JANGID & ASSOCIATES
CHARTERED ACCOUNTANTS

21, Rehman Building, 3rd Floor, 24 Veer Nariman Road, Fort, Mumbai - 400 023.
Tel. : 2287 4090 / 2283 2937 • Mob. : 93222 81706 • E-mail : cajangid1989@gmail.com

# INDEPENDENT AUDITORS' REPORT

**To**
**The Members of**
**A. K. Capital Corporation Private Limited**

## Report on the Audit of the Financial Statements

### Opinion

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

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

### Basis for Opinion

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

### Key Audit Matters

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

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| Sr. No. | Key Audit Matter | How our audit addressed the Key Audit Matter |
|---|---|---|
| 1 | **Related party transactions and disclosures** (as described in note 16 of the Standalone Financial Statements)<br><br>The Company has undertaken transactions with its related parties in the normal course of business.<br><br>We identified the accuracy and completeness of related party transactions and its disclosure as set out in respective notes to the standalone financial statements as a key audit matter to verify whether the transactions are recorded at arm length basis, disclosure of such transactions in the financial statements and regulatory compliance thereon during the year ended 31 March 2022. | **Principal audit procedures**<br>- Obtained, read and assessed the Company's policies, processes and procedures in respect of identifying related parties, evaluation of arm's length, obtaining necessary approvals, recording and disclosure of related party transactions, including compliance of transactions and disclosures in accordance with the regulations.<br><br>- We tested, on a sample basis, related party transactions with the underlying contracts and other supporting documents for appropriate authorization and approval for such transactions.<br><br>- We read minutes of meeting of the Board and its relevant committee meetings and minutes of meetings of those charged with governance in connection with transactions with related parties affected during the year and Company's assessment of related party transactions being in the ordinary course of business at arm's length and in accordance with the regulations.<br><br>- Assessed and tested the disclosures made in accordance with the requirements of Ind AS and the applicable regulations. |

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the

Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, 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 it appears from our examination of those books;

   c) The Balance sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity, and Statement of Cash Flows dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

   e) On the basis of written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022, from being appointed as a director in terms of Section 164(2) of the Act;

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial control over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

      In our opinion and to the best of our information, as the Company is Private Limited Company, provisions of Section 197 read with Schedule V of the Act is not applicable to the Company.

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

      i. The Company does not have any pending litigations which would impact its financial position;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. There is no amount required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

FOR JANGID & ASSOCIATES
Chartered Accountants
ICAI Reg. No. 104045W

SAJAN KUMAR AGARWAL
Digitally signed by SAJAN KUMAR AGARWAL
Date: 2022.05.17 18:34:26 +05'30'

(CA Sajjan Agrawal)
Partner
Membership No.: 102586
UDIN : 22102586AJDMTH1398
Place : Mumbai;
Dated : 17 May 2022

**ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT**
**(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)**

i. In respect of the Company's Property, Plant and Equipment :

(a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipment.

(B) The Company has not acquired any Intangible assets till date of Balance Sheet

(b) The Company has program of physical verification of Property, Plant and Equipment in phased manner so as to cover all the assets, which in our opinion, is reasonable having regard to size of the Company and nature of its assets. Pursuant to the program, all the Property, Plant and Equipment have been physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any immovable properties. In view of this, clause 3 (i) (c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment during the year.

(e) According to information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the "Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

ii. (a) The inventory of shares and securities have been held in the dematerialized form. The shares and securities held in the dematerialized form have been verified with the demat account statements at reasonable intervals, during the year. No discrepancies were noticed on such verification

(b) The Company has not been sanctioned working capital limits at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

iii. In respect of the Company's investments, loan, guarantee or security:

a) During the year, the Company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity.

b) During the year, the Company has invested in mutual funds which are not prejudicial to the Company's interest.

c) In respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest schedule has been stipulated and the receipts have been regular.

d) The Company has not provided loans or provided advance in nature of loans and therefore reporting under clause 3(iii)(d) to 3(iii)(f) of the Order is not applicable to the Company.

iv. According to information and explanations given to us, the Company has not granted any loan, secured or unsecured, or provided any guarantee or security to the parties covered under Section 185 of the Act during the year. With respect to investments, provisions of Section 186 of the Act have been complied with.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the rules made thereunder. Accordingly, reporting under clause 3(v) of the Order are not applicable to the Company.

vi. According to the information and explanations given to us, the requirement for maintenance of cost records specified by the Central Government under Section 148(1) of the Act is not applicable to the Company during the year.

vii. In respect of statutory dues:

a. According to the information and explanations given to us, the Company has been generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, duty of customs, cess and any other statutory dues as applicable to the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year for the period of more than six month from the date they became payable. No undisputed amounts payable in respect of aforesaid statutory dues were outstanding as on the last day of the financial year for a period of more than six months from the date they became payable.

b. According to information and explanations given to us, there are no dues on account of Income Tax, Goods and Service Tax, Customs Duty, and Cess which have not been deposited with the appropriate authorities on account of any dispute.

viii. According to information and explanations given to us, no unrecorded transactions have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. The Company has not taken any loans or other borrowings on long-term or short-term basis from any banks, financial institutions, entity or person and hence reporting on clause 3(ix) (a) to (f) of the Order is not applicable to the Company.

x. (a) According to the information and explanations given to us, the Company has not raised moneys by way of public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year and hence, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, we report that no fraud by the Company or on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government, during the year and upto the date of this report.

(c) No whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.

xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us, in our opinion, transactions with related parties are in compliance with Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us, in our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Companies Act 2013. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year. Accordingly, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. In respect of the Reserve Bank of India Act, 1934:

a. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable to the Company.

b. The Group does not have more than one CIC as part of the Group and accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company

xvii. According to the information and explanations given to us, the Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. The Company is not required to spent amounts towards Corporate Social Responsibility as it does not fulfill the condition given under section 135 of Companies Act, 2013. Accordingly, reporting on clauses 3(xx) (a) and 3(xx)(b) of the Order is not applicable to the Company.

