regulations are forcing companies to change its framework. The Company is helping enterprises to rationalize and making business operationally efficient and remain cost competitive in market. The Company is in process of creating a separate niche in market. The Company's strategy for long term profitable growth is based on continuous scaling and updated to its core businesses, while investing in new customers, services, markets and industries. The Company's strategy of strengthening the current business and investing in future revolves around:

1. Customer centricity.
2. Proximity to client's location.
3. Transparent communication.
4. Flexible control systems

### **OPPORTUNITY AND THREATS**

India is an attractive investment destination and FY 2020-21 has adhered to the same. With the innovative marketing strategies, the company is able to add new customers and retain existing clientele. However, the continuous spread of Covid-19 leading to recession throughout world economic markets, a slowdown in financial flows into the economy, lingering impact of global credit crunch and also increased competition are seen as greatest risks faced by our company. Further the upsurge in borrowing cost, volatility in the Indian equity markets and huge liquidity crunch due to global financial meltdown would be a threat for the Company's business growth. The company has always maintained sufficient

liquid funds so that their operations are not affected. Constantly, sticking on to the traditional values and ethics and with the support of efficient and dedicated resources, we are able to phase out any difficulties in our area of operation.

### **RISKS AND CONCERNS**

The Company is exposed to specific risks that are particular to its businesses and the environment within which it operates, which include pandemic risk, market risk, interest rate volatility, economic cycle and risk of competition from others operating in similar business. The pandemic risk was unprecedented and caused many disruptions and uncertainties globally. The company can be adversely affected by volatility in interest rates in India, which could cause its margins to decline and profitability to shrink. Earnings from interest income are one of the important businesses of the Company. It is therefore exposed to interest rate risk principally as a result of lending to its customers at interest rates, in amounts, and for periods which may differ from those of its funding sources. The company is hedged to some extent against this risk through the reset clause in its advance's portfolio.

- (i) The Company reviews its risk factors annually in order to keep it aligned with the changing global risks.
- (ii) The Company manages such risks by maintaining a conservative financial profile and following prudent business and risk management practices.
- (iii) The company is operating on a well-defined plan and strategy; hence we are equipped to face any change in regulatory risk.
- (iv) The risk appetite is enunciated by the Board from time to time.

### **COMPLIANCE**

We have a robust risk management framework covering all elements of risk management which is aligned to RBI requirements and also other international best practices. The company regularly monitors the changes in legislation pertaining to employment, labour and immigration laws across the globe to ensure total compliance assisted by regular audits. The key areas where the Company needs to introduce new policies or modify the existing policies to remain compliant are identified and acted upon. The Company has complied with all the regulations and guidelines of RBI applicable to a Non-Banking Finance Company.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Company has adequate internal control system commensurate with its size and nature of business. Conforming to the requirements of the regulatory authorities such as the RBI and the SEBI and consistent with the requirements of the Listing agreements with the Stock Exchanges, the company has institutionalized an elaborate system of control processes designed to provide a high degree of assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, reliability of financial controls and compliance with applicable laws and regulations. These systems are designed in a manner to provide reasonable assurance about the integrity and reliability of the financial statements. The Internal Auditors are mandated to carry out periodical audit and report on areas of non-compliances/weaknesses. Corrective actions in case of reported deficiencies, if any, are taken actively to further strengthen the internal control systems. These reports are reviewed by the Audit Committee of the Board of Directors for follow-up action and instructions are issued for taking necessary measures.

The Company's present business operations are preponderantly that of a Loan Company, future of which largely depends upon financial and capital markets. Company has exposure in financially sound entities. Management is optimistic about the future outlook of the Company. Further, more promising areas of activity are being explored on a sustained basis. The Company will expand its activities, consistent with its status as a Non-Banking Finance Company.

### **HUMAN RESOURCES**

The Company firmly believes that intellectual capital and human resources is the backbone of the Company's success. The Company always treats human resources as its most valuable assets and continuously evolves policies and process to attract and retain its substantial pool of managerial resources through friendly work environment. The Company has always aimed to create a work place where every person can achieve his optimum potential. In view of this, the Company encourages its people to balance their professional and personal responsibilities leading to a more productive tenure of its employees. The Company lays great emphasis on building a motivated work force, which can participate constructively in the growth of the Company. The pandemic has brought impactful changes in all our lives highlighting importance of social distancing, wearing of masks, use of sanitizers, maintaining cleanliness to mitigate spread of Corona virus and developing habits of living with the Corona virus, the longevity of which is not yet known. The Company continued to create awareness amongst employees to strictly follow the Social Distancing protocol and mitigate the health risks during the pandemic by adapting to new methods of efficient working, striking work-life balance, switching to Work From Home (WFH) whenever necessary.

**OUTLOOK**

The Company would continue to explore various options to strengthen its capital base and balance sheet to augment the long-term resources for meeting funding requirements of its business activities, financing the future growth opportunities, general corporate purposes and other purposes including effectively facing challenges of the uncertainties and disruptions caused by COVID-19 pandemic. The pandemic continues to pose major challenge to the entire world including India. However, it appears that the countries have now learnt the technique of adapting to the new normal- the new way of life. The duration and severity of spread of second wave of pandemic, roll out of two new vaccines (as per the recent announcement made by the Union Health Department) in addition to the existing two vaccines rolled out in February, 2021, the scale and effectiveness of implementation of the ongoing vaccination program and the efficacy of monetary and fiscal policy actions of Indian Government are the important factors to impacting the pace of economic recovery.

**CAUTIONARY STATEMENT**

The statement in the Management's Discussion and Analysis Report detailing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. These statements being based on certain assumptions and expectation of future events, actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include changes in Government regulations and tax regime, economic developments within India and abroad, financial markets etc. The Company assumes no responsibility in respect of forward-looking statements that may be revised or modified in future on the basis of subsequent developments, information or events. The management of the Company has used estimates and judgments relating to the financial statements on a prudent and reasonable basis, in order that the financial statements reflect true and fair picture, the state of affairs and profit for the year. The following discussions on our financial condition and result of operations should be read together with our audited financial statements and the notes to these statements included in the Annual Report.

For and on behalf of the Board

**Manoj Sethia**  
Chairman  
(DIN:00585491)

Place: Kolkata

Date: 3<sup>rd</sup> September, 2021



## CORPORATE GOVERNANCE REPORT

### A. Company's Philosophy on Corporate Governance

The Report for the financial year ended March 31, 2021 on compliance by the Company with the Corporate Governance provisions as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is given below.

Corporate governance refers to a combination of laws, regulation, procedure, implicit rules and good corporate practices, which ensure that a Company meets its obligation with the objective to optimize shareholder values and fulfill its responsibilities to the community, customers, employees, government and other societal segments.

The Company's philosophy is to conduct business with highest ethical standards for growth and prosperity of all stakeholders on a sustainable basis in keeping with its corporate social responsibilities. This philosophy is built on a rich legacy of fair, transparent and effective governance and led by strong emphasis on human values, individual dignity and adherence to honest, ethical and professional conduct.

The Company believes that a sound governance discipline enables the Board to direct and control the affair of the Company in an effective manner and maximize stakeholder values, including the society at large. This is an ongoing process with Sarvottam Finvest Limited and we continuously endeavour to improve upon our practices in line with the changing demand of the business. Sarvottam Finvest Ltd. adopts innovative approaches for leveraging all its resources and encourages a spirit of conversion of opportunities into achievements. Company's governance structures and system are the foundation which provides and nurtures ramping up of healthy and sustainable growth of human resources through empowerment and motivation. In this, your Company is guided by its vision, mission and the code on Corporate Governance.

Keeping in view the Company's size, reach and complexity of operation and corporate tradition, the Corporate Governance framework is based on the following main principles:

1. Strategic supervision by the Board of Directors which is made up of appropriate size, bouquet of experience and commitment to discharge their responsibilities;
2. Timely and adequate flow of information to the Board and its Committees for meaningful and focused Discussion at the meetings;
3. Independent verification of Company's financial reporting from time to time and on quarterly basis;
4. A sound system of internal controls within the Risk Management framework to mitigate perceived risk factors;
5. Timely and balanced disclosure of all material information and disclosure of all deviations, if any, to all stakeholders;
6. Compliance with applicable laws, rules, regulations and guidelines;
7. Transparency and defined accountability; and
8. Equitable and fair treatment to all the stakeholders including employees, customers, vendors, shareholders and investors.

The Board of Directors play an active role in fulfilling its fiduciary obligation to shareholders by efficiently overseeing management functions to ensure their effectiveness in delivering shareholder values. The governance framework is made effective through an efficient system of timely disclosures and transparent business practices.

## A. Board of Directors

The Board of Directors provides and evaluates the strategic direction of the Company, formulates and reviews management policies and ensure their effectiveness.

### (a) Constitution

The Company's Board of Directors presently comprises of Seven members. Seven of whom are non -executive directors and one Managing Director. The Board is headed by Mr. Manoj Sethia and it has required number of Independent Directors. All the directors possess the requisite qualification and experience in general corporate management, finance, banking and other allied fields enabling them to contribute effectively in their capacity as Directors of the Company. They ensure that the management adheres to high standards of ethics, transparency and compliance.

### (b) Number of Board Meetings

During the year under review Eight board meetings were held on 01.04.2020, 25.06.2020, 10.07.2020, 30.07.2020, 05.09.2020, 15.09.2020, 10.11.2020, and 12.02.2021. The meetings were held as per the requirements of business and at intervals within the legally permitted limits. The Boards meets once in every quarter, inter alia, to review the quarterly results and other items on agenda.

### (c) Directors' Attendance at Board Meetings and Details of Directorship / Committee Position held

The Composition of Board of Directors, their attendance at the board meetings during the year and at the last Annual General Meeting (AGM) and also number of other directorship in Indian Public Companies are as follows:

The Board consists of the following directors:

Name of Directors	Attendance of last AGM	No. of Board Meeting Attended	Category of Director	Other Directorship in Indian Public Companies	No. of Other Indian Public Companies Board's Committee	
					Chairperson	Member
Mr. Manoj Sethia	YES	8	Promoter, Non-Independent Non-Executive Director	2	2	3
Mr. Rajesh Shah	YES	8	Independent Director	2	2	1
Mr. Dilip Kumar Gupta	YES	8	Managing Director	NIL	NIL	NIL
Mrs. Sangeeta Sethia	YES	8	Non-Independent Non –Executive Director	1	NIL	1
Mr. Mali Chand Agarwala	YES	7	Independent Director	2	NIL	5
Mr. Mukesh Agarwal	YES	7	Independent Director	1	NIL	NIL
Mrs. Anupama Madhogarhia*	YES	5	Independent Director	1	1	NIL

\*Appointed w.e.f. 10.07.2020

Mr. Manoj Sethia is husband of Mrs. Sangeeta Sethia.

**(d) Information placed before the Board**

A detailed agenda folder is sent to each director in advance of the Board Meetings. As a policy, all major decisions involving investments, in addition to matters which statutorily require the approval of the Board are placed before the Board for its consideration and direction. Inter alia, the following information, as may be applicable and required, is provided to the Board as a part of the agenda paper.

- Quarterly, half yearly and annual results of the Company.
- Revenue and Capital Expenditure Budgets, as applicable.
- Minutes of the Audit and other Committees of the Boards.
- Materially important legal or taxation issues.
- Status of financial obligations to and by the Company.
- Any significant development in human resources or industrial relation.
- Details of risk exposure and steps taken by management to limit or restrain the risk.
- Compliance status with any regulatory, statutory or listing regulation related requirements or in relation to any shareholder services.
- Board periodically review compliance reports of all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliance, if any.

