



## **Himadri Credit & Finance Limited**

27<sup>th</sup> Annual Report  
2021 - 22

## CORPORATE INFORMATION

### CORPORATE IDENTIFICATION NUMBER (CIN)

L65921WB1994PLC062875

### DIRECTORS

Mr. Anurag Choudhary (DIN: 00173934)

Mr. Amit Choudhary (DIN: 00152358)

Mr. Santosh Kumar Agrawala (DIN: 00364962)

Ms. Sucharita Basu De (DIN: 06921540)

### COMPANY SECRETARY & CFO

Mr. Koushik Ranjan Saha

### AUDITORS

M/S. S. JAYKISHAN

CHARTERED ACCOUNTANTS

Suite # 2D, 2E & 2F

12 Ho-Chi- Minh Sarani

Kolkata – 700 071

### BANKERS

Central Bank of India

ICICI Bank

### SECRETARIAL AUDITOR

CS Rajarshi Ghosh

AB-198, Sector 1,

Salt Lake City

Kolkata - 700 064

### REGISTERED OFFICE

23A, Netaji Subhas Road, 8<sup>th</sup> Floor

Kolkata – 700 001

Ph No.: (033) 2230-4363/9953

Website: [www.himadricredit.in](http://www.himadricredit.in)

E-mail: [hcfl@himadri.com](mailto:hcfl@himadri.com)

### CORPORATE OFFICE

8, India Exchange Place

Ruby House, 2<sup>nd</sup> Floor

Kolkata - 700 001

### REGISTRAR & SHARE TRANSFER AGENT

M/s. S.K. Infosolutions Pvt. Ltd

D/42, Katju Nagar Colony, Ground Floor,

PO & PS-Jadavpur,

Kolkata - 700 032.

Ph: 033 - 24120027 / 24120029

E-mail: [skcdilip@gmail.com](mailto:skcdilip@gmail.com)

Web Site: [www.skcinfo.com](http://www.skcinfo.com)

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## Himadri Credit & Finance Limited

CIN: L65921WB1994PLC062875

Regd. Office: 23A, Netaji Subhas Road, 8<sup>th</sup> Floor, Kolkata 700 001

e-mail: hcfli@himadri.com | Website: www.himadricredit.in

Ph. No: 033-22309953

### NOTICE

**NOTICE** is hereby given that the 27<sup>th</sup> Annual General Meeting (AGM) of the Members of Himadri Credit & Finance Limited will be held at its Corporate Office at 8 India Exchange Place, 2<sup>nd</sup> Floor, Kolkata- 700 001 on **Friday, 30 September 2022 at 12:30 p.m.** (IST) to transact the following business:

#### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31 March 2022 together with the report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Anurag Choudhary (DIN: 00173934), who retires by rotation and being eligible, offers himself for re-appointment.

#### SPECIAL BUSINESS

3. To appoint Mr. Anurag Choudhary (DIN:00173934) as Managing Director and to consider and, if thought fit, to pass with or without modification(s), the following as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and all other applicable provisions, if any of the Companies Act, 2013 (the Act) read with Schedule V of the Act and the Companies (Appointment and Remunerations of Managerial Personnel) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof from time to time and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (including any statutory modification or re-enactment thereof, for the time being in force) and the Articles of Association of the Company and based on the recommendations of the Nomination & Remuneration Committee, the consent of the members of the Company be and is hereby accorded to the appointment of Mr. Anurag Choudhary (DIN: 00173934), as Managing Director of the Company for a period of 5 (Five) years with effect from 09 August 2022

to 08 August 2027 or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines, on the detailed terms, conditions including remuneration as set out in the Explanatory Statement annexed to the notice convening this meeting;

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorised to alter and vary the terms and conditions including remuneration of the Managing Director in such manner as may be agreed by the Board and Mr. Anurag Choudhary, subject to the limits as specified under Schedule V to the Companies Act, 2013 including any statutory modification(s) or re-enactments thereof.

**RESOLVED FURTHER THAT** the Board of Directors or any committee thereof constituted to exercise its powers (including the powers conferred by this resolution) and Company Secretary be and are hereby severally authorized to do all such acts, deeds and things and take all steps as may be deemed necessary, proper or expedient to give effect of this resolution."

4. To appoint Mr. Amit Choudhary (DIN:00152358) as a Director and to consider and, if thought fit, to pass with or without modification(s), the following as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 152, 160 and all other applicable provisions if any, of the Companies Act, 2013 ("The Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of the Company and based on the recommendations of the Nomination & Remuneration Committee, Mr. Amit Choudhary (DIN:00152358) who was appointed as Additional

Director by the Board of Directors of the Company at its' meeting held on 09 August 2022 in terms of Section 161(1) of the Companies Act, 2013 ("the Act") and the Articles of Association of the Company and who holds office upto the date of ensuing Annual General Meeting and in respect of whom a notice in writing pursuant to Section 160(1) of the Act has been received by the Company from a member proposing his candidature for office of a

Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

**By Order of the Board of Directors**

**Sd/-**

**Koushik Ranjan Saha**

**Company Secretary**

**ACS: 35429**

**Place: Kolkata**

**Date: 09 August 2022**

## NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, ("the Act") setting out material facts relating to Special Businesses under item no 3 & 4 of the notice to be transacted at the 27<sup>th</sup> AGM is annexed hereto.
2. ***In terms of Section 105 of the Companies Act, 2013, a Member entitled to attend and vote at the meeting is entitled to appoint another person as his/her proxy to attend and vote on a poll instead of himself/herself and such proxy need not be a Member of the Company.***
3. As per the provisions of Section 105 read with Rule 19(2) of the Companies (Management and Administration) Rules, 2014, a person shall not act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights: A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. The instrument appointing the proxy, in order to be effective, should be deposited, duly completed and signed, at the Registered Office of the Company not less than forty-eight hours before the commencement of the AGM. A proxy form is enclosed herewith.
5. The proxy holder shall provide his identity at the time of attending the Annual General Meeting.
6. When a Member appoints a proxy and where both the Member and the proxy attends the meeting, the proxy stands automatically revoked.
7. A Member would be entitled to inspect the proxies lodged with the Company, twenty four hours before the time fixed for the commencement of the meeting. Requisition for inspection of proxies by Members entitled to vote on any resolution shall be made in writing at least three days in advance before the commencement of the meeting.
8. Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM on its behalf and to vote through remote e-voting, pursuant to Section 113 of the Companies Act, 2013. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to [csrajarshi@gmail.com](mailto:csrajarshi@gmail.com) with a copy marked to [ksaha@himadri.com](mailto:ksaha@himadri.com) and [evoting@nsdl.com](mailto:evoting@nsdl.com).
9. Members of the Company had approved the re-appointment of M/s. S. Jaykishan, Chartered Accountants, (Firm registration no. 309005E) as the Statutory Auditors at the 26<sup>th</sup> Annual General Meeting of the Company held on 22 September 2021 for the second term for a period of five years which is valid till 31<sup>st</sup> Annual General Meeting of the Company.
10. Shareholders desiring any information as regards the Financial Statements of the Company are requested to write to the Company in advance so as to enable the management to keep the information readily available at the meeting.
11. The quorum for the Annual General Meeting, as provided in Section 103 of the Companies Act, 2013, is five Members (including a duly authorized representative of the Central Government) personally present in the meeting at the commencement of business.
12. The Register of Members and Share Transfer Book of the Company will remain closed from **24 September 2022 to 30 September 2022** (both

days inclusive) for the purpose of AGM.

13. Members are requested to intimate to the Company's Registrar and Share Transfer Agent, M/s S. K. Infosolutions Pvt. Ltd., D/42, Katju Nagar Colony, Ground Floor, PO & PS-Jadavpur, Kolkata - 700 032 about consolidation of folios, if shareholdings are in multiple folios and bring copies of the Annual Report and the attendance slips with them while attending the Annual General Meeting.
14. Members holding shares in physical form may avail the facility of nomination in terms of Section 72 of the Companies Act, 2013, by submitting the Form No. SH-13 as per rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014. Blank nomination form will be made available on request to the Registrar & Share Transfer Agent.
15. Members may please note that in view of the proviso to Regulation 40(1) of the SEBI Listing Regulations except in case of transmission or transposition of securities, the request for effecting the transfer of securities shall not be processed unless the securities are held in the DEMAT form with a depository, therefore those Members who are holding shares in physical form will not be able to transfer those shares and they will be able to sell those shares only after their dematerialization with a Depository Participants (DP).
16. Members are requested to intimate about change in their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to the Company's Registrar and Share Transfer Agent, **M/s S K Infosolutions Pvt. Ltd., D/42, Katju Nagar Colony, Ground Floor, PO&PS-Jadavpur, Kolkata - 700 032** through email at [skcdilip@gmail.com](mailto:skcdilip@gmail.com) in case the shares are held in physical form and to the Depository Participant (D/P) in case of shares held in electronic form.
17. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (LODR) Regulations, 2013, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. National Securities Depositories Limited ("NSDL") will be providing facility for voting through remote e-voting at the 27<sup>th</sup> AGM of the Company. The instructions and other information relating to e-voting are given in the notice under note no 25.
18. The Board has appointed Mr. Rajarshi Ghosh, Practising Company Secretary (ACS 17717), as the scrutinizer to scrutinise the e-voting process (including the votes cast at the poll by the Members at the AGM) in a fair and transparent manner.
19. The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.himadricredit.in](http://www.himadricredit.in) immediately after declaration. The Company shall simultaneously forward the results to the Stock Exchange where the shares of the Company are listed.
20. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (the "MCA") vide its General Circulars No. 14/2020, No. 17/2020, No. 20/2020 and No. 02/2021 dated April 8, 2020, April 13, 2020, May 5, 2020 and January 13, 2021 respectively and by General Circular No. 02/2022 dated May 5, 2022 and other applicable circulars, (hereinafter, collectively referred as the "MCA Circulars") read with the SEBI Circulars No. SEBI/HO/CFD/CMD1/CIR/P/2020/79, No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 12, 2020, January 15, 2021 and May 13, 2022 respectively and other applicable circulars (hereinafter, collectively referred as the "SEBI Circulars") and guidelines of Green Initiative, the Notice of the 27<sup>th</sup> AGM along with the Annual Report of the Company for the financial year ended 31 March 2022 are being sent only through electronic mode (e-mail) to those Members whose email addresses are registered with the Company or the Registrar and Share Transfer Agent (the "RTA") or with their respective Depository Participant/s (DPs). Members may note that the Notice and Annual Report for the financial year ended 31 March 2022 is also be available on the Company's website [www.himadricredit.in](http://www.himadricredit.in) and the website of NSDL at <https://www.evoting.nsdl.com>.
21. The scanned copies of the relevant documents

referred to in the accompanying notice/explanatory statement will be made available at [www.himadricredit.in](http://www.himadricredit.in) for inspection by the Members at the AGM, up to the date of this AGM.

22. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 will be available for inspection by the Members at the AGM.

23. Mr. Koushik Ranjan Saha, Company Secretary of the Company shall be responsible for addressing all the grievances in relation to this AGM including e-voting. His details are as follows;

Name: Mr. Koushik Ranjan Saha

Designation: Company Secretary and Chief Financial Officer

Registered office: 23A, Netaji Subhas Road, 8<sup>th</sup> Floor, Kolkata-700001

Email id: [hcfl@himadri.com](mailto:hcfl@himadri.com); Phone No.: 033-2230 9953

24. Disclosure pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Clause 1.2.5 of Secretarial Standard on General Meeting (SS-2) with respect to Directors seeking appointment / re-appointment at forthcoming AGM is given hereunder:

Name of Director	Mr. Anurag Choudhary	Mr. Amit Choudhary
DIN	00173934	00152358
Date of Birth / Age	03.08.1972 (50 years)	22.11.1975 (47 Years)
Date of first appointment on the Board	07.04.1994	09.08.2022
Qualifications	B. Com (Hons)	B. Com (Hons)
Experience (approx.)	31 years	23 Years
Nature of Expertise and Brief resume.	Mr. Anurag Choudhary joined Himadri as part of Management in 1992. He has been appointed as Director since 1994. He is a commerce graduate from the Calcutta University. Under his leadership the Group has achieved market leadership in its key products and expanded into new products and markets. He has a firm belief that true value stems from innovation.	Mr. Amit Choudhary is a commerce graduate from the Calcutta University. Under his supervision, there has been multifold capacity expansion across all businesses. He also mentors the Human Resource function of the Group in building a proud Himadrian team.
Terms and conditions of appointment or re-appointment	Proposed to be appointed as Managing Director for a period of five years	Director liable to retire by rotation
Details of remuneration sought to be paid	As per the resolution approved by Members of the Company	No remuneration is paid
Relationship with other Directors & KMP	Amit Choudhary, Brother	Anurag Choudhary, Brother
Number of Board Meetings attended during the financial year 2021-22	4/4	NA
No. of shares held (Re 1/- each)	150000	70100
Names of listed entities in which the person also holds the directorship and the membership of Committees of the Board	Himadri Speciality Chemical Ltd. member of Audit Committee	Himadri Speciality Chemical Ltd.

Directorship in other Companies	Himadri Speciality Chemical Limited AAT Techno Info Private Limited Raghu Management Private Limited Raghupati Consultants Private Limited Salasar Management Private Limited Sampoorna Merchandise Private Limited Himadri Credit & Finance Limited Himadri E-Carbon Limited Next Generation Condominiums Private Limited Himadri Real Estate Private Limited Pujita Merchandise Private Limited Perfect Hi-Rise Private Limited Anatahan Infrastructure Private Limited Peaklevel Infrastructure Private Limited Modern Hi-Rise Private Limited Himadri Power Limited Sri Agro Himghar Limited Next Generation Traders Private Limited	Himadri Speciality Chemical Limited Himadri Credit & Finance Limited Salasar Management Private Limited Himadri E-Carbon Limited Perfect Hi-Rise Private Limited Swarnalekha Developers Private Limited Sri Siromani Dealers Private Limited Next Generation Condominiums Private Limited Himadri Real Estate Private Limited Bluemoon Realcon Private Limited Hemaprabha Developers Private Limited AAT Techno-Info Private Limited Modern Hi-Rise Private Limited Next Generation Traders Private Limited Sri Agro Himghar Limited Chaturbhuj Properties LLP Dwarkapati Infrastructure LLP
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**25. The instructions to shareholders for remote e-voting are as under:**

- A. The e-voting period shall begin at **09:00 a.m. (IST) on 26 September 2022 and end at 5 p.m. (IST) on 29 September 2022**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. **23 September 2022**, may cast their vote electronically. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. The remote e-voting module shall be disabled by NSDL for voting thereafter and the facility shall forthwith be blocked. Shareholders who have already voted prior to the AGM date would not be entitled to vote at the AGM venue.
- B. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the **cut-off date i.e. 23 September 2022**. Members are eligible to cast vote electronically only if they are holding shares either in physical form or demat form as on that date. Any person, who acquires shares of the Company and become Member of the Company

after dispatch of the notice and holding shares as of the **cut-off date i.e. 23 September 2022**, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**1. HOW DO I VOTE ELECTRONICALLY USING NSDL E-VOTING SYSTEM?**


The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

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

- A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>i. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>ii. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS” Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>iii. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>iv. e-Voting mobile application of NSDL</p> <p><u>Shareholders/ Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</u></p> <div style="text-align: center;"> <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  App Store </div> <div style="text-align: center;">  Google Play </div> </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div> </div>
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</p> <p>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p>

Type of shareholders	Login Method
	4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

**B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****.

c) For Members holding shares in Physical Form.	<p>EVEN Number followed by Folio Number registered with the company</p> <p>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***</p>
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5. Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

- If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.

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

- Click on "Forgot User Details/ Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) in mentioning your demat account number/ folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

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

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

9. After you click on the "Login" button, Home page of e-Voting will open.

2. **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF EMAIL IDS FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company's Registrar and Share Transfer Agent email id at [skcdilip@gmail.com](mailto:skcdilip@gmail.com).

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to the Company's Registrar and Share Transfer Agent email id at [skcdilip@gmail.com](mailto:skcdilip@gmail.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e., Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively, shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**General Guidelines for shareholders:**

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event,

you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

2. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**By Order of the Board of Directors**

**Sd/-**

**Koushik Ranjan Saha**  
**Company Secretary**  
**ACS : 35429**

**Place: Kolkata**

**Date: 09 August 2022**

## Explanatory Statement

### Pursuant to Section 102 of the Companies Act 2013

#### Item No- 3

Mr. Anurag Choudhary (DIN: 00173934) was appointed as Director of the Company on 07 April 1994. The Board at its meeting held on 09 August 2022 and upon recommendation of the Nomination and Remuneration Committee has appointed and designated Mr. Anurag Choudhary to the position of Managing Director of the Company for a period of 5 (Five) years w.e.f 09 August 2022, subject to the approval of shareholders.