FOR JANGID & ASSOCIATES
Chartered Accountants
ICAI Reg. No. 104045W

SAJAN KUMAR AGARWAL

Digitally signed by SAJAN KUMAR AGARWAL
Date: 2022.05.17 18:34:55 +05'30'

(CA Sajjan Agrawal)
Partner
Membership No.: 102586
UDIN : 22102586AJDMTH1398
Place : Mumbai;
Dated : 17 May 2022

**ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT**
**(Referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)**

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

We have audited the internal financial controls over financial reporting of **A. K. Capital Corporation Private Limited** as of 31 March 2022 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 further periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR JANGIND & ASSOCIATES.
Chartered Accountants
ICAI Reg. No. 104045W

SAJAN KUMAR AGARWAL
Digitally signed by SAJAN KUMAR AGARWAL
Date: 2022.05.17 18:35:12 +05'30'

(CA Sajjan Agrawal)
Partner
Membership No.: 102586
UDIN : 22102586AJDMTH1398
Place : Mumbai;
Dated : 17 May 2022

# A. K. Capital Corporation Private Limited

**Balance Sheet as at 31 March 2022**

**Rs. In Lakhs**

| Particulars | Notes | As at 31-March-2022 | As at 31-March-2021 |
|---|---|---|---|
| **ASSETS** | | | |
| **(1) Financial Assets** | | | |
| (a) Cash and cash equivalents | **2** | 190.18 | 231.44 |
| (b) Investments | **3** | - | 17.15 |
| (c) Stock of securities | **4** | 70.01 | - |
| (d) Other financial assets | **5** | 4.47 | 0.09 |
| **Total Financial Assets** | | **264.66** | **248.68** |
| **(2) Non-financial assets** | | | |
| (a) Deferred Tax Assets (Net) | **6** | 0.01 | 0.02 |
| (b) Property, Plant and Equipment | **7** | 0.05 | 0.05 |
| **Total Non-Financial Assets** | | **0.06** | **0.07** |
| **TOTAL ASSETS** | | **264.72** | **248.75** |
| **LIABILITIES AND EQUITY** | | | |
| **LIABILITIES** | | | |
| **(1) Financial Liabilities** | | | |
| (a) Trade Payables | **8** | | |
| (i) Total outstanding dues of micro enterprises and small enterprises | | - | - |
| (ii) Total outstanding dues of creditors other than micro and small enterprises | | 0.32 | 0.32 |
| **Total Financial Liabilities** | | **0.32** | **0.32** |
| **(2) Non-Financial Liabilities** | | | |
| (a) Current tax liabilites | | 4.54 | 1.44 |
| **Total Non-Financial Liabilities** | | **4.54** | **1.44** |
| **TOTAL LIABILITIES** | | **4.86** | **1.76** |
| **EQUITY** | | | |
| (a) Equity Share Capital | **9 (a)** | 210.00 | 210.00 |
| (b) Other Equity | **9 (b)** | 49.86 | 36.99 |
| **Total Equity** | | **259.86** | **246.99** |
| **TOTAL LIABILITIES AND EQUITY** | | **264.72** | **248.75** |

**Significant accounting policies** **1**

**For and on behalf of the board of directors**

**For Jangid & Associates**
**Chartered Accountants**
**Firm Registration No. 104045W**

SAJAN KUMAR AGARWAL
Digitally signed by SAJAN KUMAR AGARWAL
Date: 2022.05.17 18:33:24 +05'30'

**Sajjan Agarwal**
**Partner**
**Membership No. 102586**

**Place : Mumbai**
**Date : May 17, 2022**

ATUL KUMAR MITTAL

**A. K. Mittal**
**Director**
**(DIN:00698377)**

**Place : Mumbai**
**Date : May 17, 2022**

VIKAS SANTOSH JAIN
Digitally signed by VIKAS SANTOSH JAIN
Date: 2022.05.17 16:19:46 +05'30'

**Vikas Jain**
**Director**
**(DIN:07887754)**

# A. K. Capital Corporation Private Limited

**Statement of profit and loss for the year ended 31 March 2022**

**Rs. In Lakhs**

| Particulars | Notes | Year Ended 31-March-2022 | Year Ended 31-March-2021 |
|---|---|---|---|
| **Revenue from operations** | | | |
| Interest Income | 10 | 12.39 | 14.18 |
| Processing Fees | 11 | 2.15 | - |
| Net gain on fair value changes | 12 | 3.60 | 7.38 |
| **Total Revenue from operations** | | **18.14** | **21.56** |
| | | | |
| **EXPENSES** | | | |
| Finance Cost | 13 | 0.30 | 0.23 |
| Depreciation, amortization and impairment | 7 | - | 0.04 |
| Other expenses | 14 | 0.39 | 0.25 |
| **Total expenses** | | **0.69** | **0.52** |
| | | | |
| **Profit / (loss) before exceptional items and tax** | | **17.45** | **21.04** |
| Exceptional items | | - | - |
| **Profit / (loss) before tax** | | **17.45** | **21.04** |
| **Tax expense:** | | | |
| Current tax | | 4.46 | 5.30 |
| Earlier year tax adjustment | | 0.11 | 1.13 |
| Deferred tax expense/ (credit) | | 0.01 | 0.01 |
| **Profit/ (loss) for the year after tax [A]** | | **12.87** | **14.60** |
| | | | |
| **Other comprehensive income, net of tax** | | | |
| Item that will not to be reclassified to the statement of profit and loss | | - | - |
| Less: Income tax expense on above | | - | - |
| **[I]** | | **-** | **-** |
| | | | |
| Item that will be reclassified to the statement of profit and loss | | - | - |
| Less: Income tax expense on above | | | |
| **[II]** | | **-** | **-** |
| | | | |
| **Other comprehensive income for the year [I+II] [B]** | | **-** | **-** |
| | | | |
| **Total comprehensive income for the year [A+B]** | | **12.87** | **14.60** |
| | | | |
| **Earnings per equity share (Rs.)** | | | |
| Basic and diluted earnings per share | 21 | **0.61** | **0.70** |

**For Jangid & Associates**
**Chartered Accountants**
**Firm Registration No. 104045W**

SAJAN KUMAR AGARWAL
Digitally signed by SAJAN KUMAR AGARWAL
Date: 2022.05.17 18:35:43 +05'30'

**Sajjan Agarwal**
**Partner**
**Membership No. 102586**

**Place : Mumbai**
**Date : May 17, 2022**

**For and on behalf of the board of directors**

ATUL KUMAR MITTAL

**A. K. Mittal**
**Director**
**(DIN:00698377)**

VIKAS SANTOSH JAIN
Digitally signed by VIKAS SANTOSH JAIN
Date: 2022.05.17 16:20:04 +05'30'