**(e) Separate Meeting of the Independent Directors:**

The Independent Directors held a meeting on 12th February, 2021. All the Independent Directors were present at the meeting. The following issues were discussed in detail:

- Reviewed the performance of non-independent directors and the Board as a whole;
- Reviewed the performance of the Chairperson of the Company.
- Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**(f) Certificate of Company Secretary in Practice**

A Certificate obtained from a Company Secretary in Practice, confirming that none of the Directors of the Company is debarred or disqualified from being appointed or continuing as Director of Companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority, is annexed hereto.

**Compliance Officer**

Name : Pooja Sethia

Designation : Company Secretary and Chief Compliance Officer

**(g) Committees of the Board**

Pursuant to the provision of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has constituted various committees of the directors with adequate delegation of power to properly discharge business of the Company.

These Committees are:-

- Audit Committee
- Stakeholders' Relationship Committee
- Nomination and Remuneration Committee

### Audit Committee

- **Composition and Terms of Reference**
- The Audit Committee comprises of three Non-Executive Directors viz. Mr. Rajesh Shah, Mr. Manoj Sethia and Mr. Mali Chand Agarwala.

Terms of reference of the Audit Committee comprises the following:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, reliable and sufficient.
- Reviewing with the management, internal auditors and statutory auditors the quarterly /annual financial statements before submission to the Board and focusing primarily on:
  - ❖ Matters required to be included in the Directors' 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;
  - ❖ Any changes in the accounting policies and procedures;
  - ❖ Major accounting entries involving estimates based on the exercise of judgment by management;
  - ❖ Significant adjustments made in the financial statements arising out of audit findings;
  - ❖ Compliances with Listing and other legal requirements relating financial statements.
  - ❖ Any related party transactions of the Company of a material nature that may cause potential conflict with the interest of the Company.
- Reviewing the Company's financial and risk management policy.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- Recommending the appointment and removal of statutory and internal auditors and determination of the audit fees and also grant approval for payment for any other services.
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Scrutiny of Inter-corporate loans and investment.
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory auditors and adequacy of the internal control systems.
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- The Audit Committee also reviews every quarter the Report on Corporate Governance under Regulation 27(2) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.
- To review the function of the Vigil Mechanism and Whistle Blower Mechanism.
- Any other matter that may be referred to the Committee from time to time.

### (ii) Meetings and Attendance

During the year under review four meetings of the committee were held on 30th July 2020, 15th September 2020, 10th November 2020 and 12th February 2021. The composition of the committee and the attendance of the members at the meetings were as follows:

Name of Member	Designation in the Committee	No. of Meetings Attended
Mr. Rajesh Shah	Chairman	4
Mr. Manoj Sethia	Member	4
Mr. Mali Chand Agarwala	Member	4

The Committee reviews various aspects of the internal control system, financial and risk management policies. The requirements in respect of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time are also reviewed by the Committee. The management makes a presentation before the Audit Committee on the observation and recommendation of the Statutory and Internal Auditors to strengthen control and compliance.

#### **(b) Stakeholders' Relationship Committee**

The main function of the Stakeholders' Relationship Committee is to review the status of redressal of Shareholders/ Investors complaints on a periodical basis.

##### **(i) Composition and Terms of Reference**

The Stakeholders' Relationship Committee comprises of non-executive and executive directors viz. Mr. Manoj Sethia, Mr. Rajesh Shah and Mr. Dilip Kumar Gupta.

The role of the committee shall inter-alia include the following –

- 1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- 2) Review of measures taken for effective exercise of voting rights by shareholders.
- 3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- 4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

##### **(ii) Meetings and Attendance**

During the year under review, one meeting of the committee was held on 30th March, 2021. The composition of the committee and the attendance of the members at the meeting were as follows:

<b>Name of Member</b>	<b>Designation in the Committee</b>	<b>No. of Meeting Attended</b>
Mr. Manoj Sethia	Chairman	1
Mr. Rajesh Shah	Member	1
Mr. Dilip Kumar Gupta	Member	1

Minutes of the meeting of the Stakeholders' Relationship Committee are approved by the Chairman of the Committee and are noted by the Board at its next meeting.

##### **(iii) Shareholders/Investors' Complaints Received and Resolved during the year**

During the year, the Company has not received any Shareholders/Investors' Complaints. There was no unresolved complaint as on 31st March, 2021.

#### **(c) Nomination and Remuneration Committee**

The Nomination and Remuneration Committee has complete discretion in determining /recommending the criteria for appointment of Executives, Directors and other officials at the Management level, reviewing and determining all elements of remuneration package, evaluating their performance etc.

##### **(i) Composition and Terms of Reference**

The Nomination and Remuneration Committee comprises of Non-Executive Directors viz. Mr. Mali Chand Agarwala, Mr. Manoj Sethia and Mr. Rajesh Shah.

The Committee's constitution and terms of reference are in compliance with provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

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

- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To devise a policy on Board diversity.
- To recommend/review remuneration of the Managing Director/Key Managerial Personnel based on their performance and defined assessment criteria.
- To carry out any other function as is mandated by the Board from time to time and /or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

#### (ii) Meetings and Attendance

During the year under review One meeting of the committee was held on 30th March, 2021. The composition of the committee and the attendance of the members at the meeting were as follows:

Name of Member	Designation in the Committee	No. of Meeting Attended
Mr. Mali Chand Agarwala	Chairman	1
Mr. Manoj Sethia	Member	1
Mr. Rajesh Shah	Member	1

#### (iii) Remuneration Policy

Except Managing director, the remaining directors do not receive any remuneration, other than sitting fees for attending each Meeting of Board of Directors and Committees thereof. The Company has not paid any other remuneration to any other Directors.

#### D. Management

- (a) Management Discussion and Analysis: The Directors' Report includes Management Discussion and Analysis of business of the Company, as a separate section.
- (b) Disclosures by the Management to the Board: All details relating to financial and commercial transactions where Directors may have pecuniary interest are provided to the Board and the Interested Directors neither participate in the discussion nor do they vote on such matters.

#### E. Disclosures

##### (a) Related Party Transactions

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Details of materially significant related party transactions that are the transactions of a material nature between the Company and the Promoters, Management, Directors or their relatives etc. are disclosed in the Note No.30 of the Financial Statements in compliance with the Accounting Standard relating to "Related Party Disclosures".

There are no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which may have a potential conflict with the interest of the Company.

##### (b) Accounting Treatment in Preparation of Financial Statements

The Company has followed the Ind As Accounting Standards specified under Section 133 of the Act, read with Indian Accounting Standard (Ind As) as per Companies (Indian Accounting Standards), Rules 2015 as amended from time to time and notified under Section 133 in preparation of its financial statements.

**(c) Risk Management**

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a well documented and robust risk management framework. Under this framework, risks are identified across all business process of the Company on a continuous basis. Once identified, these risks are classified as strategic risk, business risk or reporting risk. Strategic risk are those which are associated with the longer term interests of the Company. Reporting risk is associated with incorrect or un-timely financial and non-financial reporting.

The Audit Committee and the Board of Directors review the Risk Management Strategy of the Company to ensure effectiveness of the Risk Management policy and procedures. Board of Directors of the Company is regularly apprised on the key risk assessment areas and a mitigation mechanism is recommended.

During the year, the Board has reviewed the risk assessment and a risk minimization procedure commensurate to the risks has been adopted and is in place.

**(d) Corporate Ethics**

As a reasonable corporate citizen, the Company consciously follows corporate ethics in business and corporate interactions. Company has framed codes and policies providing guidance for carrying business in ethical manner. Some of these policies are:

- i) Code for prevention of Insider Trading
- ii) Code of Conduct

**(e) Chief Executive Officer (CEO) / Chief Financial Officer (CFO) Certification**

The Company is fully cognizant of the need to maintain adequate internal control to protect its assets and interests and for integrity and fairness in financial reporting and is committed to laying down and enforcing such controls of appropriate system and procedures. Towards this the Managing Director and Chief Financial Officer have certified to the Board by placing a certificate on the internal control related to the financial reporting process during the year ended 31st March, 2021.

**(f) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.**

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- a) number of complaints filed during the financial year – Nil
- b) number of complaints disposed of during the financial year – Nil
- c) number of complaints pending as on end of the financial year – Nil

**F. Shareholders Information****(a) Means of Communication**

In accordance with Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the Company has maintained a functioning website at [www.sarvottamfinvest.in](http://www.sarvottamfinvest.in) containing the basic information about the Company viz. the details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances etc. The contents of the said website are updated from time to time.

The quarterly and annual audited financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board. The results are normally published in "Business Standard" in English and "Duranto Barta" in vernacular. The results are hosted on the website of the Company at [www.sarvottainvest.in](http://www.sarvottainvest.in).

Further the Company disseminates to the stock exchanges where the equity shares of the Company are listed, all mandatory information and price sensitive / such other information which in its opinion are material and / or have a bearing on its performance/ operations and issue press releases wherever necessary for the information to public at large. For the benefit of the shareholders an email id has been created for the shareholders correspondence viz. [sarvottamfinvest@gmail.com](mailto:sarvottamfinvest@gmail.com).

**(b) Annual General Meetings of the Company**

Details of last three Annual General Meetings of the Company are as under:

AGM	Financial Year	Date	Time	Venue	Special resolution/s passed
41 <sup>st</sup>	2019-20	September 30, 2020	3.00 P.M	3,Bentinck Street, 2nd Floor, Kolkata-700001	None
40 <sup>th</sup>	2018-19	September 30, 2019	3:00 P.M	3,Bentinck Street, 2nd Floor, Kolkata-700001	None
39 <sup>th</sup>	2017-18	September 29, 2018	3:00 P.M	3,Bentinck Street, 2nd Floor, Kolkata-700001	None

The 42nd Annual General Meeting of the Company is proposed to be held on 30th September, 2021 at 3:00 P.M. at the Registered Office of the Company.

Postal Ballot: No resolution by way of Postal Ballot was passed during the year 2020-2021.

**(c) Disclosures regarding Directors seeking appointment/re-appointment**

Requisite disclosure is stated in the Notice of Annual General Meeting.

**(d) General Shareholders' information****(i) 42nd Annual General Meeting:**

As stated in the Notice of Annual General Meeting.

**(ii) Last Date for receipt of Proxies**

As stated in the Notice of Annual General Meeting.

**(iii) Book Closure**

As stated in the Notice of Annual General Meeting.

**(iv) Tentative Financial Calendar**

First Quarter Result & Limited Review	Mid Aug,2021
Second Quarter Result & Limited Review	Mid Nov,2021
Third Quarter Result & Limited Review	Mid Feb,2022
Audited Annual Result (2021-2022)	End May, 2022

**(v) Listing on Stock Exchanges and Stock Codes**

The name of the stock exchanges where the equity shares of the Company are listed and the respective stock codes are as follows:

Sl. No.	Name of the Stock Exchange	Scrip Code
1	The Calcutta Stock Exchange Ltd.	10012144
2	BSE Ltd.	539124

Listing fees for the year 2021-2022 have been paid to both the Stock Exchanges within the stipulated time.

**(vi) Corporate Identification Number**



Corporate Identification Number of the Company allotted by the Ministry of Corporate Affairs, Government of India is L6599WB1978PLC031793.

**(vii) Market Price Data**

There has been no trading in the shares of the Company during the year. The last traded price is Rs. 33 as traded on BSE Ltd.

