

SHREE SECURITIES LIMITED

ANNUAL REPORT

2020-2021

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Corporate Information's

BOARD OF DIRECTORS

- Mr. Basant Kumar Sharma**
Managing Director cum CEO
- Mr. Sankar Kumar Chakraborty (upto 15.06.2020)**
Non-Executive Independent Director
- Mr. Harshwant Joshi (upto 07.08.2020)**
Non-Executive Independent Director
- Mr. Amit Kumar Basu (upto 15.06.2020)**
Non-Executive Independent Director
- Mrs. Priyanka Singh (w.e.f. 15.06.2020)**
Non-Executive Independent Director
- Mrs. Shiwaginee Jaiswal (w.e.f. 15.06.2020)**
Non-Executive Independent Director
- Ms. Vaishali Kumari Shaw (w.e.f. 08.08.2020)**
Non-Executive Independent Director
- Ms. Priya Sharma**
Whole-time Director cum CFO

REGISTERED OFFICE

3, Synagogue Street, 3rd Floor, Room No.: 18G,
Kolkata - 700001 (W. B.) India
Tel.: +91 33 2231 3366 / 3367
E-mail : ssl_1994@yahoo.co.in ;
info@shresecindia.com
Website: www.shresecindia.com

AUDITORS

M/s. R. K. Kankaria & Co
Chartered Accountants
33, Brabourne Road,
3rd Floor, Kolkata-700 001
Tel.: +91 33 2242 5812;
E-mail: rajesh@rkko.in

BANKERS

HDFC Bank Ltd.
Stephen House Branch, 4, B. B. D. Bag (E), Kolkata-700001

REGISTRARS AND SHARE TRANSFER AGENTS

Niche Technologies Pvt. Ltd.
3A Auckland Place, 7th Floor, Room No. 7A & 7B, Kolkata 700 017
Tel.: +91 33 2280 6616 / 17 / 18;
Fax: +91 33 2280 6619
E-mail: nichetechpl@nichetechpl.com

COMPANY SECRETARY CUM COMPLIANCE OFFICER

Ms. Priti Balodi (from 05.11.2019 till 17.11.2020)
Ms. Romita Singh (from 17.11.2020 till 18.02.2021)
Ms. Raksha Kumari (appointed w.e.f. 19.02.2021)

Corporate Identity Number (CIN)

L65929WB1994PLC061930

Committee's

Audit Committee

Chairman	::	Harshwant Joshi (upto 07.08.2020)
Chairman	::	Vaishali Kumari Shaw (w.e.f. 08.08.2020)
Member	::	Basant Kumar Sharma
Member	::	Amit Kumar Basu (upto 15.06.2020)
Member	::	Shiwaginee Jaiswal (w.e.f. 15.06.2020)

Stakeholders' Relationship Committee

Chairman	::	Amit Kumar Basu (upto 15.06.2020)
Chairman	::	Shiwaginee Jaiswal (w.e.f. 15.06.2020)
Member	::	Basant Kumar Sharma
Member	::	Harshwant Joshi (upto 07.08.2020)
Member	::	Vaishali Kumari Shaw (w.e.f. 08.08.2020)

Nomination & Remuneration Committee

Chairman	::	Harshwant Joshi (upto 07.08.2020)
Chairman	::	Vaishali Kumari Shaw (w.e.f. 08.08.2020)
Member	::	Amit Kumar Basu (upto 15.06.2020)
Member	::	Shiwaginee Jaiswal (w.e.f. 15.06.2020)
Member	::	Sankar Kumar Chakraborty (upto 15.06.2020)
Member	::	Priyanka Singh (w.e.f. 15.06.2020)

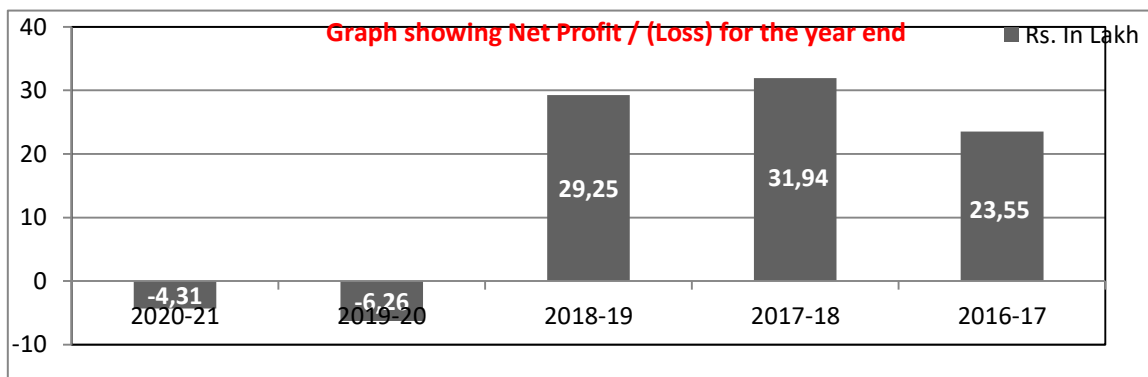
Directors' Report

To
The Members,
Your Directors have pleasure in presenting the **Annual Report** of the Company together with Standalone Audited Accounts for the year ended on **31st March, 2021**.

FINANCIAL RESULTS:

(Rs. in Lakh)

Particulars	Standalone	
	Current Year	Previous Year
Sales & Other Income	42.70	46.60
Profit Before Depreciation & Taxation	(4.31)	(6.26)
Less : Depreciation	0.00	0.00
Less : Current Tax	0.00	0.00
Less : Mat Tax Credit	0.00	0.00
Less : Deferred Tax	0.00	0.00
Profit / (Loss) After Taxation	(4.31)	(6.26)
Add: Balance Brought Forward from Previous Year	(83.93)	(77.13)
Surplus Available for Appropriation	(4.31)	(6.26)
Appropriations	0.00	0.00
Provision for Standard Assets (As per RBI Act)	0.26	(0.54)
Provision of Doubtful Assets	0.00	0.00
Transferred to Reserve Fund	0.00	0.00
Balance Carried To Balance Sheet	(87.99)	(83.93)



1. FUTURE PERFORMANCE:

During the year under review, the Company has made a loss of **Rs. 4.31** lakh. Your Directors are identifying prospective areas and will make appropriate investments that will maximize the revenue of the company in the current Financial Year.

2. BRIEF DESCRIPTION OF THE STATE OF COMPANY'S AFFAIRS:

The Company is a Non-Banking Finance Company and is presently engaged in the business of Investing and Financing.

In the multi-tier financial system of India, importance of NBFCs in the Indian financial system cannot be neglected. The Company expects that with a stable and a reformed government at the center, there will be positive growth and further rationalization of capital market, which will lead to more investment, value creation, capitalization and thus the additional wealth for investors and see better prospects in near future. Also, with the growing economy there will be more opportunities for financing which will prove beneficial for our company. The Company expects better results in near future in anticipation of the policy reforms combined with the dedication of the highly motivated team with excellent understanding of the operations along with magnificent customer relation skills.

3. DIVIDEND:

In view of strengthening the financial position of the Company and to enhance the reserve base of the Company your directors are not recommending any dividend during the financial year.

4. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND :

Since there was no unpaid/unclaimed Dividend declared and paid in previous year, the provisions of Section 125 of the Companies Act, 2013 is not applicable to the Company.

5. SHARE CAPITAL:

The paid-up equity capital as on March 31, 2021 was Rs. 7,980 lakhs. The Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

6. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE ENDS OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year and the date of this report

7. TRANSFER TO RESERVES:

The Company has not transferred any fund to reserves during the financial year 2020-21.

8. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE:

Your Company is committed to provide and promote safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. No cases have been files under the Act as the Company is keeping the working environment healthy.

9. CORPORATE SOCIAL RESPONSIBILITY:

The Provisions of section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility are not applicable to the company.

10. RISK MANAGEMENT:

Although the company has long been following the principle of risk minimization as is the norm in every industry, it has now become a compulsion. The Board members were informed about risk assessment and after which the Board formally adopted and implemented the necessary steps for monitoring the risk management plan for the company.

11. AUDITORS:

Statutory Audit:

At the Annual General Meeting held on September 22, 2018, the Members approved appointment of M/s. R. K. Kankaria & Co., Chartered Accountants, (Firm Registration No. 321093E), Kolkata, as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that Annual General Meeting till the conclusion of the Annual General Meeting to be held in the year 2023. The requirement to place the matter relating to appointment of auditors for ratification by Members at every Annual General Meeting has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing AGM.

The statutory auditor's report does not contain any qualifications, reservations, or adverse remarks or disclaimer.

Secretarial Audit:-

As required under section 204 (1) of the Companies Act, 2013 the Company has obtained a secretarial audit report.

Pursuant to the provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed Mr. Aditya Kumar Daga, Practicing Company Secretaries (C.P. No. 14266 & Membership Number F10573) to undertake the Secretarial Audit of the Company. The Secretarial Audit report for the financial year ended 31st March, 2021 is annexed herewith as "Annexure - A" to this report.

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Director Mr. Basant Kumar Sharma (DIN: 00084604), who retires by rotation and being eligible, offers himself for re-appointment.

Mr. Amit Kumar Basu and Mr. Sankar Kumar Chakraborty, Independent Directors has resigned from the company w.e.f. 15th June, 2020 and in place of which Ms. Priyanka Singh (DIN: 08752330) and Mrs. Shiwaginee Jaiswal (DIN: 08763022) has been appointed as Independent Director of the Company w.e.f. 15th June, 2020. Further, Mr. Harshwant Joshi, Independent Director has also resigned from the company w.e.f. 7th August, 2020 and in place of which Ms. Vaishali Kumari Shaw (DIN: 08804508) has been appointed as Independent Director of the Company w.e.f. 8th August, 2020. Thereafter, Shareholder's approval has taken by the Company for the above Director's appointment in the Annual general meeting held in year 2020.

In the opinion of the Board, all the Independent Directors are well experienced business leaders. Their vast experience shall greatly benefit the Company. Further, they possess integrity and relevant proficiency which will bring tremendous value to the Board and to the Company.

Ms. Priti Balodi resigned from the post of Company Secretary cum Compliance Officer of the Company w.e.f. 17.11.2020 in place of which Ms. Romita Singh appointed as Company Secretary cum Compliance Officer of the Company w.e.f. 17.11.2020 and resigned on 18.02.2021. Thereafter Ms. Raksha Kumari appointed as Company Secretary cum Compliance Officer of the Company w.e.f. 19.02.2021.

13. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT:

Pursuant to Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange and requirements under the Companies Act, 2013, the Report on

Corporate Governance together with Statutory Auditors view and management discussion & analysis report regarding compliance of the SEBI code of Corporate Governance is annexed herewith.

14. FIXED DEPOSIT:

Your Company has not accepted any deposits within the meaning of Section 73 and 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 as amended.

15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013. The details of the investments made by company are given in the notes to the financial statements.

16. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board and to maintain its objectivity and independence, the Audit Committee reports to the Chairman of the Audit Committee and & to the Board Chairman & Managing Director.

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING AND OUTGO

The provisions of Section 134(3)(m) of the Companies Act, 2013, regarding conservation of energy and technology absorption, are not applicable.
Further there were no foreign exchange inflow or outgo during the period under review.

18. ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS :

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Stakeholders Relation, Appointment & Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

19. NOMINATION & REMUNERATION POLICY:

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

20. MEETINGS:

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year 12 (twelve) Board Meetings, 5 (five) Audit Committee Meetings, 8 (eight) Nomination & Remuneration Committee Meetings and 2 (two) Stakeholders' Relationship Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY :

A Related Party Policy has been devised by the Board of Directors for determining the materiality of transactions with related parties and dealings with them. The said policy may be referred to at the website of the Company <http://www.shreesecindia.com/>. The Audit Committee reviews all related party transactions quarterly. Necessary approval of the Audit Committee and the Board of Directors were taken wherever required.

22. ENVIRONMENT AND SAFETY :

The Company is conscious of the importance of environmentally clean & safe environment. Since your company is a Non-Banking financial company so the question of environment pollution does not arise.

However, the company ensures safety of all concerned, compliances environmental regulations and prevention of natural resources.

23. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement of clause (c) of sub-section (1) and sub section (5) of section 134 of the Companies Act, 2013 ('the Act') and based on the representations received from the operating management, the Directors hereby confirm that:

- i. In preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures.
- ii. The Directors had 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 at the end of the financial year and of the profit and loss of the Company for that period.
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. The Directors have prepared the annual accounts on going concern basis.
- v. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi. The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

24. SUBSIDIARY COMPANIES:

The Company does not have any subsidiary, hence the compliance of provisions of section 129(3) of the Companies Act, 2013 are not applicable.

