



**31<sup>st</sup> ANNUAL REPORT  
2021-22**

**DCM FINANCIAL SERVICES LTD.**

**BOARD OF DIRECTORS**

Mr. Shantanu Deveshwar

Ms. Daman PreetKaur

Ms. Rajni Gupta

Ms. RichaKalra

Mr. Kaushal Kashyap

Mr. Sanjay Sahni

Mrs. Nidhi Deveshwar

Chairperson & Whole-time Director

(cessation on 15.01.2022)

Independent Director

Independent Director

Independent Director

Director

Independent Director

Chairperson & Whole-time Director

(Appointedw.e.f. 14.02.2022) Whole

Time Director (Regularized in EGM

dated 06.05.2022

Whole-time Director

**KEY MANAGERIAL PERSONNEL**

Mrs.Nidhi Deveshwar

Ms. Somali Tiwari

Company Secretary &

Chief Financial Officer

**SECRETARIAL AUDITOR**

**Ojha & Associates**

**Company Secretaries**

Add: 473, Patel Nagar, P.O. Harjinder Nagar, Kanpur-208007

**INTERNAL AUDITOR**

**M/s. STVG & Co., Chartered Accountants**

**STATUTORY AUDITOR**

**Mukesh Aggarwal & Co.,**

**Chartered Accountants**

102-103, IJS Palace, X-320, Delhi Gate Bazar, Asaf

Ali Road, New Delhi- 110002

**REGISTRAR & SHARE TRANSFER AGENT**

**MCS Share Transfer Agent Limited**

Add: F-65, 1st Floor, Okhla Industrial Area, Phase-1,

New Delhi-110020

Tel.: 011-41406149

E-mail: helpdeskdelhi@mcsregistrars.com

**CIN**

L65921DL1991PLC043087

**CORPORATE OFFICE & REGISTERED OFFICE**

D-7/3, Okhla Industrial Area, Phase-2,

New Delhi-110020

**SHARES LISTED AT**

**NATIONAL STOCK EXCHANGE OF INDIA LTD.**

Exchange Plaza, Plot No. C/1, G Block,

Bandra- Kurla Complex Mumbai - 400 051

**BSE LIMITED**

Phiroze Jeejeebhoy Towers, Dalal Street,

Mumbai- 400001

**CALCUTTA STOCK EXCHANGE LIMITED**

7, Lyons Range, Dalhousie, Kolkata-700001

**E-MAIL**

[info@dfsionline.in](mailto:info@dfsionline.in)

**WEBSITE**

[www.dfsionline.in](http://www.dfsionline.in)

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**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the 31st Annual General Meeting of the members of **DCM Financial Services Limited** (“**DCM**” or “**the Company**”) will be held on **Friday, 30th September, 2022 at 1.00 P.M.** through video conferencing(VC) or Other Audio Visual Means (OAVM) to transact the following business (es)

**ORDINARY BUSINESS:**

1. **Ordinary Resolution** to receive, consider and adopt Standalone & Consolidated Audited Financial Statements of the Company for the financial year ended on 31st March, 2022 together with the reports of the Auditor’s and Directors’ thereon

2. **Re-appointment of Director liable to retire by rotation**

To appoint **Mr. Kaushal Kashyap (DIN: 07683753)** who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for Re-appointment.

3. Re-Appointment of M/s. MukeshAggarwal& Co., Chartered Accountants as the Statutory Auditors of the Company

“**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s. **Mukesh Aggarwal &Co.,Chartered Accountants**, (Firm Registration No. 011393N), be and are hereby re-appointed as the Statutory Auditors of the Company for a term of five years to hold the office from the conclusion of 31stAnnual General Meeting till the conclusion of 36thAnnual General Meeting of the Company to be held in the financial year ending March 31, 2027, at a remuneration to be decided by Board of Director in consultation with the Auditors along with their reimbursement of out of pocket expenses incurred by them for the purpose of audit.”

**SPECIAL BUSINESS**

4. **Re-appointment of Ms. DamanPreet Kaur (DIN: 07475919) as an Independent Director**

To consider, and if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** subject to the approval of shareholders at the ensuing Annual General Meeting and pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Ms. Daman Preet Kaur (DIN: 07475919), who was appointed as an Independent Director of the Company for a term of five years up to November 29, 2022, by the members at the 26thAnnual General Meeting, in terms of Section 149 of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company for a second term of **five consecutive** years commencing from November 30, 2022 up to November 29, 2027, **not liable to retire by rotation.**”

**By order of the Board of Directors  
For DCM Financial Services Limited**

**(NidhiDeveshwar)  
Whole Time Director  
(DIN:09505480)**

**Date: 05.09.2022**

**Place: Delhi**

**NOTES:**

1. The Ministry of Corporate Affairs ("MCA") has, vide its Circular no. 2/2022, dated May 05, 2022 and Circular no. 21/2021, dated December 14, 2021 read together with circular dated December 8, 2021, January 13, 2021, April 8, 2020, April 13, 2020 and May 5, 2020 (collectively referred to as "MCA Circulars"), permitted convening the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In accordance with the MCA circulars, provisions of the Companies Act, 2013 ("the Act") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the AGM of the Company is being held through VC/ OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. The deemed venue for 31st AGM shall be the Registered Office of the Company situated at D-7/3, Okhla Industrial Area, Phase-2, New-Delhi-110020.
3. The Company has appointed **Beetel Financial Computer Services Pvt. Ltd.** as "**Facilitator of VC**" to facilitate the conduct of AGM through VC.
4. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM facility, the facility of physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the e-AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
5. Institutional/Corporate shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (pdf/jpg format) of its board or governing body's resolution/authorization, etc., authorizing their representative to attend the AGM on its behalf and to vote through remote e-voting. The said resolution/authorization shall be sent to the scrutinizer by email through its registered email address to [jainpandassociates@gmail.com](mailto:jainpandassociates@gmail.com) with a copy marked to Company [info@dfsionline.in&helpdesk.evoting@cdslindia.com](mailto:info@dfsionline.in&helpdesk.evoting@cdslindia.com)
6. Statement pursuant to Section 102 of the Companies Act, 2013 forms a part of this Notice for special business to be transacted at the 31st AGM.
7. Brief details of the directors, who are eligible to be re-appointed in 31st AGM, are annexed hereto as per requirements of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per provisions of the Companies Act, 2013.
8. The facility of joining the AGM through VC/OAVM will be opened 15 minutes before and will be open upto 15 minutes after the scheduled start time of the e-AGM, i.e., from 12:45 P.M. to 01:15 P.M. and will be available for 1,000 members on a first come first-served basis. This rule would however not apply to participation of shareholders holding 2% or more shareholding, promoters, institutional investors, directors, key and senior managerial personnel, auditors, etc.
9. Institutional investors, who are members of the Company, are encouraged to attend and vote at the 31ST AGM of the Company.
10. SEBI has mandated the submission of Permanent Account Number (PAN) by every person dealing in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or its RTA.
11. In terms of sections 101 and 136 of the Act, read with the rules made thereunder, the listed companies may send the notice of AGM and the annual report, including financial statements,

boards' report, etc. by electronic mode. Pursuant to the said provisions of the Act read with MCA Circulars, SEBI Circular dated 15 January 2021, Notice of 31st AGM along with the Annual Report for FY 2022 is being sent only through electronic mode to those members whose email addresses are registered with the Company/depositories. Members may note that the Notice and Annual Report for FY 2022 will also be available on the Company's website at [https:// www.dfsnline.in](https://www.dfsnline.in); website of the stock exchanges i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and on the website of Facilitators of VC/OAVM at <http://www.beetalfinancial.com/>

12. To receive communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/update their email address with their respective depository participant, where shares are held in electronic form. In case of shares held in physical form, members are advised to register their e-mail address & Mobile No. by writing to our RTA, MCS Share Transfer Agent Ltd., Add: F-65, 1st floor, Okhla Industrial Area, Phase-I, NewDelhi-110020, or with BeetelFinancial Computer Services Pvt. Ltd. ("Facilitators of VC/OAVM") by sending email to the company at [info@dfsline.in](mailto:info@dfsline.in) Members are requested to register their email id and support the green initiative efforts of the Company.
13. Further, those members who have not registered their email addresses and in consequence could not be served the Annual Report for FY 2022 and Notice of AGM may temporarily get themselves registered with the company by sending email at [info@dfsline.in](mailto:info@dfsline.in) for receiving the same. Members are requested to support our commitment to environment protection by choosing to receive the Company's communication through email going forward.
14. With a view to enable the Company to serve the members better, members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.
15. SEBI vide its notification (SEBI/LADNRO/GN/2018/24) dated 8 June 2018 as amended on 30 November 2018 and notifications & circulars issued thereafter, has stipulated that w.e.f. 1 April 2019, the transfer of securities (except transmission or transposition of shares) shall not be processed, unless the securities are held in the dematerialized form. The Company has complied with the necessary requirements as applicable, including sending of letters to shareholders holding shares in physical form and requesting them to dematerialize their physical holdings.
16. Members who still hold share certificates in physical form are advised to dematerialize their shareholding to also avail of numerous benefits of dematerialization, which include easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
17. In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
18. The Company has been maintaining, inter alia, the following statutory registers at its registered office at **D-7/3, Okhla Industrial Area-II, New Delhi-110020**.
  - a) Register of contracts or arrangements in which directors are interested under section 189 of the Act.
  - b) Register of directors and key managerial personnel and their shareholding under section 170 of the Act.
19. In accordance with the MCA Circulars, the said registers will be made accessible for inspection through electronic/Physical mode and shall remain open and be accessible to any member during the continuance of the meeting.

20. The Register of Members and Share Transfer Books will remain closed from **Saturday, 24th September, 2022 to Friday, 30th September, 2022 (both days inclusive)**.
21. Pursuant to section 72 of the Act, members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 (a copy of which is available on the Company's website at [www.dfsonline.in](http://www.dfsonline.in) In respect of shares held in electronic/demat form, the members may please contact their respective depository participant.
22. Since the meeting will be conducted through VC/OAVM facility, the route map is not annexed to this Notice.
23. For more details on shareholders' matters, please refer to the section on 'General Shareholder Information', included in the Annual Report.
24. In case a person becomes a member of the Company after dispatch of AGM Notice, and is a member as on the cut-off date for e-voting, i.e., Friday, 23rd September, 2022, such person may obtain the user id and password from by email request on [evoting@cdsl.co.in](mailto:evoting@cdsl.co.in)
25. Alternatively, member may send signed copy of the request letter providing the email address, mobile number and self-attested PAN copy along with client master copy (in case of electronic folio)/copy of share certificate (in case of physical folio) via email to [info@dfsonline.in](mailto:info@dfsonline.in)for obtaining the Annual Report and Notice of AGM.
26. The attendance of the Members attending the AGM through VC will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
27. Instructions for remote e-voting and joining the e-AGM are as follows:

**THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:**

- i. The Board of Directors of the company has appointed **M/s. Jain P & Associates, Company Secretaries**, as Scrutinizer for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner.
- ii. The voting period begins on **<Tuesday, September 27, 2022 from 09:00 A.M>** and ends on **<Thursday, September 29, 2022 till 05:00 P.M.>**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **<Friday, September 23, 2022>** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- iii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iv. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- v. Click on "Shareholders" module.
- vi. Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from **Login – Myeasi using** your login credentials.

Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

- vii. Next enter the Image Verification as displayed and Click on Login.
- viii. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- ix. If you are a first time user follow the steps given below:
 

<b>For Shareholders holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.
OR Date of Birth (DOB)	<ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>
- x. After entering these details appropriately, click on "SUBMIT" tab.
- xi. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xii. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xiii. Click on the EVSN for the relevant Company Name **<DCM FINANCIAL SERVICES LIMITED>** on which you choose to vote.
- xiv. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xvi. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xvii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xviii. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

- xix. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xx. Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [info@dfsionline.in](mailto:info@dfsionline.in) (Company Email id) or [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [info@dfsionline.in](mailto:info@dfsionline.in) (Company Email id) or [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC ARE AS UNDER:**

- Shareholder will be provided with a facility to attend the AGM through VC through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC will be available in shareholder/members login where the EVSN of Company will be displayed.
- Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 15 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
- Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-**

- The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from



doing so, shall be eligible to vote through e-Voting system available during the AGM.

- If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

**xxi. Note for Non – Individual Shareholders and Custodians**

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

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

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

- i. To address issues/grievances of shareholders relating to the ensuing AGM, including e-voting, the following official has been designated:

<b>Name of Official</b>	<b>Ms. Somali Tiwari</b>
Designation	Company Secretary & Compliance Officer
Address	D-7/3 Okhla Industrial Area, Phase-2, New Delhi-110020
Contact	011-41077750
E-mail	<a href="mailto:info@dfsionline.in">info@dfsionline.in</a>

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013  
READ WITH COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014**

**ITEM NO.4**

**RE-APPOINTMENT OF MS. DAMAN PREET KAUR(DIN: 07475919) AS AN INDEPENDENT DIRECTOR**

Ms. Daman Preet Kaur (DIN: 07475919) was appointed as an Additional Director on the Board of the Company on August 11, 2017. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, members of the Company at the 26th Annual General Meeting held on November 30, 2017 approved the appointment of Ms. Daman Preet Kaur as an Independent Director of the Company for a period of 5 years up to November 29, 2022.

As per the provisions of Section 149 of the Companies Act, 2013, an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company but shall be eligible for reappointment, for another term of upto five years, on passing of a special resolution by shareholders.

The Company has received intimation in Form DIR-8 from Ms. Daman Preet Kaur that, she is not disqualified from being re-appointed as an Independent Director in terms of Section 164 of the Act, declaration that she meets with the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 & Regulation 16(1)(b) of SEBI Listing Regulations and her consent to continue as an Independent Director.

The resolution seeks the approval of members for the re-appointment of Ms. Daman Preet Kaur as an Independent Director of the Company commencing from November 30, 2022 up to November 29, 2027 in terms of Section 149 and other applicable provisions of the Act and Rules made there under. She is not liable to retire by rotation.

Based on the recommendations of the Nomination & Remuneration Committee and keeping in view the expertise of Ms. Daman Preet Kaur, the Board of Directors at its meeting held on September 05, 2022 approved the continuance of office of Ms. Daman Preet Kaur as mentioned in the resolution.

For your information and record, Ms. Daman Preet Kaur has vast experience in Company Law, Securities Law & general management. Board considers that her association would be of immense benefit to the Company and it is desirable to avail her services as an Independent Director. Therefore, after consideration of all facts and circumstances, the Board recommends re-appointment of Ms. Daman Preet Kaur as an Independent Director of the Company.

*Except for Ms. Daman Preet Kaur and/or her relatives, no other Directors, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution*

**PURSUANT TO REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD 2 ISSUED BY ICSI, INFORMATION ABOUT THE DIRECTORS PROPOSED TO BE REAPPOINTED IS FURNISHED BELOW:**

Name	<b>Mr. Kaushal Kashyap</b>	<b>Ms. Daman Preet Kaur</b>
Director Identification Number (DIN)	07683753	07475919
Date of Birth	23/12/1991	09/10/1991
Date of Appointment in the Board	01/09/2020	11/08/2017
Qualification	Graduate	Qualified Company Secretary
Nature of Expertise in specific functional areas	Experience in Administration and Management	Experience in Legal, Accounts and Finance & General Management

Shareholding in the Company including shareholding as beneficial owner	NIL	NIL
List of Directorship held in other companies	Accuvant Advisory Services Limited	RCDK Real Estate Private Limited
Names of Listed Entities in which the person holds membership of Committees of the Board	<p><b>Member of Stakeholder Relationship Committee:</b> DCM Financial Services Limited</p> <p><b>Chairperson of Audit Committee:</b> Accuvant Advisory Services Limited</p> <p><b>Member of Nomination and Remuneration Committee &amp; Stakeholder Relationship Committee:</b> Accuvant Advisory Services Limited</p>	<p><b>Member of Audit Committee, Nomination and Remuneration Committee &amp; Stakeholder Relationship Committee:</b> DCM Financial Services Limited</p>
Name of listed entities from which the person has resigned in the past three years	Winsome Yarns Limited	NIL
Relationship between Directors Inter-se	None	None
Terms and conditions of appointment/re-appointment	Re-appointment as a Non-Executive, Non-Independent Director	Re-appointment as a Non-Executive, Independent Director
In case of Independent Director: The skills and capabilities required for the role and the manner in which the proposed person meets such requirements	NA	<p>The role and capabilities as required in the case of an independent director are well defined in the Policy on Nomination, Appointment, and Removal of Directors. Further, the Board has a defined list of core skills / expertise / competencies, in the context of its business and sector for it to function effectively.</p> <p>The Nomination and Remuneration Committee of the Board has evaluated the profile of Ms. Daman Preet Kaur and concluded that she possess the relevant skill and capabilities to discharge the role of Independent Director.</p>

## DIRECTOR'S REPORT

To

**The Shareholders of the Company,**

Your Directors are pleased to present this 31st Annual Report together with the Audited Annual Financial Statements for the year ended March 31, 2022.