**Vikas Jain**
**Director**
**(DIN:07887754)**

**Place : Mumbai**
**Date : May 17, 2022**

# A. K. Capital Corporation Private Limited

**Statement of Cash Flow for the year ended 31 March 2022**

**Rs. In Lakhs**

| Particulars | Year Ended 31-March-2022 | Year Ended 31-March-2021 |
|---|---|---|
| **Cash flow from/(used in) operating activities** | | |
| Profit /(loss) before tax | 17.45 | 21.04 |
| **Adjustment for:** | | |
| Depreciation | - | 0.04 |
| Net gain on fair value changes on financial instruments | (3.40) | (7.04) |
| Interest on income tax | 0.30 | 0.23 |
| Interest income on fixed deposits | (0.10) | (1.05) |
| **Movement in working capital:** | | |
| Increase/(decrease) in trade payable and other financial liabilities | - | (0.01) |
| (Increase)/decrease in trade receivables and other financial assets | (4.46) | - |
| (Purchase) / sale of stock of securities | (70.00) | - |
| **Cash generated from/(used in) operations** | **(60.21)** | **13.21** |
| Income tax paid | (1.77) | (13.31) |
| **Cash generated from/(used in) operations [A]** | **(61.98)** | **(0.10)** |
| | | |
| **Cash flow from/(used in) investing activities** | | |
| Proceeds from sale / (payment for purchases) of investments (net) | 20.54 | (10.11) |
| Interest received on fixed deposits | 0.18 | 1.52 |
| **Cash generated from/(used in) investing activities [B]** | **20.72** | **(8.59)** |
| | | |
| **Cash flow from/(used in) financing activities** | | |
| Dividend paid | - | (210.00) |
| **Cash generated from/(used in) financing activities [C]** | **-** | **(210.00)** |
| | | |
| **Net increase/(decrease) in cash and cash equivalents [A+B+C]** | **(41.26)** | **(218.69)** |
| Add: Cash and cash equivalents at the beginning of the year | 231.44 | 450.13 |
| Cash and cash equivalents at the end of the year | 190.18 | 231.44 |

**For Jangid & Associates**
**Chartered Accountants**
**Firm Registration No. 104045W**

SAJAN KUMAR AGARWAL
Digitally signed by SAJAN KUMAR AGARWAL
Date: 2022.05.17 18:35:57 +05'30'

**Sajjan Agarwal**
**Partner**
**Membership No. 102586**

**Place : Mumbai**
**Date : May 17, 2022**

**For and on behalf of the board of directors**

ATUL KUMAR MITTAL

VIKAS SANTOSH JAIN
Digitally signed by VIKAS SANTOSH JAIN
DN: cn=VIKAS SANTOSH JAIN, o, ou, email=Vikas@akgroup.co.in, c=IN
Date: 2022.05.17 16:20:29 +05'30'

**A. K. Mittal**
**Director**
**(DIN:00698377)**

**Vikas Jain**
**Director**
**(DIN:07887754)**

**Place : Mumbai**
**Date : May 17, 2022**

# A. K. Capital Corporation Private Limited

**Statement of Changes in Equity for year ended 31 March 2022**

**A. Equity share capital**

Rs. In Lakhs

| Particulars | Number of shares | Total |
|---|---|---|
| **Balance at 31 March 2020** | 2,100,000 | 210.00 |
| Changes in Equity Share Capital due to prior period errors | - | - |
| **Restated balance at 31 March 2020** | **2,100,000** | **210.00** |
| Changes in equity share capital during the current year | - | - |
| **Balance at 31 March 2021** | **2,100,000** | **210.00** |
| | | |
| **At 31 March 2021** | **2,100,000** | 210.00 |
| Changes in Equity Share Capital due to prior period errors | - | - |
| **Restated balance at 31 March 2021** | **2,100,000** | **210.00** |
| Changes in equity share capital during the current year | - | - |
| **At 31 March 2022** | **2,100,000** | **210.00** |

**B. Other equity**

Rs. In Lakhs

| Particulars | Reserves and surplus | Total |
|---|---|---|
| | Retained earnings | |
| **Balance at 31 March 2020** | **232.39** | **232.39** |
| Changes in accounting policy/prior period errors | - | - |
| **Restated balance at 31 March 2020** | **232.39** | **232.39** |
| Profit for the period | 14.60 | 14.60 |
| Dividend Paid | (210.00) | (210.00) |
| Other comprehensive income for the period | - | - |
| **Balance at 31 March 2021** | **36.99** | **36.99** |
| | | |
| **Balance at 31 March 2021** | **36.99** | **36.99** |
| Changes in accounting policy/prior period errors | - | - |
| **Restated balance at 31 March 2021** | **36.99** | **36.99** |
| Profit for the period | 12.87 | 12.87 |
| Other comprehensive income for the period | - | - |
| **Balance at 31 March 2022** | **49.86** | **49.86** |

Retained Earning : This represents profits remaning after all appropriations. This is free reserve and can be used for distribution of profits.

**For Jangid & Associates**
**Chartered Accountants**
**Firm Registration No. 104045W**

SAJAN KUMAR AGARWAL
Digitally signed by SAJAN KUMAR AGARWAL
Date: 2022.05.17 18:36:17 +05'30'

**Sajjan Agarwal**
**Partner**
**Membership No. 102586**

**Place : Mumbai**
**Date : May 17, 2022**

**For and on behalf of the board of directors**

ATUL KUMAR MITTAL

**A. K. Mittal**
**Director**
**(DIN:00698377)**

VIKAS SANTOSH JAIN

**Vikas Jain**
**Director**
**(DIN:07887754)**

**Place : Mumbai**
**Date : May 17, 2022**

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

### 1. Significant accounting policies:

a. **Basis of preparation of financial statements:**

The Financial Statements have been prepared on the historical cost basis except for certain Financial Assets and Liabilities which have been measured at fair value amount. The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013.

Company's Financial Statements are presented in Indian Rupees, which is also its functional currency and all values are rounded to the nearest lakh (Rs.1,00,000), except when otherwise indicated.

b. **Revenue recognition:**

**1. Income from Securities**

Sale and purchase of securities is recognized on the date of sale. Purchases include all incidental and direct attributable expenses connected thereto. Interest income is recognized on accrual basis.

Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.

Revenue from operations is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

**2. Interest Income**

Interest Income from a Financial Assets is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**3. Fees and commission income**

Revenue from fee-based activities are recognized when the services are rendered. Fees earned from contract with customer are recognised as and when performance obligation is satisfied. Fees or components of fees that are linked to certain performance are recognised after fulfilling the corresponding criteria.