25. CODE OF CONDUCT:

The Board of Directors has a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Code has been posted on the Company's website. The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders.

The Code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure. All the Board Members and the Senior Management Personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

26. RELATED PARTY TRANSACTION POLICY:

The policy regulates all transactions between the company and its related parties. The policy is available on the website of the company (<https://www.shresecindia.com/file/2016/may/PolicyofRelatedPartyTransaction.pdf>)

27. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS :

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

28. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has a vigil mechanism to deal with instance of fraud and mismanagement, if any. In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

The vigil mechanism ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. The Chairman of Audit and Chairman of the Board looks into the complaints raised.

29. PREVENTION OF INSIDER TRADING:

The Company has a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code.

30. ANNUAL RETURN:

Pursuant to the provisions of Section 92(3) read with Section 134(3) (a) of the Companies Act, 2013, the Annual Return as on March 31, 2021 is available at the website of the Company www.shresecindia.com

31. PARTICULARS OF EMPLOYEES:

Human Capital is an important asset for the Company and the Company has taken and shall continue to take adequate steps towards education and enrichment of the human capital. Your Directors place on record the sense of appreciation for the valuable contribution made by the staff members of the company and hope that their continued support will help in achieving the goals of the Company. None of the employees of the company are in receipt of remuneration in excess of the limit prescribed under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (appointment and Remuneration of Managerial Personnel) Rules 2014.

32. PRESERVATION OF DOCUMENTS:

All the documents as required under the Act, has been properly kept at the registered office of the Company.

33. LISTING WITH STOCK EXCHANGE

The Company confirms that it has not defaulted in paying the Annual Listing Fees for the financial year 2020-21 to the Bombay Stock Exchange Limited (BSE) and The Calcutta Stock Exchange Limited where the shares of the Company are listed.

34. COVID-19 IMPACT ON THE COMPANY :

As Members are aware, since March 2020, the Country/World has been seeing the impact due to COVID-19 pandemic. With a significant increase in number of cases in early 2020, the Government has been taking various measures including a national lockdown for three months to contain the virus which in turn affected economic activity in the Country. Your Company has taken various measures to monitor and mitigate the effects of COVID-19, such as safety and health measures for employees (e.g. social distancing, personal hygiene, work from home) and securing the supply of materials that are essential for production process and virtual technology in testing, commissioning, etc. to ensure business continuity.

The Second wave of COVID-19 has hit the country like tsunami and has badly affected the human life, medical facilities and economy of the Country. The situation became grave in April 2021 resulting lockdown by many states governments in India. The sudden spike of COVID cases pushed the Indian Economy into a technical recession due to deadly pandemic wave. Employee safety remained the Company's priority

35. DEPOSITORY SYSTEM :

Your Company's equity shares are available for dematerialization through National Securities Depository Limited and Central Depository Services (India) Limited. As of March 31, 2020, 99.94% of the equity shares of your Company were held in demat form.

36. SECRETARIAL STANDARDS OF ICSI :

The Company is in compliance with the relevant provisions of Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government.

37. ACKNOWLEDGEMENTS:

The Board wishes to place on record their gratitude for the co-operation and assistance received from all those who contributed by some means or other for the performance of the company and expect the same in the future.

Place: **Kolkata**
Date: **29th day of June, 2021**

Basant Kumar Sharma
Managing Director cum CEO
(DIN: 00084604)

For and on behalf of the Board
Priya Sharma
Chief Financial Officer
& Whole Time Director
(DIN: 08350443)

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

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

To
The Members
M/s. Shree Securities Ltd.
Room No 18G, 3rd Floor
3, Synagogue Street
Kolkata – 700001

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices **M/s. Shree Securities Ltd (CIN: L65929WB1994PLC061930)** (hereinafter called "the Company") for the **financial year ended 31st March, 2021**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the **M/s. Shree Securities Ltd** 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 our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2021 ('Audit Period')** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. Shree Securities Ltd** ("the Company") for the **financial year ended on 31st March, 2021** according to the provisions of:

1. The Companies Act, 2013(the Act) and the rules made there under;
2. The Companies (Amendment) Act, 2017;
3. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
4. The Securities and Exchange Board of India (Depository and Participant) Regulations, 2018;
5. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
6. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent

applicable to the Company during the period under review;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable as there was no reportable event during the financial year under review);**

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October, 2014 **(Not applicable as there was no reportable event during the financial year under review);**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable as there was no reportable event during the financial year under review);**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable as there was no reportable event during the financial year under review);**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable as there was no reportable event during the financial year under review);**

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the amendments made thereunder from time to time, to the extent applicable to the Company during the period under review.

7. Management has identified and confirmed the following laws as being specifically applicable to the Company:

- Reserve Bank of India Act, 1934 to the extent of provisions applicable to Non-Deposit Taking NBFCs (NBFC-ND) and Directions, Guidelines and Circulars made thereunder.

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

- (i) Revised Secretarial Standard with respect to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- (ii) Listing agreements entered into by the Company with the Bombay Stock Exchange (BSE) and Calcutta Stock Exchange (CSE).

I further report that

- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors Independent Directors and Women 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.
- (ii) 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.

(iii) All majority decisions at Board Meetings and Committee Meetings thereof were carried through requisite majority.

I further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company secretary and taken on record by the Board of directors at their meeting(s), I am of the opinion that there are adequate system and processes in place in the Company which is commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines; and

(i) As informed, the Company has responded appropriately to notices received from various statutory/regulatory authorities including initiating actions for corrective measures, wherever found necessary.

I further report that during the financial year under review, the Company has not incurred any specific event/action that can have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Date : June 29, 2021

Place : Kolkata

Aditya Kumar Daga

Company Secretary in practice

Mem. No. : F10573

CP No. : 14266

UDIN : F010573C000534613

Note: This report is to be read with our letter of even date which is annexed as Annexure 'I' and form forms an integral part of this report.

Annexure '1' to the Secretarial Audit Report :

To
The Members
M/s. Shree Securities Ltd.
Room No-18G, 3rd Floor,
3, Synagogue Street,
Mezzanine Floor, Kolkata – 700001.

MANAGEMENT'S RESPONSIBILITY

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

AUDITOR'S RESPONSIBILITY

2. We have followed the audit practices and processes as I deem appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random 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. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, standards is the responsibility of management. My examination was limited to the verification of procedures on the random test basis.

DISCLAIMER

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
8. Due to lockdown on account of COVID-19 Pandemic, we could not carry out the physical visit to the registered office of the company for verification of data. The report is based on the information/ documents/ certificates available on the public domain and provided by the Company over the electronic media.

Date : June 29, 2021
Place : Kolkata

Aditya Kumar Daga
Company Secretary in practice
Mem. No. : F10573
CP No. : 14266
UDIN : F010573C000534613

SECRETARIAL COMPLIANCE REPORT

of M/s Shree Securities Ltd. for the year ended 31.03.2021

I, **Aditya Kumar Daga** have examined:

(a) all the documents and records made available to us and explanation provided by **M/s Shree Securities Ltd. (L65929WB1994PLC061930)** (“the listed entity”),

(b) the filings/ submissions made by the listed entity to the stock exchanges,

(c) website of the listed entity,

(d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31.03.2021 (“Review Period”) in respect of compliance with the provisions of:

(a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and

(b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**

(c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**

(e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit Period)**

(f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**

(g) Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013; **(Not applicable to the Company during the Audit Period)**

(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(i) Securities and exchange Board of India (Depository and Participants) Regulations, 2018;

and based on the above examination, I hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below: -

Sr No	Compliance Requirements (Regulations/Circulars/guidelines including specific clauses)	Deviations	Observations/Remarks of the Practicing Company Secretary
Nil	Nil	Nil	Nil

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my/our examination of those records.

(c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr No	Action taken by SEBI	Details of Violation	Details of action taken e.g. fines, warning letter, debarment, etc	Observations/ remarks of the practicing Company Secretary, if any
Nil	Nil	Nil	Nil	Nil

The listed entity has taken the following actions to comply with the observations made in previous report:

Sr No	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 31.03.2020	Actions taken by the Company, if any	Comments of the Practicing Company secretary on the actions taken by the listed entity
1.	Nil	Nil	Nil	Nil

Date : June 29, 2021
Place : Kolkata

Aditya Kumar Daga
Company Secretary in practice
Mem. No. : F10573
CP No. : 14266
UDIN : F010573C000534635

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To

The Members

M/s. Shree Securities Ltd.

3, Synagogue Street, 3rd Floor, Room No-18G
Kolkata – 700001.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s. Shree Securities Ltd** (CIN : L65929WB1994PLC061930) and having registered office at 3, Synagogue Street, 3rd Floor, Room No-18G, Kolkata – 700001 (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule-V Para-C clause (10)(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our knowledge and according to the verifications (including Directors Identification Number (DIN) status at the portal i.e. www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its Members, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended 31st March, 2021 have been debarred or disqualified from being appointed or continuing Directorship in any Company by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA), or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company (DD/MM/YYYY)
1.	Mr. Basant Kumar Sharma	00084604	10/02/2004
2.	Mr. Priya Sharma	08350443	03/02/2019
3.	Ms. Priyanka Singh	08752330	15/06/2020
4.	Ms. Shiwaginee Jaiswal	08763022	15/06/2020
5.	Mr. Vaishali Kumari Shaw	08804508	08/08/2020
6.	Mr. Amit Kumar Basu (resigned w.e.f 15.06.2020)	08009413	08/12/2017
7.	Mr. Sankar Kumar Chakraborty (Resigned w.e.f 15.06.2020)	00087412	30/12/2005
8.	Mr. Harshwant Joshi (resigned w.e.f 31.07.2020)	03642328	12/02/2014

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

Date : June 29, 2021

Place : Kolkata

Aditya Kumar Daga

Company Secretary in practice

Mem. No. : F10573

CP No. : 14266

UDIN : F010573C000534571

"ANNEXURE - TO THE DIRECTORS' REPORT"**"CORPORATE GOVERNANCE REPORT"**

Your Company believes in adopting best practices of corporate governance. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders including society at large.

As per regulation 34 of the Listing Regulations, a separate section on corporate governance practices followed by your Company, together with a certificate from M/s. R K Kankaria & Co., Chartered Accountants (Firm Registration Number 321093E), on compliance with corporate governance norms.

1) BOARD OF DIRECTORS

- i) We believe that our Board needs to have an appropriate mix of executive and independent directors to maintain its independence, and separate its functions of governance and management. Our Board consists of five directors two of whom are executive or whole time directors, while the remaining three are independent directors. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act.
- ii) None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/she is a Director. None of the Directors are related to each other.
- iii) Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.
- iv) The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other public companies as on March 31, 2021 are given herein below

Name of the Director	Designation	Number of board meetings during the year 2020-21		Whether attended last AGM held on 30 th December, 2020	No of other Directorship in other Companies		Number of Committee's ² position held in other Public Companies	
		Held	Attended		Public	Private	Chairman	Member
Mr. Basant Kumar Sharma	Managing Director	12	12	YES	NIL	1	NIL	NIL
Ms. Priya Sharma	WTD & Chief Financial Officer	12	12	YES	NIL	1	NIL	NIL
Mrs. Priyanka Singh	Independent	12	11	YES	2	NIL	2	1
























































(w.e.f. 15.06.2020)	Director							
Mrs. Shiwaginee Jaiswal (w.e.f. 15.06.2020)	Independent Director	12	11	YES	2	NIL	1	1
Ms. Vaishali Kumari Shaw (w.e.f. 08.08.2020)	Independent Director	12	9	YES	3	NIL	1	3

- Memberships of the Directors in various Committees are within the permissible limits of the Listing Regulations.
- Includes Membership of Audit and Stakeholders Relationship Committees of other Indian Public Limited Companies only.

v) Twelve Board Meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days.

The dates on which the said meetings were held: 15.06.2020, 29.07.2020, 07.08.2020, 15.09.2020, 12.11.2020, 17.11.2020, 04.12.2020, 05.01.2021, 13.02.2021, 18.02.2021, 19.02.2021 and 18.03.2021.

The necessary quorum was present for all the meetings.

Date	Basant Kumar Sharma	Priya Sharma	Priyanka Singh (w.e.f. 15.06.2020)	Shiwaginee Jaiswal (w.e.f. 15.06.2020)	Vaishali Kumari Shaw (w.e.f. 08.08.2020)
15.06.2020			-	-	-
27.09.2020					-
07.08.2020					-
15.09.2020					
12.11.2020					
17.11.2020					
04.12.2020					
05.01.2021					
13.02.2021					
18.02.2021					
19.02.2021					
18.03.2021					
% of Attendance	100%	100%	100%	100%	100%



= Present in Meeting



= Absent in Meeting

vi) The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company. During the year, one meeting of the Independent Directors were held on 14.01.2021. The Independent Directors, inter-alia, reviewed the performance of non-independent directors, Chairman of the Company and the Board as a whole.

vii) The Board periodically reviews the compliance reports of all laws applicable to the Company, prepared by the Company.