### **FINANCIAL HIGHLIGHTS- AT A GLANCE**

➤ **Overall Performance of your Company**

The Financial Year 2021-22 had been a volatile for the Company as your Company has shown an improved performance during the year under review. The net Profit of your Company had arisen to Rs. 47.74 lacs in the Financial Year 2021-22 as compared to loss of Rs (12.47) lacs in the Financial Year 2020-21.

➤ **The financial summary, performance highlights operations/state of affair of your Company for the years are summarized below::**

(Rs In Lacs)

PARTICULARS	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Income from Business Operations	-	-	-	-
Other Income	353.42	202.46	354.47	203.52
<b>Total Income</b>	<b>353.42</b>	<b>202.46</b>	<b>354.47</b>	<b>203.52</b>
Less: Expenditure except Depreciation	233.66	139.48	234.85	140.16
<b>Profit/Loss before Depreciation and Tax</b>	<b>119.76</b>	<b>62.98</b>	<b>119.62</b>	<b>63.36</b>
Less: Depreciation	31.94	32.68	32.67	33.45
<b>Profit/Loss before Tax</b>	<b>87.82</b>	<b>30.30</b>	<b>86.95</b>	<b>29.91</b>
Less: Tax Expense	-	7.80	-	7.80
Add: Deferred Tax Asset	37.90	2.89	37.98	2.86
Add: MAT Credit Entitlement	-	-	-	-
Less: Prior Period Taxes	1.50	32.18	1.50	32.18
<b>Net Profit/Loss after tax</b>	<b>48.42</b>	<b>(12.57)</b>	<b>47.47</b>	<b>(12.93)</b>
Add: Other Comprehensive Income	(0.68)	0.1	(0.68)	0.01
<b>Net Profit/Loss for the period</b>	<b>47.74</b>	<b>(12.47)</b>	<b>46.79</b>	<b>(12.83)</b>
<b>Earnings per share:</b>				
Basic	<b>0.22</b>	<b>(0.06)</b>	<b>0.21</b>	<b>(0.06)</b>
Diluted	<b>0.22</b>	<b>(0.06)</b>	<b>0.21</b>	<b>(0.06)</b>

### **RESULTS OF OPERATIONS & STATE OF COMPANY'S AFFAIRS UNDER SECTION 134(3)(i) OF THE COMPANIES ACT, 2013**

During the year under review, the revenue from operations stood at NIL similar to last financial year on standalone basis. Earning Before Tax (EBT) for the period was to Rs. 87.82 lacs as compared to Rs. 30.30 lacs of last fiscal. Earning After Tax (PAT) also increased to Rs. 48.42 lacs as compared to Rs. (12.57) lacs of last fiscal and EPS increased to Rs. 0.22 as compared to Rs. (0.06) of last financial year.

### **DIVIDEND**

Your company has made profits for the year under review; but in order to conserve the resources, the Board of Directors of the Company has not recommended any Dividend on Equity Shares for the year under review.

**INDIAN ACCOUNTING STANDARDS**

As per the requirements of notification dated 16th February, 2015 issued by the Ministry of Corporate Affairs (MCA), Financial Statements of the Company for the Financial Year 2021-22 have been prepared as per Ind AS.

**RESERVES**

The Board proposes no amount to transfer to the reserves and no amount is proposed to be retained in surplus.

**SHARE CAPITAL**

There was no change under the Share Capital during the year under review as the Company has not issued any shares including Equity Shares, Shares with Differential Voting Rights, Stock Options, Sweat Equity, etc. The Company has not bought back any equity shares during the year 2021-22.

As on 31st March, 2022, paid-up share capital of the Company stood at Rs. 221,250,540/- consisting of 22,125,054 Equity Share of Rs. 10/- each.

**TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

Since there was no unpaid/unclaimed Dividend declared or paid by the Company, the provisions of Section 125 of the Companies Act, 2013 do not apply on the Company.

**DEPOSITS**

During the year under review, the Company has not accepted any deposits in terms of section 73 of the Companies Act, 2013. However, as on 31.03.2022, there are outstanding fixed deposits aggregating to Rs. 4755.87 lacs are payable and the Hon'ble Court has appointed the committee of Justice Anil Kumar, former Judge of Delhi High Court and who has invited claims from Depositors for the verification and payment as per report/scheme. Once this exercise is complete and report is submitted to the Court, the numbers and the value of un-claimed deposits will be known. After the Demise of Justice Anil Kumar, Delhi High Court had appointed Sh. Laxmi Kant Gaur District Judge (Retd.) to head One person Committee to resolve the Depositors pending issue with the Company & Company is now working under directions of Sh. Laxmi Kant Gaur District Judge (Retd.)

**SUBSIDIARY / ASSOCIATE/ JOINT VENTURES COMPANIES OF THE COMPANY**

The Company has One Subsidiary Company named as 'Global IT Options Limited' within the meaning of Section 2(87) of the Companies Act, 2013 ("Act") and there are no associates or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiary is mentioned in Form AOC-1 is marked as "Annexure-A" with this report.

**REVISION OF FINANCIAL STATEMENT**

There was no revision of the financial statements of the company, for the year under review.

**MANAGEMENT DISCUSSION & ANALYSIS REPORT**

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section of this Board Report.

**CHANGE IN DIRECTORS /KEY MANAGERIAL PERSONNEL DURING THE YEAR**

The details about the changes in Directors or Key Managerial Personnel by way of Appointment, Re – designation, Resignation, Death, Dis-qualification, variation made or withdrawn etc. are as follows:

S.No.	Name	Designation	Appointment	Cessation
1.	Mr. Shantanu Deveshwar	Whole Time Director	30.11.2018	15.01.2022
2.	Mrs. Nidhi Deveshwar	Additional Director	14.02.2022	-
3.	Mrs. Nidhi Deveshwar	Whole Time Director	14.02.2022 (Regularized at EGM held on 06.05.2022)	-

During the year, Mr. Shantanu Deveshwar, Whole time Director of the Company, passed away on 15.01.2022. Board of Directors express sorrow on his untimely death and also acknowledge the

contribution made by him towards the company.

**Retirement by Rotation**

Pursuant to Section 149(13) of the Companies Act, 2013, the independent directors are not liable to retire by rotation. Further Section 152(6) of the Companies Act, 2013 stipulates that 2/3rd of the total number of directors of the public company should be liable to retire by rotation and out of such directors, 1/3rd should retire by rotation at every Annual General Meeting of the company. To meet the requirement of provisions of Section 152(6) of the Companies Act, 2013 Mr. Kaushal Kashyap (DIN: 07683753) Director will be retiring by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his re-appointment to the Board of Directors the Company at the ensuing Annual General Meeting.

**STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149(6) OF COMPANIES ACT, 2013**

All Independent Directors have given declarations under section 149(7) that they meet the criteria of Independence as laid down under section 149(6) of the Companies Act, 2013 and Rules made thereunder to be read with SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015.

**ANNUAL RETURN UNDER SECTION 134(3)(a) OF THE COMPANIES ACT, 2013**

As required under Section 134(3)(a) of the Act, the Annual Return for the financial year ended on 31st March 2022 in Form MGT-7 pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014 is put on the Company's website and can be accessed at [www.dfslonline.in](http://www.dfslonline.in)

**NUMBER OF MEETINGS OF THE BOARD & COMMITTEES**

During the financial year ended on March 31, 2022, 8 (Eight) Board Meetings were held. The dates on which the Board meetings were held are 26/05/2021, 29/06/2021, 14/08/2021, 10/11/2021, 18/11/2021, 17/01/2022, 11/02/2022 and 14/02/2022. The maximum interval between any two meetings didn't exceed 120 days, as prescribed in the Companies Act, 2013. Further, details of the meetings of the Board and its Committees are given in the Corporate Governance Report, which forms part of the Annual Report. Independent Directors meeting was held on 14.02.2022.

**AUDIT COMMITTEE**

The Audit Committee of the Company is constituted in line with the provisions of section 177 of the Companies Act, 2013 to be read with Regulation 18 of the SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015. The Audit Committee of the Company comprises of Ms. Richa Kalra (Chairperson), Mr. Sanjay Sahni and Ms. Daman Preet Kaur as Members. During the year, all the recommendations made by the Audit Committee were accepted by the Board.

The Composition of Audit Committee is given in the Corporate Governance Report which forms the integral part of this Annual Report.

**NOMINATION & REMUNERATION COMMITTEE**

The Nomination & Remuneration Committee of the Company is constituted in line with the provisions of Section 178 of the Companies Act, 2013 to be read with Regulation 19 of the SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015. The Nomination and Remuneration Committee of the Company comprises of Ms. Richa Kalra (Chairperson), Mr. Sanjay Sahni and Ms. Daman Preet Kaur as Members.

The Composition of the Committee is given in the Corporate Governance Report which forms the integral part of this Annual Report.

**STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The Stakeholders' Relationship Committee of the Company is constituted in line with the provisions of section 178 of the Companies Act, 2013 to be read with Regulation 20 of the SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015. The Stakeholders' Relationship Committee of the Company comprises of Ms. Richa Kalra (Chairperson), Mr. Kaushal Kashyap and Ms. Daman Preet Kaur as Members.

The Composition of the Committee is given in the Corporate Governance Report which forms the integral part of this Annual Report.

**VIGIL MECHANISM COMMITTEE**

The Vigil Mechanism Committee of the Company is constituted in line with the provisions of section

177 of the Companies Act, 2013 to be read with Regulation 22 of the SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015.

**BOARD ANNUAL EVALUATION UNDER SECTION 134(3)(p) OF THE COMPANIES ACT, 2013**

The provisions of Section 134(3)(p) of the Companies Act, 2013 read with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 mandate that a Formal Annual Evaluation is to be made by Board of its own performance and that of its Committee and individual Directors. Schedule IV of the Companies Act, 2013 states that performance evaluation of the Independent Director shall be done by Directors excluding the Director being evaluated. The Board carried out a formal annual performance evaluation as per the criteria/framework laid down by the Nomination & Remuneration Committee of the company and adopted by the Board. The evaluation was carried out through a structured evaluation process to judge the performance of individual Directors including the Chairman of the Board. They were evaluated on parameters such as their education, knowledge, experience, expertise, skills, behavior, leadership qualities, level of engagement & contribution, independence of judgment, decision making ability for safeguarding the interest of the Company, stakeholders and its shareholders leadership qualities, level of engagement & contribution, independence of judgment, decision making ability for safeguarding the interest of the Company, stakeholders and its shareholders.

The performance evaluation of the Independent Directors was carried out by the entire Board except the participation of concerned Independent Director whose evaluation was to be done. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Board was satisfied with the evaluation process and approved the evaluation results thereof.

**STATUTORY AUDITOR & SECRETARIAL AUDITOR WITH THEIR QUALIFICATION, RESERVATION OR ADVERSE REMARKS ALONG WITH THE EXPLANATION OR COMMENTS BY THE DIRECTORS**

**A. STATUTORY AUDITOR**

The tenure of *M/s. Mukesh Aggarwal & Co., Chartered Accountants*, Statutory Auditors of the Company expires from the conclusion of the ensuing Annual General Meeting. The Board of Directors on recommendation of Audit Committee proposes to the members for the re-appointment of *M/s. Mukesh Aggarwal & Co., Chartered Accountants (Firm Registration No. 000393N)* as Statutory Auditors of the Company for a next term of Five years to hold office till the conclusion of 36th Annual General Meeting of the Company.

**STATUTORY AUDITORS & SECRETARIAL AUDITOR WITH THEIR QUALIFICATION RESERVATION OR ADVERSE REMARKS ALONG WITH THE EXPLANATION OR COMMENTS OF DIRECTORS**

**Qualification(s) and Directors' comments on the report of Statutory Auditor:**

- Justice Anil Kumar\* as one man committee was appointed vide order dated:- 3rd September, 2015 by the Hon'ble High Court of Delhi to scrutinize the list of depositors and other claimants and to take steps enumerated hereinafter with the view to resolve at-least some of the disputes. The one-man committee submitted its report on to Hon'ble High Court of Delhi on 22nd April, 2016. Taking cognizance of the report, Hon'ble High Court of Delhi on 10th August, 2017 accepted the recommendation of one-man committee enumerated in the report. Under Scheme of One-Man Committee, Interest of Rs 235 Lakhs are payable to Debenture Holders and Rs 1,448 Lakhs are payable to Fixed Depositors under Phase-2 of Schedule of Payments laid down by One Man Committee. Presently the said committee has waived any further payment of Interest to Fixed Depositors, Debenture-holders and other lenders, however on complete liquidation of properties and investments, if any surplus remains after payment to all stakeholder creditors, then further payment of Interest would be decided. All stakeholders' creditors which are covered under scheme has given its consent to the scheme. No provision of Rs. 1,683 Lakhs as laid down under the scheme towards Interest on Debentures and Fixed Deposits, have been provided in the financial statements on the outstanding amount of Debentures and Fixed Deposits.

Had interest of Rs. 1,683 Lakhs been provided for in the financial statements of year ending 31st March 2018 on outstanding amount of Debentures and Fixed Deposits, the Net Profit before tax would have been lowered by Rs. 1,683 Lakhs and Net Profit after tax would have been lowered by Rs. 1,340 Lakhs as at 31st March, 2018. The cumulative net loss as well as Current Liabilities as at 31st March, 2022 would have been higher by Rs 1,340 Lakhs. The same

has been explained in **Note 17.2 and Note 17.3**

Director's Comment: Provision of interest on certain liabilities covered under Para i and under notes 17.2. & 17.3 is in accordance with the Scheme of restructuring filed by the Company before the Hon'ble Delhi High Court, which provides for waiver and cancellation of interest and the same is pending before the Hon'ble Court. Further, the quantum of interest, if any will be decided by the High Court of Delhi upon completion of phase II payments and sale of assets.

- 2 For redemption of 'B' series debentures of Rs. 2014.98 Lakhs debenture redemption reserve is required to be created. Debenture redemption reserve of Rs. 2014.98 Lakhs has not been created due to insufficient profits. The same has been explained in **Note 17.2**.

**Director's Comment:** Non-creation of debenture redemption reserve. The same cannot be created due to insufficient profits in the past against the redemption of debenture. This has no impact on financial results of the company as redemption reserve is to be created out of Reserve and Surplus available with the company. Company has commenced repayments in the earlier years as well as in the current Year as per directions of the Hon'ble High Court of Delhi vide order dated 10th Aug, 2017 and recommendations of One Man Committee. Company is still not creating Debenture redemption Reserve for the same reason that it has no sufficient profits to do so.

- 3 The value of assets charged as security in favor of banks, debenture-holders & financial institutions have been depleted over a period of time. The depletion has not yet been ascertained by the Company. To the extent of shortfall, if any, the liability is unsecured, whereas the same has been shown as secured. The same has been explained in **Note 17.2**.

**Director's Comment:** *It relates to ascertainment of Security against Debentures and Bank Loan, which could not be ascertained since the Company has litigation with various Lease and Hire Purchase customers and the matters are sub-judice, hence confirmations and acknowledgments are not feasible.*

- 4 Balance confirmation of bills receivable and payable, advances recoverable in cash or in kind, receivables and payables relating to lease and hire purchase, lease security deposit of which party wise details are not available. Balance confirmation of inter-corporate deposits, FD balances with Bank, interest on FD from banks, balance of ex-employees, margin against L/C, loans from institutions, banks, no dues certificate on payment of loans from bank and other receivables and payables have not been received from the parties/persons concerned. In the absence of balance confirmation, the closing balances as per books of accounts have been incorporated in the final accounts and have been shown, unless otherwise stated by the management about its recoverability in the financials including considering the NPA Provisions, are good for recovery/payment. Time barred debts under the Limitations Act have not been separately ascertained and written off or provided for. In the absence of such confirmation & corresponding reconciliation, it is not feasible for us to determine financial impact on the financials and the amount referred as payable in the financials can differ. (Please refer **Note No.-39**)

**Director's Comment:** Balance Confirmation of Bills Receivable and Payable, advances recoverable in cash or in kind, receivables and payables relating to lease and hire purchase and lease security deposit- Note 39 -In view of litigation with creditors mentioned in the Note 39, it's not possible to obtain the balance confirmations

5. (a) During the year ended 30th June, 2011 the company's tenant had filed a claim of Rs. 100 lacs against the company due to damages suffered by the tenant which is still pending under arbitration proceedings as on 31st March, 2022.