**(viii) Distribution of Equity Shareholding as on 31st March, 2021**

Sl. No.	No. of Equity Shares	No. of Shareholder	% of total Shareholders	No. of Shares held	% of total Shares
1	1 to 500	32	25.00	2914	0.04
2	501 to 1000	Nil	Nil	Nil	Nil
3	1001 to 2000	Nil	Nil	Nil	Nil
4	2001 to 3000	Nil	Nil	Nil	Nil
5	3001 to 4000	Nil	Nil	Nil	Nil
6	4001 to 5000	Nil	Nil	Nil	Nil
7	5001 to 10000	Nil	Nil	Nil	Nil
8	10001 to 50000	35	27.34	1222570	16.30
9	50001 to 100000	56	43.75	3973816	52.98
10	100001 and above	5	3.91	2300700	30.68
	<b>Total</b>	<b>128</b>	<b>100</b>	<b>7500000</b>	<b>100</b>

**(ix) Categories of Equity Shareholding as on 31st March, 2021**

Sl. No.	Category	No. of Shareholder	% of shareholder	No. of Shares Held	% of Share Holding
1	Promoter	2	1.56	1800050	24.00
2	Financial Instructions, Banks and Mutual Funds	NIL	NIL	NIL	NIL
3	Private Corporate Bodies & Association	76	59.38	4657000	62.09
4	Indian Public	50	39.06	1042950	13.91
5	FII's	NIL	NIL	NIL	NIL
6	NRI, Foreign, National & OCBs	NIL	NIL	NIL	NIL
	<b>Total</b>	<b>128</b>	<b>100</b>	<b>7500000</b>	<b>100</b>

**(x) Share Transfer System**

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. 1st April, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

**(xi) Address for Shareholders' Correspondence**

The Company has appointed M/s. ABS Consultant Pvt. Ltd. as its Registrar and Share Transfer Agent (RTA) for handling share registry for both physical and electronic modes. Accordingly, all correspondence, share for transfer, transmission, demat/ remat requests and other communication in relation there to should be mailed /hand delivered to the said RTA directly at the following address:

**ABS Consultant Pvt. Ltd.**

(Unit: - Sarvottam Finvest Limited)

Room No. 99, 6th floor

Stephen House

4, B.B.D. Bag (East)

Kolkata- 700 001

**(xii) Investor Relations**

In order to facilitate investor servicing, the Company has designated an e-mail id [sarvottamfinvest@gmail.com](mailto:sarvottamfinvest@gmail.com) for registering complaints by investors.

**G. Compliance****(a) Statutory Compliance, Penalties and Strictures**

The Company is regular in complying with the requirements of the Stock Exchanges, SEBI, RBI and other statutory authorities on all the relevant matters. There were no cases of penalties or strictures imposed on the Company by any Stock Exchanges, SEBI, RBI or any other statutory authorities for any violation related to the Capital Market / any other related matter or relating to condition of Licensing by the RBI, during the year.

**(b) SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 Compliance**

The Company complies with all the requirement of the Regulation 17 to 27 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

**(c) Insider Trading**

The Company adopted the code of internal procedures and conduct framed under the SEBI (Prohibition of Insider Trading) Regulation, 2015 which, inter alia, prohibited the trading in shares by an 'insider' when in possession of unpublished price sensitive information.

**(d) Code of Conduct and Ethics**

The Company laid down a Code of Conduct for the entire Board of Director and senior management to avoid a conflict of interest. The Directors and the Senior Management affirmed compliance with Code of Conduct for the year 2020-2021. A declaration to this effect is attached to this report. The Code of Conduct is available on the Company's website [www.sarvottamfinvest.in](http://www.sarvottamfinvest.in).

There was no material, financial, commercial transactions in which the senior management had a personal interest, leading to a potential conflict of interest during the year under review.

**(e) Outstanding GDRs/ADRs/Warrants or any convertible instruments conversion date and likely impact on equity**

As on date there are no outstanding warrants or any other convertible instruments. The Company has not issued GDR/ADR.

**(f) Adoption of Non Mandatory Requirements**

The Company has not adopted any non mandatory requirements except relating to the maintenance of the office of the Non-Executive Chairman. The internal auditor directly reports to Audit Committee.

**(g) Auditors' Certificate on Corporate Governance**

Pursuant to Regulation 34(3) read with Schedule V of SEBI (Listing Obligation and Disclosure Requirements), Regulation 2015, Compliance Certificate from the Statutory Auditors regarding compliance of condition of Corporate Governance by the Company is annexed to the Director's Report.

**(h) Disclosure under Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding certain Agreements with the Media Companies**

Pursuant to the Regulation 46 of the SEBI (Listing Obligation And Disclosure Requirements) Regulations 2015, the Company would like to inform that no agreement(s) have been entered into with the media companies and/or their associates which has resulted in/will result in any kind of shareholding in the Company and consequently any other related disclosure viz. details of nominee(s) of the media companies on the Board of the Company, any management control or potential conflict of interest arising out of such agreements, etc. are not applicable. Nor has the Company entered into any other back to back treaties /contracts/ agreements /MOUs or similar instruments with media companies and/or their associates.

(i) Update Address/Bank Details

To receive all communications/corporate action promptly, shareholder holding shares in dematerialized form are requested to please update their address/bank details with the respective DPs and in case of physical shares, the update details have to be intimated to the Registrar and Share Transfer Agent/ Company.

(j) Consolidate Multiple Holdings (in respect of physical holding)

Members are requested to consolidate their shareholdings under multiple folios to eliminate receipt of multiple communications and this would ensure that future correspondence/corporate benefit could be sent to consolidated folio.

(k) Register Email Address

As you all may be aware, Ministry of Corporate Affairs has taken a 'Green Initiative in Corporate Governance' by issuing Circulars 17/2011 and 18/2011 dated 21st April 2011 and 29th April 2011 whereby companies are permitted to send Notice/ documents including Annual Report in electronic mode, provided the Company has obtained email address of its members for sending these documents through email by giving an advance opportunity to every shareholder to register their email addresses and changes therein from time to time with the Company.

Accordingly, shareholders holding shares in physical form are requested to register their email addresses and changes therein from time to time, by directly sending the relevant email addresses along with the details such as name, address, Folio No., No. of shares held to the Registrar and Share Transfer Agent, M/s ABS Consultant Pvt. Ltd.

In respect of shares held in electronic form, the e-mail addresses along with DP ID/ Client ID and other shareholders details as mentioned above should be registered by the shareholders with their respective Depository Participants. Upon registration of the email address, the Company proposes to send notices and documents, in electronic form to such shareholders. Address for Correspondence

**Sarvottam Finvest Limited**

3, Bentinck Street

2nd Floor, Kolkata-700 001 Telephone: 033-22100875

E-mail: sarvottamfinvest@gmail.com Website:www.sarvottamfinvest.in

**ABS Consultant Pvt. Ltd.**

(Unit: Sarvottam Finvest Limited)

Room No. 99, 6th Floor, Stephen House,

4 B.B.D Bag (East), Kolkata-700 001

Telephone: 033-2230 1043/ 033-22430153

E-mail:absconsultant99@gmail.com

For and on behalf of the Board

Place: Kolkata

Date: 3<sup>rd</sup> September, 2021

Manoj Sethia

Chairman

DIN: 00585491

**CERTIFICATION BY CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO)**

In terms of Regulation 17(8) of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors

**Sarvottam Finvest Limited**

3, Bentinck Street, 2<sup>nd</sup> Floor  
Kolkata – 700 001

We, Dilip Kumar Gupta, Managing Director & CEO and Rohit Jain, Chief Financial Officer of the Sarvottam Finvest Limited hereby certify as under :

- A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2021 and that to the best of our knowledge and belief:
- a) These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
  - b) These statements together present a true fair of the Company's affairs and are in compliances with existing accounting standards, applicable laws and regulations; and
- B. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2021 are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. For the purpose of financial reporting, we accept the responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal controls system of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, and further state that there were no deficiencies in the design or operation of such internal controls.
- D. We do further certify that there has been:
- a. no significant changes in internal controls over financial reporting during the year;
  - b. no significant changes in accounting policies during the year; and
  - c. no instances during the year of significant fraud with involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Dilip Kumar Gupta  
(Managing Director & CEO)  
DIN:01168576

Rohit Jain  
(Chief Financial Officer)  
PAN:BBQPJ1476H

Place: Kolkata

Date: 3<sup>rd</sup> September, 2021

**CODE OF CONDUCT DECLARATION**

**(Regulation 26(3) read with Schedule V(D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To  
The Members  
**Sarvottam Finvest Limited**

I hereby declare that all the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the Code of Conduct for the financial year ended 31st March, 2021.

For Sarvottam Finvest Limited

**Dilip Kumar Gupta**  
Managing Director  
(DIN: 01168576)

Place: Kolkata  
Date: 3<sup>rd</sup> September, 2021

**CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE****CERTIFICATE**

(Pursuant to clause 10 of Para C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

In pursuance of sub clause (i) of clause 10 of Para C of Schedule V of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of SARVOTTAM FINVEST LIMITED (CIN:L65993WB1978PLC031793), we hereby certify that, on the basis of written representation/declaration received from the Directors and taken on record by the Board of Directors, as on 31<sup>st</sup> March, 2021, none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of Companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority

For Agarwal Priti & Associates

**Priti Agarwal**  
Proprietor  
(Company Secretary in Practice)  
PCS No.:10877 and C.P. No:9937  
UDIN:F010877C000894311

Place: Kolkata  
Date: 3<sup>rd</sup> September, 2021

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

(in terms of Regulation 34(3) and Schedule V (E) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To  
The Members  
**Sarvottam Finvest Limited**  
(CIN: L65993WB1978PLC031793)

1. We have examined the compliance of the conditions of Corporate Governance by Sarvottam Finvest Limited ('the Company') for the year ended on 31st March, 2021 as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

**Management's Responsibility**

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the designing, implementing and maintain operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

**Auditor's Responsibility**

3. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 1 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the 'ICAI'), and the Guidance note on Reports or Certificate for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Performs Audits and Review of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

6. Based on our examination of the relevant records and according to the information and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations during the year ended 31st March, 2021.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For V. Goyal & Associates**  
Chartered Accountants Firm  
Registration No.:312136E

**Pankaj Kumar Goyal**  
Partner  
Membership No.:059991

UDIN: 21059991AAAADS1068

Place: Kolkata

Date: 30th August, 2021

## **INDEPENDENT AUDITORS' REPORT**

The Members,  
**Sarvottam Finvest Limited,**

### **Report on the Audit of the Standalone Financial Statements**

#### **Opinion**

We have audited accompanying standalone financial statements of **SARVOTTAM FINVEST LIMITED** (“the Company”), which comprise of the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, Statement of changes in equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021 and profit/loss, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **Emphasis of Matter**

We draw attention to Note No. 2, which describes the impact of the outbreak of corona virus (COVID-19) on the business operations of the company. In view of highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.

#### **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 financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

#### **Management’s Responsibility for the Standalone Financial Statements**

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section

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

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

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

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

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 judgement and maintain professional skepticism throughout the audit.

We also:

- a) Identify and assess the risks of material misstatement of the standalone 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.
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) 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.
- e) 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.