2) COMMITTEES OF THE BOARD

A) AUDIT COMMITTEE

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Act. The Composition procedure, role/function of the Audit Committee comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the year under review 5 (five) meetings of the Audit Committee were held on 15.06.2020, 29.07.2020, 15.09.2020, 12.11.2020 and 13.02.2021. The necessary quorum was present for all the meetings. The brief terms of reference of the Audit Committee includes the following:

1. Overseeing the Company's financial report process and disclosure of its financial information.
2. Reviewing, with the management, the quarterly financial results before submission to the Board for approval.
3. Disclosure with Statutory and Internal auditors about the nature and scope of audit and their observations.
4. Investigate any matter referred to by the Board.
5. Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to :
 - i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Act.
 - ii) Changes, if any, in accounting policies and practices and reasons for the same.
 - iii) Major accounting entries involving estimates based on the exercise of judgment by management.
 - iv) Significant adjustments made in the financial statements arising out of audit findings.
 - v) Compliance with listing and other legal requirements relating to financial statements.
 - vi) Disclosure of any related party transactions.
 - vii) Qualifications in the draft audit report.
6. Reviewing, the information required as per SEBI (LODR) Regulations,2015
7. The Composition of the Audit Committee and the details of meetings attended by its members :

Members	Designation	Category	Numbers of Meetings Attended		
			Held	Attended	
Harshwant Joshi (upto 07.08.2020)	Chairman	Non Executive & Independent	2	2	
Vaishali Kumari Shaw (w.e.f. 08.08.2020)	Chairman	Non Executive & Independent	3	3	
Basant Kumar Sharma	Member	Executive	5	5	
Amit Kumar Basu (upto 15.06.2020)	Member	Non Executive & Independent	1	1	
Shiwaginee Jaiswal (w.e.f. 15.06.2020)	Member	Non Executive & Independent	4	4	
Date	Harshwant Joshi (upto 07.08.2020)	Vaishali Kumari Shaw (w.e.f. 08.08.2020)	Basant Kumar Sharma	Amit Kumar Basu (upto 15.06.2020)	Shiwaginee Jaiswal (w.e.f. 15.06.2020)
	Chairman	Chairman	Member	Member	Member
15.06.2020	■	-	■	■	-

29.07.2020		-		-	
15.09.2020	-			-	
12.11.2020	-			-	
13.02.2021	-			-	
% of Attendance	100%	100%	100%	100%	100%



= Present in Meeting



= Absent in Meeting

B) STAKEHOLDER RELATIONSHIP COMMITTEE

The Stakeholders' relationship committee is constituted with the provision of Regulation 20 of SEBI listing Regulations read with Section 178 of the Co. Act, 2013. The Committee is to look into the specific Complaints received from the Shareholders of the Company. Investor grievances are resolved by the Stakeholders Relationship Committee who operates subject to the overall supervision of the Board. The Committee meets on the requirement basis during the financial year to monitor and review the matters relating to investor grievances. During the year under review 2 (two) meeting of the Shareholders Relationship Committee were held on 07.08.2020 and 18.03.2021. The company had not received any complaints from its investors during the financial year 2020-21. At present there are no complaints pending to be resolved before SEBI SCORES

The Composition of the said Committee is as follows:

Members	Designation	Category	Numbers of Meetings Attended	
			Held	Attended
Amit Kumar Basu (upto 15.06.2020)	Chairman	Non Executive & Independent	-	-
Shiwaginee Jaiswal (w.e.f. 15.06.2020)	Chairman	Non Executive & Independent	2	2
Basant Kumar Sharma	Member	Executive	2	2
Harshwant Joshi (upto 07.08.2020)	Member	Non Executive & Independent	1	1
Vaishali Kumari Shaw (w.e.f. 08.08.2020)	Member	Non Executive & Independent	1	1

Date	Shiwaginee Jaiswal (w.e.f. 15.06.2020)	Basant Kumar Sharma	Harshwant Joshi (upto 07.08.2020)	Vaishali Kumari Shaw (w.e.f. 08.08.2020)
	Chairman	Member	Member	Member
07.08.2020				-
18.03.2021			-	
% of Attendance	100%	100%	100%	100%



= Present in Meeting



= Absent in Meeting




C) NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration committee is constituted with the provision of Regulation 19 of SEBI Listing Regulations read with Section 178 of the Co. Act, 2013. The remuneration to Non-Executive Directors is decided by the Board of Directors as authorized by the Articles of Association of the Company and within the limits set out in Section 197 of the Companies Act, 2013. The committee evaluates and approves the appointment and remuneration of senior executives, the Company's remuneration plan, annual salary increase principles and budgets, annual and long term incentive plans of the Company, policies and programs such as succession planning, employment agreements, severance agreements and any other benefits. During the year 8 (eight) meetings of the remuneration committee was held on 15.06.2020, 29.07.2020, 07.08.2020, 15.09.2020, 12.11.2020, 17.11.2020, 13.02.2021 and 19.02.2021.

The Composition of the said Committee is as follows:

Members	Designation	Category	Numbers of Meetings Attended	
			Held	Attended
Harshwant Joshi (upto 07.08.2020)	Chairman	Non Executive & Independent	3	3
Vaishali Kumari Shaw (w.e.f. 08.08.2020)	Chairman	Non- Executive & Independent	5	5
Amit Kumar Basu (upto 15.06.2020)	Member	Non- Executive & Independent	1	1
Shiwaginee Jaiswal (w.e.f. 15.06.2020)	Member	Non- Executive & Independent	7	7
Sankar Kumar Chakraborty(upto 15.06.2020)	Member	Non- Executive & Independent	1	1
Priyanka Singh (w.e.f. 15.06.2020)	Member	Non- Executive & Independent	7	7

Date	Harshwant Joshi (upto 07.08.2020)	Vaishali Kumari Shaw (w.e.f. 08.08.2020)	Amit Kumar Basu (upto 15.06.2020)	Shiwaginee Jaiswal (w.e.f. 15.06.2020)	Sankar Kumar Chakraborty (upto 15.06.2020)	Priyanka Singh (w.e.f. 15.06.2020)
	Chairman	Chairman	Member	Member	Member	Member
15.06.2020		-		-		-
29.07.2020		-	-		-	
07.08.2020		-	-		-	
15.09.2020	-		-		-	
12.11.2020	-		-		-	
17.11.2020	-		-		-	
13.02.2021	-		-		-	

19.02.2021	-		-		-	
% of Attendance	100%	100%	100%	100%	100%	100%



= Present in Meeting



= Absent in Meeting

The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgement.

Details of remuneration and sitting fees paid to Directors:

Remuneration policy in the Company is designed to create a high performance culture. It enables the Company to attract, retain and motivate employees to achieve results. The remuneration policy supports such mobility through pay models that are compliant to local regulations. The Company pays remuneration by way of salary, benefits, perquisites and allowances to its Managing Director and the Executive Directors, subjected to the overall ceiling as stipulated in the Companies Act, 2013. Given below are the details of Remuneration paid to Executive Director & Key Managerial Personal (KMP) Viz., Managing Director, Company Secretary & CFO:

Name of Executive director & KMP	Designation	Total Salary paid during April, 2020 to March, 2021	Others
Basant Kumar Sharma	Managing Director	2,60,000	00
Romita Singh	Company Secretary	74,000	00
Priti Balodi	Company Secretary	1,75,000	00
Raksha Kumari	Company Secretary	30,000	00
Priya Sharma	CFO cum WTD	1,95,000	00

Compliance Officer:

3) GENERAL BODY MEETINGS

(a) (i) The details of Annual General Meetings held in the last three years are as under:-

Financial Year	Date	Time	Venue
2017-2018	22.09.2018	11:00 AM	"Conference Hall" at 11, Clive Row, 5th Floor, Kolkata-700001.
2018-2019	31.08.2019	11:00 AM	"Conference Hall" at 11, Clive Row, 5th Floor, Kolkata-700001.
2019-2020	30.12.2020	11:00 AM	THROUGH VIDEO CONFERENCING ("VC")/ OTHER AUDIOVISUAL MEANS ("OAVM")

(ii) Details of Extra-Ordinary General Meeting held in the last three years:

Date of EGM	Matter of Passing Ordinary Resolution
18 th May, 2018	Appointment of M/s. R. K. Kankaria & Co., Chartered Accountants (Firm Registration No. 321093E) as Statutory Auditors of the Company for the Financial Year 2017-18 to fill Casual Vacancy.

(b) Whether any special resolutions passed in the previous 3 AGMs/EGMs:

Yes, details of which are given hereunder:-

Date of AGM	Matter of Passing Special Resolution
12 th September, 2017	To re-appoint Mr. Harshwant Joshi (DIN: 03642328), Independent Director of the Company for a second term under the provisions of the Companies Act, 2013
12 th September, 2017	To re-appoint Mr. Shrawan Kumar Jalan (DIN: 02191031), Independent Director of the Company for a second term under the provisions of the Companies Act, 2013
12 th September, 2017	To re-appoint Mr. Shankar Kumar Chakraborty (DIN: 00087412), Independent Director of the Company for a second term under the provisions of the Companies Act, 2013

(c) Whether any special resolution passed last year through postal ballot and details of voting pattern?

During the Financial Year 2020-21 Special Resolution were not passed through Postal Ballot and the special Resolution passed at the last Annual General Meeting of the company were not put through Postal Ballot.

(d) Person who conducted the postal ballot exercise? - Not Applicable.

4) RIGHTS OF SHAREHOLDERS :

The Company is committed to facilitate the exercise of shareholders rights for voting on all crucial decisions, by making available voting through electronic means. The shareholders are given an opportunity at the general meetings to ask questions to the Board and the same are replied to by the Managing Director. Information regarding the general meeting is given to the shareholders in advance and no shareholder has any control disproportionate to their holdings. The Company has only one class of equity shares.

The shareholders have the right to appoint/re-appoint the Directors on the Board. The Company has a framework to avoid Insider trading and abusive self dealing. The Company has adopted the Code of Fair Disclosure Practices for Prevention of Insider Trading and the same has been put up on its website.

The Company respects the rights of its shareholders and provides effective redressed mechanism for violation of their rights, if any. All information is provided on the website of the Company on a

timely and regular basis to enable the shareholders to participate in Corporate Governance process. The Company also encourages employee participation in the Corporate Governance process through a strong whistle blower mechanism and conducts regular trainings to ensure employees are aware of the options available to them.

The Company follows all disclosure requirements on all material matters and has a strong Board fully conversant with the requirements of law. The Board fulfils all the key functions as required by it and also does the needful to carry out its other responsibilities.

Company believes that Corporate Governance is a tool to generate long term wealth and create value for all its stakeholders be it shareholders, customers, creditors, employees etc.

5) MEANS OF COMMUNICATION :

The quarterly / half-yearly and annual financial results of the Company are sent to the Stock Exchanges where the shares of the Company are listed immediately after they have been taken on record by the Board. The same are usually published in Financial Express/ Arthik Lipi Newspapers. The Company is also providing information relating to the material events from time to the investors and to the public at large by faxing the information to the Stock Exchanges as and when happened. These results are not distributed / sent individually to the shareholders. A Management Discussion and Analysis Report forms part of Company's Annual Report

In terms of the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges in India, the un-audited financial results as well as audited financial results and Shareholding Pattern and Corporate Governance Compliance and all important information are electronically submitted, unless there are technical difficulties and are displayed on our website i.e. <http://shreesecindia.com>

6) GENERAL SHAREHOLDER INFORMATION

(a) ANNUAL GENERAL MEETING :

AGM Date, Time and Venue	Thursday, the 30th day of September, 2021 at 12:00 noon. through video conferencing ("VC")/ other audiovisual means ("OAVM")
	As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Director seeking re-appointment at the forthcoming AGM are given herein and in the Annexure to the Notice of the AGM to be held on 30.09.2021
Financial Calendar	1st April, 2020 To 31st March, 2021
Date of Book Closure	24th September, 2021 to 30th September, 2021 (Inclusive of both days)
Listing on Stock Exchanges	1) BSE Limited [Scrip Code : 538975] Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Web: http://www.bseindia.com 2) The Calcutta Stock Exchange Limited [Scrip Code: 10029469] 7, Lyons Range, B. B. D. Bagh, Kolkata-700001, West Bengal
Demat ISIN No. for CDSL and NSDL	INE397C01018
Listing Fee	Paid to the exchanges for the year 2020-2021
Custodial Fees	Paid to the NSDL & CDSL for the year 2020-21

Registrar and Share Transfer
AgentsNiche Technologies Pvt. Ltd.
3A Auckland Place, 7th Floor, Room No. 7A & 7B
Kolkata-700017 (W.B.)
Tel.: +91 33 2280 6616 / 17 / 18
Fax: +91 33 2280 6619
E-mail: nichetechpl@nichetechpl.com**(b) Market Price Data: High-Low During each month in the last Financial Year (In Rs.)**

The Market High & Low during the year are not available since the share have not been started to trade in the market. However, the company had obtained Trading approval from BSE Limited.