**4. Dividend Income**

Dividend Income is recognised when the Company's right to receive the amount has been established.

c. **Property Plant and Equipment:**

(i) Property, plant and equipment are shown at cost (net of adjustable taxes) less accumulated depreciation and accumulated impairment losses. The cost of an asset comprises of its purchase price, non-refundable / adjustable purchase taxes and any cost directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by the management, the initial estimate of any decommissioning obligation, if any and for assets that necessarily take a substantial period of time to get ready for their intended use, finance costs. The purchase price is the aggregate amount paid and the fair value of any other consideration given to acquire the asset. The cost also includes trial run cost and other operating expenses such as freight, installation charges etc.

(ii) When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

(iii) An Item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset or significant part) is included in the Statement of Profit and Loss when the asset is derecognised.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

d. **Depreciation / amortisation:**

In line with the provisions of Schedule II to the Companies Act, 2013, the Company depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Useful life for such components of property, plant and equipment has been assessed based on the historical experience and internal technical inputs.

Depreciation on Property, Plant and Equipment is provided using written down value method on depreciable amount. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013;

The residual values and useful lives of property, plant and equipment are reviewed at each financial year end, and changes, if any, are accounted prospectively.

e. **Borrowing Costs**

Borrowing costs are charged to Statement of Profit and Loss except to the extent attributable to acquisition / construction of and asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

f. **Impairment of Non-financial Assets**

At each balance sheet date, an assessment is made of whether there is any indication of impairment.

If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated.

g. **Financial Instruments**

**Financial Assets**

i. Initial Recognition and Measurement

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of the financial asset [other than financial assets at fair value through profit or loss (FVTPL)] are added to the fair value of the financial assets. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset. Transaction costs of financial assets carried at FVTPL are expensed in the Statement of Profit and Loss.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

ii. Subsequent measurement

(i) Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b. Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

(ii) Debt instruments included within the Fair Value Through Profit or Loss (FVTPL) category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

(iii) Equity instruments: All equity instruments within the scope of Ind-AS 109 are measured at fair value. Equity instruments which are classified as held for trading are measured at FVTPL. For all other equity instruments, the Company decides to measure the same either at Fair Value Through Other Comprehensive Income (FVTOCI) or FVTPL. The Company makes such selection on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. For equity instruments measured at FVTOCI, all fair value changes on the instrument, excluding dividends, are recognised in Other Comprehensive Income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of such instruments.

(iv) Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

iii. De-recognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised (i.e. removed from the Company's balance sheet) when:

- the rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement, and either:

(i) the Company has transferred substantially all the risks and rewards of the asset, or

(ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

iv. Impairment of financial assets:

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on trade receivables and other advances. The Company follows 'simplified approach' for recognition of impairment loss on these financial assets. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

h. **Financial Liabilities**

A. Initial Recognition

Financial liabilities are classified at initial recognition as :

a. financial liabilities at fair value through profit or loss,
b. loans and borrowings, payables, net of directly attributable transaction costs or
c. derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Company's financial liabilities include trade and other payables, loans and borrowings including derivative financial instruments.

B. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Borrowings:

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished and the consideration paid is recognised in the Statement of Profit and Loss as other gains / (losses).

Borrowings are classified as financial liabilities. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender has agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Trade and other payables:

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial period which are unpaid. The amounts are unsecured and are usually paid within twelve months of recognition. Trade and other payables are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

C. De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another, from the same lender, on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

D. Offsetting of financial instruments

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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

i. **Tax expenses:**

The tax expense for the period comprises of current tax and deferred income tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognized in the Other Comprehensive Income or in equity. In which case, the tax is also recognised in Other Comprehensive Income or Equity.

1. Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance sheet date.

2. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

j. **Impairment of assets:**

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The Company assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment and Intangible Assets or other Non-Financial Assets may be impaired. If any such indication exists, the recoverable amount of an asset is estimated to determine the extent of impairment, if any. An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

k. **Provisions and contingent liabilities:**

Provisions are recognised when the Company has a present obligation (legal or constructive) as result of past events, for which it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates

Contingent liabilities are disclosed in the case of:
a) a present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
b) a present obligation arising from the past events, when no reliable estimate is possible;
c) a possible obligation arising from past events, unless the probability of outflow of resources is remote.
Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

l. **Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events, if any, such as bonus issue, bonus elements in a rights issue to existing shareholders, shares split and reverse share split (consolidation of shares).

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

m. **Significant accounting judgements, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**Judgements**

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:
(a) Operating lease commitments – Company as lessor;
(b) Assessment of functional currency;
(c) Evaluation of recoverability of deferred tax assets

**Estimates and assumptions**

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year :
a) Useful lives of property, plant and equipment, investment property and intangible assets;
b) Fair value measurements of financial instruments ;
c) Impairment of non-financial assets;
d) Taxes;
e) Defined benefit plans (gratuity benefits);
f) Provisions & Contingencies

n. **Recent accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below;

**Ind AS 16 – Property Plant and equipment-**

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022.

**Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets –**

The amendment specifies that the cost of fulfilling a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

## 2 Cash and cash equivalents

**(a) Cash and bank balances**

**Rs. In Lakhs**

| Particulars | As at 31-March-2022 | As at 31-March-2021 |
|---|---|---|
| Cash on hand | 1.24 | 1.24 |
| Balances with banks | 13.94 | 5.20 |
| Fixed Deposits with banks with maturity of less than 3 months | 175.00 | 225.00 |
| | **190.18** | **231.44** |

## 3 Investment (at fair value through profit and loss account)

**Rs. In Lakhs**

| Particulars | As at 31-March-2022 | As at 31-March-2021 |
|---|---|---|
| **(i) Mutual Fund** | | |
| Quoted | - | 17.15 |
| **Total** | - | **17.15** |

## 4 Stock of securities (measured at fair value through profit or loss)

**Rs. In Lakhs**

| Particulars | As at 31-March-2022 | As at 31-March-2021 |
|---|---|---|
| **(i) Debt Securities** | | |
| Quoted | 70.01 | - |
| **Total – Gross (A)** | **70.01** | **-** |
| (i) Stock of securities in India | 70.01 | - |
| (ii) Stock of securities outside India | - | - |
| **Total (B)** | **70.01** | **-** |