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 issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure (**'Annexure A'**) a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, Statement of Profit and Loss, Statement of changes in equity and the Cash Flow Statement 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 Indian Accounting Standards specified under Section 133 of the Act.
  - e. On the basis of written representations received from the Directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**".
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors), 2014, in our opinion and to the best of our information and according to the explanations given to us;
 

The Company does not have any pending litigations which would impact its financial position.
  - h. In our opinion and as per the information and explanations provided to us, the Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses, and
  - i. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

3. With respect to the matter to be included in the Auditors' Report under Section 197(16):

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

**For V Goyal & Associates**

Chartered Accountants

FRN: 312136E

Date: June 30, 2021

Place: Kolkata

UDIN: 21059991AAAACM8577

**Pankaj Kumar Goyal**

Partner

M. No.: 059991

**ANNEXURE 'A' TO THE INDEPENDENT AUDITORS REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF SARVOTTAM FINVEST LIMITED**

Referred to in Paragraph 1 under section (Report on Other Legal and Regulatory Requirements) of our report of even date

1.
  - (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of its property, plant and equipment
  - (b) These property, plant and equipments have been physically verified by the management at reasonable intervals; and no material discrepancies were noticed on such verification
  - (c) The company does not possess any immovable property and hence clause 1(c) is not applicable
2. Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed.
3. As per information and explanations given to us, the Company has not granted loans to company firm, limited liability partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) (a) to (c) of the order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made.
5. The Company has not accepted any deposits from the public. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
6. The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the services rendered by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the company.
7. (a) According to the information given to us and on the basis of our examination of the books of the Company, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and any other statutory dues to the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31<sup>st</sup> March, 2021 for a period of more than six months from the date they became payable.

(b) On the basis of the information and explanations given to us, there are no material dues with respect to income tax or sales tax or service tax or duty of customs or duty of excise or value added tax pending with appropriate authorities on account of any dispute.

8. The Company has not availed any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3 (viii) of the Order is not applicable to the company.
9. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable to the company.
10. To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is *not a Nidhi company*. Accordingly, paragraph 3(xii) of the Order is not applicable to the company.
13. In our opinion and according to information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and details of related party transactions have been disclosed in the Financial Statements as required by applicable Accounting Standards.
14. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. “Accordingly, paragraph 3(xiv) of the Order is not applicable to the company”.
15. In an opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the company.
16. The company is a registered NBFC under section 45-IA of the Reserve Bank of India Act,1934.

**For V Goyal & Associates**  
Chartered Accountants  
FRN: 312136E

Date: June 30, 2021  
Place: Kolkata  
UDIN: 21059991AAAACM8577

**Pankaj Kumar Goyal**  
Partner  
M. No.: 059991

## **ANNEXURE 'B' TO THE INDEPENDENT AUDITORS REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF SARVOTTAM FINVEST LIMITED**

Report on the Internal Financial Controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Sarvottam Finvest Limited ("the Company")** as of 31st March, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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

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

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

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

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

#### **Opinion**

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

**For V Goyal & Associates**  
Chartered Accountants  
FRN: 312136E

Date: June 30, 2021  
Place: Kolkata  
UDIN: 21059991AAAACM8577

**Pankaj Kumar Goyal**  
Partner  
M. No.: 059991

## Balance Sheet as at March 31, 2021

(Amount in Lakhs.)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>1 Financial Assets</b>			
(a) Cash and cash equivalents	4	44.24	9.03
(b) Receivables	5		
(I) Trade Receivables		189.52	229.66
(c) Loans	6	2,386.80	2,363.94
<b>2 Non-Financial Assets</b>			
(a) Inventories	7	0.00 *	0.06
(b) Current tax assets (net)	8	15.46	31.52
(c) Deferred tax assets (net)	9	2.04	2.96
(d) Property, Plant and Equipment	10	1.18	1.45
<b>Total Assets</b>		<b>2,639.23</b>	<b>2,638.61</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>1 Financial Liabilities</b>			
(a) Payables	11		
(I) Trade Payables			
(i) total outstanding dues of micro and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro and small enterprises		0.28	1.68
<b>2 Non-Financial Liabilities</b>			
(a) Provisions	12	13.84	6.03
(b) Other Non-Financial Liabilities	13	0.04	-
<b>3 EQUITY</b>			
(a) Equity Share capital	14	750.00	750.00
(b) Other Equity	15	1,875.06	1,880.90
<b>Total Liabilities and Equity</b>		<b>2,639.23</b>	<b>2,638.61</b>

\* Less than 1,000

See accompanying notes form part of financial statements

As per our attached report to even date

For and on behalf of the Board of Directors

**For V. Goyal & Associates**Chartered Accountants  
FRN - 312136E**Dilip Kumar Gupta**  
Managing Director  
(DIN: 01168576)**Rajesh Shah**  
Independent Director  
(DIN: 06746791)**Pankaj Kumar Goyal**Partner  
Mem No. - 059991**Pooja Sethia**  
Company Secretary**Rohit Jain**  
Chief Financial Officer

Date: June 30, 2021

Place: Kolkata

UDIN : 21059991AAAACM8577

## Statement of Profit or Loss for the year ended March 31, 2021

(Amount in Lakhs.)

Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>(I) Income</b>			
(i) Interest income	16	170.96	165.52
(ii) Dividend income	17	-	0.00 *
(iii) Sale of stock-in-trade	18	33.98	106.24
(iv) Others	19	0.33	1.66
<b>Total Income</b>		<b>205.27</b>	<b>273.42</b>
<b>(II) Expenses</b>			
(i) Purchases of stock-in-trade	20	32.27	67.55
(ii) Changes in inventories of stock-in-trade	21	0.05	43.22
(iii) Employee benefits expense	22	49.14	47.60
(iv) Depreciation & amortisation expenses	23	0.52	0.84
(v) Contingent provisions for standard assets	24	7.81	-
(vi) Others expenses	25	119.93	115.06
<b>Total Expenses (II)</b>		<b>209.72</b>	<b>274.26</b>
<b>(III) Profit/(loss) before tax (I-II)</b>		<b>(4.45)</b>	<b>(0.84)</b>
<b>(IV) Tax expense</b>	26	1.38	4.43
<b>(V) Profit / (loss) for the year (III-IV)</b>		<b>(5.84)</b>	<b>(5.27)</b>
<b>(VI) Other comprehensive income</b>		-	-
<b>(VII) Total comprehensive income for the year (V+VI)</b>		<b>(5.84)</b>	<b>(5.27)</b>
<b>(VIII) Earnings per equity share</b>	27		
Basic (Rs.)		(0.08)	(0.07)
Diluted (Rs.)		(0.08)	(0.07)

\* Less than 1,000

See accompanying notes form part of financial statements

As per our attached report to even date

For and on behalf of the Board of Directors

**For V. Goyal & Associates**Chartered Accountants  
FRN - 312136E**Dilip Kumar Gupta**  
Managing Director  
(DIN: 01168576)**Rajesh Shah**  
Independent Director  
(DIN: 06746791)**Pankaj Kumar Goyal**Partner  
Mem No. - 059991**Pooja Sethia**  
Company Secretary**Rohit Jain**  
Chief Financial Officer

Date: June 30, 2021

Place: Kolkata

UDIN : 21059991AAAACM8577



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

## A. Equity Share Capital

(Amount in Lakhs.)

Balance as at April 01, 2019	750.00
Changes in equity share capital during the year	-
Balance as at March 31, 2020	750.00
Changes in equity share capital during the year	-
Balance as at March 31, 2021	750.00

## B. Other equity

(Amount in Lakhs.)

Particulars	Reserves and surplus				Items of other comprehensive income	Total
	Statutory Reserve	Securities Premium Reserve	General Reserve	Retained Earnings		
Balance as at April 01, 2019	15.32	1,825.00	17.43	28.42	-	1,886.17
Profit for the year	-	-	-	(5.27)	-	(5.27)
Other comprehensive income for the year	-	-	-	-	-	-
Changes during the year	-	-	-	-	-	-
Balance as at March 31, 2020	15.32	1,825.00	17.43	23.15	-	1,880.90

(Amount in Lakhs.)

Particulars	Reserves and surplus				Items of other comprehensive income	Total
	Statutory Reserve	Securities Premium Reserve	General Reserve	Retained Earnings		
Balance as at March 31, 2020	15.32	1,825.00	17.43	23.15	-	1,880.90
Profit for the year	-	-	-	(5.84)	-	(5.84)
Other comprehensive income for the year	-	-	-	-	-	-
Changes during the year	-	-	-	-	-	-
Balance as at March 31, 2021	15.32	1,825.00	17.43	17.31	-	1,875.06

See accompanying notes form part of financial statements

As per our attached report of even date

For and on behalf of the Board of Directors

## For V. Goyal &amp; Associates

Chartered Accountants

FRN - 312136E

## Pankaj Kumar Goyal

Partner

Mem No. - 059991

Date: June 30, 2021

Place: Kolkata

UDIN : 21059991AAAACM8577

## Dilip Kumar Gupta

Managing Director

(DIN: 01168576)

## Pooja Sethia

Company Secretary

## Rajesh Shah

Independent Director

(DIN: 06746791)

## Rohit Jain

Chief Financial Officer

## Statement of Cash Flows for the year ended March 31, 2021

(Amount in Lakhs.)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>I CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/ (Loss) before tax	(4.45)	(0.84)
Adjusted for:		
(a) Depreciation and amortisation expense	0.52	0.84
(b) Profit from share dealings	- 0.52	(1.66) (0.82)
<b>Cash generated from operation before working capital changes</b>	<b>(3.94)</b>	<b>(1.66)</b>
Adjustment for:		
(a) Inventories	0.05	43.22
(b) Loans	(22.86)	(40.84)
(c) Trade receivables	40.15	(10.47)
(d) Other current assets	16.06	(3.49)
(e) Payables	(1.35)	1.44
<b>Cash generated from operations</b>	<b>28.11</b>	<b>(11.80)</b>
Income tax paid (net)	0.47	-
Contingent provision on assets	7.81	-
<b>NET CASH FLOWS FROM/ (USED IN) OPERATING ACTIVITIES</b>	<b>35.45</b>	<b>(11.80)</b>
<b>II CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment	(0.25)	-
Purchase of Investments	-	(6.99)
Sale of Investments	-	8.64
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>(0.25)</b>	<b>1.66</b>
<b>III CASH FLOW FROM FINANCING ACTIVITIES</b>		
Financing Activities	-	-
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (I+II+III)</b>	<b>35.20</b>	<b>(10.14)</b>
CASH AND CASH EQUIVALENTS - AT THE BEGINNING OF THE YEAR	9.03	19.17
CASH AND CASH EQUIVALENTS - AT THE END OF THE YEAR (Refer Note No. 4)	<b>44.24</b>	<b>9.03</b>

Note: The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

See accompanying notes form part of financial statements

As per our attached report to even date

For and on behalf of the Board of Directors

**For V. Goyal & Associates**

Chartered Accountants

FRN - 312136E

**Pankaj Kumar Goyal**

Partner

Mem No. - 059991

Date: June 30, 2021

Place: Kolkata

UDIN : 21059991AAAACM8577

**Dilip Kumar Gupta**

Managing Director

(DIN: 01168576)

**Rajesh Shah**

Independent Director

(DIN: 06746791)

**Pooja Sethia**

Company Secretary

**Rohit Jain**

Chief Financial Officer

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

**Note No. 1 - Corporate Information**

Sarvottam Finvest Ltd. ('the Company', 'SFL') is a company limited by shares, incorporated on 30 November 1978 and domiciled in India. The Company is engaged in the business of financing, providing loans and advances, inter-corporate deposits and investment & trading in shares & securities. Its shares are listed on The Calcutta Stock Exchange Limited and BSE Limited. The Company has its registered office at 3, Bentinck Street, Kolkata, West Bengal, India.