**Director's Comment:** *There are certain disputes with the tenant and the claim of tenant is contested*

(b) There is an award passed by the High Court vide its judgment dated April 27, 2022 against the company in the matter of MS Shoes East Limited for Rs. 12.82 lacs i.e. the claim amount, along with interest of Rs. 8.97 lacs for an underwriting given by the company in the year 1995 for the public issue of M/s MS Shoes East Ltd.

**Director's Comment:** Both parties have filed an appeal against the judgement dated 27.4.2022 and the matter has not yet listed. In view of this no provision has been made.



(c) Due to dispute with the builder namely M/s NBCC Ltd. from which the company had purchased an office premises in the year 1995, regarding a claim of Rs. 288.29 lacs on account of increase in super area and certain other expenditure which the builder i.e. M/s NBCC Ltd. had incurred and the same is pending in arbitration. Breakup of the amount of Rs. 288.29 lacs mentioned supra is as follows:

S. No.	Description	(Rs In Lacs)
1.	Difference in super area Vs. provisional area	229.28
2.	Claim of property tax	3.19
3.	Claim of ground rent	21.67
4.	Allied charges	7.82
5.	Augmentation of Electric sub station	1.33
6.	Loss of profit	20.00
7.	Arbitration cost	5.00
<b>TOTAL</b>		<b>288.29</b>

During the financial year ending March 31, 2021, the award was given in respect of dispute that has arisen between NBCC Ltd. (Claimant) and DCM Financial Services Limited (Respondent) in relation to sale of Commercial Space-Upper Ground Floor NBCC Place, PragatiVihar, New Delhi by the Claimant to the respondent.

The summary of position of award is as under:

Party	(Rs In Lacs)	
	Amount Claimed	Awarded
NBCC Ltd.- Claimant	434.95	41.06
DCM Financial Services Limited - Counter Claimant/Respondent	3269.50	78.97

In addition to the above, Interest @ 10% is payable by both the parties on their respective amounts.

That whereas NBCC has filed objections to the award in Delhi High Court in December 2020 and the same appears to be lying in objections.

That DCM has also filed objection in Delhi High Court and the same has not being listed so far

**Director's Comment:** Both parties have filed an appeal against the award. In view of this no provision has been made.

## B. SECRETARIAL AUDITOR

Pursuant to provision of Section 204 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014, the Company has appointed **M/s. Ojha & Associates, Company Secretaries** to undertake Secretarial Audit of the Company for the Financial Year 2021-22.

The Secretarial Audit was conducted by **Mr. Tanay Ojha, Company Secretary**, and the report thereon is annexed herewith as "**Annexure-C.**".

### **Qualification(s) and Directors' comments on the report of Secretarial Auditor:**

Observations in the report are on the basis of facts and are self explanatory.

### **Annual Secretarial Compliance Report**

The provisions of Regulation 24A of the SEBI (Listing Obligations and Disclosure) Regulations, 2015 are applicable on the Company. Therefore, the Company has obtained a certificate from a Practicing Company Secretary and has been attached with this Annual Report as "**Annexure-D**".

## C. INTERNAL AUDITOR

The Company had appointed **M/s. STVG & Co., Chartered Accountants** as **Internal Auditor** of the Company to carry out the Internal Audit Functions. The Internal Auditor submits a "Quarterly Report" to the Audit Committee for its review.

**D.COST AUDITOR**

Your directors hereby inform you that the Company does not fall under the criteria as specified under Section 148 (1) of Companies Act, 2013 read with Companies (Cost Record and Audit) Rules, 2018 for maintenance of cost accounts. Therefore, the Company is not required to maintain the cost records in respect of its products/service. Therefore, no requirement of Appointment of Cost Auditor arises.

**REPORTING OF FRAUDS**

There was no instance of fraud during the year underreview, which required the Statutory Auditors to reportto the Audit Committee and / or Board under Section143(12) of Act and Rules framed thereunder.

**PARTICULAR OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are given in the notes to Financial Statements forming part of the Annual Report.

**PARTICULAR OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188 OF THE COMPANIES ACT, 2013**

During the financial year 2021-22, the Company has not entered into any contracts/arrangements/ transactions with related parties which could be considered material in accordance with the Company's Policy on Materiality of Related Party Transactions. All the transactions made on arm's length basis are being reported in Form No.AOC-2 in terms of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed as "**Annexure-B**".

**DETAILS OF MATERIAL CHANGES FROM THE END OF THE FINANCIAL YEAR TILL THE DATE OF THIS REPORT, IF ANY UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013**

There were no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year of the Company to which this financial statement relate and on the date of this report.

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

To the best of the Management's knowledge, there has been no material order passed by any regulator or Court or Tribunal impacting the Going Concern status of the Company's operations.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUT-GO**

The requisite information with regard to conservation of energy,technology absorption and foreign exchange earnings and outgo,in terms of the Section 134(3)(m) of the Companies Act, 2013, readwith Companies (Accounts) Rules, 2014 is given below:

	<b>Conservation of energy</b>	
1.	the steps taken or impact on conservation of energy	Nil
2.	the steps taken by the company for utilizing alternate sources of energy	Nil
3.	the capital investment on energy conservation equipment	Nil

	<b>Technology absorption</b>	
1.	the efforts made towards technology absorption	Nil
2.	the benefits derived like product improvement, cost reduction, product development or import substitution	Nil
3.	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	Nil
4.	the details of technology imported	Nil

5.	the year of import	Nil
6.	whether the technology been fully absorbed	Nil.
7.	if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	Nil
8.	the expenditure incurred on Research and Development	Nil
<b>Foreign exchange earnings and Outgo</b>		
1.	The Foreign Exchange earned in terms of actual inflows during the year	Nil
2.	The Foreign Exchange outgo during the year in terms of actual outflows	Nil

Further, there were no foreign exchange earnings and outgo during the year under review.

### **RISK MANAGEMENT**

The provisions of SEBI Regulations for formation of Risk Management Committee are not applicable to the Company. However, as per section 134 (3) (n) of Companies Act 2013, the company regularly maintains a proper check in normal course of its business regarding risk management. Currently, the company does not identify any element of risk which may threaten the existence of the company.

### **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The company does not fall under the criteria of net worth, turnover or profit for applicability of Corporate Social Responsibility (CSR) provisions as per Section 135 of the Companies Act, 2013, hence the same are not applicable to the company for the period under review.

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

The Vigil Mechanism Policy of the Company is constituted in line with the provisions of section 177 of the Companies Act, 2013 to be read with Regulation 22 of the SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015. The Company promotes ethical behavior in all its business activities. Towards this, the Company has adopted a Policy on Vigil Mechanism and whistle blower policy. Protected disclosures can be made by a whistle blower through an e-mail or a letter to the Compliance Officer or to the Chairperson of the Audit Committee. The Audit Committee also reviews complaints/ issues (if any) raised through Vigil Mechanism or by any Whistle blower on a quarterly basis. The whistle blower policy is uploaded on the website of the Company and can be accessed at <http://dfsionline.in/policy/5.pdf>

During the year under review, no protected disclosure concerning any reportable matter in accordance with the Vigil Mechanism and Whistle Blower Policy of the Company was received by the Company.

### **PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

As per the requirement of "The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013" and Rules made thereunder, your Company has constituted Internal Complaints Committee (ICC) at its workplaces. During the year, no complaints were filed with the Company.

Number of complaints received	Number of complaints disposed of	Number of complaints pending more than ninety days	Number of workshops or awareness programme against sexual harassment
NIL	NIL	NIL	NIL

### **CORPORATE GOVERNANCE REPORT**

As per Reg. 34 of SEBI Regulation, 2015 to be read with Part A of Schedule V of the said regulations, a separate section on corporate governance practices followed by the company, together with the certificate from the Practicing Company Secretary confirming compliance forms an integral part of this Report.

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

The Company has a robust and comprehensive Internal Financial Control system commensurate with the size, scale and complexity of its operation. The system encompasses the major processes to ensure reliability of financial reporting, compliance with policies, procedures, laws, and regulations, safeguarding of assets and economical and efficient use of resources.

The Company has performed an evaluation and made an assessment of the adequacy and the effectiveness of the Company's Internal Financial Control System. The Statutory Auditors of the Company have also reviewed the Internal Financial Control system implemented by the Company on the financial reporting and in their opinion, the Company has, in all material respects, adequate Internal Financial Control system over Financial Reporting and such Controls over Financial Reporting were operating effectively as on 31st March, 2021 based on the internal control over financial reporting criteria established by the Company.

The policies and procedures adopted by the Company ensure the orderly and efficient conduct of its business and adherence to the company's policies, prevention and detection of frauds and errors, accuracy & completeness of the records and the timely preparation of reliable financial information.

The Internal auditors continuously monitor the efficacy of internal controls with the objective of providing to the Audit Committee and the Board, an independent, objective and reasonable assurance on the adequacy and effectiveness of the organization's risk management with regard to the internal control framework.

Audit committee meets regularly to review reports submitted by the Internal Auditors. The Audit Committee also meet the Company's Statutory Auditors to ascertain their views on the financial statements, including the financial reporting system and compliance to accounting policies and procedures followed by the Company.

### **PERSONNEL RELATIONS**

Your Directors hereby place on record their appreciation for the services rendered by executives, staff and other workers of the Company for their hard work, dedication and commitment. During the year under review, relations between the Employees and the Management continued to remain cordial.

### **PARTICULARS OF EMPLOYEES**

The Particulars of remuneration of Employees during the year 2021-22 pursuant to the provisions of Section 197, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is disclosed as an "**Annexure-E**".

Disclosure as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

((i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year

Shantanu Deveshwar : 0.64:1

(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

Director (8.86%)

KMP (3.6%)

the percentage increase in the median remuneration of employees in the financial year

(iv) the number of permanent employees on the rolls of company; 7

(v) a) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year = 12.31% and its comparison with the

b) percentile increase in the managerial remuneration (3.58%) and

c) justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration paid according to Remuneration Policy of the Company.

Disclosure as per Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 Disclosure of Top Ten Employees in terms of remuneration drawn and the name of every employee is given in "**Annexure-E**".

The remuneration paid to all Key Managerial Personnel was in accordance with the remuneration policy as adopted by the company.

### **REMUNERATION POLICY OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The Board on the recommendation of Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management Personnel and fixation of their

remuneration thereof. The Policy contains, inter-alia, directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director, etc. The same can be accessed at <https://dfsionline.in/policy/17.pdf>

**FAMILIARIZATION PROGRAMMES FOR INDEPENDENT DIRECTORS**

Pursuant to the provisions of Regulation 25(7) of Listing Regulations, 2015, the Board has framed a policy to familiarize Independent Directors about the Company.

**ANNUAL LISTING FEES/CHARGES**

The shares of the Company are presently listed at BSE Limited, National Stock Exchange of India Limited and the Calcutta Stock Exchange Limited.

All statutory dues including Annual Listing Fees for the Financial Year 2022 has been paid by the Company.

**LISTING AGREEMENT**

The shares of the Company are presently listed at BSE Limited, National Stock Exchange of India Limited and the Calcutta Stock Exchange Limited.

All statutory dues including Annual Listing Fees for the Financial Year 2021-22 has been paid by the Company.

**CODE OF CONDUCT AS PER SEBI (LODR) REGULATIONS, 2015**

The Board of Directors has laid down the code of conduct for all Board Members and members of the Senior Management of the Company at their meeting held on 05th March, 2021. Additionally, all Independent Directors of the company shall be bound by duties of Independent Directors as set out in Companies Act, 2013 to be read with SEBI Listing Regulations, 2015.

**CODE OF CONDUCT AS PER SEBI (PREVENTION OF INSIDER TRADING) REGULATIONS, 2015**

The Board of Directors has laid down the Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information as per Regulation 8(1) of SEBI (Prevention of Insider Trading) Regulations, 2015 & Code of Conduct to Regulate, Monitor and Report trading by the Designated Persons as per Regulation 9(1) of SEBI (Prevention of Insider Trading) Regulations, 2015.

All Board Members, Key Managerial Personnel and Senior Management Personnel have affirmed compliance with the Code of Conduct.

**DISCLOSURE OF STATEMENT OF DEVIATION(S) OR VARIATION(S) UNDER REGULATION 32 OF SEBI(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), REGULATIONS, 2015**

With reference to Regulation 32 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the disclosure of Statement of Deviation(s) or Variation(s) as per the said regulation is not applicable to the Company.

**THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR**

During the year, no such application was made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.

**THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF**

During the year, no such valuation was done at the time of One Time Settlement and while taking

Loan from the Banks or Financial Institutions.

**DIRECTOR'S RESPONSIBILITY STATEMENT**

In terms of Section 134(3) of the Companies Act 2013, the Directors, would like to state as follows:

- (a) In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the Directors had selected such accounting policies and applied them consistently and made judgments & estimates that are reasonable and prudent so as to give a true & fair view of the state of affairs of the company at the end of the financial year and of the profit & loss of the Company for that period ;
- (c) The Directors had taken proper & 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 & detecting fraud & other irregularities;
- (d) The Directors had prepared the Annual Accounts on a going concern basis;
- (e) The Directors had laid down Internal Financial Controls to be followed by the Company and such controls are adequate and are operating effectively;
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**GENERAL**

The Board of Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions or applicability pertaining to these matters during the year under review:

- i) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- ii) Issue of shares (including sweat equity shares and Employees' Stock Options Schemes) to employees of the Company under any scheme.
- iii) Fraud reported by the Auditors to the Audit Committee or the Board of Directors of the Company.
- iv) Scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- v) Payment of remuneration or commission from any of its holding or subsidiary companies to the Managing Director of the Company.

**ACKNOWLEDGEMENT**

Your Directors would like to express their sincere appreciation for assistance and co-operation received from the various stake holders including Financial Institutions,Banks, Governmental authorities and other business associates who have extended their valuable support and encouragement during the year under review.

Your Directors take the opportunity to place on record their deep appreciation of the committed services rendered by the employees at all levels of the Company, who have contributed significantly towards Company's performance and for enhancing its inherent strength. Your Directors also acknowledge with gratitude the encouragement and support extended by our valued stakeholders.

**For and on behalf of the Board  
For DCM Financial Services Limited**

**Nidhi Deveshwar  
Whole-time Director  
DIN:09505480**

**Date: 5.09.2022  
Place: Delhi**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

We submit herewith the “Management Discussion and Analysis Report” on the business of the Company as applicable to the extent relevant.

### INDUSTRY STRUCTURE AND DEVELOPMENT

India, too, has initiated relief measures. The Government of India announced a slew of wide-ranging reforms across varied sectors amidst a comprehensive package aggregating Rs. 20 lakh crore — or approximately 10% of nominal GDP — which covered among others (i) direct cash transfers and food security for vulnerable sections of society, (ii) collateral free loans and concessional credit to farmers and street vendors, (iii) enhancement of systemic liquidity by the Reserve Bank of India (RBI), (iv) special liquidity and partial credit guarantee scheme to provide liquidity to NBFCs, HFCs, MFIs and mutual funds, (v) 100% credit guarantee scheme for aggregate Rs. 3 lakh crore of emergency credit lines by banks and NBFCs to their MSME borrowers and (vi) subordinated debt and equity support to MSMEs. The Government has also initiated compliance relief measures across various regulatory requirements. The RBI has also initiated several measures like reduction in policy rates, monetary transmission, credit flows to the economy and providing relief on debt servicing.

GDP for India grew 8.7% to Rs. 236.65 trillion in 2021-22.

#### *Industry Overview*

Non-banking financial companies (NBFCs) form an integral part of the Indian financial system. They play an important role in nation building and financial inclusion by complementing the banking sector in reaching out credit to the unbanked segments of society, especially to the micro, small and medium enterprises (MSMEs), which form the cradle of entrepreneurship and innovation. NBFCs' ground-level understanding of their customers' profile and their credit needs give them an edge, as does their ability to innovate and customize products as per their clients' needs. This makes them the perfect conduit for delivering credit to the unbanked and SMEs. However, NBFCs operate under certain regulatory constraints, which put them at a disadvantage position vis-à-vis banks. While there has been a regulatory convergence between banks and NBFCs on the asset side, on the liability side, NBFCs still do not enjoy a level playing field. This needs to be addressed to help NBFCs realize their full potential and thereby perform their duties with greater efficiency.