7) DISCLOSURES

During the financial year ended March 31, 2021 there were no materially significant related party transactions with the Company's Directors or their relatives. The Company has complied with all the statutory requirements comprised in the Listing Regulations/Guidelines/Rules of the Stock Exchanges/SEBI/other Statutory Authorities.

8) DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2021:

Slab	No. of Shareholders		No. of Ordinary Shares	
	Total	% of Shareholders	Total	% of Shareholders
001-500	282	46.0784	29,037	0.0364
501-1000	26	4.2484	23,189	0.0291
1001-5000	110	17.9739	2,95,100	0.3698
5001-10000	52	8.4967	4,02,395	0.5043
10001-50000	72	11.7647	15,41,140	1.9313
50001-100000	7	1.1438	4,79,964	0.6015
100001 and above	63	10.2941	7,70,29,175	96.5278
Total	612	100.0000	79800000	100.0000

Category of Shareholders as on 31st March, 2021:

CATEGORY	NO. OF SHARES	%
Public	3037232	3.81
Domestic Bodies Corporate	52322918	65.56
Clearing Member & Clearing Corpo.	0	0.00
Promoters & Associates	24439850	30.63
TOTAL	79,800,000	100.000

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Directors have pleasure in presenting the Management Discussion and Analysis Report for the year ended on 31st March, 2021. This Report have been included in consonance with the Code of Corporate Governance as approved by the Securities and Exchange Board of India (SEBI).

The Management of the Company is presenting herein the overview, opportunities, threats and overall strategy of the Company and its outlook for the future. This outlook is based on Management's own assessment and it may vary due to Economic and other future developments in the Country.

ECONOMIC OVERVIEW

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF). According to the Economic Survey 2019- 20 the Indian economy is expected to grow at 7 to 8.25 per cent during FY 2020-21, despite the uncertainties in the global market.

Uncertainties, however, continue to loom over the global economy, which could have a cascading effect on the Indian economy. The build-up of financial vulnerabilities remains a key concern. Non-financial corporate debt has also grown rapidly in some emerging markets, necessitating a policy response. Other factors that could impact global investments are increase in trade barriers and regulatory realignments, while a rise in commodity prices could also adversely affect the non-OPEC (Organization of the Petroleum Exporting Countries) markets.

The overall forecast for the coming years appears positive, with growth rates for many of the Eurozone economies having been revised upwards. Germany, Italy and the Netherlands are, in particular, reflecting stronger momentum in domestic demand and higher external demand. In EMDEs (Emerging Markets & Domestic Economies), pickup of growth in commodity exports (forecast to rise to an average of 3.1% in 2020-21) is expected to boost growth to an average of 4.7% in 2020-21.

The Advance Estimates released by the Central Statistics Office, the growth rate of GDP at constant market prices for the year 2019-2020 is placed at 7.0%, as against 6.5% in 2020-21. The major driver for this estimate is the Government final consumption expenditure in the current year.

INDUSTRY OVERVIEW

There are several large and profitable opportunities for NBFC'S and the sector plays an important role in the Indian Financial system. The key is for the NBFC sector to grow in a prudential manner while focusing on financial innovation and in having in place, the adequate risk management systems and procedures before entering into risky areas.

The Indian financial services sector, comprising of a range of institutions from commercial and co-operative banks, pension funds and Non-Banking Financial Companies (NBFCs) to Mutual Funds, insurance companies, etc., is diverse and expanding rapidly. Over the years, the Government of India has initiated several reforms to liberalize this industry and expand its reach to individuals in the hinterlands and Micro, Small and Medium Enterprises (MSMEs) in need of credit and other financial services. Adding a further dimension, the Government and RBI have also allowed new entities such as Payment Banks and Small Finance Banks to enter the financial sector.

Financing needs in India have risen with the notable growth recorded by the economy over the past decade. NBFCs have played a major role in meeting this need, complementing banks and other financial institutions. The regulator constantly endeavors to balance the multiple objectives of financial stability, consumer and depositor protection and regulatory arbitrage concerns.

The financial sector in India predominantly comprises of the banking sector, with commercial banks accounting for more than 58% of the total assets held by the financial system. However, the role of the NBFC sector has been growing. The balance sheet of the NBFC sector expanded by 16.5% during financial year 2020-21. Despite the growth, NBFCs managed their asset quality better than the banks. Gross bad loans of the NBFC industry stood at 4.4% in March 2019, down from 4.9% in September 2019, when banks in general witnessed a rise. Net NPAs as a percentage of total advances also declined from 2.7% to 2.3%.

STRENGTHS :

At SSL we provide financial services through simple processes and simple procedures in sanction and disbursement of credit as well as timely, friendly and flexible terms of repayment aligned to the unique features of its clientele. Easy and fast appraisal and disbursements make the Company the preferred choice for many of its customers Customer Insight:

CHALLENGES :

Newer regulatory updates pose a constant challenge for smooth operations of the Company. With constant updates governing the functional aspects of financial institutions, there lie unseen challenges in the coming years. Focus on a particular market segment might affect the Company's portfolio & sustainability.

OPPORTUNITIES :

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.

RISING PER CAPITA INCOME :

Increase in per capita income leads to creation of increasing wealth and positively impacts disposable incomes. This results in a significant investment multiplier effect on the Indian economy, further leading to increasing consumerism and wealth creation and positively impacting savings. Rising per capita income and stability in economic growth have played a role in increasing the pace of urbanization in the country. One of the notable factors behind the growth in the housing industry has been easy availability of finance. Availability of low interest rate finance has increased disbursement of loans among several financial players.

THREATS :

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.

WEAKNESS :

The Company does not have strong network & link at remote areas of villages. The Company has significant business presence in the state of West Bengal only. The Company does not have all India

based network and establishments to reach out to large segment of people in the country in both semi-urban and rural areas whereas more than 90% of the unorganized sector has no link with banks and 60% of the rural consumers do not have bank accounts.

RISKS & 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. SSL has a structured and standardized process including customer selection criteria, comprehensive credit risk assessment, which encompasses analysis of relevant quantitative and qualitative information to ascertain the credit worthiness of the borrower.

FINANCIAL PERFORMANCE

The details of the financial performance of the Company is given in the Directors' Report.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control system commensurate with its size and business and has vigilant process to monitor the internal control system. The management has devised its internal control system to safeguard its assets, efficiency in operations and compliance of statutes. The Audit Committee of the Company consisting of Non-Executive Independent Directors, periodically reviews and recommends the financial statements of the Company. The Audit Committee also monitors the implemented suggestions.

HUMAN RESOURCES

The Company strongly believes that its success lies on its employees achieving their personal and professional goals. The Company's constant endeavour is that its employees feel invested in, and in turn, they invest in the Company, its growth and mission.

To foster a positive workplace environment, free from harassment of any nature, the Company has framed a policy for Prevention of Sexual Harassment at Workplace in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and reviews the same periodically.

CAUTIONARY STATEMENT

Statements in the MD&A, describing the Company's objective, projections and estimates, are forward looking statements and progressive within the meaning of applicable security laws and regulations. These statements involve a number of risks, uncertainties and other factors namely; economic conditions, Government Policies that could cause actual results to differ materially from those that may be implied by these forward looking statements.

For and on behalf of board of directors

Place: Kolkata

Date : 29th Day of June, 2021

(Basant Kumar Sharma)
Managing Director cum CEO
DIN : 00084604

DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

To,

Shree Securities Ltd3, Syanagogue Street, Room No. 18G, 3rd Floor,
Kolkata, West Bengal, 700001

I, Basant Kumar Sharma (DIN: 00084604), Managing Director cum CEO of the Company, hereby declare that the Board of Directors have laid down a Code of Conduct for the Board Members and Senior Management of the Company and the Board Members and Senior Management have affirmed compliance with the said Code of Conduct.

Place: Kolkata**Date : 29th Day of June, 2021**

(Basant Kumar Sharma)
Managing Director cum CEO
DIN : 00084604

CEO and CFO CERTIFICATION

We have reviewed financial statements and the Cash Flow statement for the financial year 2020-21 and that to the best of our knowledge and belief:

- i. These statements do not contain any materially untrue statement or omit any material fact or Contain statements that might be misleading ;
- ii. These statements together present a true and fair view of the Company's affairs and comply with existing accounting standards, applicable laws and regulations.

There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year that are fraudulent, illegal or violate of the Company's code of conduct.

We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the Auditors and the Audit Committee:

1. Significant changes in the internal control during the year;
2. Significant changes in the accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements; and
3. Instances of significant fraud and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

For and on behalf of board of directors

Place: Kolkata**Date: 29th Day of June, 2021**

Basant Kumar Sharma
Managing Director cum CEO
DIN: 00084604

Priya Sharma
WTD cum CFO



R. K. KANKARIA & CO

Chartered Accountants

33, BRABOURNE ROAD, 3RD FLOOR

KOLKATA : 700 001

Phone : 2242-5812, (O) 9836121421

E-mail : rajesh.kankaria@gmail.com

ANNEXURE - III

AUDITORS' CERTIFICATION ON CORPORATE GOVERNANCE

To,
The Members of
Shree Securities Limited

We have examined the compliance of conditions of Corporate Governance by **M/s Shree Securities Limited** for the year ended on **31st March, 2021**, as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the Compliance of the Corporate Governance. It is neither an Audit nor an opinion on the financial statement of the Company.

In our opinion and into the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For R. K. KANKARIA & CO.

Chartered Accountants

Firm Reg. No. : 321093E

(R. K. KANKARIA)

(Partner)

M. No. : 082796

Place : Kolkata

Date : 29.06.2021

UDIN : 21082796AAAAID7954



R. K. KANKARIA & CO

Chartered Accountants

33, BRABOURNE ROAD, 3RD FLOOR

KOLKATA : 700 001

Phone : 2242-5812, (O) 9836121421

E-mail : rajesh.kankaria@gmail.com

Auditor's Certificate on Non-Banking Financial Company

To

The Board of Directors,

M/s SHREE SECURITIES LIMITED

As required under Non-Banking Financial Companies Auditors Report (Reserve Bank) Directions, 2016 and on the basis of information and explanation given to us, we report that:

3A)

1. The Company is engaged in the Business of Non-Banking Financial Institution and it has obtained a certificate of Registration from the Reserve Bank of India.
2. On the basis of Balance Sheet & Profit & Loss account for the year ended 31.03.2021 in our opinion the Company is entitled to continue to hold such certificate of Registration in terms of its asset / income pattern.
3. On the basis of Balance Sheet & Profit & Loss account for the year ended 31.03.2021 in our opinion the Company may be classified as **LOAN/ INVESTMENT COMPANY**.

3C)

1. The Board of Directors has passed a resolution for Non-Acceptance of any Public Deposits.
2. The Company has not accepted any deposit from the public during the year ended 31st March 2021.
3. The Company has complied with the prudential Norm relating to the Income Recognition, Accounting Standards, assets classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial (Non-Deposits Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions – 2016.
4. The Company is not a systemically Important Company as defined in Paragraph 2(1)(XIX) of the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016.

For R. K. KANKARIA & CO.

Chartered Accountants

Firm Reg. No. : 321093E

(R. K. KANKARIA)

(Partner)

M. No : 082796

Place: Kolkata

Date: 29th June 2021

UDIN: 21082796AAAAID7954

R. K. KANKARIA & CO

Chartered Accountants

33, BRABOURNE ROAD, 3RD FLOOR

KOLKATA : 700 001

Phone : 2242-5812, (O) 9836121421

E-mail : rajesh.kankaria@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the Members of M/s. Shree Securities Limited

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying financial statements of Shree Securities Limited ("the Company") which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 (financial position) of the Company as at March 31, 2021, and profit/loss (financial performance) and its cash flows for the year ended on that date..