The Company is a non-deposit taking Non-Banking Financial Company (NBFC), registered with the Reserve Bank of India (RBI) with effect from 09-July -2012, with Registration No. B.05.01047 and classified as NBFC Investment and Credit Company (NBFC-ICC) pursuant to circular DNBR(PD) CC No. 097/03.10.001/2018-19 dated 22 February 2019.

The audited financial statements were subject to review and recommendation of Audit Committee and approval of Board of Directors. On 30 June 2021, Board of Directors of the Company approved and recommended the audited financial statements for consideration and adoption by the shareholders in its annual general meeting.

**Note No. 2 - 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 – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 ('the NBFC Master Directions') issued by RBI. Despite the outbreak of Covid-19, the financial statements have been prepared on a going concern basis. The Company uses accrual basis of accounting except in case of significant uncertainties.

**(i) Functional and presentation currency**

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded off to the nearest rupees, unless otherwise indicated.

**(ii) Use of Estimates & Judgements**

The preparation of these Financial Statements requires management judgements, estimates and assumptions that affect the application of Accounting Policies, the Accounting disclosures made and the reported amounts of Assets, Liabilities, Income and Expenses. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to Accounting estimates are recognised in the period in which the estimates are revised and any future periods effected pursuant to such revision.

**Estimation of uncertainties relating to the global health pandemic from COVID-19:**

The management has assessed the potential impact of COVID-19 on the financial statements of the Company. In assessing the carrying value of its assets, the Company has considered internal and certain external information up to the date of approval of these financial statements including economic forecasts. The Company expects to recover the carrying amount of these assets. The Company will keep monitoring any future material changes due to the global health pandemic in estimates as at the date of approval of these financial results.

**Note No. 3 - Significant Accounting Policies**

The note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

**3.1 Revenue Recognition***(i) Interest income*

Interest income is calculated by applying effective interest rate.

*(ii) Dividend income*

Dividend on shares & securities is recognised on receipt basis.

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

*(iii) Sale of stock-in-trade*

Revenue is recognized on satisfaction of performance obligation upon transfer of control of products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

**3.2 Expenditures***(i) Finance costs*

Borrowing costs on financial liabilities are recognised using the Effective interest rate.

*(ii) Other expenses*

Other expenses which are not directly linked to the sourcing of financial assets are recognised in the Statement of Profit and Loss on an accrual basis.

**3.3 Cash and cash equivalents**

Cash and cash equivalents include cash on hand, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**3.4 Financial Instruments**

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities and subsidiaries, debt securities and other borrowings, preferential and equity capital etc. are some examples of financial instruments. All the financial instruments are recognised on the date when the Company becomes party to the contractual provisions of the financial instruments. For tradable securities, the Company recognises the financial instruments on settlement date.

**3.5 Financial assets**

Financial assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity. Few examples of financial assets are loan receivables, investment in equity and debt instruments, trade receivables and cash and cash equivalents.

**3.5.1 Classification and subsequent measurement**

The Company has applied Ind As 109 and classifies its financial assets in the following measurement categories: - Fair value through profit or loss (FVTPL)

- Fair value through other comprehensive income (FVOCI); or
- Amortised cost

Fair value through profit or loss; Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss; A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in statement of profit and loss in the period in which it arise, unless it arises from debt instruments that were designated at fair value or which are not held for trading. Interest income from these financial assets is included in 'interest income' using the effective interest rate method.

Fair value option for financial assets; The Company may also irrevocably designate financial assets at fair value through profit or loss if doing so significantly reduces or eliminates an accounting mismatch created by assets and liabilities being measured on different bases.

Amortised Cost; Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI), and that are not designated at FVTPL, are measured at amortised cost. The carrying amount of these assets

Is adjusted by any expected credit loss allowance recognise and measured .Interest income from these financial assets is recognised using the effective interest rate method.

However, the loans granted by the company are in the nature of repayable on demand and the time period of the same is uncertain and as a result, amortised cost of loans has not been taken.

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

*3.5.2 Interest Income*

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets, except for:

a) Purchased or originated credit impaired (POCI) financial assets, for which the original credit –adjusted effective interest rate is applied to the amortised cost of that financial assets.

b) Financial assets that are not 'POCI' but have subsequently become credit-impaired (or 'stage 3'), for which interest revenue is calculated by applying the effective interest rate to their amortised cost (i.e net of the expected credit loss provision).

The effective interest rate is the exactly discounts estimated future cash payments or receipts through the expected life of the financial assets or liability to the gross carrying amount of a financial assets (i.e, its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. The calculation does not consider expected credit losses and includes transaction cost, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees. For FVOCI financial assets –assets that are credit impaired at initial recognition- the company calculates the credit-adjusted effective interest rate, which is calculated based on the amortised cost of the financial assets instead of its gross carrying amount and incorporates the impact of expected credit losses in estimated future cash flows.

*3.5.3 Equity instruments*

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets. The Company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair values gains and losses to profit or loss following the derecognition of the investment. Changes in the fair value of financial assets at fair value through profit or loss are recognised in net gain/loss on fair value changes in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Gains and losses on equity investments at FVTPL are included in the statement of Profit and Loss.

*3.5.4 Impairment*

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its debit instruments carried at amortised cost and FVOCI and with the exposure arising from loan commitments and financial guarantee contracts. The Company recognizes a loss allowance for such losses at each reporting date.

The measurements of ECL reflects:

- An unbiased probability-weighted amount that is determined by evaluating a range of possible outcome;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The measurement of the ECL allowance is an area that requires the use of complex models and significant assumptions about future economic condition and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses.)

*3.5.5 Write-off policy*

The Company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include (i) ceasing enforcement activity and (ii) where the company's recovery method is foreclosing on collateral and the value of the collateral is such that there is no reasonable expectation of recovering in full.

*3.5.6 Derecognition other than on a modification*

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either (i) the Company transfers substantially all the risk and rewards of ownership, or (ii) the Company neither transfer nor retains substantially all the risks and rewards of ownership and the company has not retained control. The company directly reduces the gross carrying amount of a financial assets when there is no reasonable expectation of recovering a financial assets in its entirety or a portion thereof.

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

**3.6 Financial liabilities**

Financial liabilities include liabilities that represent a contractual obligation to deliver cash or another financial assets to another entity, or a contract that may or will be settled in the entities own equity instruments. Few examples of financial liabilities are trade payables, debt securities and other borrowings and subordinated debts.

**3.6.1 Initial measurement**

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade payables, other payables, debt securities and other borrowings.

**3.6.2 Subsequent measurement**

After initial recognition, all financial liabilities are subsequently measured at amortised cost using the EIR [Refer note no. 3.1(i)]. Any gains or losses arising on derecognition of liabilities are recognised in the Statement of Profit and Loss.

**3.6.3 Derecognition**

The Company derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

**3.7 Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet only if there is an enforceable legal right to offset the recognised amounts with an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

**3.8 Fair value measurement**

The Company measures its qualifying financial instruments at fair value on each Balance Sheet date.

Fair value is the price that would be received against sale of 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 in the accessible principal market or the most advantageous accessible market as applicable. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into Level I, Level II and Level III based on the lowest level input that is significant to the fair value measurement as a whole. For a detailed information on the fair value hierarchy, refer note no. 47 and 48. For assets and liabilities that are fair valued in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

**3.9 Inventory**

Inventories are stated at lower of cost and net realisable value. Cost is determined on weighted average / first-in, first-out (FIFO) basis, as considered appropriate by the Company. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

Provision is made for obsolete/slow moving/defective stocks, wherever necessary.

**3.10 Taxes****3.10.1 Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current tax relating to items recognised outside profit or loss is recognised in correlation to the underlying transaction either in OCI or directly in other 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.

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

**3.10.2 Deferred tax**

Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets, if any, are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised either in OCI or in other equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**3.11 Impairment of non-financial assets**

An assessment is done at each Balance Sheet date to ascertain whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of asset is determined. If the carrying value of relevant asset is higher than the recoverable amount, the carrying value is written down accordingly.

**3.12 Provisions and contingent liabilities**

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. 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. The Company also discloses present obligations for which a reliable estimate cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

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

(Amount in Lakhs.)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Note No. 4 - Cash and cash equivalents</b>		
(i) Balances with banks in current accounts	32.52	0.01
(ii) Cheques on hand	5.39	-
(iii) Cash on hand	6.33	9.02
<b>Total cash and cash equivalents</b>	<b>44.24</b>	<b>9.03</b>
<b>Note No. 7 - Inventories</b> (at lower of cost or net realizable value)		
(i) Equity instruments (Quoted)	-	0.05
(ii) Mutual Funds (Quoted)	0.00 *	0.00 *
<b>Total inventories</b>	<b>0.00</b>	<b>0.06</b>
* Less than 1,000		
<b>Note No. 8 - Current tax assets (net)</b>		
Income tax refundable	4.03	15.53
TDS for the year	11.90	15.98
Less: Provision for taxation	(0.47)	-
<b>Total current tax assets (net)</b>	<b>15.46</b>	<b>31.52</b>
<b>Note No. 9 - Deferred tax assets (net)</b>		
Deferred tax relates to the following:		
(i) Deferred tax assets		
Carried forward losses	1.94	2.85
Timing difference on depreciable assets	0.11	0.11
(i) Deferred tax liabilities	-	-
<b>Total deferred tax assets (net)</b>	<b>2.04</b>	<b>2.96</b>



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

(Amount in Lakhs.)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Note No. 5 - Receivables</b>		
(Considered good - unsecured)		
(i) From related party	0.24	-
(ii) From Others	189.27	229.66
<b>Total receivables</b>	<b>189.52</b>	<b>229.66</b>
Impairment allowance recognised on trade receivables is Rs. NIL (Previous year: Rs. NIL)		
No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person		
<b>Note No. 6 - Loans</b>	<b>At amortised cost</b>	<b>At amortised cost</b>
(a)		
Term Loan		
Related Party	-	-
Others	139.00	-
Loans repayable on demand		
Related Party	31.00	-
Others	2,234.84	2,381.80
Less: Impairment loss allowance	18.04	17.86
<b>Total (a)</b>	<b>2,386.80</b>	<b>2,363.94</b>
(b) Out of above		
Unsecured	2,404.84	2,381.80
Less: Impairment loss allowance	18.04	17.86
<b>Total (b)</b>	<b>2,386.80</b>	<b>2,363.94</b>
(c) Out of above		
(i) Loans in India	2,404.84	2,381.80
Less: Impairment loss allowance	18.04	17.86
Sub-total (i)	<b>2,386.80</b>	<b>2,363.94</b>
(ii) Loans outside India	-	-
<b>Total (c)</b>	<b>2,386.80</b>	<b>2,363.94</b>
<b>Total loans</b>	<b>2,386.80</b>	<b>2,363.94</b>
<b>Movement in loss allowance - loans</b>		
Opening loss allowance	17.86	-
Loss allowance reversed during the year	3.28	-
Loss allowance recognised during the year	3.45	17.86
Closing loss allowance	<b>18.04</b>	<b>17.86</b>
<b>Summary of loans by stage distribution</b>		
Stage - 1		
Gross Carrying amount	2,404.84	2,381.80
Less: Impairment loss allowance	18.04	17.86
Net carrying amount	<b>2,386.80</b>	<b>2,363.94</b>
Stage - 2		
Gross Carrying amount	-	-
Less: Impairment loss allowance	-	-
Net carrying amount	-	-
Stage - 3		
Gross Carrying amount	-	-
Less: Impairment loss allowance	-	-
Net carrying amount	-	-