Mr. Anurag Choudhary aged about 50 years, has been associated with the Company since 1994. He is a Commerce graduate from the Calcutta University. Under his leadership the Company has achieved growth in its key products and expanded into new products and markets. He has a firm belief that true value stems from innovation. Mr. Choudhary's association as Managing Director would be beneficial for the further growth and development of the business of the company. It is to inform that Mr. Choudhary is also Managing Director & CEO of Himadri Speciality Chemical Ltd.

Since, the conditions laid down in Part-I Section –I of Part –II of Schedule V appended to the Companies Act, 2013 have been satisfied, therefore only consent of the shareholders is required for his appointment as Managing Director and no approval of the Central Government is required for the proposed appointment. An agreement with Mr. Choudhary will be entered to record the terms of appointment, after getting the approval of the shareholders. The terms and conditions for appointment as Managing Director are enumerated hereunder:

#### 1. Period of appointment

The appointment will be for a period of 5 (Five) years w.e.f. 09 August 2022 to 08 August 2027.

#### 2. Remuneration

In terms of the provisions of Schedule V read with Section 196 & 197 of the Companies Act, 2013 and subject to approval of the Company in general meeting, the Managing Director shall be paid the following remuneration.

- i) **Salary** : Re. 1/- per annum.
- ii) **Perquisites** : Nil

Notwithstanding anything contained herein, in the event of any loss, absence or inadequacy of profits in any financial year, during the term of office of the Managing Director, the remuneration by way of salary and perquisites etc., as specified here in, shall be the minimum remuneration as prescribed under Section II of Part II of Schedule V of the Companies Act, 2013.

After getting approval of members, the Company will enter into an agreement with the Director. The draft Agreement to be entered into by the Company with Director will remain open for inspection by members at the Registered Office of the Company during 10.00 a.m. to 1.00 p.m. on all working days (except Saturday) until the date of the ensuing Annual General Meeting.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives except Mr. Amit Choudhary and the appointee himself and their relatives are concerned or interested, financial or otherwise, in the aforesaid resolution.

The Board of Directors recommends the Special Resolution as set forth in the item no. 3 for approval of the members of the Company.

**STATEMENT PURSUANT TO PROVISIONS OF SCHEDULE V OF THE COMPANIES ACT, 2013 AND THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, AS THE CASE MAY BE:**

**I. GENERAL INFORMATION:**

1. **Nature of industry:** Non-Banking Financial Company
2. **Date or expected date of commencement of commercial production:** Not Applicable
3. **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus :** Not applicable
4. **Financial performance based on given indicators:**

(₹ in Lakhs)

For the Financial Year	2021-22	2020-21	2019-20
Revenues	224.14	182.29	156.19
Net Profit/ (Loss) before Tax	165.67	60.85	14.97
Net Profit/ (Loss) after Tax	132.43	110.94	5.12
Paid up Equity Share Capital	300.02	300.02	300.02
Earnings Per Share (₹)	4.41	3.70	0.17
Dividend %	Nil	Nil	Nil

5. **Foreign investments or collaborations, if any:** Not Applicable

**II. INFORMATION ABOUT THE APPOINTEE:**

1. **Background details:** Mr. Anurag Choudhary joined Himadri as part of Management in 1992. He has been appointed as Director since 1994. He is a commerce graduate from the Calcutta University Under his leadership the Group has achieved market leadership in its key products and expanded into new products and markets. He has a firm belief that true value stems from innovation.
2. **Past Remuneration:** Nil
3. **Recognition or awards:** None
4. **Job profile and his suitability:** Please see (1) above
5. **Remuneration proposed:** Re 1/- p.a
6. **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):** Not Applicable
7. **Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.**

Mr. Anurag Choudhary holds 150000 equity shares in the Company as on the date of this Notice. Apart from receiving remuneration as stated above does not have any other pecuniary relationship with the Company.

8. **Relationship with other Directors & KMP:** Mr. Amit Choudhary, Director – Brother

**III. OTHER INFORMATION**

1. **Reasons of loss or inadequate profits:** Not Applicable
2. **Steps taken during the year for improvement:** Not Applicable
3. **Expected increase in productivity and profits in measurable terms:** Not Applicable

**IV. DISCLOSURES**

The required disclosures pursuant to Schedule V to the Act are given in the Explanatory Statement hereinbefore.

**Item No- 4**

The Board of Directors upon recommendation of Nomination and Remuneration Committee has appointed Mr. Amit Choudhary as an additional director with effect from 09 August 2022 and in terms of provisions of Section 161(1) of the Companies Act, 2013 who shall hold office of director upto the date of ensuing annual general meeting. The Company in terms of Section 160(1) of the Companies Act, 2013, has received a notice in writing from a member signifying his intention to propose Mr. Amit Choudhary as a candidate for the office of Director and the company has also received necessary consent pursuant to Section 152(5) of Companies Act, 2013 from Mr. Amit Choudhary to act as director of the Company. The Board considered it desirable that the Company should continue to avail itself of his services. Therefore, the Board recommends that this resolution be passed as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives except Mr. Anurag Choudhary and the appointee himself and their relatives are concerned or interested, financial or otherwise, in the aforesaid resolution.

The Board of Directors recommends the Ordinary Resolution as set forth in the item no. 4 for approval of the members of the Company.

**By Order of the Board of Directors**

**Sd/-**

**Koushik Ranjan Saha  
Company Secretary  
ACS : 35429**

**Place: Kolkata  
Date: 09 August 2022**

# BOARD'S REPORT

## Dear Shareholders,

Your Directors are pleased to present the 27<sup>th</sup> Annual Report, together with the Audited Financial Statements and the Auditors' Report thereon for the financial year ended 31 March 2022.

## STATE OF AFFAIRS OF THE COMPANY

The Financial Results of the Company for the financial year ended 31 March 2022 as compared to the previous financial year are summarised as under:

Particulars	Amount in ₹ Lakh	
	For the year ended 31.03.2022	For the year ended 31.03.2021
Total Revenue	224.14	182.29
Less: Total Expenditure	58.47	121.44
Profit before tax	165.67	60.85
Less: Tax Expenses		
- Current Tax	41.55	13.60
- Deferred Tax	(8.31)	(63.69)
Profit after tax	132.43	110.94

## YEAR IN RETROSPECT

The Company involves in non- banking financial activities and during the year the Company earned a gross income of ₹ 224.14 lakhs for the year ended 31 March 2022 as against ₹ 182.29 lakhs for the year ended 31 March 2021 and profit after tax was ₹ 132.43 lakhs for the year ended 31 March 2022 as against profit of ₹ 110.94 lakhs for the year ended 31 March 2021. Your directors are optimistic for achieving better results during the current financial year by optimum utilisation of the available resources.

## DIVIDEND

In order to conserve resources for future operations, no Dividend has been recommended by your Directors for the financial year 2021-22.

## SHARE CAPITAL

The paid up Equity Capital as on 31 March 2022 was Rs.3,00,02,000. During the year under review, the Company has neither issued any shares with differential voting rights nor granted stock options or sweat equity shares.

## RESERVES

During the year under review Rs. 26.49 Lakhs was transferred to reserves (u/s 45-IC of the RBI Act).

## DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

Pursuant to the provisions of Section 152(6) of the Act, the members of the Company at the 26<sup>th</sup> Annual General Meeting (AGM) held on 22 September, 2021, re-appointed Mr. Anurag Choudhary (DIN: 00173792) who was liable to retire by rotation.

As per the provisions of the Section 152(6) of the Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company, Mr. Anurag Choudhary (DIN: 00173934), the Director of the Company retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offers himself for re-appointment. In view of his considerable experience, your Directors recommend his re-appointment as Director of the company.

During the financial year 2021-22, there was no change in Board. However Mr. Bankey Lal Choudhary, Managing Director (DIN: 00173792) and Mr. Tushar Choudhary, Non-Executive Director (DIN: 00174003) has resigned from Directorship of the Company with effect from 08 July 2022 due to personal reason. The Board places on record their appreciation for the services and contributions made by them.

Further, upon recommendation of Nomination & Remuneration Committee Board of Directors at its meeting held on 09.08.2022, has appointed and designated Mr. Anurag Choudhary (DIN-00173934) as Managing Director of the Company w.e.f 09 August 2022 for a period of five years subject to approval of Shareholder at the ensuing Annual General Meeting of the Company. Now he will be acting as Managing Director of the Company.

Further, upon recommendation of Nomination & Remuneration Committee, the Board of Directors has appointed Mr. Amit Choudhary (DIN-00152358), as an Additional Director in the capacity of Non-Executive Director of the Company w. e. f 09 August 2022 and who shall hold the office as such up to the conclusion of the forthcoming Annual General Meeting.

Further on July 8, 2022, it was informed to the Board of Directors that the Promoters of the Company have inter-se entered into a Family Settlement Agreement ("FSA") which has been entered into between the SSC Family and BLC Family.

- SSC Family comprises of Mr. Shyam Sundar Choudhary, Mr. Anurag Choudhary and Mr. Amit Choudhary
- BLC Family comprises of Mr. Bankey Lal Choudhary, Mr. Vijay Kumar Choudhary and Mr. Tushar Choudhary

By virtue of the FSA, BLC Family have ceased to hold any right in the management and/or control in the Company;

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions referred to in sub-section (5) of Section 134 read with sub-section (3)(c) of the Companies Act, 2013, the Board of Directors of the Company confirms that—

1. In the preparation of Annual Accounts, the applicable

Accounting Standards have been followed along with the proper explanation relating to material departures, if any.

2. The Directors have selected such accounting policies and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2022 and of the profit & loss of the Company for the year under review.
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors have prepared the annual accounts on going concern basis.
5. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
6. The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

## INDEPENDENT DIRECTOR'S DECLARATION

As required in terms of Section 134(3)(d) of the Companies Act, 2013, the Board confirms that all the Independent Directors of the Company have given necessary declaration of their Independence as stipulated in Section 149(6) of the Companies Act, 2013.

## MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There were no material changes and commitments occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

## COMPOSITION OF BOARD & MEETINGS OF BOARD

As on the date of this report, the Board consists of four (4) Directors out of which one is Executive and one is Non-Executive Director and two are Independent Directors including one woman Director. None of

the Directors is a member of the Board of more than twenty Companies or a Member of more than ten Board-level Committees or a Chairman of more than five such Committees. The Composition of the Board is in conformity with Section 149 of the Companies Act, 2013.

During the financial year 2021-22, the Board of Directors duly met Four (4) times respectively on 28 June 2021, 12 August 2021, 12 November 2021 and 10 March 2022. The composition of Board as on 31.03.2022

Sl. No.	Director's Name	Status
1	Mr. Bankey Lal Choudhary <sup>1</sup>	Managing Director
2	Mr. Anurag Choudhary <sup>3</sup>	Director, Non-Executive
3	Mr. Tushar Choudhary <sup>2</sup>	Director, Non-Executive
4	Mr. Santosh Kumar Agrawala	Director-Independent
5	Mrs. Sucharita Basu De	Director-Independent

<sup>1</sup> Mr. Bankey Lal Choudhary (DIN: 00173792), Managing Director, resigned from Directorship of the Company with effect from 08 July 2022.

<sup>2</sup> Mr. Tushar Choudhary (DIN: 00174003), Non-Executive Director, resigned from Directorship of the Company with effect from 08 July 2022.

<sup>3</sup> Mr. Anurag Choudhary has been appointed as Managing Director w.e.f. 09.08.2022

Due to COVID-19 pandemic, MCA vide its circular no 08/2021 dated 03 May 2021 had provided one time relaxation in time gap between two consecutive meetings of the Board up to 180 days during the Quarter April to June 2021 and July to September 2021.

## SEPARATE MEETING OF INDEPENDENT DIRECTORS

Schedule IV of the Companies Act, 2013 and the SEBI Listing Regulations mandates the Independent Directors of the Company to hold at-least one meeting in a year, without the attendance of non-independent directors and members of the management. During FY 2021-22, 1 (One) separate meeting of Independent Directors was held on 21 March 2022 without the presence of the non-independent directors and the members of the Management, inter alia, to review

performance of Non-Independent Director & the Board as a whole, to review performance of the Chairman and to assess the quality, quantity and timeliness of flow of information between the management of the Company and the Board.

## NOMINATION AND REMUNERATION COMMITTEE

### Composition

The Nomination and Remuneration Committee of the Company formulated in terms of the provisions of Section 178 of the Companies Act, 2013. The Chairman of the Committee is an Independent Director and the Members of the Committee are Non - Executive Directors. The Committee met on 21 March 2022 during the financial year 2021-22. The Composition of the Committee is as follows:

Sl. No.	Director's Name	Category
1	Mr. Santosh Kumar Agrawala	Chairman – Independent Director
2	Mr. Anurag Choudhary	Member-Non Executive Director
3	Ms. Sucharita Basu De	Member-Independent Director

### Terms of Reference

The broad terms of reference of the Committee inter alia are as follows:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- Formulation of criteria for evaluation of performance of Directors;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
- Recommending/reviewing remuneration of the Managing Director(s) and Whole-time Director(s)

based on their performance and defined assessment criteria.

- vi) Specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

## Remuneration Policy

The Nomination and Remuneration Committee has framed a policy relating to the appointment, remuneration, independence and removal of Executive Directors, Independent Directors, Key Managerial Personnel and Other Senior Management Personnel of the Company, in accordance with the provisions of Section 178 of the Companies Act, 2013. The company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178 is available on Company's website at <http://himadricredit.in/>

## AUDIT COMMITTEE

### Composition

The Company has an Audit Committee pursuant to Section 177 of the Companies Act, 2013 consisting of Three (3) Directors as members and majority of its members are Independent. The Chairman of the Audit Committee is an Independent - Director with over a decade of rich experience in the field of finance and accounts.

The Committee met Two (2) times during the year on 28 June 2021, 12 August 2021 to review the periodic as well as the financial statements prior to their placement before the Auditors and the Board for their consideration. The Committee reviewed the results of operations, statement of Related Party Transactions (as defined by the Audit Committee) submitted by management. The composition of Audit Committee is given below :

Sl. No.	Director's Name	Category
1	Mr. Santosh Kumar Agrawala	Chairman, Independent Director
2	Ms. Sucharita Basu De	Member, Independent Director
3	Mr. Bankey Lal Choudhary	Managing Director

## Terms of Reference

The terms of reference of this Committee broadly conforms to the norms laid down in Section 177 of the Companies Act, 2013 and includes among others the periodic review of the Quarterly and the Annual Accounts, assessing the adequacy of Internal Controls, interaction with the Statutory Auditors. The Committee provides guidance to the management in preparing of annual as well as periodical financial statements before submitting to the Board. It liaisons with the Company's Statutory Auditors. The functions of this Committee include reviewing the adequacy of audit functions, its structures and discussions with Auditors on any significant findings and follow-up therewith. The Terms of Reference of Audit Committee, inter alia, includes the following:

- i) the recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (ii) review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (iii) examination of the financial statement and the auditors' report thereon;
- (iv) approval or any subsequent modification of transactions of the Company with related parties;
- (v) scrutiny of inter-corporate loans and investments;
- (vi) valuation of undertakings or assets of the Company, wherever it is necessary;
- (vii) evaluation of internal financial controls and risk management systems;
- (viii) monitoring the end use of funds raised through public offers and related matters

## SHARE TRANSFER COMMITTEE

The Company has a Share Transfer Committee consisting of Two (2) Directors as members namely Mr. Anurag Choudhary – Director and Mr. Tushar Choudhary – Director. The terms of reference of the Share Transfer Committee include the following:

- To approve and register transfer/transmission of Shares;
- To approve and register sub-Divide, consolidate and issue share certificates.
- To authorize affixation of the Common Seal of the company.

- To Issue Share Certificates in place of those which are damaged, or in which the space for endorsement has been exhausted, provided the original certificates are surrendered to the company.

## **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has duly established a vigil mechanism and formulated Vigil Mechanism / Whistle Blower Policy for its Directors and its employees as per the provision of Section 177(9) of the Companies Act, 2013 read with the Rule 7 of Companies (Meeting of the Board and its powers) Rules, 2014. The Audit Committee of Directors of the Company have been authorised to oversee the compliance of the Vigil Mechanism / Whistle Blower Policy of the Company. The Whistle Blower Policy is available on the Website of the Company i.e., <http://himadricredit.in/>

## **PUBLIC DEPOSIT**

The Company during the year 2021-22 has not accepted any deposits from the public within the meaning of Section 73 of the Companies Act, 2013.

## **AUDITORS AND AUDITOR'S REPORT**

### **● Statutory Auditors**

M/s S Jaykishan, Chartered Accountants (FRN: 309005E), the Statutory Auditors of the Company were re-appointed at the last Annual General Meeting held on 22 September 2021 for a second term of 5 years commencing from the conclusion of the 26<sup>th</sup> AGM till the conclusion of the 31<sup>st</sup> AGM of the Company to be held in the year 2026.

The Report of the Auditors when read with the notes to the Accounts are self-explanatory and therefore, do not call for any further comments.

### **● Secretarial Auditor**

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Board has appointed Mr. Rajarshi Ghosh (CP No. 8921), Practising Company Secretary, to conduct Secretarial Audit for Financial Year 2021-22.