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the 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 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Ind AS Standalone Financial statements as a whole, and informing 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:

SN	Key Audit Matter	Auditor's Response
1	<p>Revenue Recognition and NPA</p> <p>Refer note 1, 14 and 3 of accompanied financial statements</p> <p>The Company has to comply with prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in the terms of NBFC – Non Systemically Important Non Deposit taking company (Reserve Bank) Directions, 2016.</p>	<p>Our procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> Obtained an understanding of management's process and evaluated design and tested operating effectiveness of controls around compliance with prudential norms encompassing income recognition, income from investments, accounting standards, accounting for investments, asset classification, provisioning for bad and doubtful debts in the terms of Directions. Examination of whether the management has framed and implemented policy for grant and demand of loans and other credit facilities. Examination of whether advances and other credit facilities have been properly classified as standard/sub standard/doubtful/loss and that proper provision has been made in accordance with the Directions. Examination in respect of a Non-Performing Assets, whether the unrealised income in respect of such assets has not been taken to

the Profit & Loss Account on accrual basis.

- Examination of whether all accounts which have been classified as NPAs in the previous year also continue to be shown as such in the current year also. If the same is not treated as a NPA in the current year, specific examination of such accounts to ascertain whether the account has become regular and the same can be treated as performing as per the Directions.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure 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 during the course of our audit or otherwise appears to be materially misstated.

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

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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 Companies Act, 2013, we give in the **Annexure-A** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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, and the Cash Flow Statement 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 Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure-B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.

R. K. KANKARIA & CO

Chartered Accountants

KOLKATA : 700 001

Phone : 2242-5812, (O) 9836121421

E-mail : rajesh.kankaria@gmail.com

- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impacts its financial position in its 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.

For R. K. KANKARIA & CO.

Chartered Accountants

Firm Reg. No.: 321093E

(R. K. KANKARIA)

Partner

M. No.: 082796

Place: Kolkata

Date: 29.06.2021

UDIN: 21082796AAAAID7954

Annexure "A" to the Independent Auditor's Report

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

- I. In respect of its fixed assets:
 - (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets of the Company are physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification. In our opinion the periodicity of the physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) According to the information and explanations given to us, the Company does not have immovable property. Thus, paragraph 3(i) (c) of the Order is not applicable to the Company.
- II. In respect of its Inventories:
The Company does not hold any inventory within the meaning of inventories, as defined in Accounting Standard -2. So in our opinion, Paragraph 3(ii) of the order is not applicable to the Company.
- III. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties covered in the Register maintained under Section 189 of the Act. So in our opinion the provisions of paragraph 3(iii) (a), 3(iii) (b) and 3(iii) (c) of the Order are not applicable.
- IV. The Company is a Non-Banking Financial Company and it has complied with the provisions of section 185 & 186 of the Act, to the extent applicable to the Company.
- V. The Company has not accepted any deposits from the public.

- VI. The Central Government has not specified maintenance of cost records under section 148 (1) of the Act for any of the services rendered by the Company.
- VII. In respect of statutory dues:
- (a) According to the records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service Tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited to the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as on last day of the financial year concerned for a period of more than six months from the date they became payable.
- (b) There are no dues in respect of income-tax, sales-tax, service tax or duty of customs or duty of excise or value added tax or GST that have not been deposited with the appropriate authorities on account of any dispute.
- VIII. The Company has no dues payable to a financial institution, Bank, Government or to debenture-holders during the year. Accordingly, the provision of paragraph 3(viii) of the Order is not applicable.
- IX. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loan during the year. Accordingly, the provision of paragraph 3(ix) of the Order is not applicable.
- X. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or any material fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.
- XI. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.
- XII. In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- XIII. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with the provision of section 177 & 188 of the Act, where applicable and details of such transactions have been disclosed in the notes to financial statements as required by the applicable accounting standards.
- XIV. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- XV. The company has not entered into any non-cash transactions with its directors or persons connected with him, so the provisions of section 192 of the Act is not required to be complied with.
- XVI. The company is Non-Banking Financial Company and is duly registered under section 45-IA of the Reserve Bank of India Act, 1934.

For R. K. KANKARIA & CO.

Chartered Accountants

Firm Reg. No. : 321093E

R. K. KANKARIA

Partner

M. No. : 082796

Place: Kolkata

Date: 29-06-2021

UDIN: 21082796AAAAID7954

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS OF SHREE SECURITIES LIMITED

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

To the members of M/s. Shree Securities Limited

We have audited the internal financial controls over financial reporting of M/s. Shree Securities Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and

expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For R. K. KANKARIA & CO.

Chartered Accountants

Firm Reg. No. : 321093E

R. K. KANKARIA

Partner

M. No. : 082796

Place: Kolkata

Date: 29-06-2021

UDIN: 21082796AAAAID7954

BALANCE SHEET AS AT 31ST MARCH, 2021

Sr. No	Particulars	Note No.	As at 31.03.2021	As at 31.03.2020
	ASSETS			
(1)	Financial Assets			
(a)	Cash and cash equivalents	4	1,19,14,617	1,16,998
(b)	Bank Balance other than (a) above			
(c)	Derivative financial instruments			
(d)	Receivables			
	(I) Trade Receivables			
	(II) Other Receivables			
(e)	Loans	5	5,27,13,815	6,31,45,306
(f)	Investments	6	15,40,73,661	14,29,70,874
(g)	Other Financial assets (to be specified)			
(2)	Non-financial Assets			
(a)	Inventories			
(b)	Current tax assets (Net)	7	5,93,267	23,66,074
(c)	Deferred tax Assets (Net)	8	-	-
(d)	Investment Property			
(e)	Biological assets other than bearer plants			
(f)	Property, Plant and Equipment	9	2,020	2,020
(g)	Capital work-in-progress			
(h)	Intangible assets under development			
(i)	Goodwill			
(j)	Other Intangible assets			
(k)	Other non -financial assets (to be specified)			
	Total Assets		21,92,97,380	20,86,01,272
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	Financial Liabilities			
(a)	Derivative financial instruments			
(b)	Payables			
	(I) Trade Payables			
	(i) total outstanding dues of micro enterprises and small enterprises			
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises			
	(II) Other Payables			
	(i) total outstanding dues of micro enterprises and small enterprises			
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises			
(c)	Debt Securities			
(d)	Borrowings (Other than Debt Securities)			
(e)	Deposits			
(f)	Subordinated Liabilities			
(g)	Other financial liabilities (to be specified)			
(2)	Non-Financial Liabilities			
(a)	Current tax liabilities (Net)			
(b)	Provisions	10(a)	36,28,022	36,54,101
(c)	Deferred tax liabilities (Net)	8	-	-
(d)	Other non-financial liabilities (to be specified)	10(b)	72,883	48,269
	EQUITY			
(a)	Equity Share capital	11	79,80,00,000	79,80,00,000
(b)	Other Equity	12	(58,24,03,525)	(59,31,01,097)
	Total Liabilities and Equity		21,92,97,380	20,86,01,272
	Summary of significant accounting policies See accompanying notes forming part of the Financial Statements	1-26		

As per our Report of even date.

FOR R. K. KANKARIA & CO
Chartered Accountants
Firm Reg. No. 321093E
CA. Rajesh Kumar Kankaria
(Partner)
Membership No. 082796
Dated: 29.06.2021
UDIN: 21082796AAAID7954

For and on Behalf of the Board of Directors

Basant Kumar Sharma
Managing Director
DIN: 00084604

Priya Sharma
WTD Cum CFO
DIN: 08350443

Raksha Kumari
Company Secretary
ACS: 46084

PROFIT AND LOSS FOR YEAR ENDED 31ST MARCH, 2021

Sr. No	Particulars	Note No.	For the year ended 31.03.2021	For the year ended 31.03.2020
	Revenue from operations			
(i)	Interest Income	13	41,67,978	44,83,056
(ii)	Dividend Income			
(iii)	Rental Income			
(iv)	Fees and commission Income			
(v)	Net gain on fair value changes	14		
(vi)	Net gain on derecognition of financial instruments under amortised cost category			
(vii)	Sale of products(including Excise Duty)			
(viii)	Sale of services			
(ix)	Others (to be specified)			
(I)	Total Revenue from operations		41,67,978	44,83,056
(II)	Other Income (to be specified)	15	1,01,775	1,76,699
(III)	Total Income (I+II)		42,69,753	46,59,755
	Expenses			
(i)	Finance Costs			
(ii)	Fees and commission expense			
(iii)	Net loss on fair value changes	14	22,59,561	34,22,149
(iv)	Net loss on derecognition of financial instruments under amortised cost category			
(v)	Impairment on financial instruments	16	-	-
(vi)	Cost of materials consumed			
(vii)	Purchases of Stock -in -trade			
(viii)	Changes in Inventories of finished goods, stock-in-trade and work -in - progress			
(ix)	Employee Benefits Expenses	17	7,34,000	6,90,000
(x)	Depreciation, amortization and impairment	9	-	-
(xi)	Others expenses	18	17,07,485	11,73,909
(IV)	Total Expenses (IV)		47,01,046	52,86,058
(V)	Profit / (loss) before exceptional items and tax (III - IV)		(4,31,293)	(6,26,303)
(VI)	Exceptional items		-	-
(VII)	Profit/(loss) before tax (V -VI)		(4,31,293)	(6,26,303)
(VIII)	Tax Expense:			
	(1) Current Tax		-	-
	(2) Deferred Tax		-	-
(IX)	Profit / (loss) for the period from continuing operations(VII-VIII)		(4,31,293)	(6,26,303)
(X)	Profit/(loss) from discontinued operations		-	-
(XI)	Tax Expense of discontinued operations		-	-
(XII)	Profit/(loss) from discontinued operations(After tax) (X-XI)		-	-
(XIII)	Profit/(loss) for the period (IX+XII)		(4,31,293)	(6,26,303)
(XIV)	Other Comprehensive Income			
	(A) (i) Items that will not be reclassified to profit or loss (specify items and amounts)		1,11,02,787	(2,79,997)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Subtotal (A)		1,11,02,787	(2,79,997)
	(B) (i) Items that will be reclassified to profit or loss (specify items and amounts)		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Subtotal (B)		-	-
	Other Comprehensive Income (A + B)		1,11,02,787	(2,79,997)
(XV)	Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and other Comprehensive Income for the period)		1,06,71,494	(9,06,300)
(XVI)	Earnings per equity share (for continuing operations)			
	Basic (Rs.)		(0.005)	(0.008)
	Diluted (Rs.)		(0.005)	(0.008)
(XVII)	Earnings per equity share (for discontinued operations)			
	Basic (Rs.)		-	-
	Diluted (Rs.)		-	-
(XVIII)	Earnings per equity share (for continuing and discontinued operations)			
	Basic (Rs.)		(0.005)	(0.008)
	Diluted (Rs.)		(0.005)	(0.008)
	See accompanying notes to the financial statements	1-26		

As per our Report of even date.

FOR R. K. KANKARIA & CO
Chartered Accountants
Firm Reg. No. 321093E

For and on Behalf of the Board of Directors

CA. Rajesh Kumar Kankaria
(Partner)
Membership No. 082796
Dated: 29.06.2021
UDIN: 21082796AAAAID7954

Basant Kumar Sharma
Managing Director
DIN: 00084604

Priya Sharma
WTD Cum CFO
DIN: 08350443

Raksha Kumari
Company Secretary
ACS: 46084

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

SN	Particulars	Year Ended 31.03.2021	Year Ended 31.03.2020
(A)	CASH FLOW FROM OPERATING ACTIVITIES		
	Total Comprehensive Income for the period	(4,31,293)	(9,59,977)
	Adjustment for:		
	Tax Expenses		
	Fixed Assets W/Off		
	Depreciation	-	-
	Impairment of Asset carried at amortised cost or FVTOCI		
	Net Loss / (Gain) in Fair Value Changes through PorL	-	2,79,997
	Interest on Fixed Deposit		
	Lending Fee on shares		
	Net Loss / (Gain) in Fair Value Changes through OCI after Tax		
	Dividend Paid		
	Interest Income on Investments		
	Operating Profit before Working Capital Changes	(4,31,293)	(6,79,980)
	Adjustment for :-		
	Change in Other Financial Liabilities	26,614	4,829
	Change in Trade Receivables/Other Receivable		
	Change in Other Financial Assets		
	Loan Provided		
	Cash Generated from Operations	(4,06,679)	(6,75,151)
	Less : Direct Taxes Paid	17,72,807	53,677
	Cash Inflow(+)/Outflow(-) before Extra Ordinary Items	13,66,128	(6,21,474)
	Add(+)/Deduct(-) Prior Period Adjustments	-	-
	Net Cash Inflow(+)/Outflow(-) in Operating Activities	13,66,128	(6,21,474)
(B)	CASH FLOW FROM INVESTING ACTIVITIES		
	Lending Fee on shares		-
	Dividend Income		
	Loans and Advances Given	1,04,31,491	(2,14,70,942)
	Current Tax Asset(Net)	-	13,46,961
	Sale/ (Purchase) of Investments		
	Net Cash Inflow(+)/Outflow(-) in Investing Activities	1,04,31,491	(2,01,23,981)
(C)	CASH FLOW FROM FINANCING ACTIVITIES		
	Loan Taken		
	Net Cash Inflow(+)/Outflow(-) in Financing Activities		
(D)	NET INCREASE IN CASH & CASH EQUIVALENTS (A+B+C)	1,17,97,619	(2,07,45,455)
(E)	OPENING CASH AND CASH EQUIVALENTS	1,16,998	2,08,62,454
(F)	CLOSING CASH AND CASH EQUIVALENTS	1,19,14,617	1,16,998

As per our Report of even date.