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

(Amount in Lakhs.)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Note No. 10 - Property, plant and equipment</b>		
<b><u>Office equipments</u></b>		
<b>I Gross carrying value</b>		
Balance at the beginning of the year	2.63	2.63
Additions/ (Disposals)	0.25	-
<b>Balance at the end of the year</b>	<b>2.88</b>	<b>2.63</b>
<b>II Accumulated Depreciation</b>		
Balance at the beginning of the year	2.19	1.49
Depreciation for the year	0.38	0.70
<b>Balance at the end of the year</b>	<b>2.58</b>	<b>2.19</b>
<b>III Net carrying value at the end of the year (I-II)</b>	<b>0.30</b>	<b>0.43</b>
<b><u>Furniture</u></b>		
<b>I Gross carrying value</b>		
Balance at the beginning of the year	1.28	1.28
Additions/ (Disposals)	-	-
<b>Balance at the end of the year</b>	<b>1.28</b>	<b>1.28</b>
<b>II Accumulated Depreciation</b>		
Balance at the beginning of the year	0.27	0.14
Depreciation for the year	0.14	0.14
<b>Balance at the end of the year</b>	<b>0.41</b>	<b>0.27</b>
<b>III Net carrying value at the end of the year (I-II)</b>	<b>0.88</b>	<b>1.01</b>
<b>Net property, plant and equipment</b>	<b>1.18</b>	<b>1.45</b>

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

(Amount in Lakhs.)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Note No. 11 - Payables</b>		
(i) Trade Payables		
(a) total outstanding dues of micro and small enterprises	-	-
(b) total outstanding dues of creditors other than micro and small enterprises	0.28	1.68
<b>Total payables</b>	<b>0.28</b>	<b>1.68</b>

Based on and to the extent of information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors, the relevant particulars as at the year-end are furnished below:

(Amount in Lakhs.)

Particulars	As at March 31, 2021	As at March 31, 2020
Principal amount due to suppliers under MSMED Act, as at the year end	-	-
Interest accrued and due to suppliers under MSMED Act, on the above amount as at the year end	-	-
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	-	-
	-	-
<b>Note No. 12 - Provisions</b>		
Contingent provision on standard assets		
Standard Assets	6.44	6.03
Sub- Standard Assets	7.40	-
<b>Total provisions</b>	<b>13.84</b>	<b>6.03</b>
<b>Note No. 13 - Other non-Financial Liabilities</b>		
Statutory dues	0.04	-
	<b>0.04</b>	-

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

(Amount in Lakhs.)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Note No. 14 - Equity share capital</b>		
<b>Authorised:</b>		
1,00,00,000 Equity Shares of Rs.10/- each	1,000.00	1,000.00
<b>Issued, Subscribed &amp; Fully Paid</b>		
75,00,000 Equity Shares of Rs.10/- each	750.00	750.00
<b>Total subscribed and fully paid up Equity share capital</b>	<b>750.00</b>	<b>750.00</b>

## (a) Reconciliation of the number of shares outstanding at the beginning and end of the year:

Particulars	No. of Shares	No. of Shares
Balance as at the beginning and end of the year	7500000	7500000

## (b) Terms &amp; Rights attached to equity shares :

The Company has issued one class of equity shares having a face value of Rs. 10 per share. Each shareholder has right to vote in respect of such share, on every resolution placed before the Company and his voting right on a poll shall be in proportion to his share of the paid-up equity capital of the Company. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after payments to secured and unsecured creditors, in proportion to their shareholding.

## (c) Details of shareholding more than 5% (Face value Rs. 10 per share)

<b>Jain Commodity Broking Pvt. Ltd.</b>		
No. of shares	1800000	1800000
Percentage	24%	24%

**Note No. 15 - Other Equity**

Other equity consist of the following:

<b>a) Statutory Reserve u/s 45IC of RBI Act, 1934</b>		
Opening Balance	15.32	15.32
Changes during the year	-	-
	<b>15.32</b>	<b>15.32</b>
<b>b) Securities Premium</b>		
Opening Balance	1,825.00	1,825.00
Changes during the year	-	-
	<b>1,825.00</b>	<b>1,825.00</b>
<b>c) General Reserve</b>		
Opening Balance	17.43	17.43
Changes during the year	-	-
	<b>17.43</b>	<b>17.43</b>

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

(Amount in Lakhs.)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>d) Retained Earnings</b>		
Opening Balance	23.15	28.42
Net Profit/ (Loss) for the year	(5.84)	(5.27)
	17.31	23.15
Less: Transfer to statutory reserve u/s 45IC of RBI Act, 1934	-	-
	<b>17.31</b>	<b>23.15</b>
<b>Total Other Equity</b>	<b>1,875.06</b>	<b>1,880.90</b>

**Nature and purpose of Reserves****a) Statutory Reserve**

Reserve fund is created as per the terms of section 45-IC(1) of the Reserve Bank of India Act, 1934 as a statutory reserve.

**b) Securities Premium**

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Section 52 of the Companies Act, 2013.

**c) General Reserve**

This Reserve is created by an appropriation from one component of equity (generally Retained Earnings) to another, not being an item of Other Comprehensive Income. The same can be utilized in accordance with the provisions of the Companies Act, 2013.

**d) Retained Earnings**

This Reserve represents the cumulative profits of the Company. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

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

(Amount in Lakhs.)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Note No. 16 - Interest income</b> <i>(on financial assets measured at amortised cost)</i>		
Interest on loans	169.40	164.27
Interest on Bank deposits	1.03	0.36
On Others	0.52	0.89
<b>Total Interest income</b>	<b>170.96</b>	<b>165.52</b>
<b>Note No. 17 - Dividend income</b> from Mutual Funds	-	0.00 *
<b>Total dividend income</b>	-	<b>0.00</b>
* Less than 1,000		
<b>Note No. 18 - Sale of stock-in-trade</b> Sale of securities	33.98	106.24
<b>Total sale of stock-in-trade</b>	<b>33.98</b>	<b>106.24</b>
<b>Note No. 19 - Others</b> Profit in Share Dealing	0.33	1.66
<b>Total others</b>	<b>0.33</b>	<b>1.66</b>
<b>Note No. 20 - Purchase of stock-in-trade</b>  Purchase of securities	32.27	67.55
<b>Total purchase of stock-in-trade</b>	<b>32.27</b>	<b>67.55</b>
<b>Note No. 21 - Changes in inventories of stock-in-trade</b>  Opening stock	0.06	43.28
Less: Closing stock	0.00 *	0.06
<b>Changes in inventories of stock-in-trade</b>	<b>0.05</b>	<b>43.22</b>
* Less than 1,000		
<b>Note No. 22 - Employee benefits expense</b>  Salaries	42.26	41.63
Staff welfare expenses	6.88	5.97
<b>Total employee benefit expense</b>	<b>49.14</b>	<b>47.60</b>
<b>Note No. 23 - Depreciation and Amortisation expense</b>  Depreciation	0.52	0.84
<b>Total depreciation</b>	<b>0.52</b>	<b>0.84</b>

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

(Amount in Lakhs.)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Note No. 24 - Contingent provision on assets</b>		
Provision required as on date of balance Sheet	13.84	6.03
Less: Provision brought forward from previous year	6.03	6.03
	<b>7.81</b>	-
<b>Note No. 25 - Other expenses</b>		
Rent, rates and taxes	1.85	1.85
Repairs and maintenance	1.14	1.12
Electricity charges	2.76	2.72
Office maintenance	7.18	7.00
Communication Costs	5.22	4.63
Postage and courier	4.88	4.80
Conveyance	6.94	6.53
Impairment loss allowance	0.17	17.86
Travelling	5.40	4.86
Printing and stationery	5.56	5.12
Books and periodicals	4.78	4.26
Depository and RTA charges	0.81	0.80
Fees to Stock exchanges	3.75	3.75
General expenses	18.75	18.01
Advertisement and publicity	2.95	2.89
Bad debts written off	32.51	13.00
Auditor's remuneration		
- For statutory audit	0.24	0.24
- For other certifications	0.05	0.05
Professional charges	3.43	3.43
Miscellaneous Expenses	11.57	12.14
<b>Total other expenses</b>	<b>119.93</b>	<b>115.06</b>
<b>Note No. 26 - Tax expenses</b>		
Current tax	0.47	-
Deferred tax	0.92	4.43
<b>Total tax expenses</b>	<b>1.38</b>	<b>4.43</b>
<b>Note No. 27 - Earning per share</b>		
Net profit after taxation as disclosed in the Statement of Profit & Loss	(5.84)	(5.27)
Weighted average number of equity shares outstanding during the year	75,00,000	75,00,000
Earnings per share (EPS) (Rs.)	(0.08)	(0.07)
Nominal value per equity share	10	10

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

**Note No. 28 - Segment information**

The Managing Director of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, "Operating Segments". The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators, however the Company is primarily engaged in only one segment viz., Financing and that all of the operations are in India. Hence the Company does not have any reportable Segments as per Ind AS 108 "Operating Segments".

**Note No. 29 - Capital management & Risk Management Strategies**

**(i) Capital Management**

The Company's objective is to maintain appropriate levels of capital to support its business strategy taking into account the regulatory, economic and commercial environment. The Company aims to maintain a strong capital base to support the risks inherent to its business and growth strategies. The Company endeavours to maintain a higher capital base than the mandated regulatory capital at all times.

The Company's assessment of capital requirement is aligned to its planned growth which forms part of an annual operating plan which is approved by the Board and also a long range strategy. Accordingly, increase in capital is planned well in advance to ensure adequate funding for its growth. The Company does not owe any debt.

**Dividend**

The Company follows the policy of Dividend for every financial year as may be decided by Board considering financial performance of the company and other internal and external factors enumerated in the Company dividend policy. The Company has not proposed/declared dividend for current financial year as well as in the previous financial year.

**(ii) Risk Management Strategies**

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts are entered to hedge certain foreign currency risk exposures and interest rate swaps to hedge variable interest rate exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

<b>Risk</b>	<b>Exposure arising from</b>	<b>Measurement</b>	<b>Management</b>
Credit risk	Credit risk is the risk of financial loss arising out of a customer or counterparty failing to meet their repayment obligations to the Company	Aging analysis, Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity and funding risk	Liquidity risk arises from mismatches in the timing of cash flows	Identifying gaps in the structural and dynamic liquidity statements.	- Availability of borrowing facilities - Periodic reviews of the liquidity position and stress test
Interest rate risk	Interest rate risk stems from movements in market factors, such as interest rates, credit spreads which impacts investments, income and the value of portfolios.	Sensitivity analysis	Portfolio diversification

**Note No. 30 - Related party disclosures**

**A. List of related parties**

Key Management Personnel

1. Mr. Dilip Kumar Gupta - Managing Director
2. Ms. Pooja Sethia - Company Secretary and Compliance Officer (w.e.f. 05.09.2020)
3. Mr. Rohit Jain - Chief Financial Officer



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

**B. The remuneration to key managerial personnel during the year was as follows:**

(Amount in Lakhs.)