## 5 Other financial assets

**Rs. In Lakhs**

| Particulars | As at 31-March-2022 | As at 31-March-2021 |
|---|---|---|
| Interest receivable on securities | 4.46 | - |
| Interest receivable on fixed deposits | 0.01 | 0.09 |
| | **4.47** | **0.09** |

## 6 Deferred tax assets

**Rs. In Lakhs**

| Particulars | As at 31-March-2022 | As at 31-March-2021 |
|---|---|---|
| **Deferred tax assets** | | |
| **On account of:** | | |
| Timing difference arising on depreciation | 0.01 | 0.02 |
| Less: Deferred tax liabilities | | |
| Timing difference arising on fair valuation of financial assets as at reporting date | - | - |
| | **0.01** | **0.02** |

**7 Plant and equipment**

Rs. In Lakhs

| Particulars | Computers | Total |
|---|---|---|
| **Cost :** | | |
| **As at 31 March 2020** | **1.10** | **1.10** |
| Additions | - | - |
| Disposals | - | - |
| **As at 31 March 2021** | **1.10** | **1.10** |
| | | |
| **As at 31 March 2021** | **1.10** | **1.10** |
| Additions | - | - |
| Disposals | - | - |
| **As at 31 March 2022** | **1.10** | **1.10** |
| | | |
| **Depreciation :** | | |
| **As at 31 March 2020** | **1.01** | **1.01** |
| Additions | **0.04** | **0.04** |
| Disposals | - | |
| **As at 31 March 2021** | **1.05** | **1.05** |
| | | |
| **As at 31 March 2021** | **1.05** | **1.05** |
| Additions | - | - |
| Disposals | - | - |
| **As at 31 March 2022** | **1.05** | **1.05** |
| | | |
| **Net Block** | | |
| **As at 31 March 2021** | **0.05** | **0.05** |
| **As at 31 March 2022** | **0.05** | **0.05** |

(a) The Company has not revalued any of its Property, Plant and Equipment.

## 8 Trade Payables

Rs. In Lakhs

| Particulars | As at 31-March-2022 | As at 31-March-2021 |
|---|---|---|
| (i) Total outstanding dues of micro enterprises and small enterprises | - | - |
| (ii) Total outstanding dues of creditors other than micro and small enterprises | 0.32 | 0.32 |
| | **0.32** | **0.32** |

Following disclosures as required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 has been made to the extent information available with the Company :

| Particulars | As at 31-March-2022 | As at 31-March-2021 |
|---|---|---|
| (i) Principal amount remaining unpaid to any supplier as at the end of the accounting year | - | - |
| (ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year | - | - |
| (iii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprise Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year. | - | - |
| (iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006. | - | - |
| (v) The amount of interest accrued and remaining unpaid at the end of each accounting year; and | - | - |
| (vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006 | - | - |

Outstanding of Trade Payable from due date of payment

| Particular | As at 31-March-2022 | | As at 31-March-2021 | |
|---|---|---|---|---|
| | MSME | Others | MSME | Others |
| Less than 1 year | - | 0.09 | - | 0.09 |
| 1-2 years | - | - | - | - |
| 2-3 years | - | - | - | - |
| More than 3 years | - | 0.23 | - | 0.23 |
| **Total** | **-** | **0.32** | **-** | **0.32** |

(a) There are no unbilled dues as on 31 March 2022 and 31 March 2021

**9 (a) Share Capital**

**Equity share capital** **Rs. In Lakhs**

| Particulars | As at 31-March-2022 | | As at 31-March-2021 | |
|---|---|---|---|---|
| | Numbers of shares | Amount | Numbers of shares | Amount |
| **Authorized:** | | | | |
| Equity shares of Rs. 10 each | 5,000,000 | 500.00 | 5,000,000 | 500.00 |
| **Total** | | **500.00** | | **500.00** |
| **Issued, subscribed and paid-up:** | | | | |
| Equity shares of Rs. 10 each fully paid up | 2,100,000 | 210.00 | 2,100,000 | 210.00 |
| **Total** | | **210.00** | | **210.00** |

**Terms / rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share.

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

**Shares held by the holding company**

| Name of the shareholder | As at 31-March-2022 | | As at 31-March-2021 | |
|---|---|---|---|---|
| | Numbers of shares | Percentage of shareholding | Numbers of shares | Percentage of shareholding |
| A. K. Capital Services Limited | 2,100,000 | 100.00% | 2,100,000 | 100.00% |

**Details of shareholders holding more than 5% equity shares in the Company :**

| Name of the shareholder | As at 31-March-2022 | | As at 31-March-2021 | |
|---|---|---|---|---|
| | Numbers of shares | Percentage of shareholding | Numbers of shares | Percentage of shareholding |
| A. K. Capital Services Limited | 2,100,000 | 100.00% | 2,100,000 | 100.00% |

**Details of shares held by promoters in the Company :**

| Name of the shareholder | As at 31-March-2022 | | As at 31-March-2021 | |
|---|---|---|---|---|
| | Numbers of shares | Percentage of shareholding | Numbers of shares | Percentage of shareholding |
| A. K. Capital Services Limited* | 2,100,000 | 100.00% | 2,100,000 | 100.00% |

* There is no percentage change in shareholding of promoter during the financial year ending 31st March 2022 and 31 March 2021.

As per the records of the Company, including its register of shareholders / members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

**(b) Other equity**

**Rs. In Lakhs**

| Particulars | As at 31-March-2022 | As at 31-March-2021 |
|---|---|---|
| **Retained Earnings** | | |
| Opening balance | 36.99 | 232.39 |
| Add: Profit for the year | 12.87 | 14.60 |
| Less : Dividend Paid | - | 210.00 |
| **Closing balance of retained earnings** | **49.86** | **36.99** |

**Refer Note- 29**

## 10 Interest income

Rs. In Lakhs

| Particulars | Year Ended 31-March-2022 | | | Year Ended 31-March-2021 | | |
|---|---|---|---|---|---|---|
| | On Financial Assets measured at Amortised Cost | Interest Income on Securities classified at fair value through profit or loss | Total | On Financial Assets measured at Amortised Cost | Interest Income on Securities classified at fair value through profit or loss | Total |
| Interest income from debt securities | - | 12.29 | 12.29 | - | 13.13 | 13.13 |
| Interest income from fixed deposit | 0.10 | - | 0.10 | 1.05 | - | 1.05 |
| | **0.10** | **12.29** | **12.39** | **1.05** | **13.13** | **14.18** |