Secretarial Audit Report for the financial year ended 31 March 2022 is given in **Annexure-I** attached hereto and forms part of this Report.

## **COMMENT ON QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE SECRETARIAL AUDITORS**

Due to outbreak of novel coronavirus (COVID-19) and in order to ensure the safety and well-being of its employees, the Company has been operating intermittently. Further the Company had not been able to conclude the financial results for the quarter ended September 2021, December 2021 and March 2022 despite its best efforts.

The Board of Directors at its meeting held on 09 August 2022 had approved the Unaudited Financial Results along with Limited Review Report for the quarter ended September 2021, December 2021 and Audited Financial Results along with Audit Report for the quarter and year ended March 2022 and the Company has submitted the same with the Stock Exchange on 9 August 2022.

## **ANNUAL RETURN**

Pursuant to Section 92(3) read with Section 134(3) (a) of the Companies Act, 2013, the Annual Return as on 31 March 2022 is available on the website of the Company at <http://himadricredit.in/>.

The annual return uploaded on the website is a draft in nature and the final annual return shall be uploaded at the same link in the website of the Company.

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

The Company, being a non-banking finance Company registered with the Reserve Bank of India and engaged in the business of giving loans, is exempt from complying with the provisions of Section 186 of the Companies Act, 2013. Accordingly, the disclosures of the loans given as required under the aforesaid section have not been given in this Report.

## **PARTICULARS OF REMUNERATION OF MANAGERIAL PERSONNEL AND EMPLOYEES AND RELATED DISCLOSURE**

Disclosures pertaining to remuneration and other details as required under Section 197(12), read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given in **Annexure II** enclosed hereto and forms part of this report. In accordance with the provisions of the aforementioned section, the names and other particulars of employees drawing remuneration in excess of the limits set out in the aforesaid rules form part of this Report. However, in line with the provisions

of Section 136(1) of the Act, the Report and Accounts as set out therein, are being sent to all Members of your Company, excluding the aforesaid information. Any Member, who is interested in obtaining these particulars, may write to the Company Secretary.

#### **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There were no material changes and commitments occurred after the close of the financial year till the date of this report, which affect the financial position of the Company.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE**

There were no significant and material orders passed by any regulatory authority or courts or tribunals impacting the going concern status and Company's operation in future.

#### **PARTICULARS OF CONTRACTS & ARRANGEMENTS WITH RELATED PARTIES**

The Company has not entered into any materially significant related party transaction with the Company's Promoters, Directors, Management or their relatives, which could have a potential conflict with the interests of the Company.

All the Related Party Transactions entered into by the Company during the financial year were in ordinary course of business and on arm's length basis. The Related Party Transactions were usually undertaken with prior consent of the Audit Committee on quarterly basis. There have been no materially significant related party transactions between the Company and the Directors, the management, or relatives except for those disclosed in the financial statements. Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) along with the justification for entering into such contract or arrangement in Form AOC – 2 does not form part of the report.

#### **SUBSIDIARY / JOINT VENTURE / ASSOCIATE COMPANY**

The Company does not have any subsidiary / joint venture / associate Company, therefore the requirement sub-rule (1) of Rule 8 of Companies (Accounts) Rules, 2014 with regards to providing details on performance of the same is not applicable to the Company.

Further during FY 2021-22, no Company has become or ceased to be subsidiary, joint venture or associate of the Company.

#### **RISK MANAGEMENT POLICY**

The Board has adopted the risk management policy of the Company and is of the opinion that there is no element of risk which threaten the existence of the Company.

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

Since the Company has not been engaged in any manufacturing activity, the information as required in terms of clause (m) of sub-section (3) of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are not applicable. The foreign exchange earnings and outgo remained NIL during the year under review.

#### **INTERNAL FINANCIAL CONTROLS AND RISK MANAGEMENT SYSTEM**

The Board has duly implemented the internal financial control and risk management system in the Company to ensure efficient implementation of the Company's strategy and effective operations, assure compliance with both internal instructions and laws and regulations, achieve appropriate financial reporting, and prevent fraud and other misconduct.

Mr. Anurag Choudhary, Director of the Company is authorised by the Board to oversee the internal financial controls and risk management system and take the necessary actions as may be required for giving effect and implementation of the said system and control.

#### **CORPORATE SOCIAL RESPONSIBILITY**

The Company is not covered under the provisions of Section 135 of the Companies Act, 2013, therefore the requirement of clause (o) of sub-section (3) of Section 134 of the said act are not applicable to the Company.

#### **DEMATERIALISATION OF SHARES**

There were 1973600 equity shares of the Company held by the shareholders in dematerialised form as on 31 March 2022, representing 65.78% of the total paid-up share capital of the Company consisting of 3000200 equity shares of ₹ 10/- each. The Company's equity shares are compulsorily required to be traded in dematerialized form; therefore, members are advised to expedite the process of converting the physical shareholding into dematerialised form through their D/P(s).

## E-VOTING FACILITY AT AGM

In terms of Regulation 44 of SEBI Listing Regulations and in compliance with the provisions of Section 108 of the Companies Act, 2013 (the Act) read with Rule 20 and 21(1) (a) to (h) of the Companies (Management and Administration) Rules, 2014 (as amended), the items of business specified in the Notice convening the 27<sup>th</sup> Annual General Meeting of the Company may be transacted through electronic voting system and for this purpose the Company is providing e-Voting facility to its' members whose names will appear in the register of members as on the cut-off date (fixed for the purpose), for exercising their right to vote by electronic means through the e-Voting platform to be provided by National Securities Depository Limited (NSDL). The detailed process and guidelines for e-voting has been provided in the notice convening the meeting.

## POLICY ON PREVENTION OF SEXUAL HARASSMENT

The Company values the integrity and dignity of its employees. The Company has put in place a 'Policy on Prevention of Sexual Harassment' as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Sexual Harassment Act"). We affirm that adequate access has been provided to any complainants who wish to register a complaint under the policy. No complaint was received during the year.

The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to the Regulation 34 read with Schedule V Part B, the Management Discussion and Analysis Report forms part of this Annual Report and marked as **Annexure III**.

## LISTING ON STOCK EXCHANGE

The Company's equity shares are listed at The Calcutta Stock Exchange Limited.

Place: Kolkata

Date: 9 August, 2022

## ANNUAL EVALUATION OF THE PERFORMANCE

Pursuant to the provisions of the Act and the SEBI Listing Regulations, the Independent Directors at their meeting have evaluated the performance of Non-Independent Directors and Chairperson of the Company after considering the views of the Executive and Non-Executive Directors, Board as a whole and assessed the quality, quantity and timeliness of flow of information between the Company's Management and the Board.

Further, the Board, upon recommendation of the Nomination and Remuneration Committee and as per the criteria and manner provided for the annual evaluation of each member of the Board and its Committees, has evaluated the performance of the entire Board, its Committees and individual directors. During the financial year 2021-22 all the members of the Board and its Committees met the criteria of performance evaluation as set out by the Nomination and Remuneration Committee.

## MAINTENANCE OF COST RECORDS

The Company is a NBFC Company and maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable.

## COMPLIANCE OF SECRETARIAL STANDARD

The Company has complied with applicable Secretarial Standards.

## ACKNOWLEDGEMENT

The Directors would like to place on record their appreciation for the co-operation received from its Shareholders, Bankers and all other stakeholders including departments of State Government and Central Government.

For and on behalf of the Board

Sd/-

Anurag Choudhary  
Managing Director  
(DIN: 00173934)

Sd/-

Amit Choudhary  
Director  
(DIN: 00173732)

## Annexure I of the Board's Report

FORM NO. MR-3

### SECRETARIAL AUDIT REPORT

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

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

To,  
The Members  
**Himadri Credit & Finance Ltd.**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Himadri Credit & Finance Ltd. (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and Regulations.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records made available to me and maintained by the Company for the financial year ended on March 31, 2022 according to the applicable provisions of:

- i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii) The Securities Contracts (Regulations) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") to the extent applicable to the Company :-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
  - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- vi) All other statutes and laws as may be applicable specifically to the company.

I have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India.

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

- (i) *Whereas pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the company was required to submit unaudited financial results for the quarter ended 30 September, 2021 and 31 December 2021 and audited financial results for the quarter ended 31 March 2022 on or before 14 November 2021, 14 February 2022 and 30 May 2022 respectively however the Company has not submitted unaudited financial results for the quarter ended 30 September, 2021 and 31 December 2021 and audited financial results for the quarter ended 31 March 2022 to the stock exchanges within the aforesaid time.*

**I further report that:**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Resolutions have been approved by majority, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure

compliance with applicable laws, rules, regulations and guidelines.

**I further report that:**

- The Company has obtained all necessary approvals under the various provisions of the Act;
- There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, SEBI (LODR) Regulations and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers; and
- The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

**I further report that** the Company has complied with the provisions of the Depositories Act, 1996 and the Byelaws framed thereunder by the Depositories with regard to dematerialization / rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

**I further report that** the Company has complied with the provisions of the FEMA, 1999 and the Rules and Regulations made under that Act to the extent applicable.

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

This report is to be read with my letter of even date, which is annexed as Annexure – A which forms an integral part of this report.

Sd/-

**RAJARSHI GHOSH**

**Membership: ACS-17717**

**Place: Kolkata**

**Certificate of Practice: 8921**

**Date: 04.08.2022**

**UDIN: A017717D000741737**

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

## Annexure - A to the Secretarial Audit Report

To,  
The Members  
**Himadri Credit & Finance Ltd**

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

**RAJARSHI GHOSH**

**Membership: ACS-17717**

**Certificate of Practice: 8921**

**UDIN: A017717D000741737**

**Place: Kolkata**

**Date: 04.08.2022**

## Annexure II of the Board's Report

### Details pursuant to Rule 5(1) of the Companies (Appointment and Remuneration Managerial Personnel) Rules, 2014

Sl. No.	Requirements of Rule 5	Compliance															
1	The ratio of remuneration of each Director to median remuneration of employees of the Company for the financial year 2021-22;	NIL*															
2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer and Company Secretary in the financial year 2021-22;																
	<table> <tr> <th>Name</th><th>Designation</th><th>% increase in remuneration</th></tr> <tr> <td>Mr. Bankey Lal Choudhary</td><td>Managing Director</td><td>-</td></tr> <tr> <td>Mr. Anurag Choudhary</td><td>Non-Executive Director</td><td>-</td></tr> <tr> <td>Mr. Tushar Choudhary</td><td>Non-Executive Director</td><td>-</td></tr> <tr> <td>Mr. Koushik Ranjan Saha</td><td>Company Secretary &amp; CFO</td><td>29%</td></tr> </table>	Name	Designation	% increase in remuneration	Mr. Bankey Lal Choudhary	Managing Director	-	Mr. Anurag Choudhary	Non-Executive Director	-	Mr. Tushar Choudhary	Non-Executive Director	-	Mr. Koushik Ranjan Saha	Company Secretary & CFO	29%	
Name	Designation	% increase in remuneration															
Mr. Bankey Lal Choudhary	Managing Director	-															
Mr. Anurag Choudhary	Non-Executive Director	-															
Mr. Tushar Choudhary	Non-Executive Director	-															
Mr. Koushik Ranjan Saha	Company Secretary & CFO	29%															
3	The percentage increase in the median remuneration of employees in the financial year 2021-22 ;	6%															
4	The number of permanent employees on the rolls of the Company as on 31 March 2022;	5															
5	Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Average percentage increase made in the salaries of employees other than the managerial personnel in FY 2021-22 was 19% whereas no managerial remuneration is paid during the financial year.															
6	Affirmation that the remuneration is as per the Nomination and Remuneration Policy of the Company.	The above remuneration details are as per the Nomination and Remuneration Policy of the Company.															

\* No remuneration is paid to any of the Directors of the Company during the financial year 2021-22.

## Annexure III of the Board's Report

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### (a) The COVID-19 pandemic

Financial year 2021-22 (FY2022) was once again dominated by Covid as new waves of infection swept across countries. In India, the second wave ('Delta') proved far more deadly than the first. After a shaky start in some places, the roll-out of vaccines in India began in dead earnest. The eventual success of nation-wide vaccination across this far flung sub-continent played a large role in curbing hospitalization.

The advent of the highly transmissible variant 'Omicron' arrived in early January 2022. In this third wave, India's daily number of reported cases peaked to nearly 350,000 in January 2022 and the active case load was over 22 million. Fortunately, while highly transmissible, Omicron was nowhere as clinically deadly as Delta. So, while many got infected, almost all got well again within a week or so, without hospitalization and morbidity. India did not see a re-run of lockdowns and a massive drop in GDP as witnessed in FY2021. Thanks to a huge vaccination drive, the earlier strong link between Covid waves and fall in GDP growth was considerably reduced.

It is too early to opine on the matter, but it would seem that India has got used to Covid. So long as the new variants are like Omicron, we should have less to worry about mass hospitalisations, huge excess morbidity, multiple lockdowns and lower growth.

There can be no doubt that Covid has inflicted enormous pain and suffering to individuals and corporates alike across the globe. Equally, it gave the world an opportunity to reinvent itself to adapt to new ways of life and business. This pandemic was a real test of resilience and agility of businesses across all sectors, be it manufacturing, service, real estate, entertainment sector and others. Corporates that successfully adapted and survived the challenges thrown by Covid have generally become resilient and agile organisations who are now future ready to weather such a massive disruption.

#### (b) Industry Structure and Development

Non-Banking Financial Companies ("NBFCs") have played an important role in the Indian financial system

by complementing and competing with banks and by bringing in efficiency and diversity into financial intermediation. NBFCs have evolved considerably in terms of operations, heterogeneity, asset quality, profitability and regulatory architecture. NBFCs play an important role in promoting inclusive growth in the country by catering to the diverse financial needs of the customers. NBFCs often take a lead role in providing innovative financial services to Micro, Small and Medium Enterprises (MSMEs) most suitable to their business requirements. NBFCs play a critical role in participating in the development of the economy by providing a fillip to transportation, employment generation, wealth creation, credit in rural segments and provide the much needed credit support to new customer segments. NBFCs have been significant contributors to the growth of the economy over the last few years and have continued to provide credit to market segments neglected by banks or when banks were unable to provide credit, given their own constraints. The NBFC sector, especially the systemically important NBFCs, is well regulated by the RBI. The prudential norms on the assets side, mirror those applicable to banks. However, on the resource raising side, there is a clear difference between banks and NBFCs, as the former have access to savings and current accounts. Further, even within the sector, some NBFCs are advantaged as they have access to public deposits, while others do not.

#### (c) Economy Overview

The COVID-19 pandemic that broke out in early 2020 continued to inflict health and economic shocks

across countries in FY 2021-22 with its resurgent waves. The Delta variant of COVID-19 struck India in the beginning of FY 2021-22 marking the onset of the second wave. Unlike the first wave, the second wave was asynchronous in its onset across States and more intense in its spread, entering the rural hinterland. However, the economic impact of second wave was muted compared to that of the first wave. After battling with technical recession in FY 2020-21, Indian economy showed recovery during FY 2021-22. After contracting by 7.3% in FY 2020-21, the Indian economy is expected to grow by 9.2% in real terms in FY 2021-22, according

to Advance Estimates in the Economic Survey - 2022. This effectively demonstrates that a 'V-shaped recovery' has played out, and economic activity has bounced back to pre-pandemic levels.

Some of the factors that have supported growth during the year have been the widespread vaccination coverage, gains from supply side reforms, easing of regulations, robust export growth and a ramp-up in capital spending.

According to the Economic Survey, Agriculture and Allied Sectors was the least impacted by the pandemic. This segment of the economy is expected to post a growth of 3.9% in FY 2021-22, after expanding 3.6% in the previous year. The strong performance of the sector was largely due to a good monsoon, which resulted in reservoir levels being higher than the 10-year average. It was also supported by policies that ensured timely supplies of seed and fertilisers to farmers, despite pandemic-related disruptions.

The Industrial sector also staged a strong comeback after posting a negative growth of 7.0% in FY 2020-21 to an expected expansion of 11.8% in FY 2021-22. The manufacturing, construction and mining sub-sectors followed a similar trend as overall industry growth, while utilities experienced a more muted cycle since basic services, such as electricity and water supply, were maintained even at the height of the lockdowns. The share of industry in GVA is now estimated at 28.2% (Source: Ministry of Finance).

While there clearly was a wide dispersion of performance in different sub-sectors, the Services sector was the hardest hit by the pandemic, especially segments that involved human contact. The overall sector is estimated to have grown by 8.2% during FY 2021-22 after a contraction of 8.4% during the previous year (Source: Ministry of Finance). Both the Finance/ Real Estate and the Public Administration segments are now well above pre-COVID levels but segments like Travel, Trade and Hotels have yet to fully recover. At the other extreme, the software and IT-enabled services exports witnessed a boom.