	As at March 31, 2021	As at March 31, 2020
1. Managing Director	4.50	4.50
2. Company Secretary and Compliance Officer	2.45	3.00
3. Chief Financial Officer	3.50	3.00

**C. Other Related parties with whom the Company has entered into transactions:**

1. Vardy Apparels Pvt. Ltd.

**Transactions during the year :**

(Amount in Lakhs.)

Particulars	Nature of Transactions	As at March 31, 2021	As at March 31, 2020
Vardy Apparels Pvt. Ltd.	Loan Given	34.00	-
	Loan Refunded	3.00	-
	Interest (Less TDS)	0.24	-

**Closing Balances:**

(Amount in Lakhs.)

Particulars	As at March 31, 2021	As at March 31, 2020
Vardy Apparels Pvt. Ltd.	31.24	-

Note: All related party transactions entered during the year were in ordinary course of the business and are on arm's length basis.

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

**Note No. 31 - Income Taxes**

A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

Particulars	(Amount in Lakhs.)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit /(loss) before taxation	(4.45)	(0.84)
Enacted income tax rate in India	26.00%	26.00%
Tax at the enacted income tax rate	(1.16)	(0.22)
Effect due to non-deductible expenses	2.07	4.69
MAT Credit entitlement	0.47	-
Effect of remeasurement of deferred tax	0.00 *	(0.04)
<b>Tax expense/ (credit)</b>	<b>1.38</b>	<b>4.43</b>

\* Less than 1,000

	(Amount in Lakhs.)				
	As at 1st April, 2019	Credit/ (charge) in Statement of profit and loss	As at 31st March, 2020	Credit/ (charge) in Statement of profit and loss	As at 31st March, 2021
<b>Deferred tax assets/(liabilities)</b>					
Property, plant and equipment	0.07	0.04	0.11	(0.00) *	0.11
Carried forwarded losses	7.32	(4.47)	2.85	(0.91)	1.94
	<b>7.38</b>	<b>(4.43)</b>	<b>2.96</b>	<b>(0.92)</b>	<b>2.04</b>

\* Less than 1,000

**Note No. 32** - Schedule to the Balance Sheet as required in terms of Non-Banking Finance Company - Non Systematically Important Non-Deposit taking (Reserve Bank) Directions, 2016 is annexed

**Note No. 33 - Fair values and fair value hierarchy**

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

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

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

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

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

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

**The carrying amounts and fair values of financial instruments by category are as follows:**

	(Amount in Lakhs.)			
	FVOCI	FVTPL	Amortised cost	Total
<b>As at 31st March, 2020</b>				
<b>Financial Assets</b>				
Cash and cash equivalents	-	-	9.03	9.03
Trade receivables	-	-	229.66	229.66
Loans	-	-	2,363.94	2,363.94
	-	-	<b>2,602.63</b>	<b>2,602.63</b>
<b>Financial Liabilities</b>	-	-	-	-
<b>As at 31st March, 2021</b>				
<b>Financial Assets</b>				
Trade receivables	-	-	44.24	44.24
Cash and cash equivalents	-	-	189.52	189.52
Loans	-	-	2,386.80	2,386.80
	-	-	<b>2,620.55</b>	<b>2,620.55</b>
<b>Financial Liabilities</b>	-	-	-	-

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

**Note No. 34 - Financial Risk Factors**

A summary of the major risk faced by the company, its measurement monitoring and management are described as under:

Nature of Risk	Arising From	Executive Governance Structure	Measurement, monitoring and management of risk
Liquidity and funding risk	<p>Liquidity risk arises from mismatches in the timing of cash flows.</p> <p>Funding risk arises:</p> <ul style="list-style-type: none"> <li>· when long term assets cannot be funded at the expected term resulting in cashflow mismatches;</li> <li>· amidst volatile market conditions impacting sourcing of funds from banks and money markets.</li> </ul>	Board appointed Asset Liability Committee (ALCO)	<p>Liquidity and funding risk is:</p> <ul style="list-style-type: none"> <li>· measured by identifying gaps in the structural and dynamic liquidity statements.</li> <li>· monitored by               <ul style="list-style-type: none"> <li>– assessment of the gap between visibility of funds and the near term liabilities given current liquidity conditions and evolving regulatory directions for NBFCs.</li> <li>– a constant calibration of sources of funds in line with emerging market conditions in banking and money markets.</li> <li>– periodic reviews by ALCO relating to the liquidity position and stress tests assuming varied ‘what if’ scenarios and comparing probable gaps with the liquidity buffers maintained by the Company.</li> </ul> </li> </ul>
Interest rate risk	Interest rate risk stems from movements in market factors, such as interest rates, credit spreads which impacts the investments, income and the value of portfolios	Board appointed Asset Liability Committee (ALCO)	<p>Interest rate risk is:</p> <ul style="list-style-type: none"> <li>· measured using Valuation at Risk (‘VaR’), and modified duration analysis and other measures, including the sensitivity of net interest income.</li> <li>· monitored by assessment of probable impacts of interest rate sensitivities under simulated stress test scenarios given range of probable interest rate movements on both fixed and floating assets and liabilities.</li> <li>· managed by the Company’s treasury team under the guidance of ALCO.</li> </ul>
Credit risk	Credit risk is the risk of financial loss arising out of a customer or counterparty failing to meet their repayment obligations to the Company	Board appointed Risk Management Committee	<p>Credit risk is:</p> <ul style="list-style-type: none"> <li>· measured as the amount at risk due to repayment default of a customer or counterparty to the Company. Various metrics such as EMI default rate, overdue position, collection efficiency, customers non performing loans etc. are used as leading indicators to assess credit risk.</li> <li>· monitored by Risk Management Committee using level of credit exposures, portfolio monitoring, repurchase rate, bureau data of portfolio performance and industry, geographic, customer and portfolio concentration risks.</li> <li>· managed by a robust control framework by the risk department which continuously align credit policies, obtaining external data from credit bureaus and reviews of portfolios and delinquencies by senior and middle Management team comprising of risk, analytics, collection and fraud containment along with business. The same is periodically reviewed by the Board appointed Risk Management committee.</li> </ul>

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

**Note No. 35** - The disclosures as required by the NBFC Master directions issued by RBI

**(A) Capital**

S.No.	Particulars	As at March 31, 2021	As at March 31, 2020
(i)	CRAR (%)	101.89%	101.43%
(ii)	CRAR - Tier I Capital (%)	101.89%	101.43%
(iii)	CRAR - Tier II Capital (%)	-	-
(iv)	Amount of subordinated debt raised as Tier II capital	-	-
(v)	Amount raised by issue of pre-emptive Debt Instruments	-	-

**Note No. 36 - Recent Accounting Pronouncements****Applicability of new Indian Accounting Standards ('Ind AS'), amendments and interpretations:**

The Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2020 has notified the following major amendments which became applicable with effect from April 1, 2020.

**Amendments to Ind AS 103- Business combinations**

The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

The amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs. The amendments also introduce additional guidance that helps to determine whether a substantive process has been acquired.

The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets.

The adoption of these amendments has not had any impact on the disclosures or reported amounts in these financial statements.

**Amendments to Ind AS 116 – Leases**

The amendments provide practical relief, subject to certain conditions, to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to Ind AS 116. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession the same way it would account for the change applying Ind AS 116 if the change were not a lease modification.

The adoption of this amendment has not had any impact on the disclosures or reported amounts in these financial statements.

**Amendment to Ind AS 109 and Ind AS 107 – Interest Rate Benchmark Reform**

These amendments modify specific hedge accounting requirements to allow hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments affected by the current interest rate benchmarks are amended as a result of the on-going interest rate benchmark reforms. The adoption of this amendment has not had any impact on the disclosures or reported amounts in these financial statements.

**Amendment to Ind AS 1 and Ind AS 8 – Definition of "Material"**

The Company has adopted the amendments to Ind AS 1 and Ind AS 8 for the first time in the current year. The amendments make the definition of material in Ind AS 1 easier to understand and are not intended to alter the underlying concept of materiality in Ind ASs. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition."

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

The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'. The definition of material in Ind AS 8 has been replaced by a reference to the definition of material in Ind AS 1. In addition, the MCA amended other Standards that contain the definition of 'material' or refer to the term 'material' to ensure consistency.

The adoption of these amendments did not have any material impact on its evaluation of materiality in relation to the financial statements.

**New and revised Ind ASs, amendments and interpretations in issue but not yet effective:**

At the date of approval of these financial statements, the Company has not applied the following amendments that have been issued but are not yet effective.

**Amendment to Ind AS:**

The Ministry of Corporate Affairs (MCA) vide Notification dated 18th June, 2021 has issued new Companies (Indian Accounting Standard) Amendment Rules, 2021. These rules are applicable with immediate effect from the date of the said notification. Major amendments notified in the notification are provided below:

- (a) Ind AS 116 | Leases – The amendment extends the benefits of the COVID 19 related rent concession that were introduced in the previous year (which allowed lessees to recognize COVID 19 related rent concessions as income rather than as lease modification) from 30th June, 2021 to 30th June, 2022.
- (b) Ind AS 109 | Financial Instruments – The amendment provides a practical expedient for assessment of contractual cash flow test, which is one of the criteria for being eligible to measure a financial asset at amortized cost, for the changes in the financial assets that may arise as a result of Interest Rate Benchmark Reform. An additional temporary exception from applying hedge accounting is also added for Interest Rate Benchmark Reform.
- (c) Ind AS 101 | Presentation of Financial Statements – The amendment substitutes the item (d) mentioned in paragraph B1 as 'Classification and measurement of financial instruments'. The term 'financial asset' has been replaced with 'financial instruments'.
- (d) Ind AS 102 | Share-Based Payment – The amendments to this standard are made in reference to the Conceptual Framework of Financial Reporting under Ind AS in terms of defining the term 'Equity Instrument' which shall be applicable for the annual reporting periods beginning on or after 1st April, 2021.
- (e) Ind AS 103 | Business Combinations – The amendment substitutes the definition of 'assets' and 'liabilities' in accordance with the definition given in the framework for the Preparation and Presentation of Financial Statements in accordance with Ind AS for qualifying the recognition criteria as per acquisition method.
- (f) Ind AS 104 | Insurance Contracts – The amendment covers the insertion of certain paragraphs in the standard in order to maintain consistency with IFRS 4 and also incorporates the guidance on accounting treatment for amendments due to Interest Rate Benchmark Reform.
- (g) Ind AS 105 | Non-current assets held for sale and discontinued operations – The amendment substitutes the definition of – "fair value less costs to sell" with "fair value less costs of disposal".
- (h) Ind AS 106 | Exploration for and evaluation of mineral resources – The amendment has been made in reference to the Conceptual Framework for Financial Reporting under Indian Accounting Standards in respect of expenditures that shall not be recognized as exploration and evaluation assets.
- (i) Ind AS 107 | Financial Instruments: Recognition, Presentation and Disclosure – The amendment clarifies the certain additional disclosures to be made on account of Interest Rate Benchmark Reform like the nature and extent of risks to which the entity is exposed arising from financial instruments subject to interest rate benchmark reform; the entity's progress in completing the transition to alternative benchmark rates, and how the entity is managing the transition.