Scheduled Commercial Bank's (SCBs) gross non-performing assets (GNPA) ratio declined from 9.1 percent at end-March 2019 to 6.93 percent at end-September 2021. The capital to risk weighted assets ratio (CRAR) of scheduled commercial banks (SCBs) rose to a new high of 16.7 per cent, while their gross non-performing asset (GNPA) ratio fell to a six-year low of 5.9 per cent in March 2022.

### OPPORTUNITIES, CHALLENGES AND OUTLOOK

#### *Opportunities*

NBFCs have served the unbanked customers by pioneering into retail asset-backed lending, lending against securities and microfinance. Following variables in the external environment may be seen as opportunities for the Company:

- The Government of India announced a slew of wide-ranging reforms across varied sectors amidst a comprehensive package aggregating Rs. 20 lakh crore — or approximately 10% of nominal subordinated debt and equity support to MSMEs.
- NBFCs aspire to emerge as a one-stop shop for all financial services.
- The sector has witnessed moderate consolidation activities in recent years, a trend expected to continue in the near future.

- New banking license-related guidelines issued by RBI place NBFCs ahead in competition for licenses owing largely to their rural network.
- New RBI guidelines on NBFCs with regard to capital requirements, provisioning norms & enhanced disclosure requirements are expected to benefit the sector in the long run.

**Challenges****Competitive rivalry between big players is intense in the industry**

- Global recession due to COVID-19 pandemic.
- Working Capital and Liquidity Stress in the market.
- Low demand in the market.
- Financial services companies often compete on the basis of offering lower financing rates, higher deposit rates and investment services;
- Stringent regulatory norms prevent new entrants;
- Customers prefer to invest their money with a reputed financial services company offering a wide range of services;
- Medium bargaining power of customers. Although customers do not have much bargaining power, they can easily switch to another company based on the terms and quality of services provided

**Outlook**

The war in Ukraine has triggered a costly humanitarian crisis that demands a peaceful resolution. At the same time, economic damage from the conflict will contribute to a significant slowdown in global growth in 2022 and add to inflation. Fuel and food prices have increased rapidly, hitting vulnerable populations in low-income countries hardest.

Global growth is projected to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023. This is 0.8 and 0.2 percentage points lower for 2022 and 2023 than projected in January.

Beyond 2023, global growth is forecast to decline to about 3.3 percent over the medium term. War-induced commodity price increases and broadening price pressures have led to 2022 inflation projections of 5.7 percent in advanced economies and 8.7 percent in emerging market and developing economies—1.8 and 2.8 percentage points higher than projected last January. Multilateral efforts to respond to the humanitarian crisis, prevent further economic fragmentation, maintain global liquidity, manage debt distress, tackle climate change, and end the pandemic are essential.

**DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The financial statements have been prepared in accordance with the requirements of the Companies Act, 2013 and applicable accounting standards issued by the Institute of Chartered Accountants of India. The details of the financial performance of the Company are appearing in the Balance Sheet, Profit & Loss Accounts and other financial statements forming part of this annual report.

**INTERNAL CONTROL SYSTEM**

Given the magnitude and nature of its business, the Company has maintained sound and commercial practice with an effective internal control system. The system ensures that all transactions are authorized, recorded and reported correctly to safeguard the assets of the Company and protect them from any loss due to unauthorized use or disposition. The adequate internal information system



is in place to ensure proper information flow for the decision- making process. The Company also has well-established processes and clearly defined roles and responsibilities for people at various levels. The control mechanism also involves well documented policies, authorization guidelines commensurate with the level of responsibility and standard operating procedures specific to the respective businesses, adherence to which is strictly ensured. Internal audit is carried out frequently to create awareness and to take corrective actions on the respective units or areas, which need rectification. These reports are then reviewed by the “Management Team” and the “Audit Committee” for follow-up action.

**HUMAN RESOURCE DEVELOPMENT**

The Company regards its human resources as amongst its most valuable assets and proactively reviews policies and processes by creating a work environment that encourages initiative, provides challenges and opportunities and recognizes the performance and potential of its employees attracting and retaining the best manpower available by providing high degree of motivation.

Your Company believes in trust, transparency & teamwork to improve employees productivity at all levels.

**CAUTIONARY STATEMENT**

The management discussion and analysis report containing your Company’s objectives, projections, estimates and expectation may constitute certain statements, which are forward looking within the meaning of applicable laws and regulations. The statements in this management discussion and analysis report could differ materially from those expressed or implied. Important factors that could make a difference to the Company’s operation include raw material availability and prices, cyclical demand and pricing in the Company’s principal markets, changes in the governmental

regulations, tax regimes, forex markets, economic developments within India and the countries with which the Company conducts business and other incidental factors.

**On behalf of the Board of Directors  
For DCM Financial Services Limited**

**Date:05.09.2022  
Place: New Delhi**

**NidhiDeveshwar  
Whole-Time Director  
DIN:09505480**

## Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

## Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rupees in Lacs)

S. No.	Particulars	Details
1	Name of the subsidiary	Global IT Options Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
4	Share capital	100.00
5	Reserves & surplus	(78.50)
6	Total assets	22.08
7	Total Liabilities	22.08
8	Investments	0.73
9	Turnover	NIL
10	Profit before taxation	(0.88)
11	Provision for taxation	(0.09)
12	Profit after taxation	(0.97)
13	Proposed Dividend	NIL
14	% of shareholding	90% approx.

1	Names of subsidiaries which are yet to commence operations	NIL
2	Names of subsidiaries which have been liquidated or sold during the year	NIL

## Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sr. No.	Name of Associate/Joint Venture	Details
1.	Latest audited Balance Sheet Date	NA
2.	Shares of Associate/Joint Venture held by the company on the year end	NA
	No.	
	Amount of Investment in Associate/Joint Venture	
	Extend of Holding%	
3.	Description of how there is significant influence	NA
4.	Reason why the associate/joint venture is not consolidated	NA
5.	Net worth attributable to shareholding as per latest audited Balance Sheet	NA
6.	Profit/Loss for the year	NA
	Considered in Consolidation	
	Not Considered in Consolidation	

1.	Names of Associate Companies/Joint Ventures which are yet to commence operations	NIL
2.	Names of Associate Companies/Joint Ventures which have been liquidated or sold during the year	NIL

On behalf of the Board of Directors  
For DCM Financial Services Limited

Date:05.09.2022

Place: Delhi

Nidhi Deveshwar  
Whole-time Director  
DIN:09505480

Richa Kalra  
Director  
DIN: 07632571

## Form AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1.	a)	Name(s) of the related party and nature of relationship	Nil
	b)	Nature of contracts/arrangements/ transactions	Nil
	c)	Duration of the contracts/ arrangements/ transactions	Nil
	d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Nil
	e)	Justification for entering into such contracts or arrangements or transactions.	Nil
	f)	Date(s) of approval by the Board	Nil
	g)	Amount paid as advances, if any	Nil
	h)	Date on which the special resolution was passed in General Meeting as required under first proviso to section 188.	Nil
<b>Detail of material contracts or arrangement or transactions at Arm's Length basis</b>			-
2.	a)	Name(s) of the related party and nature of relationship	As Per Annexure-1
	b)	Nature of contracts/arrangements /transactions	
	c)	Duration of the contracts/arrangements/ transactions	
	d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
	e)	Date(s) of approval by the Board, if any	
	f)	Amount paid as advances, if any	

On behalf of the Board of Directors  
For DCM Financial Services Limited

Date:05.09.2022  
Place: New Delhi

NidhiDeveshwar  
Whole-Time Director  
DIN:09505480

**List of Related Parties:**

S r. No.	Description of Relationship	Name of Party
1.	Subsidiary Company	Global IT Option Ltd.
2.	Significant Influence	1. DCM Services Ltd
		2. DCM International Ltd
		3. DCM Anubhavi Marketing Pvt. Ltd.
3.	Key Management Personnel	1. Shantanu Deveshwar (Executive Director) (till 15.01.2022)
		2. Ms. Somali Tiwari ((Company Secretary & CFO))
		3. Mrs. Nidhi Deveshwar (Executive Director) (appointed w.e.f. 14.02.2022)

Transactions with related parties during the year (Rs. in Lacs)

Sr.	Particulars	For the year ending 31.03.2022	For the year ending 31.03.2021
1	Remuneration	7.34	7.69
2	Services procured from Subsidiary	0.50	-

**Balance Outstanding (Rs.)**

1.	<b>DCM Services Ltd.*</b>		
	- ICD payable	739.24	739.24
	- Equity shares to be issued	182.70	182.70
2.	DCM International Ltd.*	281.57	281.57
3.	DCM Anubhavi Marketing Pvt. Ltd.*	31.84	31.84
4.	Remuneration payable	0.42	NIL

\*Balances payable to these companies are subject to confirmation and reconciliation as at March 31, 2022.

**OJHA & ASSOCIATES**

Company Secretaries

Add: 473, Patel Nagar, P.O. Harjinder Nagar, Kanpur-208007

E-Mail: cstanayojha@gmail.com, Ph: +91-9198069316

**ANNEXURE-C**

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022**

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

To,  
The Members,  
**DCM FINANCIAL SERVICES LIMITED**  
ADD: D-7/3, Okhla Industrial Area,  
Phase-2, New Delhi-110020

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **DCM FINANCIAL SERVICES LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the **DCM FINANCIAL SERVICES LIMITED** 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, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings-
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015
  - (b) (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (d) (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - **Not applicable during the period under review.**
  - (e) The Securities and Exchange Board of India (Share based **Employee Benefits**) **Regulations, 2014** - Not applicable during the period under review.
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities)

Regulations, 2008- **Not applicable during the period under review.**

- (g) 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;
  - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- **Not applicable during the period under review.**
  - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- **Not applicable during the period under review.**
  - (j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- (vi) The Environment (Protection) Act, 1986
- (vii) The EPF & Misc. Provisions Act, 1952;
- (viii) Industrial and Labour Laws;

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

- (i) Secretarial Standards (SS-1 & SS-2) issued by The Institute of Company Secretaries of India;

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

**We further report that**

- ✓ The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors and Key Managerial personnel of the Company that took place during the year under review were carried out in compliance with the provision of the Act.
- ✓ As per the management's representation, 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.
- ✓ As per the management's representation, majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there is one case pending with Hon'ble Delhi High Court against the company the noting of the same is given below.

1. It is imperative to mention here that the R.B.I. had filed a petition for winding up of the Company being CP No 296/2004. The petition for winding up was heard on 6th March, 2006 and the Hon'ble Court directed that the Company shall not operate its bank accounts without the permission of the court. It is further pertinent to mention that the order is still in operation.
2. The Company had issued non- convertible debentures in the year 1995- 96 on private placement basis, wherein the Central Bank of India had been appointed as their Debenture Trustee. Further, at the time when redemption of the said debentures got due, the Company was ordered by Reserve Bank of India to make re-payment to the deposit holders in priority to any other "Creditor" including the Redemption of these Debentures. However, due to serious financial and cash flow constraints being faced by the Company, the Company could not make payment to any party.

Thereafter, the matter went to the Hon'ble High Court in the form of a scheme which got approved on 10th August, 2017.

Further, as required under the approved scheme, the Company has duly initiated the process of making repayment to the Deposit Holders.

We further report that based on review of compliance mechanism established by the Company, we are of the opinion that there are adequate systems and processes in place in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines:-

- ✓ As informed, the Company has responded appropriately to notices received from various statutory/ regulatory authorities including initiating actions for corrective measures, wherever found necessary.
- ✓ *As informed, the Company has been imposed a penalty by National Stock Exchange of India Limited(NSE) of Rs. 9,02,700/- on the occurrence of default in compliance of Regulation 17 of SEBI (LODR) Regulation, 2015 read with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018. The Company has made an application to the NSE for Waiver of Fine which was duly accepted by the Exchange and NSE has waived off the fine imposed vide their email dated March 10, 2022.*
- ✓  *The Company has been imposed a penalty by National Stock Exchange of India Limited & BSE Limited of Rs. 2,12,400/- each on the occurrence of default in compliance of Regulation 23(9) of SEBI (LODR) Regulation, 2015 read with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 for half year ended on 30th September, 2020. However the Company has made an application for Waiver of Fine imposed by the Exchanges which was duly approved by the Exchanges vide their letter dated May 20, 2021 and June 25, 2021 respectively.*

For Ojha & Associates,  
Company Secretaries

Date: 19.08.2022  
Place: Kanpur

Tanay Ojha  
Company Secretary  
Membership No.: A29658  
C P No.: 10790

UDIN:A029658D000815916

This report is to be read with our letter of even date which is annexed as 'Annexure 1' and forms an integral part of this report.

Annexure 1

**[Annexure to the Secretarial Audit Report for the Financial Year ended 31st March, 2022]**

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

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

For Ojha & Associates,  
Company Secretaries

Tanay Ojha  
Company Secretary  
Membership No.: A29658  
C P No.: 10790

**Secretarial Compliance Report of DCM Financial Services Limited for the year ended March 31, 2022**

We, **Ojha & Associates**, have examined:

- (a) all the documents and records made available to us and explanation provided by **DCM Financial Services Limited ("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 **March 31, 2022 ("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) t(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;
- (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 for the said review period**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable for the said review period**
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable for the said review period**
- (g) Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013; **Not Applicable for the said review period**
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as applicable;

and circulars/ guidelines issued thereunder; and based on the above examination, We 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.
- (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:



S. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1	NIL			

- (d) The listed entity has taken the following actions to comply with the observations made in previous reports:

S. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended March 31, 2022	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1.	Regulation 17(1) (c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015- The board of directors of the top 1000 listed entities (with effect from April 1, 2019) and the top 2000 listed entities (with effect from April 1, 2020) shall comprise of not less than six directors.	The Composition of the Board of Directors of the Company was not as per the requirement of the Regulation for quarter ended 30th June 2020 & 30th September 2020	The company had appointed Mr. Sanjay Sahnii (Non- Executive Independent Director) & Mr. Kaushal Kashyap (Non- Executive Director) w.e.f. 01st September, 2020 and the Company has made an application for Waiver of Penalty which was duly accepted by the Exchange and NSE has waived off the fine imposed vide their email dated 10.3.22	The company had appointed Mr. Sanjay Sahnii (Non- Executive Independent Director) & Mr. Kaushal Kashyap (Non- Executive Director) w.e.f. 01st September, 2020 to comply with the said requirement.
2.	Regulation 23(9) of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015- [The listed entity shall submit within 30 days from the date of publication of its standalone and consolidated financial results for the half year, disclosures of related party transactions on a consolidated basis, in the format specified in the relevant accounting standards for annual results to the stock exchanges and publish the same on its website.]	The Company had not submitted disclosures of related party transactions on a consolidated basis within 30 days from the date of publication of its standalone and consolidated financial results for the half year ended 30th September, 2020	The Company had submitted the said disclosure on 20.01.2021 and made an application for Waiver of Fine imposed by National Stock Exchange of India Limited which was duly approved by the Exchange vide their letter dated May 20, 2021	The Company had submitted the said disclosure on 20.01.2021 & made the compliance good

<p>3.</p>	<p>Regulation 23(9) of S E B I ( L i s t i n g O b l i g a t i o n s a n d D i s c l o s u r e R e q u i r e m e n t s ) R e g u l a t i o n s , 2 0 1 5 - [The listed entity shall submit within 30 days from the date of publication of its standalone and consolidated financial results for the half year, disclosures of related party transactions on a consolidated basis, in the format specified in the relevant accounting standards for annual results to the stock exchanges and publish the same on its website.]</p>	<p>The Company had not submitted disclosures of related party transactions on a consolidated basis within 30 days from the date of publication of its standalone and consolidated financial results for the half year ended 30 September, 2020</p>	<p>The Company had submitted the said disclosure on 20.01.2021 and made an application for Waiver of Fine imposed by the BSE Limited which was duly approved by the Exchange vide their letter dated June 25, 2021</p>	<p>The Company had submitted the said disclosure on 20.01.2021 &amp; made the compliance good</p>
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Date: 21.05.2022  
Place: Kanpur

For Ojha & Associates,  
Company Secretaries

Tanay Ojha  
Company Secretary  
Membership No.: A29658  
C P No.: 10790

UDIN: AO29658D000361781

## Annexure-F

## A Statement showing details of top ten employees in terms of remuneration drawn as required under Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial personnel) Rules 2014

S. No.	Name of Employees	Designation of the employee	Remuneration received Rs in Lacs	nature of employment, whether contractual or otherwise	qualifications and experience of the employee	date of commencement of employment	Age of Employees	the last employment held by such employee before joining the company	the percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above	whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager
1	Shantanu Devshwar*	Whole Time Director	2.86 Lac	Contractual	B. A.	01.12.2018	52	Trio Mobiles	Nil	No
2	Nidhi Devshwar**	Whole Time Director	0.46 Lac	Contractual	M.A.	14.02.2022	47	Adwait Public School	Nil	No
3	Vikram Dogra	Vice President- Operations	27.07 Lac	Regular	B.Com	23.06.1998	64	Usha International Ltd	0.001%	No
4	Ajit Kumar	Executive Accounts	6.92 Lac	Regular	B.Com	25.08.2006	41	First Employment	Nil	No
5	Somali Tiwari	Company Secretary	4.49 Lac	Regular	CS, MCOM	18.07.2019	30	Dr. M. Induscorp Limited	Nil	No
6	Rajender Prasad	Assistant	4.50 Lac	Regular	B.A.	05.01.1998	49	Cure Fast Remedies Limited	0.001%	No
7	Hari Bahadur	Office boy	3.21 Lac	Regular	4th	07.01.1995	52	First Employment	Nil	No

\* Mr. Shantanu Devshwar died on 15.01.2022\*\*Mrs. Nidhi Devshwar has been appointed as Whole Time Director on 14.02.2022

A. No employee of the Company has drawn remuneration aggregating to Rs. 1.02 Cr per annum during the year under report.

B. No employee of the Company, employed for the part of the year, has drawn remuneration of Rs. Eight Lakh & fifty thousands per month.