### **Key policy announcements of Union Budget 2021-22**

The three stated pillars of the government's vision for the next 25 years – the Amrit Kaal – were promoting digital economy and Fintech, technology-enabled development, energy transition and climate action. To

achieve this longer-term objective, with appropriate short-term goals, leading proposals included:

- A higher capex spend of ₹ 7.5 trillion (35.4% over FY 2021-22BE/ 24.5% over FY 2021-22RE) to sustain the green shoots of growth, which have sprouted in FY 2020-21
- The fiscal deficit has been projected to remain elevated, while still maintaining a glide path of gradual lowering Enhancing Ease of Doing Business by digitising manual processes and interventions and integrating Central and State-level systems
- 'Kisan Drones' to be promoted for crop assessment, digitisation of land records, spraying of insecticides and nutrients
- High-quality e-content in all spoken languages to be developed for delivery via internet, mobile phones, TV and radio through Digital Teachers 75 Digital Banks to be set up in 75 Districts to ensure that digital banking reaches every nook and corner of the country
- 5G spectrum auctions to open the door for digital transformation-oriented initiatives
- The finance minister also used the forum to propose India's own digital currency

The Budget stated that it was relying on a virtuous cycle starting from private investment with public capital investment helping to crowd-in private investment. The assumption appears to be that engaging this single lever can ultimately create employment, which will drive consumption while creating a robust infrastructure base for the country. It also presumes that with investment in infrastructure, manufacturing and services will also get a boost and exports will rise commensurately.

### **(d) Outlook**

Despite a softer growth, the Indian economy remains one of the fastest growing economies in the world. The effects of external shocks such as rising global volatility, largely from financial volatility, externs from trade disputes, and investment rerouting was contained in part by India's strong macroeconomic fundamentals. The policy changes including amendments to the policy related to insolvency and bankruptcy, bank recapitalisation, and foreign direct investment further helped in coping with the de-growth. The growth trajectory is expected to resume with public policy support and private participation. Reform measures have been made by RBI to ease out liquidity in the markets and to encourage credit inflows via NBFC, HFC, MFIs. The Company during the financial year under

review has made substantial investments in people, processes and technology and continues to focus on delivering steady performance. It is cognisant of the changes in the capital market and brokerage segment and well prepared to overcome challenges and sustain performance.

The COVID-19 pandemic has worsened the troubles and concerns of NBFCs. It has heightened the challenges pertaining to liquidity crunch. Under such circumstances, the Government and the RBI's support brought in some much-needed relief. The unprecedented liquidity crunch, in the last two years, has introduced consolidation in the financial services industry. Today, as the economy gradually moves towards a 'V' shaped recovery, a robust credit demand, especially for MSME and affordable housing, is being anticipated.

Having said this, the outlook for the coming year is expected to be extremely demanding. In the current situation, lending businesses face four daunting challenges of (i) disruption in business acquisition, (ii) providing customers adequate relief on their debt servicing obligations, (iii) dealing with a weakened customer service and debt recovery infrastructure, and (iv) continuing to service their own debt. To overcome the COVID-19 crisis, Governments across the world will look to the financial sector to help revive their economies. Sharp decline in government revenue receipts due to the extended lockdown and growth slowdown coupled with rising need for fiscal support will throw a spanner in the works of both Union and State Government finances.

Overall, the Economic Survey was optimistic about macro-economic stability indicators suggesting that the Indian Economy is well placed to take on the challenges of FY 2022-23.

Looking ahead, the Economic Survey projects an economic growth of 8.0 to 8.5% for FY 2022-23, based on various assumptions, including no further debilitating pandemic-related economic disruption, a normal monsoon, orderly withdrawal of global liquidity by major central banks, oil prices in the range of US\$ 70-75/bbl, and a steady easing of global supply chain disruptions over the course of the year. This estimate is in line with both the World Bank and the Asian Development Bank's latest forecasts of real GDP growth of 8.7% and 7.5%, respectively, for India for FY 2022-23. The World Economic Outlook (January 2022) projects India as the fastest growing major economy in the world during FY 2021-22, FY 2022-23 and FY

2023-24.

The combined fiscal deficit of the Union and State Governments may reach 12% of GDP in FY21. This can raise the risks of a subsequent ratings outlook downgrade, given the mix of low growth and rising deficit.

## (e) Opportunities and Threats

### Opportunities:

To overcome the COVID-19 crisis, Governments across the world will look to the financial sector to help revive their economies. The NBFCs can capitalise on the opportunities that will emerge in what will possibly be a totally new business. Business opportunities for finance companies are enormous as the new areas and segments are being explored. A larger segment of customers remain un-served by Banks and large sized Finance Companies. Your Company on its part is also well poised to seize new opportunities as they come. A rural middle income boom has led to rise in rural incomes. This has been fuelled by increased support prices and welfare schemes initiated by the Government. Per capita Gross Domestic Product has grown faster in India's rural areas than in its urban centers. New opportunities like home equity, personal finance, and a foray into factoring and bill payment for the rural hard-to-reach customer may take the Company to new scales of success.

### Threats:

The appropriate supervision and regulation of NBFC sector is a prerequisite for India's overall financial development. Non-bank lenders' regulatory structure has been changing over time to ensure prudent supervision and regulation. However, unexpected regulatory changes and restrictions, may increase compliance costs and adversely impact the way current products or services are produced or delivered.

The major threat being faced by finance companies are regulatory changes, interest rates hiked by RBI, high inflation etc. The Company is also facing stiff competition from banks / financial institutions due to their ability to raise low cost funds which enables them to provide funds at much cheaper rate. Higher cost of funds might lead to reduced bottom line for the Company. Also, a lesser interest spread, or higher cost of lending might lead to customers turning away to cheaper source of funds. Asset quality deterioration may not only wipe the profits out of the Company but eat into its net worth. The Company must ensure it

maintains minimal delinquency levels.

NBFCs rely on external funding to fulfill the financing needs of their customers. A liquidity crunch arising from reduced loan recovery, external funding or other unforeseen events could adversely impact the loan disbursement cycle of the NBFCs leading to subdued performance.

#### **(f) Segment-wise performance**

The Company is into single reportable segment only.

#### **(g) Risks and Concerns**

As a NBFC, your Company's growth and profitability are dependent on the functioning of Capital Markets. The Company is exposed to several market risks like credit risk, liquidity risk and interest rate risk. The volatility of the capital markets in which your Company operates is also a major cause of concern to the Company. Risk is managed by using a set of credit norms and policies, as approved by the Board. The Board of Directors of the Company oversees the risk management process which includes the risk assessment and procuring the measures to curb the risk. The Board of Directors are responsible for implementation of risk measures. They ensure that the both external risk and internal risk are involved in the business of the Company External risk due to interest rate fluctuation, slowdown in economic growth rate, political instability, market volatility, etc. Internal risk is associated with your Company's business which includes deployment of funds in specific projects, diversification into other business operations, managing effective growth rate, volatility in interest rate, changes in compliance norms and regulations, contingent liabilities and other legal proceedings. The Board of your Company ensure that they regularly assessed at a periodic interlude and proper vigilance is placed. Credit risk is considered to be major risk being faced by NBFCs. In your Company the credit risk is minimum, as major investments are made in Company's group companies. Your Company has evolved various policies and systems for credit risk to closely monitor the same. Your Company also follows provisioning norms of RBI.

#### **(h) Internal Control System & their Adequacy**

The Audit Committee of the Board of Directors of the Company closely monitors the adequacy of the Internal Financial Control system in close co-ordination and support of the in-house Internal Audit Team who periodically submits its findings on the efficacy

and adequacy of their internal control system, its compliance with the company's operating system and Accounting Standards and policies. Based on the report of the in-house Audit Team, their findings and submissions of the Audit Committee have elaborate discussions and do make recommendations to the senior management to undertake corrective measures wherever necessary to strengthen the control of the Company. The subject process of the Internal Financial Control is a continuous one and in due compliance with the provisions of the Companies Act, 2013. During the FY 2020-21 there had been no reportable weakness in the design or operation as observed.

#### **(i) Governance requirements**

The Compliance Officer ensures compliance with the SEBI Listing Regulations and provisions of the Companies Act, 2013. All NBFCs were required to comply with governance requirements, such as the Fair Practices Code (FPC).

#### **(j) Discussion on financial performance with respect to Operational performance**

The brief on Financial Performance of the Company is already provided in the Boards' Report of the Company.

#### **(k) Acknowledgement**

Your directors take this opportunity to place on record their appreciation to all employees for their hard work, spirited efforts, dedication and loyalty to the Company which has helped the Company maintain its growth. The Directors also wish to place on record their appreciation for the support extended by the Reserve Bank of India, other regulatory and government bodies, Company's auditors, customers, bankers, promoters and shareholders.

#### **CAUTIONARY STATEMENT**

The investors are hereby informed that statements in Board's Report and Management Discussion and Analysis describing the objectives, projections, estimates, and expectations of the Company which may be of forward looking statement, within the meaning of applicable securities laws and regulations. The actual results could differ materially from those expressed or implied. The factors that could affect the Company's performance are the economic and other factors that affect the demand – supply balance in the domestic market as well as in the international markets, changes in government regulations, tax laws and other statutes and host of other incidental implications.

INDEPENDENT AUDITOR’S REPORT

TO THE MEMBERS OF HIMADRI CREDIT & FINANCE LIMITED

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Himadri Credit & Finance 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 Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2022, and its profit, total comprehensive income, its cash flows and the statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under Section 143(10) of the Companies Act, 2013 (“the Act”). Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We

are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters

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

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

Key Audit Matters	How our audit addressed the key audit matter
(a) Classification and measurement of Financial assets - Business model assessment	
Ind AS 109, Financial Instruments, contains three principal measurement categories for financial assets i.e.: <ul style="list-style-type: none"><li>• Amortised cost;</li><li>• Fair Value through Other Comprehensive Income ('FVTOCI'); and</li><li>• Fair Value through Profit and Loss ('FVTPL').</li></ul> A financial asset is classified into a measurement category at inception and is reclassified only in rare circumstances.	Our key audit procedures included:  Design / controls <ul style="list-style-type: none"><li>• Assessed the design, implementation and operating effectiveness of key internal controls over management’s intent of purchasing a financial asset and the approval mechanism for such stated intent and classification of such financial assets on the basis of management’s intent (business model).</li></ul>

<p>A financial asset is classified into a measurement category at inception and is reclassified only in rare circumstances. The assessment as to how an asset should be classified is made basis both the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset. The term 'business model' refers to the way in which the Company manages its financial assets to generate cash flows. That is, the Company's business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets or both.</p> <p>Amortised cost classification and measurement category is met if the financial asset is held within a business model whose objective is to hold financial assets to collect contractual cash flows.</p> <p>FVTOCI classification and measurement category is met if the financial asset is held in a business model in which assets are managed both to collect contractual cash flows and for sale. Such financial assets are subsequently measured at fair value, with changes in fair value recognized in other comprehensive income.</p> <p>FVTPL classification and measurement category is met if the financial asset does not meet the criteria for classification and measurement at amortised cost or at FVTOCI. Such financial assets are subsequently measured at fair value, with changes in fair value recognized in profit or loss.</p> <p>We identified business model assessment as a key audit matter because of the management judgement involved in determining the intent for purchasing and holding a financial asset which could lead to different classification and measurement outcomes of the financial assets and its significance to the financial statements of the Company.</p>	<ul style="list-style-type: none"> <li>For financial assets classified at amortised cost, we tested controls over the classification of such assets and subsequent measurement of assets at amortised cost. Further, we tested key internal controls over monitoring of such financial assets to check whether there have been any subsequent sales of financial assets classified at amortised cost.</li> </ul> <p>Substantive tests</p> <ul style="list-style-type: none"> <li>Test of details over of classification and measurement of financial assets in accordance with management's intent (business model).</li> <li>We reviewed the financial assets to test whether their classification as at the balance sheet date is in accordance with management's intent.</li> <li>We reviewed the financial assets sold during the year to check whether there have been any sales of financial assets classified at amortised cost.</li> </ul> <p>We have also checked that there have been no reclassifications of assets in the current period</p>
<b>(b) Valuation of investment securities</b>	
<p>The Company's investment portfolio makes up a significant amount of the Company's statement of financial position and is considered to be the key driver of the Company's performance. The Company's investment portfolio is comprised of both quoted and unquoted investments.</p> <p>Investments are measured at fair value, which is established in accordance with guidance set out in the applicable accounting framework adopted by the Company. We do not consider these investments to be at high risk of significant misstatement, these investments are valued using non-complex models. However, due to their materiality in the context of the financial statements as a whole, they are considered to be of most significance in the audit of the financial statements.</p>	<p>Our audit procedures over the valuation of the Company's investment portfolio included but are not limited to obtaining and documenting our understanding of the valuation process and performing an assessment of the levelling classification as per Ind AS.</p>

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board Report including Annexures to Board's Report, 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Management's Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, the statement of changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) and accounting principles generally accepted in India, specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to

continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

## Auditor's Responsibilities for the Audit of Financial Statement

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 Standards on Auditing (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.

A further description of the auditor's responsibilities for the audit of the financial statements is included in "Annexure A". This description forms part of our auditor's report.

## Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e. On the basis of the written representations received from the directors 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**". Our audit expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- g. With respect to other matters to be included in the Auditor's Report in accordance with section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, no remuneration has been paid by the Company to its directors during the year.
- 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, in our opinion and to the best of our information and according to the explanation given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 28 to the financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (i) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other 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;

(ii) The Management has represented, that, to the best of its knowledge and belief, no funds 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;

(iii) Based on the audit procedures that have 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) contain any material misstatement.

- v. No dividend has been declared or paid during the year by the Company
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure C**", a statement on the matters specified in the paragraph 3 and 4 of the Order.

For **S. Jaykishan**  
Chartered Accountants  
Firm's Registration No. **309005E**

Sd/-  
**CA Vishal Agarwal**  
Partner  
Membership No. 315490  
Date: The 9<sup>th</sup> day of August, 2022  
Place: Kolkata  
UDIN: 22315490AQSUYP8218

## Re : Himadri Credit & Finance Limited

### Annexure 'A' to the Independent Auditors' Report for the year ended 31 March 2022 (Referred to in our report of even date)

#### Responsibilities for the Audit of Financial Statement

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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

For **S. Jaykishan**  
Chartered Accountants  
Firm's Registration No. **309005E**

Sd/-  
**CA Vishal Agarwal**  
Partner  
Membership No. 315490  
Date: The 9<sup>th</sup> day of August, 2022  
Place: Kolkata  
UDIN: 22315490AQSUYP8218

## Re : Himadri Credit & Finance Limited

### Annexure 'B' to the Independent Auditors' Report for the year ended 31 March 2022 (Referred to in our report of even date)

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

##### Opinion

We have audited the internal financial controls with reference to financial statements of **Himadri Credit & Finance Limited** ("the Company") as of 31st March 2022, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

##### 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 with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act").

##### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 with reference to financial statements.

##### Meaning of Internal Financial Controls with Reference to Financial Statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements 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 with Reference to Financial Statements

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

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

For **S. Jaykishan**

*Chartered Accountants*

Firm's Registration No. **309005E**

Sd/-

**CA Vishal Agarwal**

*Partner*

Membership No. 315490

Date: The 9<sup>th</sup> day of August, 2022

Place: Kolkata

UDIN: 22315490AQSUYP8218

## Re : Himadri Credit & Finance Limited

### Annexure 'C' to the Independent Auditors' Report for the year ended 31 March 2022 (Referred to in our report of even date)

- i. (a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situations of Property, plant and equipment.
- (ii) According to the information and explanations given to us, the company does not hold any intangible asset. Accordingly, reporting under this clause is not applicable on the company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, plant and equipment by which all Property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain Property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations received by us, as the company owns no immovable properties, the requirement on reporting whether title deeds of immovable properties held in the name of the company is not applicable
- (d) According to the information and explanations given to us, the company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the 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 Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii)(a) of the Order are not applicable to the Company.
- (b) The company has not been sanctioned working capital limits at any point of time during the year from banks or financial institutions on the basis of security of current assets and hence reporting under this clause 3 (ii) (b) is not applicable to the Company.
- iii. (a) Since the Company is engaged in non-banking financial activity, the provisions of clause 3(iii) (a) of the Order are not applicable it.
- (b) In our opinion and according to the information and explanations given to us, the investments made and the terms and conditions of the grant of loans and advances in the nature of loans are not prejudicial to the Company's interest. The Company has not provided any guarantee or security during the year.
- (c) According to the information and explanations

given to us and based on the audit procedures performed by us, there is no stipulation of schedule of repayment of principal and payment of interest on loans granted by the company. We are, therefore, unable to make specific comment on the regularity of repayment of principal & payment of interest.