FOR R. K. KANKARIA & CO
Chartered Accountants
Firm Reg. No. 321093E

For and on Behalf of the Board of Directors

CA. Rajesh Kumar Kankaria
(Partner)
Membership No. 082796
Dated: 29.06.2021
UDIN: 21082796AAAAID7954

Basant Kumar Sharma
Managing Director
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WTD cum CFO
DIN: 08350443

Raksha Kumari
Company Secretary
ACS: 46084

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021 AND COMPARATIVE PERIOD

a) Equity Share Capital

Particulars	Amount
Balance as at April 1, 2020	79,80,00,000
Changes in equity share capital during the year	-
Balance as at March 31, 2021	79,80,00,000
Issue of Equity shares	-
Balance as at March 31, 2021	79,80,00,000

(b)(i) OTHER EQUITY FOR YEAR ENDED 31ST MARCH, 2021

Particulars	Reserves and Surplus				Fair Valuation of Equity Investment	Total
	Capital Reserve and Reserve Fund	Special Reserve (RBI)	Amalgamation Reserve	Retained Earnings		
Balance at the beginning of the reporting period	-	5,35,916	16,11,34,330	(83,93,341)	(74,63,78,002)	(59,31,01,097)
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	5,35,916	16,11,34,330	(83,93,341)	(74,63,78,002)	(59,31,01,097)
Total comprehensive Income for the year	-	-	-	(4,31,293)	1,11,02,787	1,06,71,494
Contingent Provision for Standard Assets	-	-	-	26,079	-	26,079
Transfer to retained earnings	-	-	-	-	-	-
Transfer to Statutory Reserve	-	-	-	-	-	-
Balance at the end of the reporting period	-	5,35,916	16,11,34,330	(87,98,556)	(73,52,75,215)	(58,24,03,525)

(ii) OTHER EQUITY FOR YEAR ENDED 31ST MARCH, 2020

Particulars	Reserves and Surplus				Fair Valuation of Equity Investments	Total
	Capital Reserve and Reserve Fund	Special Reserve (RBI)	Amalgamation Reserve	Retained Earnings		
Balance at the beginning of the reporting period	-	5,35,916	16,11,34,330	(77,13,361)	(74,60,98,005)	(59,21,41,120)
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	5,35,916	16,11,34,330	(77,13,361)	(74,60,98,005)	(59,21,41,120)
Total comprehensive Income for the year	-	-	-	(6,26,303)	(2,79,997)	(9,06,300)
Contingent Provision for Standard Assets	-	-	-	(53,677)	-	(53,677)
Transfer to retained earnings	-	-	-	-	-	-
Transfer to Statutory Reserve	-	-	-	-	-	-
Balance at the end of the reporting period	-	5,35,916	16,11,34,330	(83,93,341)	(74,63,78,002)	(59,31,01,097)

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

1. CORPORATE INFORMATION

The Company was incorporated on 23rd day of February, 1994 vide Corporate Identity No. L65929WB1994PLC061930 with the object to carry on the business of Finance and Investment in Shares and Securities.

M/s Shree Securities Limited, stands as a professionally managed company wherein the overall management is vested in the Board of Directors, comprised of experienced persons in varied facets of the sector.

2. SIGNIFICANT ACCOUNTING POLICIES

I. Statement of compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. The Company has adopted Ind AS from April 1, 2019 with effective transition date as April 1, 2018. These financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 (the "Act"). The transition was carried out from 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" or "previous GAAP"). An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note no 3.

II. Presentation of financial statements

The Balance Sheet, Statement of Profit and Loss (including other comprehensive income) and Statement of changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS. Amounts in the financial statements are presented in Indian Rupees.

III. Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value at the end of each reporting period as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services at the time of entering into the transaction.

Measurement of fair values:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

Items	Measurement Basis
Certain financial assets and liabilities	Fair value
Property, plant and equipment	Value in use under Ind AS 36

Fair value for measurement and/or disclosure purposes for certain items in these financial statements is determined considering following methods: Fair value measurements under Ind AS are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

a) Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date

b) Level 2: inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

c) Level 3: inputs are unobservable inputs for the valuation of assets or liabilities that the Company can access at measurement date. For details relating to valuation model and framework used for fair value measurement and disclosure of financial instrument refer to note 22.

IV. Use of estimates and judgements

The preparation of financial statements requires the management of the Company to make judgements, assumptions and estimates that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses for the reporting period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in the financial statements have been disclosed as applicable in the respective notes to accounts. Accounting estimates could change from period to period. Future results could differ from these estimates. Appropriate changes in estimates are made as the Management 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.

Judgements:

Information about judgements made in applying accounting policies that have a most significant effect on the amount recognized in the financial statements is included following Notes:

-classification of financial assets: assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment during the year ending March 31, 2021 is included in the following Notes: -

Note (10) - useful life of property, plant, equipment and intangibles.

Note (9) - recognition of deferred tax assets: availability of future taxable profit against which carry forward deferred tax asset can be set off.

Note (22) - determination of the fair value of financial instruments with significant unobservable inputs.

V. Interest

Interest consists of consideration for (i) the time value of money; (ii) for the credit risk associated with the principal amount outstanding; (iii) for other basic lending risks and costs; and (iv) profit margin.

Interest income and expense are recognized using the effective interest method. The effective interest rate (EIR) is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument to the gross carrying amount of the financial asset or amortised cost of the financial liability.

The calculation of the EIR includes all fees paid or received that are incremental and directly attributable to the acquisition or issue of a financial asset or liability.

The interest income is calculated by applying the EIR to the gross carrying amount of noncredit 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. at the amortised cost of the financial asset after adjusting for any expected credit loss allowance (ECLs)). The Company assesses the collectability of the interest on credit impaired assets at each reporting date. Based on the outcome of such assessment, the interest income accrued on credit impaired financial assets are either accounted for as income or written off as per the write off policy of the Company.

The interest cost is calculated by applying the EIR to the amortised cost of the financial liability.

The 'amortised cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance.

The 'gross carrying amount of a financial asset' is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

VI. Dividend Income

Income from dividend on investment in equity and preference shares of corporate bodies and units of mutual funds are accounted when received or on accrual basis when such dividends have been declared by the corporate bodies in their annual general meetings and the CIC's right to receive payment is established.

VII. Financial Instruments

Financial assets and financial liabilities are recognized in the Company's balance sheet on trade date when the Company becomes a party to the contractual provisions of the instrument. A loan is recorded upon remittance of the funds to the counterparty/obligor. Recognized financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at Fair Value Through Profit and Loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in the statement of profit or loss.

If the transaction price differs from fair value at initial recognition, the Company will account for such difference as follows:

a) if fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognized in profit or loss on initial recognition (i.e. day 1 profit or loss);

b) in all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e. day 1 profit or loss will be deferred by including it in the initial carrying amount of the asset or liability).

After initial recognition, the deferred gain or loss will be released to profit or loss on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

a) Financial assets

Classification

On initial recognition, depending on the Company's business model for managing the financial assets and its contractual cash flow characteristics, a financial asset is classified as measured at:

- 1) amortised cost;
- 2) fair value through other comprehensive income (FVTOCI); or
- 3) fair value through profit and loss (FVTPL).

Initial recognition and measurement

A financial asset is recognized on trade date initially at cost of acquisition net of transaction cost and income that is attributable to the acquisition of the financial asset. Cost equates the fair value on acquisition. A financial asset measured at amortised cost and a financial asset measured at fair value through other comprehensive income is presented at gross carrying value in the Financial Statements. Unamortised transaction cost and incomes and impairment allowance on financial asset is shown separately under the heading "Other non-financial asset", "Other non-financial liability" and "Provisions" respectively.

Assessment of Business model

An assessment of the applicable business model for managing financial assets is fundamental to the classification of a financial asset. The Company determines the business models at a level that reflects how financial assets are managed together to achieve a particular business objective. The Company's business model does not depend on management's intentions for an individual instrument, therefore the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis. The Company could have more than one business model for managing its financial instruments which reflect how the Company manages its financial assets in order to generate cash flows. The Company's business models determine whether cash flows will result from collecting contractual cash flows, selling financial assets or both. The Company considers all relevant information available when making the business model assessment. The Company takes into account all relevant evidence available such as:

- 1) how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel and board of directors;
- 2) the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed; and
- 3) how managers of the business are compensated (e.g. whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- 4) At initial recognition of a financial asset, the Company determines whether newly recognized financial assets are part of an existing business model or whether they reflect the commencement of a new business model. The Company reassesses its business models at each reporting period to determine whether the business model/(s) have changed since the preceding period. For the current and prior reporting period the Company has not identified a change in its business model.

Based on the assessment of the business models, the Company has identified the three following choices of classification of financial assets:

- a) Financial assets that are held within a business model whose objective is to collect the contractual cash flows ("Asset held to collect contractual cash-flows"), and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are measured at amortised cost;
- b) 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 Asset collected through hold and sell model") and that have contractual cash flows that are SPPI, are subsequently measured at FVTOCI.
- c) All other financial assets (e.g. managed on a fair value basis, or held for sale) and equity investments are subsequently measured at FVTPL.

Financial asset at amortised cost

Amortised cost of financial asset is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. For the purpose of testing SPPI, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Contractual cash flows that do not introduce exposure to risks or volatility in the contractual cash flows on account of changes such as equity prices or commodity prices and are related to a basic lending arrangement, do give rise to SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

The EIR amortisation is included in finance income in the profit and loss statement. The losses arising from impairment are recognized in the profit and loss statement.

Financial asset at Fair Value through Other Comprehensive Income (FVTOCI)**Loans & Advances:**

After initial measurement, basis assessment of the business model as "Contractual cash flows of asset collected through hold and sell model and SPPI", & equity instruments such financial assets are classified to be measured at FVTOCI. Contractual cash flows that do introduce exposure to risks or volatility in the contractual cash flows due to changes such as equity prices or commodity prices and are unrelated to a basic lending arrangement, do not give rise to SPPI. The EIR amortisation is included in finance income in the profit and loss statement. The losses arising from impairment are recognized in the profit and loss statement. The carrying value of the financial asset is fair valued by discounting the contractual cash flows over contractual tenure basis the internal rate of return of a new similar asset originated in the month of reporting and such unrealised gain/loss is recorded in other comprehensive income (OCI). Where such a similar product is not originated in the month of reporting, the closest product origination is used as a proxy. Upon sale of the financial asset, actual gain/loss realised is recorded in the profit and loss statement and the unrealised gain/ loss recorded in OCI are recycled to the statement of profit and loss.

Investments in equity instruments:

At initial recognition an entity at its sole option may irrevocably designate an investment in an equity instrument as FVOCI, unless the asset is:

- Held for trading, or
- Contingent consideration in a business combination.

Dividends are recognized when the entity's right to receive payment is established, it is probable the economic benefits will flow to the entity and the amount can be measured reliably. Dividends are recognized in profit and loss unless they clearly represent recovery of a part of the cost of the investment, in which case they are included in OCI. Changes in fair value are recognized in OCI and are never recycled to profit and loss, even if the asset is sold or impaired.

Financial asset at fair value through profit and loss (FVTPL)

Financial asset, which does not meet the criteria for categorization at amortized cost or FVTOCI, is classified as FVTPL. In addition, the Company may elect to classify a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as FVTPL. However, such election is allowed only if doing so reduces or eliminates a

measurement or recognition inconsistency (referred to as 'accounting mismatch'). Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Investment in equity, security receipt, mutual fund, non-cumulative redeemable preference shares and cumulative compulsorily convertible preference shares

Investment in equity, security receipt, mutual fund, non-cumulative redeemable preference shares and cumulative compulsorily convertible preference shares are classified as FVTPL and measured at fair value with all changes recognized in the statement of profit and loss. Upon initial recognition, the Company, on an instrument-by-instrument basis, may elect to classify equity instruments other than held for trading either as FVTOCI or FVTPL. Such election is subsequently irrevocable. If FVTOCI is elected, all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of the gains or losses from OCI to the statement of profit and loss, even upon sale of investment. However, the Company may transfer the cumulative gain or loss within other equity upon realisation.

Reclassifications within classes of financial assets

A change in the business model would lead to a prospective re-classification of the financial asset and accordingly the measurement principles applicable to the new classification will be applied. During the current financial year and previous accounting period there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made.