**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

**DCM Financial Services Limited**

Add: D-7/3 Okhla Industrial Area,  
Phase-2 New Delhi -110020

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **DCM Financial Services Limited (CIN:L65921DL1991PLC043087)** and having registered office at D-7/3 Okhla Industrial Area,Phase-2 New Delhi -110020(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 Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31st March, 2022** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name	DIN	Date of Appointment
1.	Ms. Rajni Gupta	07242992	12/02/2018
2.	Ms. Daman Preetkaur	07475919	11/08/2017
3.	Ms. RichaKalra	07632571	06/10/2016
4.	Mrs. Nidhi Deveshwar*	09505480	14/02/2022
5.	Mr. Kaushal Kashyap*	07683753	01/09/2020
6.	Mr. Sanjay Sahnii*	08364951	01/09/2020

**Note:**\*Mrs. Nidhi Deveshwar has been appointed w.e.f. 14.02.2022 as Whole Time Director of the Company.

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

**For Ojha & Associates,  
Company Secretaries**

**Date: 19.08.2022**

**Place: Kanpur**

**UDIN: A029658D000815951**

**Tanay Ojha  
Company Secretary  
Membership No.: A29658  
C P No.: 10790**

**DECLARATION FOR COMPLIANCE OF CODE OF CONDUCT**

I, NidhiDeveshwar, being Whole Time Director of the Company do hereby declare that all the Directors and Senior Management Personnel have affirmed compliance with the code of the conduct of the company for the financial year ended on March 31, 2022.

**Date: 05.09.2022**  
**Place: New Delhi**

**NidhiDeveshwar**  
**Whole Time Director**  
**DIN:09505480**

**CEO/CFO CERTIFICATION**

I, **Somali Tiwari**, being **Chief Financial Officer**, of DCM Financial Services Limited do hereby confirm and certify that:

1. I have reviewed the financial statements and the cash flow statement for the financial year and that to the best of my knowledge and belief:
  - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. there are, to the best of my knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violate the listed entity's code of conduct.
3. I accept responsibility for establishing and maintaining internal control for financial reporting and have evaluated the effectiveness of internal control system of the listed entity pertaining to financial reporting and have disclosed to the auditor along with the audit committee, deficiencies in the design or operation of such internal control(s), if any, of which I am aware and the steps I have taken or proposed to take to rectify these deficiencies.
4. during the year under reference:
  - a. there were no significant changes in internal control system over financial reporting;
  - b. there were no significant changes in accounting policies and that the same have been disclosed in the notes to the financial statements; and
  - c. there were no instance(s) of significant fraud involved therein, if any, of which the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

**For DCM Financial Services Limited**

**Date: 05.09.2022**  
**Place: Delhi**

**Sd/-**  
**Somali Tiwari**  
**Chief Financial Officer**

**COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

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

To,  
The Members,  
**DCM FINANCIAL SERVICES LIMITED**  
D-7/3, Okhla Industrial Area-II,  
New Delhi-110020

We have examined the report of Corporate Governance presented by the Board of Directors of **DCM FINANCIAL SERVICES LIMITED** for the year ended **31st March, 2022** as stipulated in Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V of the same.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the company for ensuring compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and according to the information and explanation given to us, the Company has taken required steps to comply with the conditions of corporate governance, to the extent applicable and as stipulated in the aforesaid SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

We state that no investor grievance is pending for the period exceeding one month against the Company as per records maintained by the Stakeholders' Relationship Committee together with the status of Investor Grievance as on SEBI SCORES Portal.

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

**For Ojha & Associates**  
**Company Secretaries**

**Tanay Ojha**  
**Partner**  
**C. P. No. 10790**  
**M. No. A29658**

**UDIN: A029658D000815971**  
**Date: 19.08.2022**  
**Place: Kanpur**

**CORPORATE GOVERNANCE REPORT**

Corporate Governance is about promoting fairness, transparency, accountability, commitment to values, ethical business conduct and about considering all stakeholders' interest while conducting business. In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereto, (the 'SEBI Listing Regulations'), given below are the corporate governance policies and practices of DCM Financial Services Limited (the 'Company' or 'DCM') for FY2022.

This Report states compliance with requirements of the Companies Act, 2013, as amended (the 'Act'), the SEBI Listing Regulations, as applicable to the Company. As will be seen, the Company's corporate governance practices and disclosures have gone well beyond complying with the statutory and regulatory requirements stipulated in the applicable laws.

**I. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

Your Company is committed to practice good Corporate Governance in all its activities and processes. The Directors' endeavor is to create an environment of fairness, equity and transparency with the underlying objective of securing long-term shareholder value, while, at the same time, respecting the rights of all stakeholders.

The Company adheres to the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (hereinafter referred to as SEBI (LODR) Regulations, 2015 or SEBI Regulations) and your management is taking all possible steps to fulfill its commitment in a judicious, fair and transparent manner.

In accordance with this philosophy, the Company has adopted Code of Conduct for its Senior Management Personnel and Board of Directors.

**APPROPRIATE GOVERNANCE STRUCTURE WITH DEFINED ROLES AND RESPONSIBILITIES**

The Company has put in place an internal governance structure with defined roles and responsibilities of every constituent of the system. The Company's shareholders appoint the Board of Directors, which in turn governs the Company. The Board has established various committees to discharge its responsibilities in an effective manner. The Company has Whole time Director (WTD) to guide the functioning of the Board. The Whole time Director (WTD), who in consultation with the Board of Directors provides overall direction and guidance to the Company. The WTD is responsible for the corporate strategy, planning, external contacts and the overall management of the Company.

The Company Secretary assists the WTD in management of the Board's administrative activities such as convening and conducting the Board, Committee and Shareholders meetings, dissemination of information to all stakeholders of the Company, strengthening the compliance culture of the Company, co-ordination with the Regulators and all other stakeholders of the Company.

**ETHICS/GOVERNANCE POLICIES**

At DCM, we strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:

1. Policy for determination of material events
2. Preservation of records policy
3. Code of conduct for Directors and Senior Management
4. Code of Conduct under regulation 9 of SEBI (Prohibition of Insider Trading) Regulation, 2015
5. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
6. General Code of Conduct
7. Performance Evaluation Policy
8. Policy on materiality of Related Party Transactions
9. Prevention of Sexual Harassment Policy
10. Related Party Transactions Policy
11. Risk Management Policy
12. Vigil Mechanism and Whistle-blower Policy

## AUDITS AND INTERNAL CHECKS AND BALANCES

M/s. Mukesh Aggarwal & Co., Chartered Accountants, is the Statutory Auditors of the Company. The Statutory Auditors and the Internal Auditor perform independent reviews of the ongoing effectiveness of Company's various components of the systems of internal controls and present the same before the Audit Committee on quarterly basis for their review and necessary action.

## RISK MANAGEMENT, INTERNAL CONTROLS AND COMPLIANCE

The Board of Directors of the Company have designed Risk Management Policy and framework to avoid events, situations or circumstances which may lead to negative impact on the Company's businesses as a whole and have defined a structured approach to manage uncertainty and outcomes. Key business risks and their mitigation are considered as a part of the annual/strategic business plans and is reviewed by the Audit Committee on frequent basis. The Company's internal as well as operational controls are commensurate with its size and the nature of its operations. The Company has put in place a defined risk management framework to identify, assess, monitor and mitigate the risks at enterprise level. organization adopts a systematic approach to mitigate risks associated with accomplishment of objectives, operations, performance and regulations. Company believes that such steps would help to achieve stated objectives of the organizations. The Company shall continue to have periodic review mechanism for monitoring of various risk events in relation to various functional activities being undertaken by the organization.

## BEST CORPORATE GOVERNANCE PRACTICES

DCM strives for highest Corporate Governance standards and practices. It, therefore, endeavors to continuously improve and adopt the best of Corporate Governance codes and practices. Some of the implemented best governance norms and practices include the following:

- All securities related filings with Stock Exchanges are reviewed every quarter by the Stakeholders' Relationship Committee and the Board of Directors.
- The Company has independent Board Committees covering matters related to Stakeholder Relationship, Directors Remuneration and the nomination of Board Members.
- The Senior Management Personnel review the ongoing effectiveness of operational and financial risk mitigations and governance practices.
- The Company undertakes Annual Secretarial Audit from an Independent Company Secretary who is in whole-time practice.

## ROLE OF THE COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS

The Company Secretary plays a key role in ensuring compliances with all applicable laws to the Company and that the Board (including Committees thereof) procedures are followed and regularly reviewed. The Company Secretary acts as Secretary to all the Committees of the Board of Directors of the Company. The Company Secretary also ensures that all relevant information, details and documents are made available to the Directors and Senior Management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company to ensure compliance with applicable statutory requirements, to provide guidance to Directors and to facilitate convening of meetings. The Company Secretary Interfaces and act as link between the management and regulatory authorities for governance matters.

## II. BOARD OF DIRECTORS

Keeping with the commitment to the principle of integrity and transparency in business operations for good corporate governance, the Company's policy is to have an appropriate blend of independent and non-independent directors to maintain the independence of the Board and to separate the Board functions of governance and management

### A. Composition & Category of the Board of Directors and attendance of each director at the meeting of the board of directors and the last annual general meeting

As on 31st March 2022, there were Six Directors comprising One Whole Time Director, One Non-Executive Director and Four Non-Executive Independent Directors.

The Board consists of eminent persons with considerable professional experience in business, industry, finance, audit and law. None of the Director is a member of more than ten committees and Chairperson of more than five Committees across all the Companies in which they are Directors. All the members have made disclosures regarding their directorship and memberships in various committees.



As on 31st March, 2022, the composition of Board of Directors is in conformity with Regulation 17 of SEBI Regulations, 2015 and the provisions of Companies Act, 2013.

Category and attendance of each of the Directors at the Board Meetings held during 2021-22 and the last Annual General Meeting is given below:

S. No.	Name	Category	Number of Board Meetings held during the year 2021-22		Whether attended last AGM for FY 2020-21	No. of Membership/ Chairpersonship in mandatory Committees	
			Held	Attended			
1	Ms. Daman Preet Kaur	Independent Director	8	8	Yes	0	3
2	Ms. Richa Kalra	Independent Director	8	8	Yes	3	0
3	Ms. Rajni Gupta	Independent Director	8	2	Yes	0	0
4	Mr. Shantanu Deveshwar	Whole-time Director	5	5	Yes	0	0
5	Mr. Sanjay Sahni*	Independent Director	8	8	Yes	0	2
6	Mr. Kaushal Kashyap*	Director	8	8	Yes	0	1
7	Mrs. Nidhi Deveshwar**	Whole-time Director	0	0	NA	0	0

**Note:** \*Mr. Shantanu Deveshwar died on 15.01.2022

\*\*Mrs. Nidhi Deveshwar has been appointed as Whole Time Director w.e.f.14.02.2022

**Number of other Board of Directors or Committees in which a Director is a Member or Chairperson as on 31.03.2022 (including the Company)**

Sr. No.	Name of director	Directorships			Committee positions in listed and unlisted public limited companies	
		In equity listed companies	In unlisted public limited companies	In private limited companies	As member (including as chairperson)	As chairperson
1	Ms. Daman PreetKaur	1	Nil	1	3	Nil
2	Ms. RichaKalra	1	Nil	Nil	3	3
3	Ms. Rajni Gupta	1	1	1	Nil	Nil
4	Mr.ShantanuDeveshwar	-	-	-	-	-
5	Mr. Sanjay Sahni*	3	Nil	1	8	0
6	Mr. Kaushal Kashyap*	2	Nil	1	3	1
7	Mrs. Nidhi Deveshwar**	1	Nil	Nil	Nil	Nil

**Note:** \*Mr. Shantanu Deveshwar died on 15.01.2022

\*\*Mrs. Nidhi Deveshwar has been appointed as Whole Time Director w.e.f.14.02.2022

- I) None of the director holds office as a director, including as an alternate director, in more than twenty companies at the same time. None of them has directorships in more than ten public companies. For reckoning the limit of public companies, directorships of private companies that are either holding or subsidiary company of a public company are included and directorships in dormant companies are excluded. For the purpose of reckoning the directorships in listed companies, only equity listed companies have been considered.
- II) As per declarations received, none of the directors serve as an independent director in more than seven equity listed companies or in more than three equity listed companies in case he/she is a whole-time director in any listed company.
- III) None of the directors was a member in more than ten committees, nor a chairperson in more than five committees across all public companies in which he/she was a director.

**Directorship in equity listed companies and Name of equity listed entities where directors of the Company held directorships as on 31st March 2022 (including the Company)**

<b>Sr. No.</b>	<b>Name of Directors</b>	<b>Listed Entity</b>	<b>Category</b>
1.	Ms. Daman PreetKaur	DCM Financial Services Limited	Independent Director
2.	Ms. RichaKalra	DCM Financial Services Limited	Independent Director
3.	Ms. Rajni Gupta	DCM Financial Services Limited	Independent Director
4.	Mrs.NidhiDeveshwar*	DCM Financial Services Limited	Whole time Director
5.	Mr. Kaushal Kashyap	1. DCM Financial Services Limited 2. Accuvant Advisory Services Limited	Director Independent Director
6.	Mr. Sanjay Sahnii	1. DCM Financial Services Limited 2. Sueryaa Knitwear Limited 3. Garg Acrylics Limited	Independent Director Independent Director Independent Director

**Note:** \*Mrs Nidhi Deveshwar has been appointed as a Whole Time Director on 14.02.2022

**Disclosure of relationships between Directors inter-se**

None of the present Directors are "Relative" of each other as defined in Section 2 (77) of Companies Act, 2013 and Rule 4 of the companies (Specification of definitions details) Rules, 2014.

**Number of meetings of the Board of Directors held and dates on which held**

During the period, the Board of Directors of your Company met 8 times. The dates on which the meetings were held are 26/05/2021, 29/06/2021, 14/08/2021, 10/11/2021, 18/11/2021, 17/01/2022, 11/02/2022 and 14/02/2022 and the gap requirement of 120 days between two meetings have been complied with. The necessary quorum was present for all the meetings.

**Orderly succession to Board and Senior Management**

The framework of succession planning for appointment of Board/Management is passed by the Board. In addition, changes in the Senior Management and their responsibilities are updated to the Board from time to time.

**Letters of appointment of Independent Directors & policy to familiarize**

The company issued formal letters of appointment to Independent Directors in the manner as provided in the Companies Act, 2013.

The company has also formulated a policy to familiarize the Independent Directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programmes.

***A. Non-Executive Directors Compensation and Disclosures***

The Company does not have any pecuniary relationship with any Non-Executive Directors. No remuneration was given to any of the Non-Executive Directors during the financial year 2021-22.