- (d) According to the information and explanations given to us and based on the audit procedures performed by us, there is no amount overdue of loans and advances in the nature of loans granted by the company.
- (e) Since the Company's principal business is non-banking financial activity, the provisions of clause 3(iii)(e) of the Order are not applicable to it.
- (f) According to the information and explanation given to us, the Company has granted loans and advances in nature of loans repayable on demand or without specifying any terms or period of repayment. The details of the same are as follows:

	Other parties (₹ In lakhs)	Promoters	Related parties
Aggregate amount of loans / advances in nature of loans			
- Repayable on demand (A)	4,214.00	None	None
- Agreement does not specify any terms of period of repayment (B)	None	None	None
Percentage of loans/ advances in nature of loans to the total loans	100%	None	None

- iv. The Company is a registered non-banking finance company to which the provisions of Section 185 are not applicable. The Company has complied with the provisions of Section 186 of the Companies Act, 2013 to the extent applicable.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of Sections 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.
- vi. To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/ services of the Company.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of accounts in respect of undisputed statutory dues including income tax, goods and service tax, provident fund, Employees' State Insurance and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities.
- According to the information and explanations given to us, there are no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax and other material statutory dues in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the dues outstanding of Income Tax, goods and services tax on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs. In Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	8.86	A.Y. 2012-13 to 2017-18	Commissioner of Income Tax (Appeals)

- viii. According to the information and explanations given by the management and based on the procedures carried out during the course of our audit, we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

- ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has

not been declared wilful defaulter by any bank or financial institution or government or any government authority.

- (c) In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and accordingly clause 3(x) (a) of the order is not applicable to the Company.
- (b) In our opinion and according to the information and explanations obtained by us, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year and accordingly 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 by the management, we report that no fraud by the company or no fraud on the company has

been noticed or reported during the year.

- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, provision of paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations and records made available to us by the company and audit procedures performed by us, all transactions with related parties are in compliance with sections 177 and 188 of the Companies Act, 2013, where applicable. The details of transactions during the year have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the company issued till date, for the period under audit.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him as required under Section 192 of the Companies Act, 2013. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. (a) In our opinion, and according to the information and explanations given to us, the company is required to obtain the registration under section 45-IA and the necessary registration has been duly obtained.
- (b) According to the information and explanations given to us, the Company has conducted Non-Banking Financial activities during the

year under a valid Certificate of Registration (CoR) from the RBI as per the Reserve Bank of India Act, 1934. Further, Company has not conducted any Housing Finance activities and is not required to obtain CoR for such activities from the RBI.

- (c) In our opinion, and according to the information and explanations given to us, the company is not registered as a core investment company. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable.
- (d) In our opinion, and according to the information and explanations given to us, there is no company registered as a core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred any cash loss during the financial year ended on that date and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- 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 company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

- xx. According to the information and explanations given to us, the provisions of Section 135 of the Companies Act, 2013 are not applicable to the company. Accordingly, provisions of paragraph 3(xx) (a) & (b) of the Order are not applicable to the Company.

For **S.Jaykishan**  
Chartered Accountants  
Firm's Registration No. 309005E

Sd/-  
**CA Vishal Agarwal**  
Partner  
Membership No. 315490  
Date: The 9<sup>th</sup> day of August , 2022  
Place: Kolkata  
UDIN: 22315490AQSUY8218

## Balance Sheet as at 31 March 2022

(₹ in Lakhs)

Particulars	Note	As at 31 March 2022	As at 31 March 2021
<b>I. ASSETS</b>			
<b>1) Financial Assets</b>			
(a) Cash and cash equivalents	5	41.34	34.13
(b) Loans	6	4,203.46	4,207.27
(c) Investments	7	2,189.13	1,698.08
(d) Other financial assets	8	0.35	0.35
<b>Sub-total Financial Assets</b>		<b>6,434.28</b>	<b>5,939.83</b>
<b>2) Non-financial Assets</b>			
(a) Current tax assets (net)	9	12.46	20.44
(b) Deferred tax assets (net)	15	4.13	–
(c) Property, plant and equipment	10	0.20	0.20
<b>Sub-total Non-financial Assets</b>		<b>16.79</b>	<b>20.64</b>
<b>TOTAL ASSETS</b>		<b>6,451.07</b>	<b>5,960.47</b>
<b>II. LIABILITIES AND EQUITY</b>			
<b>1) Financial Liabilities</b>			
(a) Payables			
(i) Trade payables	11		
- Total outstanding dues of micro enterprises and small enterprises		–	–
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1.73	2.30
(b) Borrowings (other than debt securities)	12	1,259.75	1,371.75
(c) Other financial liabilities	13	8.60	24.32
<b>Sub-total Financial Liabilities</b>		<b>1,270.08</b>	<b>1,398.37</b>
<b>2) Non Financial Liabilities</b>			
(a) Provisions	14	0.20	0.17
(b) Deferred tax liabilities (net)	15	-	6.97
(c) Other non financial liabilities	16	0.89	0.76
<b>Sub-total Non Financial Liabilities</b>		<b>1.09</b>	<b>7.90</b>
<b>3) Equity</b>			
(a) Equity share capital	17	300.02	300.02
(b) Other equity	18	4,879.88	4,254.18
<b>Sub-total Equity</b>		<b>5,179.90</b>	<b>4,554.20</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6,451.07</b>	<b>5,960.47</b>
<b>Significant accounting policies</b>	3		

See accompanying notes to the financial statements

As per our report of even date attached

For S. Jaykishan

Chartered Accountants

Firm's Registration Number : 309005E

Sd/-

CA VISHAL AGARWAL

Partner

Membership No.315490

Place : Kolkata

Date: The 9<sup>th</sup> day of August, 2022

For and on behalf of the Board of Directors

Sd/-

ANURAG CHOUDHARY

Managing Director

(DIN: 00173934)

Sd/-

AMIT CHOUDHARY

Director

(DIN: 00152358)

Sd/-

KOUSHIK RANJAN SAHA

CFO &amp; Company Secretary

**Statement of Profit and Loss for the year ended 31 March 2022**

(₹ in Lakhs)

Particulars	Note	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>I Revenue from operations</b>			
Interest income	19	221.34	163.43
Dividend income	20	2.23	14.23
Net gain on fair value changes	21	0.57	4.63
<b>Total Revenue from operations</b>		<b>224.14</b>	<b>182.29</b>
<b>II Other income</b>		-	-
<b>III Total income</b>		<b>224.14</b>	<b>182.29</b>
<b>Expenses</b>			
Finance costs	22	37.40	97.35
Impairment of financial instruments (Expected credit loss)	23	(0.01)	6.16
Employees benefits expense	24	15.50	12.68
Other expenses	25	5.58	5.25
<b>IV Total expenses</b>		<b>58.47</b>	<b>121.44</b>
<b>V Profit before tax (III - IV)</b>		<b>165.67</b>	<b>60.85</b>
<b>VI Tax expense</b>	27		
Current tax		41.55	12.05
Deferred tax		(8.31)	(63.69)
Income tax for earlier year		-	1.55
<b>VII Profit for the year (V - VI)</b>		<b>132.43</b>	<b>110.94</b>
<b>VIII Other comprehensive income</b>			
A (i) Items that will not be reclassified to profit or loss		490.49	944.92
(ii) Income taxes on items that will not be reclassified to profit or loss		2.78	62.82
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income taxes on items that will be reclassified to profit or loss		-	-
<b>Total other comprehensive income, net of taxes (A+B)</b>		<b>493.27</b>	<b>1,007.74</b>
<b>IX Total comprehensive income for the period (VII + VIII) (comprising profit and other comprehensive income for the period)</b>		<b>625.70</b>	<b>1,118.68</b>
<b>X Earnings per equity share (of ₹10/- each):</b>	26		
Basic		4.41	3.70
Diluted		4.41	3.70
<b>Significant Accounting Policies</b>	3		

See accompanying notes to the financial statements

As per our report of even date attached

**For S. Jaykishan**

Chartered Accountants

Firm's Registration Number : 309005E

Sd/-

**CA VISHAL AGARWAL**

Partner

Membership No.315490

Place : Kolkata

Date: The 9<sup>th</sup> day of August, 2022**For and on behalf of the Board of Directors**

Sd/-

**ANURAG CHOUDHARY**

Managing Director

(DIN: 00173934)

Sd/-

**AMIT CHOUDHARY**

Director

(DIN: 00152358)

Sd/-

**KOUSHIK RANJAN SAHA**

CFO &amp; Company Secretary

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

(₹ in Lakhs)

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extra-ordinary items	165.67	60.85
Adjustments for :		
Finance Cost	37.40	97.35
Interest Income	(221.34)	(163.43)
Dividend Received	(2.23)	(14.23)
Investments valued through FVTPL	(0.57)	(4.63)
Operating Profit before Working Capital Changes	(21.07)	(24.09)
Adjustments for change in:		
Provisions	0.03	0.01
Loans and advances	3.81	(2,458.54)
Trade payables, other financial and non financial liabilities	(0.44)	(1.42)
Purchase of investments (at fair value through profit and loss)	–	(2,389.00)
Proceeds from sale of investment (at fair value through profit and loss)	–	2,443.59
<b>Cash generated from operations</b>	<b>(17.67)</b>	<b>(2,429.45)</b>
Interest Paid	(53.12)	(101.42)
Interest Received	221.34	163.43
Dividend Received	2.23	14.23
Direct Taxes refund/(paid)	(33.57)	(13.63)
<b>Net cash inflow/ (outflow) from operating activities</b>	<b>119.21</b>	<b>(2,366.84)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of investment (at fair value through other comprehensive income)	–	3,330.88
<b>Net cash inflow/ (outflow) from investing activities</b>	<b>–</b>	<b>3,330.88</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase / (decrease) in borrowings	(112.00)	(954.06)
<b>Net cash provided by/ (used in) financing activities</b>	<b>(112.00)</b>	<b>(954.06)</b>
Net increase/ (decrease) in cash and cash equivalents	7.21	9.98
Cash and Cash equivalents at the beginning of the year	34.13	24.15
Cash and Cash equivalents at the end of the year	<b>41.34</b>	<b>34.13</b>

See accompanying notes to the financial statements

The above Standalone Statement of cash flow has been prepared under the indirect method set out in Ind-AS 7 - Statement of Cash Flow.

As per our report of even date attached

**For S. Jaykishan**

Chartered Accountants

Firm's Registration Number : 309005E

Sd/-

**CA VISHAL AGARWAL**

Partner

Membership No.315490

Place : Kolkata

Date: The 9<sup>th</sup> day of August, 2022**For and on behalf of the Board of Directors**

Sd/-

**ANURAG CHOUDHARY**

Managing Director

(DIN: 00173934)

Sd/-

**AMIT CHOUDHARY**

Director

(DIN: 00152358)

Sd/-

**KOUSHIK RANJAN SAHA**

CFO &amp; Company Secretary

## Statement of Changes in Equity for the year ended 31 March 2022

### A. Equity share capital

(1) Current reporting period (₹ in Lakhs)

Balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
300.02	--	300.02

(2) Previous reporting period (₹ in Lakhs)

Balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
300.02	–	300.02

### B. Other equity

(1) Current reporting period (₹ in Lakhs)

Particulars	Reserves and Surplus		Equity instruments through other comprehensive income	Total
	Retained earnings	Reserve fund u/s 45-IC (1) of Reserve Bank of India Act, 1934		
Balance at the beginning of the current reporting period	3,165.27	103.94	984.97	4,254.18
Changes in accounting policy/prior period errors	–	–	–	–
Restated balance at the beginning of the current reporting period	3,165.27	103.94	984.97	4,254.18
Total Comprehensive Income for the current year	132.43	–	493.27	625.70
Transfer to retained earnings	–	–	–	–
Transfer to reserve fund in terms of section 45-IC(1) of Reserve Bank of India Act, 1934	(26.49)	26.49	–	–
Balance at the end of the current reporting period	3,271.21	130.43	1,478.24	4,879.88

**Statement of Changes in Equity** for the year ended 31 March 2022 (Cont.)

(2) Previous reporting period

(₹ in Lakhs)

Particulars	Reserves and Surplus		Equity instruments through other comprehensive income	Total
	Retained earnings	Reserve fund u/s 45-IC (1) of Reserve Bank of India Act, 1934		
Balance at the beginning of the previous reporting period	429.25	81.75	2,624.50	3,135.50
Changes in accounting policy/prior period errors	–	–	–	–
Restated balance at the beginning of the previous reporting period	429.25	81.75	2,624.50	3,135.50
Transfer from equity instrument through OCI on realisation	2,647.27	–	(2,647.27)	–
Total Comprehensive Income for the previous year	110.94	–	1,007.74	1,118.68
Transfer to retained earnings	–	–	–	–
Transfer to reserve fund in terms of section 45-IC(1) of Reserve Bank of India Act, 1934	(22.19)	22.19	–	–
Balance at the end of the previous reporting period	3,165.27	103.94	984.97	4,254.18

As per our report of even date attached

**For S. Jaykishan**

Chartered Accountants

Firm's Registration Number : 309005E

Sd/-

**CA VISHAL AGARWAL**

Partner

Membership No.315490

Place : Kolkata

Date: The 9<sup>th</sup> day of August, 2022**For and on behalf of the Board of Directors**

Sd/-

**ANURAG CHOUDHARY**

Managing Director

(DIN: 00173934)

Sd/-

**AMIT CHOUDHARY**

Director

(DIN: 00152358)

Sd/-

**KOUSHIK RANJAN SAHA**

CFO &amp; Company Secretary

## Notes to financial statements for the year ended 31 March 2022

### 1. Company overview

Himadri Credit & Finance Limited ("the Company") is a Public Company with its shares listed at the Calcutta Stock Exchange Limited. It was incorporated on 7<sup>th</sup> April, 1994. The Company is a Non-Banking Financial Company holding a Certificate of Registration No.05.1996 from the Reserve Bank of India ("RBI") dated 2<sup>nd</sup> May, 1998. The Company is engaged in the business of investment and lending activities.

The address of registered office is 23A, Netaji Subhas Road, 8<sup>th</sup> Floor Kolkata-700001.

The financial statements were approved by the Board of Directors at its meeting held on 9 August 2022.

### 2. Basis of preparation of financial statements

#### a) Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('Act') (to the extent notified). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted all the Ind AS standards and adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP) which was the previous GAAP.

#### b) Presentation of financial statements

The Balance Sheet, the Statement of Changes in Equity and the Statement of Profit and Loss are presented in the format prescribed under Division III of Schedule III of the Act, as amended from time to time, for Non-Banking Financial Companies ('NBFCs') that are required to comply with Ind-AS. The Statement of Cash Flows has been presented as per the requirements of Ind-AS 7 Statement of Cash Flows.

#### c) Functional and presentation currency

The financial statements are presented in Indian Rupees ('₹') which is Company's presentation currency. The functional currency of the Company is also Rupees.

#### d) Use of judgments and estimates

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and appropriate assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) and disclosures as at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are recognised in the periods in which the management of the Company becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

### 3. Significant accounting policies

#### a) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

##### Date of recognition

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

##### Initial measurement

Recognised financial instruments are initially measured at transaction price, which equates fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value

## Notes to financial statements for the year ended 31 March 2022 (Contd.)

through profit and loss are recognised immediately in the statement of profit and loss.

### Subsequent measurement

#### i. Financial assets

Based on the business model, the contractual characteristics of the financial assets and specific elections where appropriate, the Company classifies and measures financial assets in the following categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)

#### (a) Financial assets at amortised cost

Financial assets are measured at amortised cost using the effective interest rate (EIR), if both the following conditions are met and is not designated at FVTPL:

- 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 financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The EIR amortisation is included in finance income in the profit or loss. Interest income and impairment expenses are recognised in statement of profit and loss. Interest income from these financial assets is included in finance income using the EIR method. Any gain and loss on derecognition is also recognised in statement of profit and loss.

The EIR method is a method of calculating the amortised cost of a financial instrument and of allocating interest over the relevant period. The EIR is the rate that exactly discounts estimated future cash flows (including all fees paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Company records loans at amortised cost.

#### (b) Financial assets at FVTOCI

Financial assets that are held within a business model whose objective is both to collect the contractual cash flows and to sell the assets, ('Contractual cash flows of assets collected through hold and sell model') and contractual cash flows that are SPPI, are subsequently measured at FVTOCI. Movements in the carrying amount of such financial assets are recognised in Other Comprehensive Income ('OCI'), except dividend income which is recognised in statement of profit and loss. Amounts recorded in OCI are not subsequently transferred to the statement of profit and loss. Equity instruments at FVTOCI are not subject to an impairment assessment.

#### (c) Financial assets at FVTPL

Financial assets which do not meet the criteria for categorisation as at amortised cost or as FVTOCI, are measured at FVTPL. Subsequent changes in fair value are recognised in the statement of profit and loss. The Company records investments in equity instruments and mutual funds at FVTPL.

#### ii. Financial liabilities

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

For purposes of subsequent measurement, financial liabilities are classified in following categories:

- Financial liabilities through profit or loss (FVTPL)
- Financial liabilities at amortised cost

#### (a) Financial liabilities through FVTPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on such instruments are recognised in the profit or loss.

#### (b) Financial liabilities at amortised cost

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised

## Notes to financial statements for the year ended 31 March 2022 (Contd.)

as well as through the EIR amortisation process. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### **Reclassification**

The Company determines classification of financial assets and liabilities on initial recognition.

After initial recognition, no reclassification is made for financial assets which are categorised as equity instruments at FVTOCI and financial assets or liabilities that are specifically designated at FVTPL. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be very infrequent. The management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest. Financial liabilities are not reclassified.