## 11 Fees income

Rs. In Lakhs

| Particulars | Year Ended 31-March-2022 | Year Ended 31-March-2021 |
|---|---|---|
| Processing fees | 2.15 | - |
| | **2.15** | **-** |

## 12 Net gain/(loss) on fair value changes

Rs. In Lakhs

| Particulars | Year Ended 31-March-2022 | Year Ended 31-March-2021 |
|---|---|---|
| Net gain/(loss) on financial instruments at fair value through profit and loss | | |
| Stock of Securities | 0.21 | 0.34 |
| Investments | 3.39 | 7.04 |
| | **3.60** | **7.38** |
| Net gain/(loss) on financial instruments at fair value through profit and loss (Realised) | | |
| Stock of Securities | 0.20 | 0.34 |
| Investments | 3.39 | 7.04 |
| | **3.59** | **7.38** |
| Net gain/(loss) on financial instruments at fair value through profit and loss (Unrealised) | | |
| Stock of Securities | 0.01 | - |
| Investments | - | - |
| | **0.01** | **-** |

## 13 Finance Cost

Rs. In Lakhs

| Particulars | Year Ended 31-March-2022 | Year Ended 31-March-2021 |
|---|---|---|
| Interest on income tax | 0.30 | 0.23 |
| | **0.30** | **0.23** |

## 14 Other expenses

Rs. In Lakhs

| Particulars | Year Ended 31-March-2022 | Year Ended 31-March-2021 |
|---|---|---|
| Rates & Taxes | 0.03 | 0.03 |
| Filling Fees | 0.07 | 0.04 |
| Auditor's remuneration: | | |
| As auditor | 0.09 | 0.09 |
| Other expenses | 0.20 | 0.09 |
| | **0.39** | **0.25** |

**15 Segment Reporting**

The Company has single reporting segment i.e. "Income from Financial Services" for the purpose of Indian Accounting Standard (Ind AS) - 108 'Operating Segments'. The Company does not have any reportable geographical segment

**16 Related Party Transactions**

**A** Ind AS 24 defines a related party as a person or entity that is related to the reporting entity and it includes (a) a person or a close member of that person's family if that person: (i) has control or joint control over the reporting entity; (ii) has significant influence over the reporting entity; or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity. (b) An entity is related to the reporting entity if any of the following conditions apply; (i) The entity and the reporting entity are members of the same group. (ii) One entity is an associate or joint venture of the other entity.(iii) Both entities are joint ventures of the same third party. (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity. (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.(vi) The entity is controlled or jointly controlled by a person identified in (a).(vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

**B Related Party Relationships**

| Nature of relationship | Name of Related Party |
|---|---|
| **Holding Company** | A. K. Capital Services Limited |
| **Fellow Subsidiary** | A. K. Capital Finance Limited<br>A. K. Stockmart Private Limited |
| **Enterprise controlled by key management personnel** | A. K. Services Private Limited |

**Notes:**

**a** The related party relationships have been determined on the basis of the requirements of the Indian Accounting Standard (Ind AS) - 24 'Related Party Disclosures' and the same have been relied upon by the auditors.

**b** The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the year, except where control exist, in which case the relationships have been mentioned irrespective of transactions with the related party.

**C Related Party transactions during the year:**

**Rs. In Lakhs**

| Sr No | Particulars | Year Ended 31-March-2022 | Year Ended 31-March-2021 |
|---|---|---|---|
| **A:** | **Transactions with the related parties:** | | |
| **(i)** | **Demat charges paid** | | |
| | A. K. Stockmart Private Limited | 0.02 | 0.02 |
| **(ii)** | **Purchase of securities (excluding accrued interest)** | | |
| | A. K. Capital Services Limited | 202.54 | - |
| | A. K. Capital Finance Limited | - | 419.66 |
| **(iii)** | **Sale of securities (excluding accrued interest)** | | |
| | A. K. Capital Finance Limited | 202.58 | - |
| | A. K. Services Private Limited | 100.02 | - |
| **Sr No** | **Particulars** | **As at 31-March-2022** | **As at 31-March-2021** |
| **B:** | **Balances of related parties:** | | |
| **(i)** | **Balance payable** | | |
| | A. K. Stockmart Private Limited | 0.01 | - |

**Note- Transaction amount is excluding taxes wherever applicable**

## 17 Financial Instruments

The carrying value and fair value of financial instrument by categories as of 31 March 2022 were as follows: **Rs. In Lakhs**

| Particulars | At amortised cost | At Fair value through profit and loss | At fair value through Other Comprehensive Income | Total carrying value | Total fair value |
|---|---|---|---|---|---|
| **Assets:** | | | | | |
| Cash and cash equivalents | 190.18 | - | - | 190.18 | 190.18 |
| Stock of securities | - | 70.01 | - | 70.01 | 70.01 |
| Other financial assets | 0.01 | 4.46 | - | 4.47 | 4.47 |
| **TOTAL** | **190.19** | **74.47** | **-** | **264.66** | **264.66** |
| **Liabilities:** | | | | | |
| Trade and other payables | 0.32 | - | - | 0.32 | 0.32 |
| **TOTAL** | **0.32** | **-** | **-** | **0.32** | **0.32** |

The carrying value and fair value of financial instrument by categories as of 31 March 2021 were as follows: **Rs. In Lakhs**

| Particulars | At amortised cost | At Fair value through profit and loss | At fair value through Other Comprehensive Income | Total carrying value | Total fair value |
|---|---|---|---|---|---|
| **Assets:** | | | | | |
| Cash and cash equivalents | 231.44 | - | - | 231.44 | 231.44 |
| Investments | - | 17.15 | - | 17.15 | 17.15 |
| Other financial assets | 0.09 | - | - | 0.09 | 0.09 |
| **TOTAL** | **231.53** | **17.15** | **-** | **248.68** | **248.68** |
| **Liabilities:** | | | | | |
| Trade and other payables | 0.32 | - | - | 0.32 | 0.32 |
| **TOTAL** | **0.32** | **-** | **-** | **0.32** | **0.32** |

## 18 Risk Management

### Financial Risk management

The risk management policies of the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Management has overall responsibility for the establishment and oversight of the Company's risk management framework.
In performing its operating, investing and financing activities, the Company is exposed to the Credit risk, Liquidity risk and Market risk.