VIII. Impairment of Financial Asset

The Company is required to recognise Expected Credit Losses (ECLs) based on forward looking information for all financial assets at amortised cost, lease receivables, debt financial assets at fair value through other comprehensive income, loan commitments and financial guarantee contracts. No impairment loss is applicable on equity investments.

At the reporting date, an allowance (or provision for loan commitments and financial guarantees) is required on stage 1 assets at 12 month ECLs. If the credit risk has significantly increased since initial recognition (Stage 1), an allowance (or provision) should be recognized for the lifetime ECLs for financial instruments for which the credit risk has increased significantly since initial recognition (Stage 2) or which are credit impaired (Stage 3).

The measurement of ECL is calculated using three main components: (i) Probability of Default (PD) (ii) Loss Given Default (LGD) and (iii) the Exposure At Default (EAD). The 12 month ECL is calculated by multiplying the 12 month PD, LGD and the EAD. The 12 month and lifetime PDs represent the PD occurring over the next 12 months and the remaining maturity of the instrument respectively. The EAD represents the expected balance at default, taking into account the repayment of principal and interest from the balance sheet date to the default event together with any expected drawdowns of committed facilities. The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money.

The Company applies a three-stage approach to measure ECL on financial assets accounted for at amortised cost and FVOCI. Assets migrate through the following three stages based on the change in credit quality since initial recognition.

Impairment of Trade receivable and Operating lease receivable

Impairment allowance on trade receivables is made on the basis of life time credit loss method, in addition to specific provision considering the uncertainty of recoverability of certain receivables.

Modification and De-recognition of financial assets

Modification of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. The Company renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness). Such accounts are classified as Stage 3 immediately upon such modification in the terms of the contract.

Not all changes in terms of loans are considered as renegotiation and changes in terms of a class of obligors that are not overdue is not considered as renegotiation and is not subjected to deterioration in staging.

De-recognition of 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:

- 1) the rights to receive cash flows from the asset have expired, or
- 2) the Company has transferred its rights to receive cash flows from the asset and 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.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Write-off

Impaired loans and receivables are written off, against the related allowance for loan impairment on completion of the Company's internal processes and when the Company concludes that there is no longer any realistic prospect of recovery of part or all of the loan. For loans that are individually assessed for impairment, the timing of write off is determined on a case by case basis. A write-off constitutes a de-recognition event. The Company has right to apply enforcement activities to recover such written off financial assets. Subsequent recoveries of amounts previously written off are credited to the Statement of Profit and Loss.

Presentation of ECL allowance for financial asset:

Type of Financial asset	Disclosure
Financial asset measured at amortised cost	shown separately under the head "Provisions" and not as a deduction from the gross carrying amount of the assets
Financial assets measured at FVTOCI	
Loan commitments and financial guarantee contracts	shown separately under the head "Provisions"

Where a financial instrument includes both a drawn and an undrawn component and the Company cannot identify the ECL on the loan commitment separately from those on the drawn component, the Company presents a combined loss allowance for both components under "Provisions".

IX. Financial liability and equity

Financial liabilities and equity Debt and equity instruments issued are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company or a contract that will or may be settled in the Company's own equity instruments and is a non-derivative contract for which the Company is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Company's own equity instruments.

Classification

The Company classifies its financial liability as "Financial liability at amortised cost" except for financial liability at Fair Value through Profit and Loss (FVTPL).

Initial recognition and measurement

Financial liability is recognized initially at cost of acquisition net of transaction costs and incomes that is attributable to the acquisition of the financial liability. Cost equates the fair value on acquisition. Company may irrevocably designate a financial liability that meet the amortised cost as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (referred to as the fair value option).

De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognized in profit or loss.

Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

No gain/loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

X. Cash, Cash equivalents and bank balances

Cash, Cash equivalents and bank balances including fixed deposits, margin money deposits, and earmarked balances with banks are carried at amortised cost. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

XI. Property, plant and equipment**(a) Tangible**

Tangible property, plant and equipment (PPE) acquired by the Company are reported at acquisition cost less accumulated depreciation and accumulated impairment losses, if any. The acquisition cost includes any cost attributable for bringing asset to its working condition net of tax/duty credits availed, which comprises of purchase consideration, other directly attributable costs of bringing the assets to their working condition for their intended use. PPE is recognized when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

(b) Intangible

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets. Expenses on software support and maintenance are charged to the Statement of Profit and Loss during the year in which such costs are incurred.

(c) Depreciation and Amortisation

Depreciable amount for tangible PPE is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible PPE deployed for own use has been provided on the straightline method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of Buildings, Computer Equipment, Vehicles, Plant and Machinery, Software, Licenses, Furniture and Fixture and Office Equipment in whose case the life of the assets has been assessed based on the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, etc. Depreciation method is reviewed at each financial year end to reflect expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end with the effect of any change in the estimation of useful life/residual value which is accounted on prospective basis. Depreciation for additions to/deductions from, owned assets is calculated pro rata to the remaining period of use. Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Intangible Assets are amortised over the estimated useful life during which the benefits are expected to accrue, while Goodwill if any is tested for impairment at each Balance Sheet date. The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis. Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

(d) De-recognition of property, plant and equipment and intangible asset

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit or Loss. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in the Statement of Profit or Loss when the asset is derecognised.

XII. Employee Benefits

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related service. The cost of short-term compensated absences is accounted as under:

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

The company does not have any Defined Benefit/Contribution Plan, neither any Long term Employee Benefit as such.

XIII. Earnings per share

Basic earnings per share has been computed by dividing the profit after tax available for equity shareholders by the weighted average number of shares outstanding during the year. Partly paid up shares are included as fully paid equivalents according to the fraction paid up. Diluted earnings per share has been computed using the weighted average number of shares and dilutive potential shares, except where the result would be anti-dilutive.

XIV. Taxation

Income Tax

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the Statement of Profit and Loss, Other Comprehensive Income or directly in equity, when they relate to items that are recognized in the respective line items.

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date. Current tax asset and liabilities are offset only if there is a legally enforceable right to set off the recognized amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred Tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that

future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

XV. Goods and Services Tax

The company does not deal in taxable goods and service under GST but the company pays Sitting Fees to its Directors which is liable to GST under Reverse Charge Mechanism, hence the company is registered under Goods and Service Tax Act. Any GST input Tax credit is expensed as per relevant accounting standard for the expenses.

XVI. Provisions, contingent liabilities and contingent assets

Provisions are recognized only when:

- (i) an entity has a present obligation (legal or constructive) as a result of a past event; and
- (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- (iii) a reliable estimate can be made of the amount of the obligation

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

- (i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- (ii) a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are disclosed where an inflow of economic benefits is probable. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognized and measured as a provision.

Contingent assets are not recognized in the financial statements.

XVII. Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- i. changes during the period in operating receivables and payables transactions of a noncash nature;
- ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; and
- iii. all other items for which the cash effects are investing or financing cash flows

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

XVIII. FIRST TIME ADOPTION OF IND AS (read with note 2(i))

The Company has adopted Ind AS as notified by the Ministry of Corporate Affairs with effect from April 1, 2019, with a transition date of April 1, 2018. The Financial Statements for the year ended March 31, 2020 are the first financial statements that the Company has prepared under Ind AS. For all years up to and including the year ended March 31, 2019, the Company prepared its Financial Statements in accordance with Previous GAAP.

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared Financial Statements which comply with Ind AS for the year ended March 31, 2019 and the opening Ind AS Balance Sheet as at April 1, 2018, the date of transition to Ind AS.

In preparing these Ind AS Financial Statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as in Note 3. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognized directly in equity (retained earnings or another appropriate category of equity). Note 3 explains the adjustments made by the Company in restating its Financial Statements prepared under Previous GAAP, including the Statement of Profit and Loss account for the year ended March 31, 2019 and the Balance Sheet as at April 1, 2018 and as at March 31, 2019.

Note: 4 Cash And Cash Equivalents			
	Particulars	As at March 31st, 2021	As at March 31st, 2020
	Cash on hand	1,17,511	7,261
	Balances with banks (in the nature of cash and cash equivalents)	1,17,97,106	1,09,737
	Cheques, drafts on hand	-	-
	Total	1,19,14,617	1,16,998

Note: 5 Loans			
Particulars	As at March 31st, 2021	As at March 31st, 2020	
At Amortised Cost:			
(A)			
i. Bills Purchased and Bills discounted			
ii. Loans repayable on demand			
iii. Term Loans			
Total (A)			
(B)			
i. Secured by tangible assets			
ii. Secured by intangible assets			
iii. Covered by Bank / Government Guarantees			
iv. Unsecured	5,27,13,815	6,31,45,306	
Total (B)	5,27,13,815	6,31,45,306	
(C)			
(I) Loans in India			
i. Public Sector			
ii. Others			
(II) Loans outside India			
Total (C)			
Total	5,27,13,815	6,31,45,306	

Note: 6 Investments

Particulars	Face value per unit `	As at March 31, 2021		As at March 31, 2020	
		no. of units	Rs.	no. of units	Rs.
(A)					
(a) Mutual Funds					
Total (a)					
(b) Government Securities					
(c) Other Approved Securities					
IRB Inv Fund					
Total (c)					
(d) Debt Securities					
(e) Equity Instruments:					
-Subsidiaries					
-Associates					
1. Investments in Equity Shares					
i. (Valued at Fair Value through OCI) (Unquoted)					
Brg Iron & Steel Co Pvt.Ltd		3,05,46,667	1	3,05,46,667	1
Rabirun Vinimay Pvt.Ltd.		68,20,500	1	68,20,500	1
Narottamka Commodities Pvt Ltd		681	14,94,04,659	681	14,18,03,622
Total (i)		-	14,94,04,661	-	14,18,03,624
ii. (Valued at Fair Value through Profit or Loss) (Quoted)					
Mangalam Industrial Finance Limited		50,75,000	46,69,000	50,75,000	11,67,250
Total (ii)			46,69,000		11,67,250
Less: Provision For Diminution in value of Assets			-		-
Total (1 = i + ii)		-	15,40,73,661	-	14,29,70,874
2. Investments in Preference Shares					
i. (Valued at Fair Value through FVTPL) (Quoted)					
Total (2)					
Total (e = 1+2)		-	15,40,73,661	-	14,29,70,874
Total (A)		-		-	
(B)					
(a) Investment in India		-		-	
(b) Investment Outside India		-		-	
Total (B)		-		-	
Total		-	15,40,73,661	-	14,29,70,874

BRG Iron & Steel Co Pvt Ltd and Rabirun Vinimay Pvt Ltd Share's values have been reduced to zero, FV Gain through OCI in respect of these shares has been reversed and original cost as on 01/04/2018 has been debited to profit and loss as an impairment loss.

Note:
7

Current Tax Assets

Particulars	As at March 31st, 2021	As at March 31st, 2020
Tax Deducted at Source (Net of Provision)	5,72,367	23,45,174
Deposit	20,900	20,900
Total	5,93,267	23,66,074

Note:
8

The Major Components of Deferred Tax Assets and Liabilities as at March 31, 2021 are as follows:

Deferred Tax Asset (net)	Opening Balance	Recognized / Reversed Through Profit and Loss	Recognized Directly in Equity	Recognized / Reclassified from Other Comprehensive Income	Closing Balance
Deferred Tax Assets :-					
(a) Impairment loss allowance - Stage III	-	-	-	-	-
(b) Impairment loss allowance - Stage I & II	-	-	-	-	-
(c) Depreciation on Property, plant and equipment	-	-	-	-	-
Deferred Tax Liabilities :-					
(c) Gain on Fair Valuation of Equity Instruments (Consolidated Gain)	-	-	-	-	-
Deferred Tax Asset (net)	-	-	-	-	-

The Major Components of Deferred Tax Assets and Liabilities as at March 31, 2020 are as follows:

Deferred Tax Asset (net)	Opening Balance	Recognized / Reversed Through Profit and Loss	Recognized Directly in Equity	Recognized / Reclassified from Other Comprehensive Income	Closing Balance
Deferred Tax Assets :-					
(a) Impairment loss allowance - Stage III					
(b) Impairment loss allowance - Stage I & II					
(c) Depreciation on Property, plant and equipment					
Deferred Tax Liabilities :-					
(c) Gain on Fair Valuation of Equity Instruments (Consolidated Gain)	-				
Deferred Tax Asset (net)	-				

Note:
9

Property, Plant and Equipments

Particulars	As at March 31st, 2021	As at March 31st, 2020
Computer (Net Bock)	2,020	2,020
Note : Useful lives of assets has been determined as per companies act 2013. No depreciation has been provided for the assets which are carried at or lower than its salvage value.		
Total	2,020	2,020

Note:
10(a)

Provisions

Particulars	As at March 31st, 2021	As at March 31st, 2020
Contingent provision against Stage 1 assets*	13,750	20,532
Contingent provision against Stage 3 assets*	36,14,272	36,33,569
Income Tax Provision	-	-
Total	36,28,022	36,54,101

* The Company has made Stage I (Loan Assets) asset provision of 0.25% of Stage I assets AND Stage III (Loan Assets) asset provision of 10% of Stage III assets as of March 31, 2020 as specified by RBI Master Directions Master Direction DNBR.PD.007/03.10.119/2016-17 September 01, 2016.