### **Derecognition**

#### **i. Financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The contractual 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
  - the Company has transferred substantially all the risks and rewards of the asset, or

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in statement of profit and loss.

#### **ii. Financial liabilities and equity instruments**

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 or loss.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

A financial instrument is an equity instrument rather than a financial liability, if, and only if, both conditions (a) and (b) below are met.

- (a) The instrument includes no contractual obligation:
- to deliver cash or another financial asset to another entity or to exchange financial assets

## Notes to financial statements for the year ended 31 March 2022 (Contd.)

or financial liabilities with another entity under conditions that are potentially unfavourable to the issuer.

- (b) If the instrument will or may be settled in the issuer's own equity instruments, it is:

a non-derivative that includes no contractual obligation for the issuer to deliver a variable number of its own equity instruments; or a derivative that will be settled only by the issuer exchanging a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

### **Impairment of financial assets**

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at life time ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit or loss.

### **Write offs**

The gross carrying amount of a financial asset is written-off (either partially or in full) to the extent that there is no reasonable expectation of recovering the asset in its entirety or a portion thereof. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written-off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in statement of profit and loss.

### **Offsetting**

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.

### **b) Cash and cash equivalents**

Cash and cash equivalents includes cash at banks and on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

### **Statement of cash flows**

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

### **c) Property, plant and equipment**

#### **Recognition and measurement**

Tangible property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. The cost of property, plant and equipment comprise purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Advances paid towards acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-financial assets and cost of assets not put to use before such date are disclosed under Capital work-in-progress.

#### **Subsequent expenditure**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed as incurred.

#### **Depreciation**

Depreciation for the year is recognised in the Statement of Profit and Loss.

## Notes to financial statements for the year ended 31 March 2022 (Contd.)

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using straight line method over the useful lives of assets, at the rates and in the manner specified in Part C of Schedule II of the Act. The rates of depreciation as prescribed in Part C of Schedule II of the Act are considered as the minimum rates.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted as appropriate.

### d) Impairment of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired due to events or changes in circumstances indicating that their carrying amounts may not be realised. If any such indication exists, the Company estimates the recoverable amount of the asset or the cash generating unit ('CGU'). If such recoverable amount of the asset or the recoverable amount of the CGU to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the revised recoverable amount, subject to maximum of the depreciated historical cost.

### e) Share capital

#### Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

### f) Dividend

Provision is made for the amount of any dividend declared on or before the end of the reporting period but not distributed at the end of the reporting period, being appropriately authorised and no longer at the discretion of the Company. The final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

### g) Revenue recognition

#### Interest income

Interest income on a financial asset at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ('EIR'). The EIR is the rate that exactly discounts estimated future cash flows of the financial asset through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The internal rate of return on financial asset after netting off the fees received and cost incurred approximates the effective interest rate of return for the financial asset. The future cash flows are estimated taking into account all the contractual terms of the instrument. The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for ECLs).

#### Other financial charges

Cheque bouncing charges, late payment charges, prepayment charges and application money are recognised on a point-in-time basis, and are recorded when realised since the probability of collecting such monies is established when the customer pays.

#### Dividend Income

Dividend on equity shares, preference shares and on mutual fund units is recognised as income when the right to receive the dividend is established.

### h) Borrowing costs

Borrowing costs are interest and other costs incurred by the Company in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of those tangible fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Other borrowing costs are recognised as an expense at the effective interest rate and include exchange differences arising from foreign currency borrowings to the extent that they are regarded

## Notes to financial statements for the year ended 31 March 2022 (Contd.)

as an adjustment to interest costs. Where there is an unrealised exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealised gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment is recognised as an adjustment to interest.

### i) Employee benefits

The undiscounted amount of short term employees benefits such as salaries, bonus and ex-gratia expected to be paid in exchange for the services rendered by the employees are recognised as an expense during the period when the employees render the services. Leave Encashment is accounted for based on estimates.

### j) Provisions and Contingencies

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Provision for Standard Assets is made on the outstanding amount of Standard Assets for all types of lending, in accordance with the minimum provisioning requirements specified by the RBI.

In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure is made in the financial statements. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that may arise from past events but probably will not require an outflow of resources to settle the obligation.

When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resource is remote, no provision or disclosure is made.

Contingent assets are neither recognised nor disclosed in the financial statements.

### k) Income tax

Tax expense recognised in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent that the tax relates to the items that are not recognised directly in Other Comprehensive Income (OCI) or directly in equity in which case the related tax is recognised either directly in OCI or equity accordingly.

#### Current tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income-tax Act. Current income tax relating to items recognised outside Statement of Profit and Loss is recognised either in OCI or in equity. The Company offsets current tax assets and current tax liabilities when the legally enforceable right to offset exists and they are intended to be settled net or realised simultaneously.

#### Deferred tax

Deferred income taxes are calculated using the liability method. Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits (MAT Credit entitlement) or deductible temporary difference will be utilised against future taxable income. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

## Notes to financial statements for the year ended 31 March 2022 (Contd.)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside Statement of Profit and Loss is recognised either in OCI or in equity.

The Company offsets deferred income tax assets and liabilities when the legally enforceable right to offset current tax assets and liabilities exists and they are intended to be settled or realised simultaneously.

### l) Earnings per share

The Company reports basic and diluted earnings per equity share. Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. 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) Segment reporting

The Company is mainly engaged in the investing and finance business and all other activities revolve around the main business of the Company. Further, all activities are conducted within India and as such there is no separate reportable segment, as per the Ind AS 108 - "Operating Segments" specified under Section 133 of the Act.

## 4. Critical accounting estimates and judgements

In the process of applying the Company's accounting policies, management has made the following estimates and judgements, which have a significant impact on the carrying amounts of assets and liabilities at each balance sheet date.

### a) Fair value of financial instruments

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The Company has established control framework with respect to the measurement of fair values.

Depending on the inputs used for determining fair value, financial instruments valued at fair value has been categorized into a three-level hierarchy as presented below:

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

If the inputs used to measure the fair value of an asset or a liability falls into different level of hierarchy, then the fair value measurement is categorized in its entirety in the same level of fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

For the purposes of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### b) Expected credit loss

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and credit assessment and including forward looking information.

### c) Effective interest rate

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected behavioural life of the financial asset to the gross carrying amount of the financial asset.

## Notes to financial statements for the year ended 31 March 2022 (Contd.)

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges) as well expected changes to the base rate and other transaction costs and fees paid or received that are integral parts of the instrument.

### d) Business model assessment

Classification and measurement of financial assets depends on the results of the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

### e) Provisions and other contingent liabilities

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed. Given the subjectivity and uncertainty of determining the probability and

amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

### 4A. Recent Accounting Developments

#### a) Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

#### b) Ind AS 37 – Onerous Contracts – Costs of Fulfilling a Contract

The amendments specify 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. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

#### c) Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the entity is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in the financial statements.

**Notes to financial statements** for the year ended 31 March 2022 (Contd.)**5. Cash and cash equivalents**

(₹ in Lakhs)

	31 March 2022	31 March 2021
Cash in hand	0.36	0.46
Balance with banks		
- In current accounts	40.98	33.67
	<b>41.34</b>	<b>34.13</b>

The Company's primary source of liquidity is cash generated from operations, the Company believes that its cash and cash equivalents along with cash generated from operations will be sufficient to meet its working capital requirements as well as repayment obligations with respect to debt and borrowings. Company's choices of sources of funding is driven with the objective of maintaining an optimal capital structure. COVID-19 may have an impact on the Companies cash conversion cycle due to delays and may result in increased working capital requirements. However the Company believes that it have sufficient cash liquidity.

**6. Loans****In India**

(₹ in Lakhs)

	31 March 2022	31 March 2021
Loans repayable on demand - at amortised cost		
- Others, unsecured (Rocky Marketing Private Limited)	4,214.00	4,217.81
Less: Impairment loss	10.54	10.54
	<b>4,203.46</b>	<b>4,207.27</b>

Analysis of changes in the gross carrying amount by stages in relation to loans and its corresponding impairment loss allowances is as follows :-

(₹ in Lakhs)

Particulars	Stage 1			
	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Loans repayable on demand (Gross)	Impairment loss allowance	Loans repayable on demand (Gross)	Impairment loss allowance
Opening Balance	4,217.81	10.54	1,753.11	4.38
New credit exposure during the year, net of repayments	(3.81)	-	2,464.70	6.16
Closing Balance	<b>4,214.00</b>	<b>10.54</b>	<b>4,217.81</b>	<b>10.54</b>

**Credit quality of assets**

The table below shows the credit quality and the maximum exposure to credit risk based on year-end stage classification. The amounts presented are gross of Impairment loss allowance.

(₹ in Lakhs)

	Stage	31 March 2022	31 March 2021
Low credit risk	Stage 1	4,214.00	4,217.81
Significant increase in credit risk	Stage 2	-	-
Credit-Impaired	Stage 3	-	-
<b>Total</b>		<b>4,214.00</b>	<b>4,217.81</b>

## Notes to financial statements for the year ended 31 March 2022 (Contd.)

### 7. Investments

(₹ in Lakhs)

	Face Value in ₹	31 March 2022	31 March 2021
<b>In India</b>			
<b>Investments in mutual funds</b>			
- at fair value through profit or loss			
<b>Quoted, fully paid-up</b>			
PGIM India Money Market Fund D-Growth; 1,374.639 units (31 March 2021: 1,374.639)	-	15.04	14.47
		<b>15.04</b>	<b>14.47</b>
<b>Investments in equity instruments</b>			
- at fair value through other comprehensive income Quoted, fully paid-up			
Himadri Speciality Chemical Ltd; 14,84,067 (31 March 2021: 14,84,067)	1	1,102.66	618.11
		<b>1,102.66</b>	<b>618.11</b>
<b>Unquoted, fully paid-up</b>			
Ganipitak Yakshraj Caplease Ltd.; 2,500 (31 March 2021: 2,500)	10	0.01	0.01
Modern Hi-Rise Private Limited; 3 (31 March 2021: 3)	10	0.68	2.90
Himadri Industries Private Limited (formerly known as Shresth Merchandise Private Limited); 1 (31 March 2021: 1)	10	0.03	0.02
Mega Resources Ltd. (Formerly known as Mega Market Share Resources Ltd.) 18,900 (31 March 2021: 18,900)	10	25.58	25.58
Sri Agro Himghar Ltd.; 55,450 (31 March 2021: 55,450)	100	303.49	302.20
Sitaram Management Pvt. Ltd.; 18,000 (31 March 2021: 18,000)	10	19.16	19.09
Raghupati Consultants Pvt. Ltd.; 13,650 (31 March 2021: 13,650)	10	8.52	8.52
Rameshwar Consultants Pvt. Ltd.; 80,000 (31 March 2021: 80,000)	10	35.14	35.11
Sampoorna Merchandise Pvt. Ltd.; 1,41,000 (31 March 2021: 1,41,000)	10	408.14	408.24
		<b>800.75</b>	<b>801.67</b>
<b>Investments in others</b>			
- At fair value through profit or loss			
<b>Unquoted, fully paid-up</b>			
<b>1% Non-cumulative redeemable preference shares</b>			
Modern Hi-Rise Private Limited; 21,41,016 (31 March 2021: 21,41,016)	10	214.10	214.10
Himadri Industries Private Ltd. (formerly known as Shresth Merchandise Private Limited); 4,97,260 (31 March 2021: 4,97,260)	10	49.73	49.73
<b>0% Optionally Convertible Redeemable Preference Shares</b>			
Modern Hi-Rise Private Limited; 30 (31 March 2021: Nil)	10	6.85	-
		<b>270.68</b>	<b>263.83</b>
<b>Outside India</b>			
<b>Total gross investments</b>		<b>2,189.13</b>	<b>1,698.08</b>
<b>Less: Impairment loss allowance</b>		<b>-</b>	<b>-</b>
<b>Total net investments</b>		<b>2,189.13</b>	<b>1,698.08</b>

#### Notes:

The equity instruments which are not held for trading, and for which the Company has made an irrevocable election at an initial recognition to recognise changes in fair value through other comprehensive income (OCI) rather than profit or loss as these are strategic investments and the Company considered it relevant to classify it through OCI.

## Notes to financial statements for the year ended 31 March 2022 (Contd.)

- 7.1 The market value of investments is equal to the book value.
- 7.2 The Company has elected an irrevocable option to designate its investments in equity instruments through FVOCI, as the said investments are not held for trading and company continues to invest for long term.
- 7.3 Of the total dividend recognised during the year from investment in equity share designated at FVOCI Nil (Previous year ₹ 12.00 lakhs) is relating to investment derecognised during the period and ₹ 2.23 lakhs (previous year ₹ 2.23 lakhs) pertains to investment held at the end of reporting period.
- 7.4 During the year, total cumulative gains (net of taxes) of ₹ Nil (P.Y. 2,647.27 lakhs) on investment in equity shares designated at FVOCI have been transferred to retained earnings on derecognition of related investments after adjusting for tax effect thereon.
- 7.5 The other disclosure regarding fair value and risk arising from financial instruments are explained in Note No. 33.

### 8. Other financial assets

(₹ in Lakhs)

	31 March 2022	31 March 2021
(Unsecured, considered good)		
Security and other deposits	0.35	0.35
	<b>0.35</b>	<b>0.35</b>

### 9. Current tax assets (net)

(₹ in Lakhs)

	31 March 2022	31 March 2021
Advance tax and tax deducted at source (net of provision)	12.46	20.44
	<b>12.46</b>	<b>20.44</b>

### 10. Property, plant and equipment

(₹ in Lakhs)

	Vehicles	Office equipment's	Total own assets
<b>Gross carrying amount - at cost</b>			
As at 31 <sup>st</sup> March 2021	1.85	2.18	4.03
Additions	—	—	—
Disposals and transfers	—	—	—
As at 31 <sup>st</sup> March 2022	1.85	2.18	4.03
<b>Accumulated depreciation</b>			
As at 31 <sup>st</sup> March 2021	1.76	2.07	3.83
Depreciation charge during the year	—	—	—
Disposals and transfers	—	—	—
As at 31 <sup>st</sup> March 2022	1.76	2.07	3.83
<b>Carrying amounts (net)</b>			
As on 31 <sup>st</sup> March 2021	0.09	0.11	0.20
As on 31 <sup>st</sup> March 2022	0.09	0.11	0.20

## Notes to financial statements for the year ended 31 March 2022 (Contd.)

### 11. Payables

(₹ in Lakhs)

	31 March 2022	31 March 2021
<b>Trade Payables</b>		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1.73	2.30
	<b>1.73</b>	<b>2.30</b>

#### Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006

The following disclosures is made as per the requirement under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act") on the basis of conformations sought from suppliers on registration with the specified authorities under MSMED Act:

Particulars	31 March 2022	31 March 2021
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
	-	-

#### Trade payables ageing:

Particulars					
As at 31 March 2022	Less than 1 Year	1-2 years	2-3 years	More than 3 Years	Total
(i) MSME	-	-	-	-	-
(ii) Others	1.73	-	-	-	1.73
<b>Total</b>	<b>1.73</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.73</b>

As at 31 March 2021	Less than 1 Year	1-2 years	2-3 years	More than 3 Year	Total
(i) MSME	-	-	-	-	-
(ii) Others	2.30	-	-	-	2.30
<b>Total</b>	<b>2.30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.30</b>

The aforementioned is based on the response received by the Company to its inquiries with suppliers with regard to applicability under the MSMED Act.

**Notes to financial statements** for the year ended 31 March 2022 (Contd.)**12. Borrowings (other than debt securities)**

(₹ in Lakhs)

	31 March 2022	31 March 2021
In India		
Unsecured, recorded at amortised cost		
Loan repayable on demand		
- from related parties#	600.00	600.00
- from other parties	659.75	771.75
Outside India	–	–
	<b>1,259.75</b>	<b>1,371.75</b>

# Includes interest free loan of ₹ 600 Lakhs (31 March 2021 - ₹ 600 Lakhs) from Modern Hi-Rise Private Limited

**13. Other Financial Liabilities**

(₹ in Lakhs)

	31 March 2022	31 March 2021
Interest accrued but not due on borrowings	7.49	24.32
Salary Payable	1.11	–
	<b>8.60</b>	<b>24.32</b>

**14. Provisions**

(₹ in Lakhs)

	31 March 2022	31 March 2021
Provision for employee benefits		
-Provision for leave encashment	0.20	0.17
	<b>0.20</b>	<b>0.17</b>

**15. Deferred tax assets / (liabilities) (net)**

(₹ in Lakhs)

	31 March 2022	31 March 2021
Deferred tax assets		
-On unabsorbed loss	–	–
-On Unrealised loss on Investments	106.88	98.56
Deferred tax liabilities		
-Unrealised profit on Investments	102.73	105.51
-Difference in depreciation on fixed assets	0.02	0.02
	<b>4.13</b>	<b>(6.97)</b>
Add: Deferred MAT credit entitlement	–	–
	<b>4.13</b>	<b>(6.97)</b>

**Notes to financial statements** for the year ended 31 March 2022 (Contd.)**Movement in deferred tax assets/ liabilities balances**

(₹ in Lakhs)

	As at 31 March 2020	Recognised in Profit or Loss	Recognised in OCI	As at 31 March 2021	Recognised in Profit or Loss	Recognised in OCI	As at 31 March 2022
<b>Deferred tax assets</b>							
Total deferred tax assets (A)	19.40	79.16	–	98.56	8.32	–	106.88
Total deferred tax liabilities (B)	(168.35)	–	62.82	(105.53)	–	2.78	(102.75)
Net deferred tax assets/ (liabilities) (A-B)	(148.95)	79.16	(62.82)	(6.97)	8.32	(2.78)	4.13
MAT credit	15.47	(15.47)	–	–	–	–	–
	(133.48)	63.69	(62.82)	(6.97)	8.32	(2.78)	4.13

Refer Note 27 of the Ind AS financials.