### Carrying amounts of financial assets and liabilities:

The following table summaries the carrying amount of financial assets and liabilities recorded at the end of the period by categories:

**Rs. In Lakhs**

| Particulars | As at 31-March-2022 | As at 31-March-2021 |
|---|---|---|
| **Financial Assets** | | |
| Cash and cash equivalent | 190.18 | 231.44 |
| Other financial assets | 4.47 | 0.09 |
| **At the end of the year** | **264.66** | **231.53** |
| **Financial Liabilities** | | |
| Trade payables | 0.32 | 0.32 |
| **At the end of the year** | **0.32** | **0.32** |

### Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

### Credit Risk

#### Revenue/Trade receivables

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

#### Exposure to credit risk

Financial asset for which loss allowance is measured using expected credit loss model:

**Rs. In Lakhs**

| Particulars | As at 31-March-2022 | As at 31-March-2021 |
|---|---|---|
| **Financial assets at amortised cost** | | |
| Other financial assets | 0.01 | 0.09 |
| **At end of the year** | **0.01** | **0.09** |

### Balances with banks and other financial assets:

The Company holds cash and cash equivalents with bank, which are having highest safety ratings based on ratings published by various credit rating agencies. The Company considers that its cash and cash equivalents have low credit risk based on external credit ratings of the counterparties.

For other financial assets, the Company assesses and manages credit risk based on reasonable and supportive forward looking information. The Company does not have significant credit risk exposure for these items.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables taking into account historical credit loss experience.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Company has interest rate risk exposure mainly from changes in rate of interest on fixed deposits. The following table analyse the breakdown of the financial assets and liabilities by type of interest rate:

**Rs. In Lakhs**

| Particulars | As at 31-March-2022 | As at 31-March-2021 |
|---|---|---|
| **Financial assets** | | |
| **Interest bearing** | | |
| - fixed interest rate | | |
| Cash and cash equivalents | 175.00 | 225.00 |
| Stock of securities | 70.01 | - |
| | | |
| **Non interest bearing** | | |
| Cash and cash equivalents | 15.18 | 6.44 |
| Investments | - | 17.15 |
| Other financial assets | 4.47 | 0.09 |
| | | |
| **Financial Liabilities** | | |
| **Non interest bearing** | | |
| Trade payables | 0.32 | 0.32 |

**Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the excluding the credit exposure for which interest rate swap has been taken and hence the interest rate is fixed. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

| Particulars | As at 31-March-2022 | As at 31-March-2021 |
|---|---|---|
| Increase in basis points | 50.00 | 50.00 |
| Effect on profit before tax | - | - |
| | | |
| Decrease in basis points | 50.00 | 50.00 |
| Effect on profit before tax | - | - |

**Liquidity Risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including debt and overdraft from banks at an optimised cost.

The Company maximum exposure to credit risk for the components of the balance sheet at 31 March 2022 and 31 March 2021 is the carrying amounts. The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 15 days. The other payables are with short-term durations. The carrying amounts are assumed to be a reasonable approximation of fair value. The following table analysis financial liabilities by remaining contractual maturities:

**Rs. In Lakhs**

| Particulars | On demand | Less than 3 months | 3 to12 months | 1 to 5 years | >5 years | Total |
|---|---|---|---|---|---|---|
| **Year ended 31 March 2022** | | | | | | |
| Trade and other payables | - | 0.32 | - | - | - | **0.32** |
| | | | | | | |
| **Year ended 31 March 2021** | | | | | | |
| Trade and other payables | - | 0.32 | - | - | - | **0.32** |
| | **-** | **0.32** | **-** | **-** | **-** | **0.32** |

**Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep optimum gearing ratio. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

**Rs. In Lakhs**

| Particulars | As at 31-March-2022 | As at 31-March-2021 |
|---|---|---|
| Trade payables | 0.32 | 0.32 |
| **Net debt (A)** | **0.32** | **0.32** |
| | | |
| Equity share capital | 210.00 | 210.00 |
| Other equity | 49.86 | 36.99 |
| **Total member's capital (B)** | **259.86** | **246.99** |
| **Capital and net debt (C=A+B)** | **260.18** | **247.31** |
| **Gearing ratio (%) (A/C)** | **0.12** | **0.13** |

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021

**19 Fair Value hierarchy**

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

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

**Level 3 -** Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2022:

**Rs. In Lakhs**

| Particulars | As at 31-March-2022 | Fair value measurement at end of the reporting year using | | |
|---|---|---|---|---|
| | | Level I | Level 2 | Level 3 |
| **(1) Financial Assets** | | | | |
| (a) Stock of securities at FVTPL | 70.01 | - | 70.01 | - |

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2021:

**Rs. In Lakhs**

| Particulars | As at 31-March-2021 | Fair value measurement at end of the reporting year using | | |
|---|---|---|---|---|
| | | Level I | Level 2 | Level 3 |
| **(1) Financial Assets** | | | | |
| (a) Investments - Mutual fund at FVTPL | 17.15 | 17.15 | - | - |

The management assessed that cash and cash equivalents, Trade receivable and other financial asset, trade payables and other financial liabilities approximate their carrying amount largely due to short term maturity of these instruments.

**Description of techniques and valuation inputs used for Level II and Level III hierarchy are under:**

| Assets class | Fair value hierarchy | Valuation techniques and inputs |
|---|---|---|
| Debt instruments, Government securities, commercial paper and state development loan measured at FVTPL | Level II | Valuation techniques and inputs in order of first preference are as under: |
| | | 1.Cost of securities only if the securities are allotted within last 20 days or purchased within 7 days from the measurement date.<br>(As on 31 March 2021- Cost of securities only if the securities are allotted within last 20 days or purchased within 14 days from the measurement date on accout of COVID-19) |
| | | 2.Latest traded price reported on recognised stock exchange or settlement house close to measurement date i.e. in the range of 0-7 days<br>(As on 31 March 2021 Latest traded price reported on recognised stock exchange or settlement house close to measurement date i.e. in the range of 0-14 days on accout of COVID-19) |
| | | 3. Weighted average (appropriate weight considered by the company) of;<br>-Future cash flows which are discounted using a discount rate arrived at by adding the spread provided by FIMMDA and<br>-Latest subsequent traded price reported on recognised stock exchange or settlement house close to measurement date i.e. in the range of 0-7 days<br>(As on 31 March 2021- Weighted average (appropriate weight considered by the company) of;<br>-Future cash flows which are discounted using a discount rate arrived at by adding the spread provided by FIMMDA and<br>-Latest subsequent traded price reported on recognised stock exchange or settlement house close to measurement date i.e. in the range of 0-14 days on account of COVID 1-19) |
| | | 4.Future cash flows are discounted using a discount rate arrived at by adding the spread provided by FIMMDA or other approved agencies and annualised government security yield provided by regulatory authorities.<br>(As on 31 March 2021 -Future cash flows are discounted using a discount rate arrived at by adding the spread provided by FIMMDA or other approved agencies and annualised government security yield provided by regulatory authorities. Further the resulted valuation gain have been discounted at appropriate rate due to market condition arising on account of COVID-19.) |
| Unquoted equity instruments measured at FVOCI | Level III | Based on unobservable inputs which generally approximates to the carrying value of the investments unless significantly impaired. Fair value has been considered Nil for significantly impaired investments. Sensitivity change in the unobservable input does not have a significant impact in its value and accordingly, sensitivity disclosure is not given. |