***B. Familiarization Program for Directors***

The Company has Familiarization Program Module ("the Program") for Independent Directors ("ID") of the Company. As per the requirement regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the company is required to familiarize the Independent Directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through this programmes.

**C. Skill/Expertise/Competence of the Board of Directors**

The Board of Directors along with Nomination & Remuneration Committee (NRC) identifies the right candidate with right qualities, skills and practical expertise/ competencies required for the effective functioning of individual member to possess and also the Board as a whole. The Committee focuses on the qualification and expertise of the person, the positive attributes, standard of integrity, ethical behavior, independent judgment of the person in selecting a new Board member. In addition to the above, in case of independent directors, the Committee shall satisfy itself with regard to the independence of the directors to enable the Board to discharge its functions and duties effectively. The same are in line with the relevant provisions of the Listing Regulations. The NRC has identified the following core skills, expertise and competencies for the effective functioning of the Company which is currently available with the Board:

- a) Expertise in Legal, Finance & Accountancy
- b) Human Resource.
- c) Risk Management
- d) Knowledge of the Industry
- e) Leadership
- f) Board Services & Corporate Governance
- g) Diversity
- h) Personal Values
- i) Functional & Managerial Experience

Given below is a list of core skills, expertise and competencies of the individual Directors:

Name of Director	Skills/Expertise/Competencies								
	Expertise in Legal, finance & Accountancy	Human Resource	Risk Management	Knowledge of the Industry	Leadership	Board Services & Corporate Governance	Diversity	Personal Values	Functional & Managerial Experience
Mrs. Nidhi Deveshwar*	✓	✓	-	✓	✓	✓	✓	✓	✓
Ms. Richa Kalra	✓	-	✓	✓	✓	✓	✓	✓	-
Ms. Rajni Gupta	-	✓	✓	✓	✓	✓	✓	✓	✓
Ms. Daman Preet Kaur	✓	-	✓	✓	✓	✓	✓	✓	✓
Mr. Sanjay Sahni	✓	-	✓	✓	✓	✓	✓	✓	✓
Mr. Kaushal Kashyap	-	-	✓	✓	✓	✓	✓	✓	✓

\*Mrs. Nidhi Deveshwar has been appointed as a Whole Time Director on 14.02.2022

- D. The company is engaged to carry on the business, as per its memorandum of Association of the company of non-banking and financial company.
- E. In the opinion of the Board the independent directors fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements), 2015 and are independent of the management
- F. During the year, none of the Independent Director has resigned from the post of directorship pursuant to Regulation 17 (1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**III. COMMITTEES OF THE BOARD**

The terms of reference of Board Committees are determined by the Board from time to time.

Presently the Company has **Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Internal Compliant Committee** and Vigil Mechanism Committee. All the decisions pertaining to the constitution of the Committees, appointment of members, and fixing of terms of reference for committee members are taken by the Board of Directors. Details on the role and composition of these committees, including the number of meetings held during the financial year and the related attendance, are provided below:

**A. Audit Committee**

- i. The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Regulations, 2015 read with Section 177 of Companies Act, 2013.
- ii. The term of reference of the Audit Committee is as per Part C of Schedule II of the SEBI (LODR) Regulations, 2015 and provisions of Companies Act 2013.
- iii. The Audit Committee invites such of the executives, as it considers appropriate (particularly the head of the finance function), representatives of the statutory auditors and representatives of the internal auditors to be present at its meetings.
- iv. The previous Annual General Meeting (AGM) of the Company was held on 23rd December, 2021 and was attended by Ms. Richa Kalra, Chairperson of the Audit Committee.
- v. The composition of the Audit Committee and the details of meetings attended by its members are given below:

S. No.	Name	Category	No. of Committee Meetings held	No. of Committee Meetings Attended
1.	Ms. Richa Kalra	Chairperson	5	5
2.	Ms. Rajni Gupta*	Member	2	2
3.	Mr. Shantanu Deveshwar**	Member	4	3
4.	Mr. Sanjay Sahni***	Member	2	2
5.	Ms. Daman Preet Kaur****	Member	1	1

\*Ms. Rajni Gupta resigned from the membership of the Committee w.e.f. 14.08.2021

\*\*Mr. Shantanu Deveshwar ceased to be member w.e.f. 15.01.2022.

\*\*\* Mr. Sanjay Sahni had been appointed as the member of the Committee w.e.f. 14.08.2021.

\*\*\*\*Ms. Daman Preet Kaur had been appointed as the member of the Committee w.e.f. 15.01.2022.

- vi. Five Audit Committee meetings were held during the year 2021-22 on 26/05/2021, 29/06/2021, 14/08/2021, 10/11/2021 & 11/02/2022.
- vii. The necessary quorum was present for all the meetings.
- viii. The role of the audit committee includes the following:
  1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
  2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
  3. Approval of payment to statutory auditors for any other services rendered by the statutory auditor;
  4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
    - a. 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 Companies Act, 2013;
    - b. changes, if any, in accounting policies and practices and reasons for the same;
    - c. major accounting entries involving estimates based on the exercise of judgment by management;
    - d. significant adjustments made in the financial statements arising out of audit findings;

- e. compliance with listing and other legal requirements relating to financial statements;
  - f. disclosure of any related party transactions;
  - g. modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
  7. Reviewing and monitoring the auditor's independence & performance, and effectiveness of audit process;
  8. Approval or any subsequent modification of transactions of the listed entity with related parties;
  9. Scrutiny of inter-corporate loans and investments;
  10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
  11. Evaluation of internal financial controls and risk management systems;
  12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  14. Discussion with internal auditors of any significant findings and follow up thereon;
  15. Reviewing the findings of any internal investigation by the internal auditors in matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  18. To review the functioning of the whistle blower mechanism;
  19. Approval of appointment of chief financial officer after assessing the qualification, experience and background, etc. of the candidate;
  20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- ix. The audit committee shall **mandatorily** review the following information:
1. Management discussion and analysis of financial condition and results of operations;
  2. Statement of significant related party transactions (as defined by the audit committee), submitted by the management;
  3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
  4. Internal audit reports relating to internal control weaknesses; and
  5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
  6. Statement of deviations:
    - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
    - b) Annual statement of funds utilized for purposes other than those stated in

theoffer document/prospectus/notice in terms of Regulation 32(7).

**x. Audit & other duties**

1. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
2. Discussion with internal auditors of any significant findings and follow up there on.
3. Review and recommend to the Board the appointment/re-appointment of the Statutory Auditors and Internal Auditors considering their independence and effectiveness and their replacement and removal.
4. To recommend to the Board the remuneration of the Statutory Auditors and internal auditors.
5. To grant approval for related party transactions which are in the ordinary course of business and on an arm's length pricing basis and to review and approve such transactions subject to the approval of the Board.

**B. Stakeholders Relationship Committee (erstwhile Shareholders' Grievance Committee)**

- i. Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI LODR Regulations, 2015, the Board has constituted Stakeholders' Relationship Committee to specifically look into the mechanism of redressal of grievances of shareholders and other security holders. Headed by Ms. Richa Kalra, the Non-Executive Independent Director.
- ii. The composition of the Stakeholders' Relationship Committee and the details of meetings attended by its members are given below:

S. No.	Name of the Member	Category	No. of Committee Meetings held	No. of Committee Meetings Attended
1.	Ms. Richa Kalra	Chairperson	5	5
2.	Ms. Daman Preet Kaur	Member	5	5
3.	Mr. Shantanu Deveshwar*	Member	4	4
4.	Mr. Kaushal Kashyap**	Member	1	1

\*Mr. Shantanu Deveshwar ceased to be member w.e.f. 15.01.2022.

\*\* Mr. Kaushal Kashyap had been appointed as the member of the Committee w.e.f. 15.01.2022.

- xi. Five Stakeholders' Relationship Committee meetings were held during the year 2021-22 on 26/05/2021, 29/06/2021, 14/08/2021, 10/11/2021 & 11/02/2022. The necessary quorum was present for all the meetings.

**iii. Functions and Terms of Reference:**

The Committee considers and resolves the grievances of the security holders of the listed entity including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

The functioning and broad terms of reference of the Stakeholders' Relationship Committee of the Company are as under:

- a) To consider and resolve the grievance of security holders of the Company.

- b) To review important circulars issued by SEBI /Stock Exchanges
- c) To take note of compliance of Corporate Governance during the quarter/year.
- d) To approve request for share transfer and transmissions.
- e) To approve request pertaining to demat of shares/sub-division/consolidation/issue of renewed/duplicate share certificate etc.

iv. **Name, designation and address of Compliance Officer:**

Name	Somali Tiwari
Designation	Company Secretary & Compliance officer
Address	D 7/3, Okhla Industrial Estate Area,Phase-2, New Delhi-110020

v. **Details of investor complaints received and redressed during the year 2021-22 are as follows:**

No. of Complaints pending as on 01.04.2021	No. of Complaints received during the year 2021-22	No. of Complaints resolved during the year	No. of Complaints not resolved during the year to the satisfaction of shareholders	No. of Complaints pending as on 31.03.2022
NIL	NIL	NIL	NIL	NIL

C. **Nomination & Remuneration Committee**

- i. Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015, the Board has duly constituted the Nomination & Remuneration Committee, with all members being Non-Executive Directors and Independent Director as Chairperson. The composition of Nomination & Remuneration Committee is as follows:

S. No.	Name	Category	No. of Committee Meetings held	No. of Committee Meetings Attended
1.	Ms. RichaKalra	Chairperson	2	2
2.	Ms. Daman PreetKaur	Member	2	2
3.	Ms. Rajni Gupta*	Member	0	0
4.	Mr. Sanjay Sahni**	Member	2	2

\*Ms. Rajni Gupta resigned from the membership of the Committee w.e.f. 14.08.2021

\*\*Mr. Sanjay Sahni had been appointed as the member of the Committee w.e.f. 14.08.2021.

The committee meetings were held on 18/11/2021 and 11/02/2022.

ii. **The terms of reference of the committee are as follows:**

- a) Formulation of the criteria for determining qualification, positive attributes and independence of a director and to recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- b) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- c) Devising a policy on diversity of board of directors;
- d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- e) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- f) The remuneration policy as adopted by the company envisages the payment of remuneration according to qualification, experience and performance at different

levels of the organization. The workers at the factory as well as those rendering clerical, administrative and professional services are suitably remunerated according to the industry norms.

**iii. Performance Evaluation Criteria For Independent Directors:**

Performance Evaluation Criteria of Board members including Independent Directors as approved by the Board provides:

- a) Each of the director(s) are required to assign the rating on different parameters for the evaluation of board, independent director(s) and committees of the Board of Directors and has to submit the same to the Nomination & Remuneration Committee.
- b) The rating is to be assigned on a scale of five for the purpose of evaluation of performance as under:

Rating Scale	Scale Performance
5	Exceptionally Good
4	Good
3	Satisfactory
2	Needs Improvement
1	Unacceptable

- c) The Nomination & Remuneration Committee shall receive the Evaluation Forms in sealed cover and summarize the results. The Chairperson of the Nomination & Remuneration Committee may have discussions with individual director where clarification or interpretation is required.
- d) The Chairperson of the NRC shall develop a report on the basis of evaluation rating received. The Committee shall review the result and submit its recommendation for the consideration of Board.
- e) The Board shall review the recommendations of the Nomination & Remuneration Committee and issue necessary directions.

**iv. Remuneration of Directors**

The remuneration payable to all Directors including Managing Director, if any is decided by the shareholders in the General Meeting. As per the Companies Act, 2013, the Board of Directors of the Company is empowered to determine the sitting fee payable to Independent Directors within the ceiling prescribed under the Companies Act, 2013.

None of the Independent Directors were paid any sitting fees during the financial year 2021-22

**Remuneration of Executive Directors for the financial year 2021-22**

(Amount in Lacs)

S. No.	Name of Director	Designation	Salary	Benefits	Performance Related Pay (PRP) for the year 2020-21	Total Paid for 2019-20
1.	Shantanu Deveshwar	Whole-time Director	2.86	---	---	2.86
2.	Nidhi Deveshwar**	Whole-time Director	0.46	---	---	0.46

Note: \*Mr. Shantanu Deveshwar died on 15.01.2022

\*\*Mrs. Nidhi Deveshwar has been appointed as Whole Time Director w.e.f.14.02.2022

The Company had not given any stock options during the year 2021-22.

Except as mentioned above, there was no pecuniary relationship or transaction with Non-Executive Directors vis-a-vis the Company during the financial year 2021-22.

Criteria of making payment to non-executive directors is available on the website of the company. The same can be accessed at <https://dfslonline.in/policy/6.pdf>



**V. GENERAL BODY MEETING****a) Annual General Meeting**

The details of last three Annual General Meetings (AGM) of shareholders held were as under:

Financial Year	Date	Venue	Time	Whether any Special Resolution passed
2018-19	30th November, 2019	Executive Club, 439, Village Shahoorpur, P.O. FatehpurBeri, New Delhi 110030	11:00 AM	01
2019-20	18th December, 2020	Through Video Conferencing or Other Audio Visual Means	12:30 P.M.	02
2020-21	23rd December, 2021	Through Video Conferencing or Other Audio Visual Means	01:00 P.M.	-

b) No Extraordinary General Meeting of Members was held during the year under review.

c) No Postal Ballot was conducted during the year under review.

**VI. MEANS OF COMMUNICATION**

Quarterly/ Half Yearly/ Annual Financial Results notice, advertisement and other official news are published both in vernacular language newspapers and English National newspapers regularly. The said results are also displayed/uploaded on the Company's website i.e. <https://dfsionline.in/np.html>

**VII. GENERAL SHAREHOLDER INFORMATION**

S. No.	Particulars	Information
1.	Annual General Meeting:	31 <sup>st</sup>
	Day	30 <sup>th</sup> September, 2022
	Date & Time	Friday, 01:00 P.M.
	Deemed Venue	D-7/3, Okhla Industrial Area, Phase-2, New-Delhi-110020
2.	Financial year	April 1, 2021 to March 31, 2022
3.	Financial Calendar 2022-23	On 9th day of August, 2022
	<b>Results for quarter/ year ending :</b>	
	(a) 30th June, 2022	
	<b>(Tentative Schedule)</b>	
(b) 30th September, 2022	On or before 14th day of November, 2022	
(c) 31st December, 2022	On or before 14th day of February, 2023	
(d) 31st March, 2023	On or Before 30th day of May, 2023	
4.	Book Closure	September 24, 2022 to September 30, 2022
5.	Listed on	NSE, BSE & CSE
6.	Dividend payment date	The Company has not recommended or paid any dividend during the financial year under review.
7.	Stock Exchange Code	BSE Security Code: 511611 NSE Stock Code: DCMFINSERV CSE: 014032

**VIII. NOMINATION**

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferred in the case of death of the registered

shareholder(s). The prescribed nomination form (SH-13) will be sent by the Company upon such request and is also available on the Company's website at [www.dfsonline.in](http://www.dfsonline.in)

Nomination facility for shares held in electronic form is also available with depository participants.

**IX. AGM THROUGH VC**

Pursuant to MCA Circulars, the Company will provide video conferencing facility to the members for participating in the 30th AGM. Please refer the Notice of the 30th AGM for more details, which is hosted on the website of CDSL at <https://www.evotingindia.com/noticeResults.jsp> and on website of the company at <https://www.dfsonline.in> .

**X. VOTING THROUGH ELECTRONIC MEANS**

Pursuant to section 108 of Act and the Rules made thereunder and provisions under SEBI Listing Regulations, every listed company is required to provide its members the facility to exercise their right to vote at general meetings by electronic means.

The Company has entered into an arrangement with CDSL, the authorised agency for this purpose, to facilitate such e-voting for its members.

The shareholders would therefore be able to exercise their voting rights on the items put up in the Notice of AGM through such e-voting method. The Company will also provide facility to members attending the AGM through VC or OAVM to vote at the meeting in accordance with the Companies (Management and Administration) Rules, 2014 and MCA circulars for conducting AGM through VC or OVAM.

Shareholders who are attending the meeting through VC or OAVM and who have not already cast their votes by remote e-voting shall be able to exercise their right of voting at the meeting.

Cut-off date, as per the said Rules, is **Friday, 23rd September, 2022** and the remote e-voting shall be open for a period of 3 (three) days, from **Tuesday, 27th September, 2022 (9.00 a.m.) till Thursday, 29th September, 2022 (5.00 p.m.)**.

The Board has appointed **M/s. Jain P & Associates**, practicing company secretary, as Scrutinizer for the e-voting process.