Deferred tax assets can only be recognised to the extent it is probable there will be future taxable profits. Subsequent to the balance sheet date, the Company has reviewed the current impact of COVID-19 on those future taxable profits and concluded that deferred tax assets can continue to be recognised in full.

**16. Other Non Financial Liabilities**

(₹ in Lakhs)

	31 March 2022	31 March 2021
Statutory dues	0.89	0.76
	0.89	0.76

**17. Share Capital**

(₹ in Lakhs)

	31 March 2022	31 March 2021
<b>Authorised</b>		
40,00,000 (31 March 2021: 40,00,000) Equity Shares of ₹ 10/- each	400.00	400.00
<b>Issued, Subscribed &amp; Paid-Up</b>		
30,00,200 (31 March 2021: 30,00,200) Equity shares of ₹ 10/- each fully paid up	300.02	300.02
	300.02	300.02

**A. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:**

(₹ in Lakhs)

Particulars	31 March 2022		31 March 2021	
	Number	Amount	Number	Amount
At the commencement of the year	30,00,200	300.02	30,00,200	300.02
Add: Issued during the year	–	–	–	–
At the end of the year	30,00,200	300.02	30,00,200	300.02

## Notes to financial statements for the year ended 31 March 2022 (Contd.)

### B. Rights, preferences and restrictions attached to equity shares:

The company has only one class of shares referred to as equity shares having a par value of Rs.10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amount exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by shareholders at the Annual General Meeting.

C. The Company is a non-banking finance company, the objective of the Company is to invest in long term investments and granting of loans to ensure sustainable growth. The Company's objective is to maintain appropriate levels of capital to support its business strategy taking into account the regulatory, economic and commercial environment.

### D. Particulars of shareholders holding more than 5% of total number of shares issued by the company:

Name of Shareholder	As at 31 March 2022		As at 31 March 2021	
	No. of Shares held	% holding in that class of shares	No. of Shares held	% holding in that class of shares
Himadri Speciality Chemical Ltd.	3,34,900	11.16%	3,34,900	11.16%
Vijay Kumar Choudhary (HUF)	1,60,000	5.33%	1,60,000	5.33%
Bankey Lal Choudhary (HUF)	1,55,600	5.19%	1,55,600	5.19%
Anurag Choudhary	1,50,100	5.00%	1,50,100	5.00%

### E. Shares held by promoters at the end of the year

Promoter Name	31-03-2022			31-03-2021		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
Damodar Prasad Coudhary (HUF)	1,00,000	3.33%	-	1,00,000	3.33%	-
Bankey Lal Choudhary (HUF)	1,55,600	5.19%	-	1,55,600	5.19%	-
Bankey Lal Choudhary	32,600	1.09%	-	32,600	1.09%	-
Vijay Kumar Choudhary	39,800	1.33%	-	39,800	1.33%	-
Vijay Kumar Choudhary (HUF)	1,60,000	5.33%	-	1,60,000	5.33%	-
Shyam Sundar Choudhary	67,500	2.25%	-	67,500	2.25%	-
Shyam Sunder Anurag Kumar HUF	1,42,000	4.73%	-	1,42,000	4.73%	-
Anurag Choudhary	1,50,100	5.00%	-	1,50,100	5.00%	-
Tushar Choudhary	95,600	3.19%	-	95,600	3.19%	0.85%
Amit Choudhary	70,100	2.34%	-	70,100	2.34%	-
Saroj Devi Choudhary	90,100	3.00%	-	90,100	3.00%	-
Sushila Devi Choudhary	90,000	3.00%	-	90,000	3.00%	-
Rinku Choudhary	42,100	1.40%	-	42,100	1.40%	-
Sheela Devi Choudhary	90,000	3.00%	-	90,000	3.00%	-
Swaty Choudhary	50,000	1.67%	-	50,000	1.67%	-
Shikha Choudhary	57,900	1.93%	-	57,900	1.93%	-
Kanta Devi Choudhary	92,600	3.09%	-	92,600	3.09%	-
Himadri Speciality Chemical Ltd.	3,34,900	11.16%	-	3,34,900	11.16%	-

**Notes to financial statements** for the year ended 31 March 2022 (Contd.)**18. Other Equity**

(₹ in Lakhs)

Components	Note	1st April 2020	Movement during the year	31 March 2021	Movement during the year	31 March 2022
Retained earnings	a	429.25	2,736.02	3,165.27	105.94	3,271.21
Equity instruments through other comprehensive income	b	2,624.50	(1,639.53)	984.97	493.27	1,478.24
Reserve fund u/s 45-IC (1) of Reserve Bank of India Act, 1934	c	81.75	22.19	103.94	26.49	130.43
		<b>3,135.50</b>	<b>1,118.68</b>	<b>4,254.18</b>	<b>625.70</b>	<b>4,879.88</b>

- a. **Retained earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings is a free reserve available to the Company.
- b. **Equity instruments through other comprehensive income:** This reserves represents the cumulative gains (net of losses) arising on revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified, if any, to retained earnings when those instruments are disposed of.
- c. **Reserve fund u/s 45-IC (1) of Reserve Bank of India Act, 1934:** As prescribed by section 45-IC of the Reserve Bank of India Act, 1934, the Company is required to transfer 20% of its net profit every year, as disclosed in the Statement of Profit & Loss before any dividend is declared, to Special Reserve.

**19. Interest income**

(₹ in Lakhs)

	31 March 2022	31 March 2021
<b>At amortised cost</b>		
Interest on loans	221.34	163.43
	<b>221.34</b>	<b>163.43</b>

**20. Dividend income**

(₹ in Lakhs)

	31 March 2022	31 March 2021
Dividend from investment in equity instruments	2.23	14.23
	<b>2.23</b>	<b>14.23</b>

**21. Net gain/ (loss) on fair value changes**

(₹ in Lakhs)

	31 March 2022	31 March 2021
<b>Net gain/ (loss) on financial instruments at fair value through profit or loss</b>		
On financial instruments designated at fair value through profit or loss	0.57	4.63
	<b>0.57</b>	<b>4.63</b>
<b>Fair value changes</b>		
- Realised	—	4.09
- Unrealised	0.57	0.54
	<b>0.57</b>	<b>4.63</b>

**Notes to financial statements** for the year ended 31 March 2022 (Contd.)**22. Finance costs**

(₹ in Lakhs)

On financial liabilities measured at amortised cost	31 March 2022	31 March 2021
Interest on borrowings	37.40	97.35
	<b>37.40</b>	<b>97.35</b>

**23. Impairment on financial instruments**

(₹ in Lakhs)

	31 March 2022	31 March 2021
Impairment on financial instruments at amortised cost		
- Loans	(0.01)	6.16
	<b>(0.01)</b>	<b>6.16</b>

**24. Employees benefits expense**

(₹ in Lakhs)

	31 March 2022	31 March 2021
Salaries	13.38	12.57
Staff welfare expenses	2.12	0.11
	<b>15.50</b>	<b>12.68</b>

**25. Other expenses**

(₹ in Lakhs)

	31 March 2022	31 March 2021
Rates and taxes	0.05	0.11
Printing and stationery	0.53	0.39
Advertisement	0.38	0.83
Director's sitting fees	0.42	0.70
Auditors' fees and expenses		
- Statutory audit fees	0.59	0.59
- Other services	0.53	0.50
- Certification services	-	0.06
Legal and professional charges	0.84	0.55
Travelling and conveyance	0.35	0.22
Other balances written off	-	-
Miscellaneous expenses	1.89	1.30
	<b>5.58</b>	<b>5.25</b>

**Notes to financial statements** for the year ended 31 March 2022 (Contd.)**26. Earnings Per Share (EPS):**

The calculation of basic earnings per share is based on the profit attributable to equity shareholders and the weighted average number of ordinary shares outstanding and calculated as follows: (₹ in Lakhs)

Particulars	31 March 2022	31 March 2021
Profit after tax attributable to equity shareholders	132.43	110.94
Weighted average number of equity shares (basic and diluted)	30,00,200	30,00,200
<b>Earnings/ (Loss) per share</b>		
Basic EPS (Face value per share - ₹ 10)	4.41	3.70
Diluted EPS (Face value per share - ₹ 10)	4.41	3.70

**27. Income Taxes**

(₹ in Lakhs)

Amount recognised in statement of profit and loss	31 March 2022	31 March 2021
<b>Current tax expense</b>		
Current year	41.55	12.05
Prior years	–	1.55
	<b>41.55</b>	<b>13.60</b>
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences	(8.31)	(79.16)
MAT credit entitlement	–	15.47
<b>Total tax expense</b>	<b>33.24</b>	<b>(50.09)</b>

(₹ in Lakhs)

Reconciliation of income tax expense of the year to accounting year	31 March 2022	31 March 2021
<b>Profit before tax</b>	165.67	60.85
Tax using the company's domestic tax rate	25.17%	25.17%
Expected income tax expense	41.70	15.31
<b>Tax effect of:</b>		
- Non-deductible expenses	–	1.55
- Benefit of indexation under tax laws	(8.46)	(82.66)
- Income taxed at different rates	–	(1.32)
- MAT credit entitlement written off	–	15.47
- Tax for earlier years	–	1.55
<b>Total income tax expense</b>	<b>33.24</b>	<b>(50.09)</b>

**Notes to financial statements** for the year ended 31 March 2022 (Contd.)**28. Contingent liabilities**

(₹ in Lakhs)

	31 March 2022	31 March 2021
against the Company not acknowledged as debt - Income tax matter	8.86	8.86

**29. Related party transactions:****A. Key managerial personnel and their relatives**

Bankey Lal Choudhary	-	Key Managerial Personnel (Managing Director)
Anurag Choudhary	-	Key Managerial Personnel (Non-Executive Director)
Tushar Choudhary	-	Key Managerial Personnel (Non-Executive Director)
Santosh Kumar Agrawala	-	Key Managerial Personnel (Independent Director)
Sucharita Basu De	-	Key Managerial Personnel (Independent Director)
Amit Choudhary	-	Relative of Key Managerial Personnel
Koushik Ranjan Saha	-	Chief Financial Officer & Company Secretary

**B. Enterprises owned or significantly influenced by the key managerial personnel or their relatives**

Himadri Speciality Chemical Ltd
Himadri Industries Private Limited (formerly known as Shresth Merchandise Private Limited)
Modern Hi-Rise Private Limited
Sri Agro Himghar Limited
Sampoorna Merchandise Pvt Ltd
Sri Siromani Dealers Private Limited
AAT Techno Info Pvt. Limited
Sitaram Management Pvt. Limited

(₹ in Lakhs)

Transactions carried out with related parties referred to in above, in ordinary course of business, are as under:

Nature of transactions	31 March 2022	31 March 2021
<b>Dividend received</b>		
Himadri Speciality Chemical Ltd	2.23	14.23
<b>Repayment of borrowings</b>		
AAT Techno Info Pvt.Limited	-	24.50
Sampoorna Merchandise Pvt Ltd	-	10.28
Sri Siromani Dealers Private Limited	-	16.09
<b>Interest Income (net of TDS)</b>		
AAT Techno Info Pvt. Limited	-	1.12
Sampoorna Merchandise Pvt Ltd	-	0.47
Sri Siromani Dealers Private Limited	-	0.74
<b>Director's sitting fees</b>		
Santosh Kumar Agrawala	0.21	0.35
Sucharita Basu De	0.21	0.35
<b>Remuneration</b>		
Koushik Ranjan Saha	7.68	6.04

**Notes to financial statements** for the year ended 31 March 2022 (Contd.)

Balances at year end :-

(₹ in Lakhs)

Particulars	31 March 2022	31 March 2021
<b>Borrowings (including Interest Accrued, if any)</b>		
Modern Hi-Rise Private Limited	600.00	600.00
<b>Investment held</b>		
Himadri Speciality Chemical Ltd	1,102.66	618.11
Modern Hi-Rise Private Limited	221.63	217.00
Himadri Industries Private Limited (Formerly known as Shresth Merchandise Pvt. Ltd.)	49.76	49.75
Sampoorna Merchandise Pvt Ltd	408.14	408.24
Sri Agro Himghar Limited	303.49	302.20
Sitaram Management Pvt. Limited	19.16	19.09

**30 Maturity analysis of assets & liabilities**

(₹ in Lakhs)

Particulars	31 March 2022		31 March 2021	
	Current	Non-Current	Current	Non-Current
<b>ASSETS</b>				
<b>Financial Assets</b>				
(a) Cash and cash equivalents	41.34	–	34.13	–
(b) Loans	4,203.46	–	4,207.27	–
(c) Investments	15.04	2,174.09	14.47	1,683.61
(d) Other financial assets	–	0.35	–	0.35
	4,259.84	2,174.44	4,255.87	1,683.96
<b>Non-Financial Assets</b>				
(a) Current tax assets (net)	12.46	–	20.44	–
(b) Deferred tax assets (net)	–	4.13	–	–
(c) Property, plant and equipment	–	0.20	–	0.20
	12.46	4.33	20.44	0.20
<b>TOTAL ASSETS</b>	4,272.30	2,178.77	4,276.31	1,684.16
<b>LIABILITIES</b>				
<b>Financial Liabilities</b>				
(a) Payables				
(i) Trade payables				
- Total outstanding dues of micro enterprises and small enterprises	–	–	–	–
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1.73	–	2.30	–
(b) Borrowings (other than debt securities)	1,259.75	–	1,371.75	–
(c) Other financial liabilities	8.60	–	24.32	–
	1,270.08	–	1,398.37	–
<b>Non Financial Liabilities</b>				
(a) Provisions	0.20	–	0.17	–
(b) Deferred tax liabilities (net)	–	–	–	6.97
(c) Other non financial liabilities	0.89	–	0.76	–
	1.09	–	0.93	6.97
<b>TOTAL LIABILITIES</b>	1,271.17	–	1,399.30	6.97
<b>NET</b>	3,001.13	2,178.77	2,877.01	1,677.19

**31.** No provision has been made in accounts in respect of gratuity to the Employees as the Company is not covered under the Payment of Gratuity Act, 1972.

## Notes to financial statements for the year ended 31 March 2022 (Contd.)

### 32. Segment Information

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The Company is mainly engaged in the investing and finance business and all other activities revolve around the main business of the Company. Further, all activities are conducted within India and as such there is no separate reportable segment, as per the Ind AS 108 - "Operating Segments" specified under Section 133 of the Act.

### 33 Financial instruments and related disclosures

#### 33.1 Fair values vs carrying amounts

The following table shows fair values of financial assets and liabilities, including their levels in financial hierarchy, together with the carrying amounts shown in the statement of financial position. The table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in Lakhs)

	Note No.	As at 31st March 2022			As at 31st March 2021		
		Carrying amount	Fair value		Carrying amount	Fair value	
			Level 1	Level 3		Level 1	Level 3
<b>A. Financial assets:</b>							
<b>a) Measured at amortised cost</b>							
Cash and cash equivalents	5	41.34	–	–	34.13	–	–
Loans	6	4,203.46	–	–	4,207.27	–	–
Other financial assets	8	0.35	–	–	0.35	–	–
<b>b) Measured at fair value through profit or loss</b>							
Investments	7	285.72	15.04	270.68	278.30	14.47	263.83
<b>c) Measured at fair value through other comprehensive income</b>							
Investments	7	1,903.41	1,102.66	800.75	1,419.78	618.11	801.67
<b>B. Financial liabilities:</b>							
<b>a) Measured at amortised cost</b>							
Borrowings	12	1,259.75	–	–	1,371.75	–	–
Payables	11	1.73	–	–	2.30	–	–
Other financial liabilities	13	8.60	–	–	24.32	–	–

#### 33.2 Fair value measurement

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

The Company has established the following fair value hierarchy that categories the value into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: The hierarchy uses quoted (adjusted) price or NAV is measured at quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on company specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Net Asset value of share has been considered as fair value for unquoted investments in equity shares measured at FVTOCI. Cost is approximate estimate of fair value for unquoted investments in preference shares measured at FVTOCI. There has been no change in the valuation methodology for Level 3 inputs during the year. There has been no movement in Level 3 investments except for fair value change and addition on account of bonus shares issued. There were no transfers between Level 1 and Level 2 during the year.