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

- (j) Ind AS 111 | Joint Arrangements – In order to maintain consistency with the amendments made in Ind AS 103, respective changes have been made in Ind AS 111.
- (k) Ind AS 114 | Regulatory Deferral Accounts – The amendment clarifies that an entity may only change its accounting policies for the recognition, measurement, and impairment & derecognition of regulatory deferral account balances if the change makes the financial statements more relevant to the economic decision-making needs of users and no less reliable.
- (l) Ind AS 115 | Revenue from Contracts with Customers – Certain amendments have been made in order to maintain consistency with number of paragraphs of IFRS 15.
- (m) Ind AS 8 | Accounting Policies, Changes in Accounting Estimates and Errors – In order to maintain consistency with the amendments made in Ind AS 114 and to substitute the word ‘Framework’ with the ‘Conceptual Framework of Financial Reporting in Ind AS’, respective changes have been made in the standard.
- (n) Ind AS 16 | Property, Plant and Equipment –The amendment has been made by substituting the words “Recoverable amount is the higher of an asset’s fair value less costs to sell and its value in use” with “Recoverable amount is the higher of an asset’s fair value less costs of disposal and its value in use”.
- (o) Ind AS 34 | Interim Financial Reporting –The amendments to this standard are made in reference to the conceptual framework of Financial Reporting in Ind AS.
- (p) Ind AS 37 | Provisions, Contingent Liabilities and Contingent Assets – The amendment substitutes the definition of the term ‘Liability’ as provided in the Conceptual Framework for Financial Reporting under Indian Accounting Standards.
- (q) Ind AS 38 | Intangible Assets – The amendment substitutes the definition of the term ‘Asset’ as provided in the Conceptual Framework for Financial Reporting under Indian Accounting Standards.

The Company is evaluating the impact of these amendments.

**Note No. 37** - The figures of previous year have been regrouped/ recast wherever considered necessary to make them comparable with those of current year.

**Note No. 38 - Approval of financial statements**

The financial statements were approved for issue by the Board of Directors on June 30 2021.

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

**For V. Goyal & Associates**

Chartered Accountants  
FRN - 312136E

**Pankaj Kumar Goyal**

Partner  
Mem No. - 059991

Date: June 30, 2021

Place: Kolkata

UDIN : 21059991AAAACM8577

**Dilip Kumar Gupta**  
Managing Director  
(DIN: 01168576)

**Pooja Sethia**  
Company Secretary

**Rajesh Shah**  
Independent Director  
(DIN: 06746791)

**Rohit Jain**  
Chief Financial Officer

**SCHEDULE TO THE BALANCE SHEET OF A NON-DEPOSIT TAKING NON-BANKING FINANCIAL COMPANY**

Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking (Reserve Bank) Directions, 2016  
Schedule to the Balance Sheet as on 31st March, 2021

(Rs. In Lakhs)

PARTICULARS	Amount Outstanding	Amount Overdue
<b>Liabilities Side</b>		
<b>1 Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:</b>		
a Debentures: Secured	Nil	Nil
Unsecured (other than falling within the meaning of public deposits)	Nil	Nil
b Deferred Credits	Nil	Nil
c Term Loans	Nil	Nil
d Inter-corporate loans and borrowing	Nil	Nil
e Commercial Paper	Nil	Nil
f Public Deposits*	Nil	Nil
g Other Loans ( Specify nature)	Nil	Nil
<b>2 Break-up of (1) (f) above (outstanding public deposits inclusive of interest accrued thereon but not paid):</b>		
a In the form of Unsecured denentures	N.A.	N.A.
b In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	N.A.	N.A.
c Other public deposits	N.A.	N.A.
* Please see Note 1 below		
<b>Assets Side</b>		
<b>3 Break up of Loans and Advances including Bills Receivables (Other than those included in (5) below)</b>		
a Secured	NIL	
b Unsecured	2,576.32	
<b>4 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	Nil	
b Operating Lease	Nil	
(ii) Stock on hire including hire charges under sundry debtors		
a Assets on Hire	Nil	
b Repossessed Assets	Nil	
(iii) Other Loans counting towards AFC activities		
a Loans where assets have been repossessed	Nil	
b Loans other than (a) above	Nil	

**SCHEDULE TO THE BALANCE SHEET OF A NON-DEPOSIT TAKING NON-BANKING FINANCIAL COMPANY**  
Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking (Reserve Bank) Directions, 2016  
Schedule to the Balance Sheet as on 31st March, 2021

(Rs. In Lakhs)

PARTICULARS	Amount Outstanding	Amount Overdue
<b>5 Break-up of Investments:</b>		
<b>Current Investment</b>		
<b>1 Quoted:</b>		
i Shares: a Equity	Nil	
b Preference	Nil	
ii Debentures and Bonds	Nil	
iii Units of Mutual Funds	0.00 *	
iv Government Securities	Nil	
v. Others ( Please Specify)	Nil	
* Less than 1,000		
<b>2 Unquoted</b>		
i Shares: a Equity	Nil	
b Preference	Nil	
ii Debentures and Bonds	Nil	
iii Units of Mutual Funds	Nil	
iv Government Securities	Nil	
v. Others ( Please Specify)	Nil	
<b>Long Term Investments</b>		
<b>1 Quoted:</b>		
i Shares: a Equity	Nil	
b Preference	Nil	
ii Debentures and Bonds	Nil	
iii Units of Mutual Funds	Nil	
iv Government Securities	Nil	
v. Others ( Please Specify)	Nil	
<b>2 Unquoted</b>		
i Shares: a Equity	Nil	
b Preference	Nil	
ii Debentures and Bonds	Nil	
iii Units of Mutual Funds	Nil	
iv Government Securities	Nil	
v. Others ( Please Specify)	Nil	

<b>6 Borrower group-wise classification of Assets financed as in (3) and (4) above. Please see Note 2 Below</b>			
Category	Amount net of provisions		
	Secured	Unsecured	Total
<b>1 Related Parties**</b>			
a Subsidiaries	Nil	Nil	Nil
b Companies in the same Group	Nil	Nil	Nil
c Other related parties	Nil	31.24	31.24
<b>2 Other than related parties</b>	Nil	2,545.08	2,545.08
Total	Nil	2,576.32	2,576.32

<b>7 Investor group-wise classification of all investments (current and long term) in shares and securities (Both quoted and unquoted): please see note 3 below</b>			
Category	Market value/Breakup or Fair value or NAV		Book Value (Net of provisions)
	<b>1 Related Parties**</b>		
a Subsidiaries	Nil		Nil
b Companies in the same Group	Nil		Nil
c Other related parties	Nil		Nil
<b>2 Other than related parties</b>	Nil		Nil
Total	Nil		Nil

Note : As per Ind AS of ICAI (Please see Note 3)



**SCHEDULE TO THE BALANCE SHEET OF A NON-DEPOSIT TAKING NON-BANKING FINANCIAL COMPANY**

Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking (Reserve Bank) Directions, 2016  
Schedule to the Balance Sheet as on 31st March, 2021

(Rs. In Lakhs)

PARTICULARS	<u>Amount Outstanding</u>	<u>Amount Overdue</u>
<b>8 Other Information</b>		
<b>Particulars</b>	<b>Amount</b>	
<b>i Gross Non-Performing Assets</b>		
a Related Parties		Nil
b Other than related parties		Nil
<b>ii Net Non-Performing Assets</b>		
a Related Parties		Nil
b Other than related parties		Nil
<b>iii Assets acquired in satisfaction of debt</b>		Nil
<b>Notes :</b>		
1. As defined in point xix of paragraph 3 of Chapter -2 of these Directions.		
2. Provisioning norms shall be applicable as prescribed in these Directions.		
3. All Ind AS and guidance notes issued by ICAI are applicable including for valuation of investments and others assets as also assets acquired in satisfaction of debt.		

In terms of our report attached.

For and on behalf of Board of Directors:

**For V. Goyal & Associates**

Chartered Accountants

FRN - 312136E

**Dilip Kumar Gupta**

Managing Director

(DIN: 01168576)

**Rajesh Shah**

Independent Director

(DIN: 06746791)

**Pankaj Kumar Goyal**

Partner

Mem No. - 059991

**Pooja Sethia**

Company Secretary

**Rohit Jain**

Chief Financial Officer

Date: June 30, 2021

Place: Kolkata

UDIN : 21059991AAAACM8577

**SARVOTTAM FINVEST LIMITED****CIN - L65998WB1978PLC081798**REGD OFFICE: 3, BENTINCK STREET, 2<sup>ND</sup> FLOOR

KOLKATA – 700 001 PH: (033) 2210 0875

EMAIL ID : [sarvottamfinvest@gmail.com](mailto:sarvottamfinvest@gmail.com)Website: [www.sarvottamfinvest.in](http://www.sarvottamfinvest.in)**FORM NO. MGT-11****PROXY FORM**

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

Name of the member(s):	
Registered Office:	
Folio No./ DP ID :Client ID:	
E-mail ID:	

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

1. Name: ..... Address: .....

E-mail Id: ..... Signature ..... or failing him

2. Name: ..... Address: .....

E-mail Id: ..... Signature ..... or failing him

3. Name: ..... Address: .....

E-mail Id: ..... Signature: .....

as my/our proxy to attend and vote for me/us and on my/our behalf at the 42<sup>nd</sup> Annual General Meeting of the Company, to be held on 30<sup>th</sup> day of September, 2021 at 3.00 P. M at 3, Bentinck Street, 2<sup>nd</sup> Floor, Kolkata – 700 001 and at any adjournment thereof in respect of such resolution as are indicated below:

**Ordinary Business:**

Sl. No.	Ordinary Resolution	Optional	
		For	Against
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2021 together with the reports of the Board of Directors and Auditors thereon.		
2.	To appoint a director in place of Mr. Dilip Kumar Gupta (DIN: 01168576), who retires by rotation and being eligible, offers himself for re-appointment.		

**Special Business:**

Sl. No.	Special Resolution	Optional	
		For	Against
3.	Re-appointment of Mr. Dilip Kumar Gupta (DIN:01168576) as Managing Director.		

Signed this ..... day of .. 2021

Affix Rs.1 Revenue Stamp
--------------------------------

Signature of the Shareholder .....

Signature of Proxy holder (s) .....

Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company at 3, Bentinck Street, 2nd Floor, Kolkata – 700001, not less than 48 hours before the commencement of the meeting.

## ATTENDANCE SLIP – 42ND ANNUAL GENERAL MEETING

(Please sign and handover at the entrance of the Meeting Hall)

<b>Regd. Folio / DP ID &amp; Client ID</b>
<b>Name and Address of the Shareholder</b>

1. I, hereby record my presence at the **42ND ANNUAL GENERAL MEETING** of the Company being held on **30<sup>th</sup> September, 2021** at 3.00 P.M. at the Registered Office of the Company at 3, Bentinck Street, 2<sup>nd</sup> Floor, Kolkata-700001

2. Signature of the Shareholder/Proxy Present

--

3. Shareholder / Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and hand over the same at the entrance duly signed.
4. Shareholder / Proxy holder desiring to attend the meeting may bring his / her copy of the Annual Report for reference at the meeting.

**Note:** - PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING.

### ELECTRONIC VOTING PARTICULARS

(1) EVSN (E-Voting Sequence No.)	(2) USER ID.	(3) PAN or Relevant No. as under	(4) Bank Account No.
			(See Note No.1)

Notes:

- (1) Where Bank Account Number is not registered with the Depositories or Company please enter your User Id. as mentioned in column (2) above.

(2) Please read the Instructions printed under the Note No. 11 to the Notice dated 03.09.2021 of the 42<sup>ND</sup> Annual General Meeting. The e-voting period starts from 9.00 A.M. on 27.09.2021 and ends at 5.00 P.M. on 29.09.2021, the e-voting module shall be disabled by Central Depository Services (India) Ltd. for voting thereafter.

## **Sarvottam Finvest Limited**

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