Detailed procedure is given in the Notice of the 31st AGM and is also placed on the Company's website at [www.dfsonline.in](http://www.dfsonline.in)

Shareholders may get in touch with the Company Secretary at [info@dfsonline.in](mailto:info@dfsonline.in) for further assistance..

**XI. DISCLOSURE**

- a) There have been no materially significant related party transactions which may have potential conflict with the interests of the Company at large.

Accordingly, the disclosure of Related Party Transactions as required under section 134(3) (h) of the Companies Act, 2013 in Form AOC-2 is attached with the Directors' Report.

- b) During last three year under review, the company has complied with all the mandatory requirements of the SEBI (LODR) Regulations, 2015, except the following:

S. No.	Relevant Regulation	Particulars of Non-compliance	Amount involved	Remarks
1.	Regulation 33 – Submission of Financial Results	The Company had not submitted consolidated Financial Statement for the quarter ended 30th June, 2019,	Rs. 88,500/- imposed by BSE and Rs. 41,300/- imposed by NSE	The Company has duly paid the said penalty and submitted the revised Financial Statements for the quarter ended 30th June, 2019.

2.	Regulation 17(1) (c) of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015-	The Composition of the Board of Directors of the Company was not as per the requirement of the Regulation for quarter ended 30th June 2020 & 30th September 2020	9,02,700/-	The company Hadappointed Mr. Sanjay Sahni (Non-Executive Independent Director) & Mr. Kaushal Kashyap (Non-Executive Director) w.e.f. 01st September, 2020 to comply with the said requirement and has submitted request letter with NSE for waiver of fine which was duly approved by the exchange vide their mail dated March 10, 2022
3.	Regulation 23(9) of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015	The Company had not submitted disclosures of related party transactions on a consolidated basis within 30 days from the date of publication of its standalone and consolidated financial results for the half year ended 30th September, 2020	2,12,400/- each by NSE & BSE	The Company had submitted the said disclosure on 20.01.2021 & made the compliance good & said penalty has been waived off by the respective exchanges (NSE & BSE) which was duly approved by the exchange vide their mail dated May 20, 2021 and June 25, 2021 respectively

- c) The Company has in place vigil mechanism and whistle blower policy under which employees can report any violation of applicable laws and regulations and the Code of Conduct of the Company. Vigil Mechanism of the Company provides adequate safeguards against victimization of persons who use such mechanism and no personnel have been denied access to the Audit Committee.
- d) The Company has complied with all the mandatory requirements of Listing Regulations.
- e) Global IT Options Limited is the subsidiary of our Company. The Company has in place policy for determining 'material' subsidiaries and the same is also placed on Company's website i.e. [www.dfsonline.in](http://www.dfsonline.in) and web-link of the same is <http://dfsonline.in/policy/8.pdf>
- f) The Company has in place Policy for Related Party Transaction and the same is also placed on Company's website i.e. [www.dfsonline.in](http://www.dfsonline.in) and web-link of the same is <http://dfsonline.in/policy/7.pdf>
- g) Information pertaining to the disclosure of commodity price risks and commodity hedging activities is not applicable to the Company.
- h) The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).
- i) A certificate from M/s.Ojha & Associates, Company Secretary in practice that none of the Directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board, Ministry of Corporate Affairs or any such statutory authority, forms part of this report.

- j) There were no instances where the Board has not accepted any recommendation of any committee of the board which was mandatorily required during the financial year in concern.
- k) Total fees for all services paid by the listed entity to the statutory auditor and all entities in the network of the statutory auditor is Rs.4,01,200/-.
- l) A Practicing Company Secretary has carried out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd (CDSL) and the total issued and listed capital. The said Audit Report confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

**XII.** The Company has duly complied with all the Corporate Governance requirements as specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**XIII. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS (2) TO (10)**

It is to confirm that the Company has not incurred any non-compliance of any information contained in this Corporate Governance Report except the following:

*The Company received the Notice and had been levied the penalty for delay in filing the disclosure of related party transactions on consolidated basis for the half year ended on September 30, 2020 by BSE & NSE. However, the penalty has been waived off by the Exchanges on submission of Waiver application made by the company to the respective exchanges.*

*The Company received the Notice and had been levied the penalty for Non Compliance of Regulation 17(1) of SEBI (LODR) Regulations, 2015 by NSE. However, the Company has made an application/representation for Waiver of the fine levied by the NSE for such non Compliance and the same had been waived off by the exchange.*

**XIV. INFORMATION REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

Your Company has constituted Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and also has a policy and framework for employees to report sexual harassment cases at workplace. The Company's process ensures complete anonymity and confidentiality of information. The below table provides details of complaints received/disposed during the financial year 2021-22:

No. of Complaints Filed	No. of Complaints Disposed off	No. of Complaints Pending
NIL		

**XV. DISCLOSURE REGARDING SHARES IN SUSPENSE ACCOUNT**

- (a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: NIL
- (b) Number of shareholders who approached issuer for transfer of shares from suspense account during the year: NIL
- (c) Number of shareholders to whom shares were transferred from suspense account during the year: NIL
- (d) aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: NIL
- (e) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: NIL

**XVI. RISK MANAGEMENT**

As per Regulation 21 of SEBI Regulations, 2015, the Company is not required to constitute Risk Management Committee.

**XVII. INDEPENDENT DIRECTORS**

The Board of the Company has been duly constituted with an optimum combination of Executive Directors, Non-Executive and Independent Directors. All the members are financially literate and possess sound knowledge of accounts, audit, finance, law, etc.

Presently, the Board of the Company comprises of following 4 (Four) Independent Directors:

- i) Ms. RichaKalra
- ii) Ms. Rajni Gupta
- iii) Ms. Daman PreetKaur
- iv) Mr. Sanjay Sahni

**Meeting of Independent Directors**

As required by the Code of Independent Directors under the Companies Act, 2013 and the Listing Regulations, a meeting of the Independent Directors of the Company was convened during the year to oversee and review the performance of Non-Independent Directors and of the Board as a whole. The independent directors present elected Ms. RichaKalra as Chairperson for the meeting. All independent directors were present at the meeting.

**XVIII. MANAGEMENT DISCUSSION AND ANALYSIS**

A separate chapter on Management Discussion and Analysis is given in this Annual Report.

**XIX. CEO/CFO CERTIFICATION**

The Chief Financial Officer of the Company has furnished a certificate relating to financial statements and internal control systems as per the format prescribed under Regulation 17(8) of the SEBI (LODR) Regulations, 2015 and the Board took the same on record.

**XX. COMPLIANCE CERTIFICATION**

Compliance Certificate for Corporate Governance obtained from M/s. Ojha& Associates, Company Secretaries is annexed herewith..

**XXI. CODE OF CONDUCTS**

Details of various policies and codes required to be framed under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 are given under the head “Investors” on the website of the company i.e. [www.dfslonline.com](http://www.dfslonline.com)

**XXII. Market price data- high, low during each month of the financial year 2021-22:**

The Market price data is given in the table mentioned below:

BSE Limited:

Month	High(Rs.)	Low(Rs.)	Closing(Rs.)
April '21	1.99	1.30	1.82
May '21	1.97	1.77	1.86
June '21	3.76	1.63	3.76
July '21	5.23	2.85	2.93
August '21	3.04	2.45	2.59
Sep '21	2.63	2.16	2.22
Oct '21	4.22	2.12	3.45
Nov '21	4.39	3	3.98
Dec '21	4	3.13	3.46
Jan '22	4.77	3.63	4.52
Feb '22	4.3	4.3	4.3
March '22	4.25	3.22	3.22

NSE Limited:

Month	High(Rs.)	Low(Rs.)	Closing(Rs.)
April '21	1.90	1.20	1.90
May '21	2.00	1.75	1.80
June '21	3.65	1.70	3.65
July '21	4.90	2.75	2.85
August '21	3.05	2.6	2.6
Sep '21	2.55	2.25	2.3
Oct '21	4.05	2.3	3.45
Nov '21	4.5	3.05	3.3
Dec '21	3.8	3.05	3.7
Jan '22	4.9	3.55	4.5
Feb '22	4.3	4.3	4.3
March '22	4.1	3.5	3.5

**Calcutta Stock Exchange**

There is no trading on Calcutta Stock Exchange in shares of the Company. Therefore, market price data is not available for the financial year 2021-22.

**XXIII. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2022:**

Shareholding of Nominal value of Rs. 10/-	No. of Shareholders	% of Shares	No. of Shares held	% of Share Holders
1-500	19621	12.9171	2857912	86.4552
501-1000	1572	6.1657	1364154	6.9266
1001-2000	718	5.2070	1152046	3.1637
2001-3000	267	3.1560	698277	1.1765
3001-4000	119	1.9859	439377	0.5243
4001-5000	120	2.6376	583577	0.5288
5001-10000	166	5.5772	1233960	0.7314
10001-50000	96	8.5065	1882059	0.4230
50001-100000	5	1.3208	292237	0.0220
And Above	11	52.5262	11621455	0.0485
<b>Total</b>	<b>22103</b>	<b>100</b>	<b>22125054</b>	<b>100</b>

**Categories of Equity Shareholders as on March 31, 2022**

	Category	No. of Shares	% of Holding
<b>1.</b>	<b>Promoters Holding</b>		
	Promoters		
	Indian Promoters	8,739,952	39.50%
	Foreign Promoters	-	-
	Persons acting in concert	-	-
	<b>Sub Total</b>	<b>8,739,952</b>	<b>39.50%</b>
<b>2.</b>	<b>Non Promoters Holding</b>		
	Institutional Investor	-	-
	Mutual Fund and UTI	33,700	0.15%
	Banks, Financial Institutions, Insurance Companies (Central/ State Govt. Institutions/ Non Govt. Institutions)	1,352,700	6.11%
	FII's	-	-
	<b>Sub Total</b>	<b>1,386,400</b>	<b>6.27%</b>
<b>3.</b>	<b>Others</b>		
	Corporate Bodies	937886	4.2390%
	Indian Public	10527106	47.58%
	NRI's/OCB's	5,33,710	2.41%
	Any Other (HUF/Firm/Foreign Companies) Clearing Member	-	-
	<b>Sub Total</b>	<b>11,998,702</b>	<b>54.23%</b>
	<b>Grand Total</b>	<b>2,21,25,054</b>	<b>100%</b>

**XXIV. DEMATERIALIZATION OF SHARES AND LIQUIDITY**

The shares of the Company are in the compulsory dematerialized segment and are available for trading with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The Share Capital Audit Report regarding reconciliation of the total issued, listed and capital held by depositories in a dematerialized form with respect to the Equity Share Capital of the Company was obtained from the Practicing Company Secretary for each quarter during the year and submitted to the Stock Exchanges within the stipulated time.

Number of shares held in dematerialized and physical mode as on **31st March 2022**

<b>Particulars</b>	<b>Total Shares</b>	<b>% to Equity</b>
<b>Shares in dematerialized form with NSDL</b>	14,515,627	65.61
<b>Shares in dematerialized form with CDSL</b>	3,921,206	17.72
<b>Physical</b>	3,688,221	16.67
<b>Total</b>	22,125,054	100

**ISIN of the Company : INE891B01012**

**The names and addresses of the depositories are as under:**

- National Securities Depository Limited**  
Trade World, A-Wing, 4th & 5th Floors,  
Kamala Mills Compound,  
SenapatiBapatMarg,  
Lower Parel, Mumbai - 400 013
- Central Depository Services (India) Limited**  
Marathon Futurex, A-Wing, 25th floor,  
NM Joshi Marg, Lower Parel, Mumbai 400013

**XXV. Company Details:**

<b>Registered Office</b>	<b>D-7/3, Okhla Industrial Area, Phase-2, New Delhi-110020</b>
<b>Addressfor communication</b>	<b>Same as Above</b>

The phone numbers and e-mail addresses for communication are given below:

<b>Particulars</b>	<b>Telephone Number</b>	<b>Fax No.</b>
Registered Office:		
D-7/3 Okhla Industrial Area,Phase-2 New Delhi DL 110020	011-41077750	-
Corporate Office: D-7/3 Okhla Industrial Area,Phase-2 New Delhi DL 110020		
D-7/3 Okhla Industrial Area,Phase-2 New Delhi DL 110020	011-41077750	-

As per Circular of the Securities & Exchange Board of India dated 22.01.2007, exclusive e-mail address for redressal ofInvestor Complaints is [info@dfsionline.in](mailto:info@dfsionline.in)

**On behalf of Board of Directors  
For DCM Financial Services Limited**

**Date: 05.09.2022  
Place: New Delhi**

**Nidhi Deveshwar  
Whole-Time Director  
DIN: 09505480**

## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DCM FINANCIAL SERVICES LIMITED  
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**Qualified Opinion**

We have audited the accompanying financial statements of M/S **DCM FINANCIAL SERVICES LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

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

**Basis for Qualified Opinion**

- (i) Justice Anil Kumar\* as one man committee was appointed vide order dated:- 3rd September, 2015 by the Hon'ble High Court of Delhi to scrutinize the list of depositors and other claimants and to take steps enumerated hereinafter with the view to resolve at-least some of the disputes. The one-man committee submitted its report on to Hon'ble High Court of Delhi on 22nd April, 2016. Taking cognizance of the report, Hon'ble High Court of Delhi on 10th August, 2017 accepted the recommendation of one-man committee enumerated in the report. Under Scheme of One-Man Committee, Interest of Rs 235 Lakhs are payable to Debenture Holders and Rs 1,448 Lakhs are payable to Fixed Depositors under Phase-2 of Schedule of Payments laid down by One Man Committee. Presently the said committee has waived any further payment of Interest to Fixed Depositors, Debenture-holders and other lenders, however on complete liquidation of properties and investments, if any surplus remains after payment to all stakeholder creditors, then further payment of Interest would be decided. All stakeholders' creditors which are covered under scheme has given its consent to the scheme. No provision of Rs. 1,683 Lakhs as laid down under the scheme towards Interest on Debentures and Fixed Deposits, have been provided in the financial statements on the outstanding amount of Debentures and Fixed Deposits.

Had interest of Rs. 1,683 Lakhs been provided for in the financial statements of year ending 31st March 2018 on outstanding amount of Debentures and Fixed Deposits, the Net Profit before tax would have been lowered by Rs. 1,683 Lakhs and Net Profit after tax would have been lowered by Rs. 1,340 Lakhs as at 31st March, 2018. The cumulative net loss as well as Current Liabilities as at 31st March, 2022 would have been higher by Rs 1,340 Lakhs. The same has been explained in **Note 17.2** and **Note 17.3**

*\*The Hon'ble High Court of Delhi has appointed Mr. Laxmi Kant Gaur, District Judge (Retd.) vide its order dated 29th July 2021, as the One Man Committee in place of Hon'ble Mr. Justice Anil Kumar (in view of his unfortunate demise). The One Man Committee would continue from the stage at which the exercise assigned to the One Man Committee by the High Court stands, at the stage when Hon'ble Mr. Justice Anil Kumar unfortunately expired. The agenda of the One Man Committee would be as per the order dated 3rd September, 2015, read with subsequent orders passed, if any, in that regard.*

- (ii) For redemption of 'B' series debentures of Rs. 2014.98 Lakhs debenture redemption reserve is required to be created. Debenture redemption reserve of Rs. 2014.98 Lakhs has not been created due to insufficient profits. The same has been explained in **Note 17.2**.
- (iii) The value of assets charged as security in favor of banks, debenture-holders & financial institutions have been depleted over a period of time. The depletion has not yet been ascertained by the Company. To the extent of shortfall, if any, the liability is unsecured, whereas the same has been shown as secured. The same has been explained in **Note 17.2**.