**20 Income Tax**

The major components of income tax expense for the years are:

**Rs. In Lakhs**

| Particulars | As at 31-March-2022 | As at 31-March-2021 |
|---|---|---|
| **Current income tax:** | | |
| Current income tax charge | 4.46 | 5.30 |
| Adjustments in respect of previous year | 0.11 | 1.13 |
| **Deferred tax:** | | |
| Relating to origination and reversal of temporary differences | 0.01 | 0.01 |
| **Income tax expense reported in the statement of profit or loss** | **4.58** | **6.44** |

The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

**Rs. In Lakhs**

| Particulars | As at 31-March-2022 | As at 31-March-2021 |
|---|---|---|
| **Profit before income tax** | 17.45 | 21.04 |
| Rate of Income tax | 25.17% | 25.17% |
| Computed expected tax expenses | 4.39 | 5.30 |
| Tax effect due to deductable expenses | - | (0.05) |
| Tax effect due to non-deductable expenses | 0.08 | 0.05 |
| Other adjustments | - | 0.01 |
| Adjustments in respect of current income tax of previous year | 0.11 | 1.13 |
| **Income tax expense reported in the statement of profit or loss** | **4.58** | **6.44** |

The Gross movement in the current income tax asset/(Liability) for the year ended March 31, 2022 and March 31, 2021 is as follows:

**Rs. In Lakhs**

| Particulars | As at 31-March-2022 | As at 31-March-2021 |
|---|---|---|
| Net current income tax asset/(liability) at the beginning | (1.44) | (8.09) |
| Income tax paid | 1.77 | 13.31 |
| Current tax expenses | (4.46) | (5.30) |
| Interest on income tax | (0.30) | (0.23) |
| Excess / Short provision of earlier year | (0.11) | (1.13) |
| **Net current income tax asset/(liability) at the end** | **(4.54)** | **(1.44)** |

The Gross movement in the deferred tax asset/(Liability) for the year ended March 31, 2022 and March 31, 2021 is as follows:

**Rs. In Lakhs**

| Particulars | As at 31-March-2022 | As at 31-March-2021 |
|---|---|---|
| Net deferred tax asset/(liability) at the beginning | 0.02 | 0.03 |
| Property, plant and equipments | (0.01) | (0.01) |
| **Net deferred tax asset/(liability) at the end** | **0.01** | **0.02** |

**21 EARNINGS PER SHARE:**

| Particulars | As at 31-March-2022 | As at 31-March-2021 |
|---|---|---|
| Net profit after tax as per profit and loss account (Rs. in lakhs) | 12.87 | 14.60 |
| Weighted average number of equity shares outstanding during the period/year for basic earnings per share (No.) | 2,100,000 | 2,100,000 |
| Nominal value of share (Rs.) | 10.00 | 10.00 |
| Basic and diluted earnings per share (Rs.) | 0.61 | 0.70 |

**22** In the opinion of management, current assets, loans and advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet. The provision for depreciation and all known liabilities is adequate and not in excess of the amount reasonably stated.

**23** The Company does not have any intangible assets under development.

**24** The Company does not hold any Benami Property as defined under Benami Transactions (Prohibition) Act (45) of 1988 and rules made thereunder.

**25** The Company does not have any transactions with companies struck off under section 248 of Companies Act 2013 or Section 560 of Companies Act 1956, during the financial year ending 31 March 2022 and 31 March 2021

**26** The Company has complied with the number of layer prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on Number of Layers) Rules, 2017.

**27** Additional regulatory information required under (WB) (xiv) of Division III of Schedule III amendment, disclosure of ratios pertaining to Capital to risk-weighted assets ratio (CRAR), Tier I CRAR and Tier II CRAR and Liquidity Coverage Ratio is not applicable to the Company.

**28** The Company is not required to spend amounts towards Corporate Social Responsilility as it does not fulfill the condition given under section 135 of Companies Act, 2013.

**29 Utilisation of borrowed funds and share premium**

(a) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**30** The Company does not have any undisclosed income during the financial year ended 31 March 2022 and 31 March 2021

**31** The Company does not traded or invested in Crypto Currency or Virtual Currency during the financial year ended 31 March 2022 and 31 March 2021

**32 Code On Social Security, 2020**

The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and the Rules thereunder. The Ministry of Labour and Employment has also released draft rules thereunder on 13 November 2020, and has invited suggestions from the stakeholders which are under active consideration by the Ministry. The Company will evaluate the rules, assess the impact, if any, and account the same once the rules are notified and become effective.

**33** Previous year figures have been regrouped or rearranged wherever considered necessary to confirm with the current year's presentation.

**Signatures to 1 to 33**

**As per report of even date**

**For Jangid & Associates**
**Chartered Accountants**
**Firm Registration No.104045W**

SAJAN KUMAR AGARWAL
Digitally signed by SAJAN KUMAR AGARWAL
Date: 2022.05.17 18:37:41 +05'30'

**Sajjan Agarwal**
**Partner**
**Membership No. 102586**

**Place : Mumbai**
**Date : May 17, 2022**

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

ATUL KUMAR MITTAL

VIKAS SANTOSH JAIN
Digitally signed by VIKAS SANTOSH JAIN
Date: 2022.05.17 16:12:10 +05'30'

**A. K. Mittal**
**Director**
**(DIN:00698377)**

**Vikas Jain**
**Director**
**(DIN:07887754)**

**Place : Mumbai**
**Date : May 17, 2022**