Note:
10(b)

Other Non-Financial Liabilities

Particulars	As at March 31st, 2021	As at March 31st, 2020
Professional Tax Payable	4,420	4,560
Liabilities For Expenses	31,000	32,000
TDS Payable	37,463	11,709
Other Liability	-	-
Total	72,883	48,269

Note: Equity Share Capital

11	Particulars	No of Shares	Face Value Per Unit	As at March 31st,	
				2021	2020
	a) Authorized: Equity Share	7,98,05,000	10	78,80,50,000	79,80,50,000
	b) Issued Subscribed and Paid Up: Equity Share	7,98,00,000	10	79,80,00,000	79,80,00,000
	Total			79,80,00,000	79,80,00,000

c) Movements in equity share capital

Particulars	No of Shares	Amount(Rs.)
As at March 31st, 2020	7,98,00,000	79,80,00,000
Increase during the year	-	-
As at March 31st, 2021	7,98,00,000	79,80,00,000

d) The Company has only one class of equity share having par value of Re 10/- per share. Each holder of Equity share is entitled to one vote per share. In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The Distribution will be in proportion to the number of equity share held by the shareholders.

e) No equity shares have been issued for consideration other than cash.

f) Details of shareholders holding more than 5% shares in the company

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of Shares	% Holding	Number of Shares	% Holding
FABER TREXIM PRIVATE LIMITED	70,37,300	8.82%	70,37,300	8.82%
MEGSHREE CREDIT PRIVATE LIMITED	1,70,49,850	21.37%	1,70,49,850	21.37%

Note: 12 Other Equity

Particulars	As at March 31st,	
	2021	2020
Special Reserve (RBI)	5,35,916	5,35,916
General Reserve	16,11,34,330	16,11,34,330
Retained Earnings	(87,98,556)	(83,93,341)
Fair Valuation of Equity Instrument	(73,52,75,215)	(74,63,78,002)
Total	(58,24,03,525)	(59,31,01,097)

a) Special Reserve (RBI)	As at March 31st,	
	2021	2020
Opening	5,35,916	5,35,916
Addition during the year	-	-
Total	5,35,916	5,35,916

b) General Reserve	As at March 31st,	
	2021	2020
Opening	16,11,34,330	16,11,34,330
Addition during the year	-	-
Total	16,11,34,330	16,11,34,330

c) Retained Earnings	As at March 31st,	
	2021	2020
Opening	(83,93,341)	(77,13,361)
Profit after tax during the year	(4,31,293)	(6,26,303)
Less: Contingent Provision for Standard Assets	26,079	(53,677)
Less: Provision for Doubtful Assets	-	-
Total	(87,98,556)	(83,93,341)

d) Fair valuation of Equity Instruments	As at March 31st,	
	2021	2020
Opening	(74,63,78,002)	(74,60,98,005)
Addition during the year	1,11,02,787	(2,79,997)
Transfer to Retained Earnings	-	-
Total	(73,52,75,215)	(74,63,78,002)

Note: Interest Income

13	Particulars	As at March 31st, 2021	As at March 31st, 2020
	On Financial Asset measured at Amortised Cost		
	Interest on Loans	41,67,978	44,83,056
	Total	41,67,978	44,83,056

Note: Net gain/ (loss) on fair value changes

14	Particulars	As at March 31st, 2021	As at March 31st, 2020
	a) Net gain/(loss) on investments at fair value through profit or loss		
	i. On trading Portfolio		
	Investment	(22,59,561)	(34,22,149)
	Derivatives		
	b) Others		
	c) Total Net gain /(loss) on Fair Value changes	(22,59,561)	(34,22,149)
	Fair Value Changes:		
	Realized		
	Unrealized		
	Total Net gain /(loss) on fair value changes	(22,59,561)	(34,22,149)

Note: Other Income

15	Particulars	As at March 31st, 2021	As at March 31st, 2020
	Write Off	1,000	35,307
	Interest on IT Refund	1,00,775	1,41,392
	Total	1,01,775	1,76,699

Note: Impairment on Financial Instrument

16	Particulars	As at March 31st, 2021	As at March 31st, 2020
	Provision against Stage 3 assets (Unquoted Equity Instruments Valued through FVOCI) (Refer footnotes to Note 6)	-	-
	Total	-	-

Note: Employee Benefit Expenses

17	Particulars	As at March 31st, 2021	As at March 31st, 2020
	Salary and Wages	4,54,000	4,30,000
	Director Remuneration	2,80,000	2,60,000
	Total	7,34,000	6,90,000

Note: Other Expenses

18	Particulars	As at March 31st, 2021	As at March 31st, 2020
	Advertisement Expenses	47,827	49,312
	Payment To Auditors [Refer Note No. 18(a)]	64,900	77,290
	Certification Fees	22,500	15,000
	Demat Expenses	28	1,416
	Depository Expenses	2,44,549	88,500
	Brokerage/Commission	4,20,000	2,25,000
	E-Voting Processing Fees	12,980	8,260
	Interest on TDS/ Prof Tax /GST	310	635
	Internal Audit Fees	5,000	6,000
	Filing Fees	3,000	4,850
	General Expenses	8,930	17,435
	Legal and Professional Fees	3,59,080	1,02,500
	Listing Fees	4,14,770	4,14,770
	Meeting Expenses	-	2,000
	Postage & Courier	13,824	21,150
	Printing & Stationery	14,480	51,316
	Write Off	-	27,829
	Rates & Taxes	5,800	2,500
	FILM	11,800	-
	Secretarial Audit Fees	15,000	15,000
	Scrutinizer fee	6,000	6,000
	Travelling Expenses	6,100	6,540
	Registrar and Transfer Agent Fees	23,600	23,600
	Website expenses	7,007	7,006
	Total	17,07,485	11,73,909

Note: Details of Payments to Auditors

18(a)	Particulars	As at March 31st, 2021	As at March 31st, 2020
	Payment to Auditors:		
	'-As Auditors	41,300	41,300
	'-For Tax Audit	-	11,800
	'-For Other Services	23,600	24,190
	Total	64,900	77,290

Note:

19	Particulars	As at March 31st, 2021	As at March 31st, 2020
	Cash and Cash Equivalents	1,19,14,617	1,16,998
	Loans	5,27,13,815	6,31,45,306
	Investment in Equity (Quoted)	46,69,000	11,67,250
	Investment in Equity (Unquoted)	14,94,04,661	14,18,03,624

****All Financial Instruments are value under Carrying Amount**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-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. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

Note:
20

Reconciliation of Expected Credit Loss as per Ind AS and IRACP

(As required by RBI Master Direction RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	3,20,63,815	-	3,20,63,815	-	-
	Stage 2	-	-	-	-	-
Subtotal		3,20,63,815	-	3,20,63,815	-	-
Non-Performing Assets (NPA)						
Substandard	Stage 3					-
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	2,06,50,000	-	2,06,50,000	-	-
Subtotal for doubtful		2,06,50,000	-	2,06,50,000	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA						
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Total	5,27,13,815	-	5,27,13,815	-	-

Note:
21

Particulars	Amount Outstanding at:	
	As at March 31st, 2021	As at March 31st, 2020
Liabilities Side:		
1. Loans and advances availed by the nonbanking financial company inclusive of interest accrued thereon but not paid :		
(a) Debentures : Secured	-	-
Unsecured (other than falling within the meaning of public deposits)	-	-
(b) Deferred Credits	-	-
(c) Term Loans	-	-
(d) Inter-corporate loans and borrowing	-	-
(e) Commercial Paper	-	-
(f) Public Deposits	-	-
(g) Other Loans- Loans Repayable on Demand	-	-
Total	-	-
Asset Side:		
2. Break-up of Loans and Advances including bills receivables [other than those included in (3) below] :		
(a) Secured	-	-
(b) Unsecured	-	-
3. Break up of Leased Assets and stock on hire and other assets counting towards asset financing 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	-	-
4. Break up of Investments		
Current Investments:		
1 Quoted:		
(i) Shares:	-	-
(a) Equity	46,69,000	11,67,250
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
2 Unquoted:		
(i) Shares:	-	-
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
Long Term Investments :		
1 Quoted		
(i) Shares		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
2 Unquoted		
(i) Shares	-	-
(a) Equity	14,94,04,661	14,18,03,624
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-

Note: 22 Related Parties disclosures as required by Ind AS 24:
a) List of Related Parties and Relationship:

Key Management Personnel & Other Director:	
Basant Kumar Sharma-	Managing Director
Priti Balodi (Resigned w.e.f 17.11.2020)	Company secretary
Romita Singh (Resigned w.e.f 18.02.2021)	Company secretary
Romita Singh (Appointed w.e.f 17.11.2020)	Company secretary
Raksha Kumari (Appointed w.e.f 19.02.2021)	Company secretary
Priya Sharma	CFO cum Whole Time Director

b) Details of transaction during the year

Particulars	Relationship	For YE March 31st, 2021	For YE March 31st, 2020
<u>Director Remuneration:</u> Basant Kumar Sharma	Key Managerial Personnel	2,60,000	2,80,000
		2,60,000	2,80,000
<u>Salary & Bonus</u> Romita Singh	Key Managerial Personnel	74,000	-
Reema Kejriwal		-	75,000
Priti Balodi		1,75,000	1,25,000
Priya Sharma		1,95,000	2,10,000
Raksha Kumari		30,000	-
		4,74,000	4,10,000

Note: 23 Provision for Gratuity is not made since Payment of Gratuity Act, 1972 is not applicable on the company since the number of employees in our company is below ten

Note: 24 In the absence of necessary information with the company relating to the registration of suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 the information required under the Act could not be complied and disclosed.

Note: 25 COVID-19 pandemic has caused serious disruptions on the global economic and business environment and there is huge uncertainty with respect to its severity, which cannot be reasonably ascertained. However, the company has evaluated and found that there is no significant impact of COVID -19 on the company up to the date of approval of these financial results and the carrying value of its assets and liabilities as at 31st March, 2021 shows the true and fair position of the company. Based on current indicators of future economic conditions, the company expects to recover the carrying amount of these assets and meets its obligation towards its liabilities.

Note: 26 Previous year figures have been regrouped or rearranged wherever necessary.

As per our Report of even date.
For R K KANKARIA & CO
Chartered Accountants
Firm Reg. No. 321093E

CA. RAJESH KUMAR KANKARIA
(Partner)
Membership No. 082796
Kolkata - 700 001

Dated: 29.06.2021
UDIN: 21082796AAAAID7954

For and on Behalf of the Board of Directors

Basant Kumar Sharma
Managing Director
DIN: 00084604

Priya Sharma
CFO cum WTD
DIN: 08350443

Raksha Kumari
Company Secretary

ACS: 46084

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E-MAIL ADDRESS REGISTRATION FORM

In continuation of Circular Nos. 17/2011 and 18/2011 Dated 21/04/2011 and 29/04/2011 respectively issued by Ministry of Corporate Affairs, Government of India and pursuant to section 101 of the Companies Act, 2013 and Rule 18(3)(i) of the (Management & Administration) Rule, 2014 & Rule 11 of Companies (Accounts) Rule, 2014.

[For shares held in physical form]

To
Niche Technologies Pvt. Ltd
3A Auckland Place, 7th Floor,
Room No. 7A & 7B
Kolkata-700017 (W.B.)

Sub: E-mail ID Registration & Service of documents through electronic mode.

Dear Sir/ Mam,

I / We, Members(s) of M/s. SHREE SECURITIES LIMITED, hereby give my / our consent to receive electronically Annual Report(s) of General Meeting(s) and other Document(s) submit to you as under:

Kindly use my/ our Email ID for serving the document in electronic mode. I/ We request you to note my/ our e-mail address as mention below. If there will be any change in the Email address, I/ We will promptly communicate to you.

Folio No.	
Name of the First/ Sole Member	
E-mail address(to be registered)	

Thanking you,

Yours faithfully

(Signature of First / Sole Member)

Place:

Date:

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Shree Securities Limited

CIN : L65929WB1994PLC061930

Registered Office : 3, Synagogue Street, 3rd Floor, Room No., 18G,
Kolkata - 700 001, Phone :91+ 33 2231 3366-67 E-mail : ssl_1994@yahoo.co.in,
Website : www.shresecindia.com