## Notes to financial statements for the year ended 31 March 2022 (Contd.)

The management assessed that trade receivables, cash and cash equivalent, other bank balances, trade payable and other financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

### 33.3 Financial risk management

#### **Risk management framework**

The Company's principal financial liabilities comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company operations. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk.

The Company has exposure to the following risks arising from financial instruments:

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk

#### **(i) Credit risk**

Credit risk is the risk of financial loss of the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company receivables from customers. Credit arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities of lending and investing business.

The company has comprehensive and well-defined credit policies which encompass credit approval process for all businesses along with guidelines for mitigating the risks associated with them. The appraisal process includes detailed risk assessment of the borrowers, physical verifications and field visits. The company has a robust post sanction monitoring process to identify credit portfolio trends and early warning signals. This enables it to implement necessary changes to the credit policy, whenever the need arises.

For other financial assets and investments, the Company has an investment policy which allows the Company to invest only with counterparties having a good credit rating. The Company reviews the creditworthiness of these counterparties on an on-going basis. Counterparty limits may be updated as and when required subject to approval of Board of Directors.

#### **(ii) Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, funding as well as settlement management. In addition, Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

**Notes to financial statements for the year ended 31 March 2022 (Contd.)****Contractual maturity profile**

(₹ in Lakhs)

Particulars	As at 31 March 2022			As at 31 March 2021		
	< 1 year	1-5 years	> 5 years	< 1 year	1-5 years	> 5 years
Borrowings	1,259.75	-	-	1,371.75	-	-
Payables	1.73	-	-	2.30	-	-
Other financial liabilities	8.60	-	-	24.32	-	-
	<b>1,270.08</b>	<b>-</b>	<b>-</b>	<b>1,398.37</b>	<b>-</b>	<b>-</b>

**(iii) Market risk**

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments, receivables, payables and borrowings.

**(a) 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. The Company exposure to the risk of changes in market interest rates related primarily to the Company's borrowing with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost. The Company presently have no financial instruments having variable market interest rates, and therefore the Company is not exposed to any interest rate risk.

**Sensitivity analysis**

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitive analysis.

**(b) Equity price risk**

The Company's exposure to equity securities risk arises from investments held by the Company and classified in the Balance Sheet as fair value through OCI.

To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio.

As regards investments in unlisted privately held companies, the fair valuations are largely dependent on the investee company's ability to achieve desired outcomes which measure the performance of the Company. Hence the key price risk emanates from performance shortfall due to industry risks, policy changes and liquidity risk given the lower exit probability.

A sensitivity analysis demonstrating the impact of the change in market prices of listed equity instruments from the prices existing as at the reporting date is given below:

(₹ in Lakhs)

Particulars	Carrying value as at	
	31-Mar-22	31-Mar-21
Investments carried at FVTOCI valued using quoted prices in active market	1,102.66	618.11

(₹ in Lakhs)

Particulars	Sensitivity analysis on total	
	Increase by 10 %	Decrease by 10 %
Impact on total comprehensive income for year ended 31 March 2022	110.27	(110.27)
Impact on total comprehensive income for year ended 31 March 2021	61.81	(61.81)

Equity instrument through OCI being a component of other equity would increase/decrease as a result of gain/loss on equity securities classified as fair value through Other Comprehensive Income.

**(c) Currency risk**

The Company does not have currency risks since it is not exposed to any foreign currency transaction.

## Notes to financial statements for the year ended 31 March 2022 (Contd.)

### 34 Capital Management

The primary objective of the capital management policy is to ensure compliance with regulatory capital requirements. In line with this objective, the company ensures adequate capital at all times and manages its business in a way in which capital is protected, satisfactory business growth is ensured, cash flows are monitored, borrowing covenants are honoured and ratings are maintained.

Regulatory capital-related information is presented as part of the RBI mandated disclosures. The RBI norms require capital to be maintained at prescribed levels. In accordance with such norms, Tier I capital of the Group comprises of share capital and reserves, there is no Tier II capital in the Company. There were no changes in the capital management process during the periods presented.

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Borrowings	1,259.75	1,371.75
Less: Cash and cash equivalents	41.34	34.13
<b>Adjusted net debt</b>	<b>1,218.41</b>	<b>1,337.62</b>
Total Equity	5,179.90	4,554.20
Adjusted net Debt-Equity ratio	0.2352	0.2937

### 35. Ratios as per the Schedule III Requirements :

Ratios	As at March 31, 2022	As at March 31, 2021	Variance %	Reason for variance if > 25%
(a) Capital to risk-weighted assets ratio (CRAR),	74.45%	71.70%	3.83%	
(b) Tier I CRAR,	74.45%	71.70%	3.83%	
(c) Tier II CRAR,	Not Applicable	Not Applicable	Not Applicable	
(d) Liquidity Coverage Ratio,	Not Applicable	Not Applicable	Not Applicable	

#### Ratio Calculation Formula

##### Ratios

- (a) Capital to risk-weighted assets ratio(CRAR),
- (b) Tier I CRAR,
- (c) Tier II CRAR,
- (d) Liquidity Coverage Ratio,

##### Calculation Formula

- Total capital funds/Total risk weighted assets
- Capital funds – Tier I/Total risk weighted assets
- Capital funds – Tier II/Total risk weighted assets
- Total HQLA (Maintained)/ Total Net Cash Outflows

### 36. Registration of Charge or satisfaction with Registrar of Companies (ROC)

Charges that were satisfied but not yet closed with Registrar of Companies (ROC):

(₹ in Lakhs)

Charge ID	Assets under Charge	Charge Amount	Date of Creation	Reason for non registration
10224701	Book debts; Floating charge; Movable property (not being pledge)	3,150.00	06-05-2010	Certain Paper documentation pending with Bank.

## Notes to financial statements for the year ended 31 March 2022 (Contd.)

### 37. OTHER REGULATORY INFORMATION

- (i) The Company has not given any loans and advances to the KMP, promoters or related parties, either severally or jointly with another person, that are (i) repayable on demand or (ii) without specifying any terms or periods of repayment.
- (ii) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (iii) The company does not have any transactions with companies struck off.
- (iv) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- (v) The Company has not advanced or given loan or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) 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
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
  - (a) 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
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- (viii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (ix) The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.

**38** Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever considered necessary to conform to this year's classification. Accordingly, amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to amounts and other disclosures relating to the current year.

RBI disclosures from Notes 39 to 42 have been prepared as per RBI Circulars / Directives basis Ind-AS financial statements. RBI disclosures are prepared basis gross carrying value of loans.

## Notes to financial statements for the year ended 31 March 2022 (Contd.)

**39.** Disclosure pursuant to Reserve Bank of India notification DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 pertaining to Asset Classification as per RBI Norms

As at 31st March 2022

(₹ in Lakhs)

Asset Classification as per RBI Norms	Asset Classification as per Ind-AS 109	Gross carrying amount (Ind-AS)	Loss allowances: Ind-AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind-AS 109 and IRACP
<b>Performing Assets</b>						
Standard	Stage 1	4,214.00	10.54	4,203.46	10.54	-
	Stage 2	-	-	-	-	-
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 3	-	-	-	-	-
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
<b>Total</b>		<b>4,214.00</b>	<b>10.54</b>	<b>4,203.46</b>	<b>10.54</b>	<b>-</b>

As at 31st March 2021

Asset Classification as per RBI Norms	Asset Classification as per Ind-AS 109	Gross carrying amount (Ind-AS)	Loss allowances: Ind-AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind-AS 109 and IRACP
<b>Performing Assets</b>						
Standard	Stage 1	4,217.81	10.54	4,207.27	10.54	-
	Stage 2	-	-	-	-	-
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 3	-	-	-	-	-
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
<b>Total</b>		<b>4,217.81</b>	<b>10.54</b>	<b>4,207.27</b>	<b>10.54</b>	<b>-</b>

## Notes to financial statements for the year ended 31 March 2022 (Contd.)

40. Schedule to the Balance Sheet of a non deposit taking Non-Banking Financial Company as required in terms of Paragraph 19 of - Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016

(₹ in Lakhs)

Particulars			
Liabilities side			
1	Loans and advances availed by the nonbanking financial company inclusive of interest accrued thereon but not paid :	31.03.2022	31.03.2021
a	Debentures : Secured	-	-
	: Unsecured	-	-
	(other than falling within the meaning of public deposits)		
b	Deferred credits	-	-
c	Term loans	-	-
d	Inter-corporate loans and borrowings	-	-
e	Commercial paper	-	-
f	Public Deposits	-	-
g	Other loans (Represents Working Capital Demand Loans)	1,268.35	1,396.07
Assets side			
2	Break-up of loans and advances including bills receivables (other than those included in (4) below):	31.03.2022	31.03.2021
a	Secured	-	-
b	Unsecured	4,214.00	4,217.81
3	Break-up of leased assets and tock on hire and other assets counting towards asset finance activities:		
(i)	Lease assets including lease rentals under sundry debtors		
a	Financial lease	-	-
b	Operating lease	-	-
(ii)	Stock on hire including hire charges under sundry debtors		
a	Assets on hire	-	-
b	Repossessed assets	-	-
(iii)	Other loans counting towards asset financing activities:		
a	Loans where assets have been repossessed	-	-
b	Loans other than (a) above	-	-
4	Break-up of investments:		
	Current investments:		
A	Quoted		
i	Shares:		
a	Equity	-	-
b	Preference	-	-
ii	Debentures and bonds	-	-
iii	Units of mutual funds	15.04	14.47
iv	Government securities	-	-
v	Others	-	-

**Notes to financial statements** for the year ended 31 March 2022 (Contd.)

(₹ in Lakhs)

Particulars		31.03.2022	31.03.2021
Assets side			
<b>B</b>	<b>Unquoted</b>		
i	<b>Shares:</b>		
a	Equity	-	-
b	Preference	-	-
ii	Debentures and bonds	-	-
iii	Units of mutual funds	-	-
iv	Government securities	-	-
v	Others	-	-
	<b>Long term investments</b>		
<b>A</b>	<b>Quoted:</b>		
i	<b>Shares:</b>		
a	Equity	1,102.66	618.11
b	Preference	-	-
ii	Debentures and bonds	-	-
iii	Units of mutual funds	-	-
iv	Government securities	-	-
v	Others	-	-
<b>B</b>	<b>Unquoted</b>		
i	<b>Shares:</b>		
a	Equity	800.75	801.67
b	Preference	270.68	263.83
ii	Debentures and bonds	-	-
iii	Units of mutual funds	-	-
iv	Government securities	-	-
v	Others	-	-
<b>Total</b>		<b>6,403.13</b>	<b>5,915.89</b>

**6 Borrower group-wise classification of assets financed as in (3) and (4) above:**

Category		Amount net of provisions 31.03.2022		
		Secured	Unsecured	Total
<b>A</b>	<b>Related parties</b>			
a	Subsidiaries	-	-	-
b	Companies in the same group	-	-	-
c	Other related parties	-	-	-
<b>B</b>	<b>Other than related parties</b>	-	4,203.46	4,203.46
	<b>Total</b>	-	4,203.46	4,203.46

Category		Amount net of provisions 31.03.2021		
		Secured	Unsecured	Total
<b>A</b>	<b>Related parties</b>			
a	Subsidiaries	-	-	-
b	Companies in the same group	-	-	-
c	Other related parties	-	-	-
<b>B</b>	<b>Other than related parties</b>	-	4,207.27	4,207.27
	<b>Total</b>	-	4,207.27	4,207.27

## Notes to financial statements for the year ended 31 March 2022 (Contd.)

### 7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)

Category		31.03.2022		31.03.2021	
		Market value/ Break up or fair value or NAV	Book value (net of provisions)	Market value/ Break up or fair value or NAV	Book value (net of provisions)
<b>A</b>	<b>Related parties</b>				
a	Subsidiaries	-	-	-	-
b	Companies in the same group	-	-	-	-
c	Other related parties	2,104.84	2,104.84	1,614.39	1,614.39
<b>B</b>	<b>Other than related parties</b>	84.29	84.29	83.69	83.69
<b>Total</b>		<b>2,189.13</b>	<b>2,189.13</b>	<b>1,698.08</b>	<b>1,698.08</b>

### 8 Other information

Particulars		31.03.2022	31.03.2021
(i)	<b>Gross non-performing assets</b>		
a	Related parties	-	-
b	Other than related parties	-	-
(ii)	<b>Net non-performing assets</b>		
a	Related parties	-	-
b	Other than related parties	-	-
(iii)	<b>Assets acquired in satisfaction of debt</b>	-	-

### 41 Other RBI disclosures:

- (i) **Penalties imposed by RBI and Other Regulators:** No penalties have been imposed by RBI and Other Regulators during current year (Previous year - NIL).
- (ii) **Disclosure on frauds pursuant to RBI Master direction:** No frauds were detected and reported for the current year and previous year.
- (iii) **Overseas assets:** There are no overseas asset owned by the Company.
- (iv) **Draw down from Reserves:** The Company has made no drawdown from existing reserves.
- (v) **Registration under Other Regulators:** The Company is not registered under any other regulator other than Reserve Bank of India.

**42.** Disclosure pursuant to Reserve Bank of India Circular DOR.No.BP.BC.63/21.04.048/2020-21 dated 17 April 2020 pertaining to Asset Classification and Provisioning in terms of COVID19 Regulatory Package and Circular DOR.No.BP.BC/3/21.04.048/2020-21 dated 06 August 2020 pertaining to (Prudential Framework for Resolution of Stressed Assets) Directions 2019 is not applicable to the Company.

As per our report of even date attached

**For S. Jaykishan**

Chartered Accountants

Firm's Registration Number : 309005E

Sd/-

**CA VISHAL AGARWAL**

Partner

Membership No.315490

Place : Kolkata

Date: The 9<sup>th</sup> day of August, 2022

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

Sd/-

**ANURAG CHOUDHARY**

Managing Director

(DIN: 00173934)

Sd/-

**AMIT CHOUDHARY**

Director

(DIN: 00152358)

Sd/-

**KOUSHIK RANJAN SAHA**

CFO & Company Secretary

**Note** \_\_\_\_\_

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**Himadri Credit & Finance Limited**

CIN: L65921WB1994PLC062875

Regd. Office: 23A, Netaji Subhas Road, 8<sup>th</sup> Floor, Kolkata 700 001

E-mail: hcfl@himadri.com | Website: www.himadricredit.in

Ph. No: 033 22309953

**Form No. MGT-11**  
**Proxy form***[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

Name and address of the Member (s):			
E-mail Id:			
Folio No/ Client Id / DP ID:		No of Shares held	

I/We, being the Member (s) of ..... shares of the above named Company, hereby appoint:

1. Name: .....

Address: .....

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

2. Name: .....

Address: .....

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

3. Name: .....

Address: .....

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27<sup>th</sup> Annual General Meeting of the Company, to be held on Friday, **30 September 2022 at 12:30 p.m. (IST)** at 8 India Exchange Place, 2nd Floor, Kolkata- 700 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description of Resolutions	For	Against
1	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31 March 2022 together with the report of the Board of Directors and Auditors thereon.(Ordinary Resolution)		
2	To appoint a Director in place of Mr. Anurag Choudhary (DIN: 00173934), who retires by rotation and being eligible, offers himself for re-appointment.(Ordinary Resolution)		
3	To appoint Mr. Anurag Choudhary (DIN:00173934) as Managing Director (Special Resolution)		
4	To appoint Mr. Amit Choudhary (DIN:00152358) as a Director (Ordinary Resolution)		

Signed this .....day of ..... 2022

\_\_\_\_\_  
Signature of shareholder

\_\_\_\_\_  
Signature of Proxy holder(s)

Affix  
Revenue  
Stamp of  
₹ 1/-



#### Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A person can act as proxy on behalf of Member upto and not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company. Further, a Member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.

**Himadri Credit & Finance Limited**

CIN: L65921WB1994PLC062875

Regd. Office: 23A, Netaji Subhas Road, 8<sup>th</sup> Floor, Kolkata 700 001

E-mail: hcfi@himadri.com | Website: www.himadricredit.in

Ph. No: 033 22309953

**ATTENDANCE SLIP**

I certify that I am a Member / proxy / authorized representative for the Member of the Company. I hereby record my presence at the 27th Annual General Meeting of the Company being held on **Friday, the 30 September 2022 at 12:30 p.m. (IST)** at 8 India Exchange Place, 2nd Floor, Kolkata- 700 001

Name of the Member/ proxy(In Block Letters)			
Folio No./ DP-ID/ CL- ID.		No of Shares held	

\_\_\_\_\_  
Signature of the Shareholder/ Proxy/  
Authorized Representative Present

**Notes:**

1.Shareholders / Proxy holders wishing to attend the meeting must bring the Attendance Slip, duly filled in and signed and hand it over at the time of entrance into the meeting Hall and bring the copies of Annual Report at the meeting for reference.

Route Map of AGM Venue





*If undelivered please return to:*

**Himadri Credit & Finance Limited**

Registered Office:  
23A, Netaji Subhas Road,  
8<sup>th</sup> Floor, Kolkata 700001