(iv) Balance confirmation of bills receivable and payable, advances recoverable in cash or in kind, receivables and payables relating to lease and hire purchase, lease security deposit of which party wise details are not available. Balance confirmation of inter-corporate deposits, FD balances with Bank, interest on FD from banks, balance of ex-employees, margin against L/C, loans from institutions, banks, no dues certificate on payment of loans from bank and other receivables and payables have not been received from the parties/persons concerned. In the absence of balance confirmation, the closing balances as per books of accounts have been incorporated in the final accounts and have been shown, unless otherwise stated by the management about its recoverability in the financials including considering the NPA Provisions, are good for recovery/payment. Time barred debts under the Limitations Act have not been separately ascertained and written off or provided for. In the absence of such confirmation & corresponding reconciliation, it is not feasible for us to determine financial impact on the financials and the amount referred as payable in the financials can differ. **(Please refer Note No.-39)**

**(v) Contingent liabilities and Other Commitments**

- (a) During the year ended 30th June, 2011 the company's tenant had filed a claim of Rs. 100 Lacs against the company due to damages suffered by the tenant which is still pending under arbitration proceedings as on 31st March, 2022.
- (b) There is an award passed by the High Court vide its judgment dated April 27, 2022 against the company in the matter of MS Shoes East Limited for Rs. 12.82 lacs i.e. the claim amount, along with interest of Rs. 8.97 Lacs for an underwriting given by the company in the year 1995 for the public issue of M/s MS Shoes East Ltd.
- (c) Due to dispute with the builder namely M/s NBCC Ltd. from which the company had purchased an office premises in the year 1995, regarding a claim of Rs. 288.29 Lacs on account of increase in super area and certain other expenditure which the builder i.e. M/s NBCC Ltd. had incurred and the same is pending in arbitration. Breakup of the amount of Rs. 288.29 Lacs mentioned supra is as follows:

S. No.	Description	Amount
1.	Difference in super area Vs .provisional area	229.28
2.	Claim of property tax	3.19
3.	Claim of ground rent	21.67
4.	Allied charges	7.82
5.	Augmentation of Electric sub station	1.33
6.	Loss of profit	20.00
7.	Arbitration cost	5.00
<b>TOTAL</b>		<b>288.29</b>

During the financial year ending March 31, 2021, the award was given in respect of dispute that has arisen between NBCC Ltd. (Claimant) and DCM Financial Services Limited (Respondent) in relation to sale of Commercial Space-Upper Ground Floor NBCC Place, Pragati Vihar, New Delhi by the Claimant to the respondent.

The summary of position of award is as under:

Party	Amount Claimed (in Rs.)	Awarded (in Rs.)
NBCC Ltd.- Claimant	434.95	41.06
DCM Financial Services Limited - Counter Claimant/Respondent	3269.50	78.97

In addition to the above, Interest @ 10% is payable by both the parties on their respective amounts.

That whereas NBCC has filed objections to the award in Delhi High Court in Dec 2020 and the same appears to be lying in objections.

That DCM has also filed objection in Delhi High Court and the same has not being listed so far.

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SA's) specified under section 143(10) of the companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial

Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### Other Matter

Attention is invited to **Note 41** of the financial statements regarding management assessment of COVID-19 impact on the future performance of the company. Our opinion is not modified in respect of this matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report: -

- (i) We draw attention to **Note 37** in the financial statements, which indicates that the Company has earned a net profit of Rs. 47.74 lacs during the year ended March 31,2022 and, as of that date, the Company's current liabilities exceeded its total assets by Rs. 4098.06 Lacs. The accumulated loss as on 31st March, 2022 stands to Rs. 8538.68 lacs /-(Previous year Rs. 8586.42 Lacs). As on 31st March, 2022, the Company's total liabilities exceeded to its total assets by Rs. 4316.46 Lacs (Previous year Rs. 4364.21 Lacs).
- (ii) As stated in **Note 37**, these events or conditions, along with other matters as set forth in Note 37 which are as under:-

The Company is not carrying on any business as to comply with the directives of the Reserve Bank of India, the company ceased to accept deposits from September 1997 and the company's application to RBI for certificate of registration (CoR) as a NBFC had been rejected by the RBI in year 2004. The Company contends that the Scheme of One Man Committee shall be implemented in full and other aspect of fresh restructuring scheme such issuance of equity to SBI Home Finance Limited and Pressman Leasing would be approved/decided upon by the Hon'ble Delhi High Court and accordingly the decision on revival of Company would be taken by Hon'ble Delhi High Court. It indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

- (iii) We draw attention to **Note 27** in the financial statements regarding successful implementation of scheme of One Man Committee on which continuity and revival of the Company is completely dependent which not only includes successful implementation of Schedule of payments described under Phase-I and Phase-II, but also realisability of funds from the disposal of Fixed Assets especially Building which is under dispute with Tenant as well as NBCC.
- (iv) We draw attention to **Note 33** in the financial statements on the deposit Rs. 1950 Lacs with the Hon'ble Delhi High Court. DCM Services Ltd, as a promoter had committed to bring in Rs. 1950 lacs as a promoter contribution upon sanction of their restructuring scheme under erstwhile Section 391 of the Indian Companies Act, 1956 which is under implementation by One Man Committee appointed with the direction of Hon'ble Delhi High Court. The Court vide order dated 06.05.2008 has asked DCM Services Limited to deposit Rs. 1950 lacs with the Court and pursuant to the court order DCM Services Limited deposited Rs 500 lacs on 16.07.2010, Rs 670 lacs on 18.11.2010, Rs. 390 Lacs on 21.04.2011 & Rs. 390 lacs on 27.04.2012 aggregating to Rs. 1950 Lacs on behalf of the promoters with the Registrar, Hon'ble Delhi High Court. All the funds are with Delhi High Court along-with accrued interest thereon. No financial impact of this has been recorded in the financials of the company till 31st March, 2022 as there is no clarity provided by Hon'ble High Court of Delhi on whether Company would have to issue any shares against such contribution as per SEBI guidelines or such amount would be refundable to DCM Services Limited by company or there would be no liability on the Company to either to pay the said amount or issue any shares in lieu of that. Till Company gets any clarity on this matter, no financial entry has been recorded in the books of accounts.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises 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.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as

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

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

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

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

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

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) Except for the matters described in the Basis for Qualified Opinion and Key Audit Matters paragraph, 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) Except for the matters described in the Basis for Qualified Opinion and Key Audit Matters paragraph, 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) Except for the matters described in the Basis for Qualified Opinion and Key Audit Matters paragraph, the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - d) Except for the matters described in the Basis for Qualified Opinion and Key Audit Matters paragraph, in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act;
  - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013 and on the basis of approval received from Central Government on 1st May, 2017 which contains payment of managerial remuneration of not more than Rs 3.99 Lac per annum. No further order has been passed in this regard.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigation on the financial position in its financial statement – **Refer Note 29** to the financial statement;
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. The company moved an application before the Hon'ble Company Law Board, New Delhi on 22nd July 2004 under Regulation 44 of the Company Law Regulations 1991 proposing a fresh repayment schedule for fixed depositors, debenture-holders and other creditors of the Company. The company filed a **Fresh Scheme of Arrangement** for the reorganization of the share capital of the company and for compromise with the secured and unsecured creditors of the company, hereinafter referred to as the "**Fresh Restructuring Scheme**" before the Hon'ble Delhi High Court on 24th September 2004 mentioning therein repayment schedule.

Justice Anil Kumar as one-man committee was appointed vide order dated: - 3rd September, 2015 by the Hon'ble High Court of Delhi to scrutinize the list of depositors and other claimants and to take steps enumerated hereinafter with the view to resolve at-least some of the disputes. The one-man committee submitted its report on to Hon'ble High Court of Delhi on 22nd April, 2016. Taking cognizance of the report, Hon'ble High Court of Delhi on 10th August, 2017 accepted the recommendation of one-man committee enumerated in the report. One Man Committee observed that that it already has sufficient funds, ready cash, to repay about 70% of the deposits to all the depositors having deposits of more than Rs 5,000 including secured creditors in the first stage. Under Phase -1, 70% of the principal amount be paid to the creditors having deposits of more than 5,000 and full amount be paid to those who have deposits of Rs. or less than Rs.5,000 in the first instance to fixed depositors, Debenture-holders and banks. In the second phase, which should also commence with phase 1 simultaneously, properties and shares and all the assets be liquidated by selling and the realized amount is recommended to be utilized for the repayment of balance 30% of principal amount and the maturity interest component only on the fixed deposits and debentures. Other creditors such as banks, financial institutions, ICD Holders shall also be paid 30% of the Principal Amount except to SBI Home Finance Limited and Pressman Leasing which will be issued equity shares in Second Phase. Depending upon the availability of surplus amount from disposal of assets with the Company, the Hon'ble High Court of Delhi may decide whether some additional amount of interest can be paid to depositors or other creditors. During the year ended 31st March, 2018, Company started paying the amount as per Phase-I and the company is still in continuation of making payments as per Phase I for the year ended 31st March 2022. Also the company has started making payments as per Phase II simultaneously during the current financial year.

The One Man committee earlier recommended to pay to the creditors 70% of the principal amount. The above said arrangement was modified by the committee on 18th May 2019 and accordingly it has been decided to pay creditors in full who have claimed amount as per procedure set by the committee and whose documents have been verified. As per the claims made by the creditors 100% of principal being paid to them. Also company has also started paying balance 30% to creditors to whom 70% has already been paid previously. The balance payable to creditors is as per books and who have not claimed so far or their documents are under verification.

The matter regarding payment to fixed depositors, debenture-holders and other sums are already covered under Phase-I and Phase-II schedule of payment decided by One Man Committee duly appointed by Hon'ble Delhi High Court.

All the unpaid matured Public Fixed Deposits of Rs 4,755.87 Lakhs and unpaid Matured Debentures of Rs. 1,785.05 Lakhs which was more than seven year old. Accordingly except the matter stated above, there has been no delay in transferring amounts or there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. **Refer Note No 17.2 and 17.3.**

- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The company has neither declared nor paid any dividend during the year ending March 31, 2022. Also, no dividend has been proposed by the Board for the year ending March 31, 2022. Accordingly, reporting under Rule 11(f) is not applicable.

**For Mukesh Aggarwal & Co.**  
Chartered Accountants  
Firm Registration No. 011393N

**Rishi Mittal**  
Partner  
M.No. 521860

Place : Delhi  
Dated :27th May, 2022

**Annexure 'A' To Independent Auditors' Report**

**Referred to in Paragraph 1 under the heading of "report on other legal and regulatory requirements" of our report of even date**

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
- (B) The Company has no intangible assets. Accordingly, reporting under this clause is not applicable.
- (b) The company has a phased program of physical verification of its fixed assets which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. In accordance with such program, the management has physically verified its fixed assets during the year and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) The title deeds of all immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988, as amended, and rules made thereunder.
- ii. (a) The company does not have any inventory and hence reporting under clause 3(ii)(a) of the order is not applicable.
- (b) The company has not been sanctioned any working capital limits in excess of Rs. 500 lacs, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. The Company has not made any investments or granted loans or advances in the nature of loans or provided guarantee or security to other parties, during the year.
- (a) The company has not provided any loans or advances in the nature of loans or provided guarantee or security to any other entities during the year. Accordingly, reporting under clause 3(iii)(a) of the Order is not applicable.
- (b) The Company has not made any investments or granted loans or advances in the nature of loans or provided guarantee or security to other parties during the year. Accordingly, reporting under clause 3(iii)(b) of the Order is not applicable.
- (c) In respect of loans granted by the Company during earlier years, no information is made available to us regarding the schedule of repayment of principal and payment of interest. Further, as explained to us, the recoverable balances against below mentioned loans are long outstanding and the company has recognised 100 % provision against the said loans. Details of the loans are summarized below:

<b>Name of the entity</b>	<b>Amount Recoverable</b>
Inca Trading & Fin Serv	2.50 Lacs
Manjit Overseas Pvt Ltd.	13.90 lacs
Perfect Drugs Ltd.	41.55 Lacs
S Kalara & Co.	21.63 Lacs
<b>Total</b>	<b>79.58 Lacs</b>

- (d) In respect of the loans granted by the Company during earlier years, as mentioned above under clause 3(iii)(c) of the Order, all the balances are overdue for more than 90 days as at the balance sheet date. As represented to us by the management, the said parties are not traceable as on the date of signing of financials for the year ending March 31, 2022. Accordingly, the company has recognized 100% provision against the said loans.

- (e) No loan granted by the Company during earlier years which has fallen due during the current year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) of the Order is not applicable.
- iv. The Company has not made any transaction in respect of loans covered under section 185 of the Companies Act 2013. In respect of loans and investments covered under section 186 of the Companies Act, 2013, the provisions of the said section 186 have been duly complied with.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits during the year. Hence, reporting under clause 3(v) of the Order is not applicable.

However, the directives issued by the Reserve Bank of India and the provision of section 73 to 76 or any other relevant provision of the Companies Act 2013 are not applicable on all the unpaid matured public Fixed Deposits of Rs 4755.87 Lakhs and Unpaid Matured Debentures of Rs.1785.05 Lakhs standing as at 31st March, 2022 which were accepted in prior periods in view of filing of Fresh Restructuring Scheme filed with Hon'ble Delhi High Court on 25th September, 2004.

Justice Anil Kumar as one-man committee was appointed vide order dated:3rd September, 2015 by the Hon'ble High Court of Delhi to scrutinize the list of depositors and other claimants and to take steps enumerated hereinafter with the view to resolve at-least some of the disputes. The one-man committee submitted its report on to Hon'ble High Court of Delhi on 22nd April, 2016. Taking cognizance of the report, Hon'ble High Court of Delhi on 10th August, 2017 accepted the recommendation of one-man committee enumerated in the report. One Man Committee observed that that it already has sufficient funds, ready cash, to repay about 70% of the deposits to all the depositors having deposits of more than Rs 5,000 including secured creditors in the first stage. Under Phase -1, 70% of the principal amount be paid to the creditors having deposits of more than 5,000 and full amount be paid to those who have deposits of Rs. or less than Rs.5,000 in the first instance to fixed depositors, Debenture-holders and banks. In the second phase, which should also commence with phase 1 simultaneously, properties and shares and all the assets be liquidated by selling and the realized amount is recommended to be utilized for the repayment of balance 30% of principal amount and the maturity interest component only on the fixed deposits and debentures. Other creditors such as banks, financial institutions, ICD Holders shall also be paid 30% of the Principal Amount except to SBI Home Finance Limited and Pressman Leasing which will be issued equity shares in Second Phase. Depending upon the availability of surplus amount from disposal of assets with the Company, the Hon'ble High Court of Delhi may decide whether some additional amount of interest can be paid to depositors or other creditors. During the year ended 31st March, 2022, Company is in continuation of paying the amount as per Phase-I and company has started making payments as per Phase II simultaneously during the current financial year.

The matter regarding payment to fixed depositors, debenture-holders and other sums are already covered under Phase-I and Phase-II schedule of payment decided by One Man Committee duly appointed by Hon'ble Delhi High Court. The company contends that the aforesaid Public Deposits and payment to Debenture-holders shall be settled as per schedule laid down by the implementation of One-Man Committee outcome of Fresh Restructuring Scheme.

- vi. The maintenance of cost records has not been specified by the Central Government under sub- section (1) of section 148 of the Companies Act, 2013 for the activities carried out by the Company. Hence, reporting under clause 3(vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
  - (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues applicable to it with the appropriate authorities.  
There were no undisputed amounts payable in respect of statutory dues that are in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
  - (b) According to the information and explanations given to us and the record of the company examined by us, there were no disputed statutory dues that are pending before statutory authorities.



- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. In respect of loans and borrowings:
- (a) The company has defaulted in the repayment of dues to financial institutions, banks, debenture holders and the Inter Corporate Deposits borrowed from other companies as explained in **Note No.-14 and Note No.- 17** of Notes to Accounts.
- The matter is sub-judice with Hon'ble Delhi High Court as the company had filed a Fresh Scheme of Arrangement for the reorganization of the share capital of the company and for compromise with the secured and unsecured creditors of the company, before the Hon'ble Delhi High Court at New Delhi on 24th September 2004.
- Justice Anil Kumar as one man committee was appointed vide order dated:-3rd September, 2015 by the Hon'ble High Court of Delhi to scrutinize the list of depositors and other claimants and to take steps enumerated hereinafter with the view to resolve at-least some of the disputes. The one man committee submitted its report on to Hon'ble High Court of Delhi on 22nd April, 2016. Taking cognizance of the report, Hon'ble High Court of Delhi on 10th August, 2017 accepted the recommendation of one man committee enumerated in the report. One Man Committee observed that it already has sufficient funds, ready cash, to repay about 70% of the deposits to all the depositors having deposits of more than Rs 5,000 including secured creditors in the first stage. Under Phase -1, 70% of the principal amount be paid to the creditors having deposits of more than 5,000 and full amount be paid to those who have deposits of Rs. 5000 or less than Rs.5,000 in the first instance to fixed depositors, Debenture-holders and banks. In the second phase, which should also commence with phase 1 simultaneously, properties and shares and all the assets be liquidated by selling and the realized amount is recommended to be utilized for the repayment of balance 30% of principal amount and the maturity interest component only on the fixed deposits and debentures. Other creditors such as banks, financial institutions, ICD Holders shall also be paid 30% of the Principal Amount except to SBI Home Finance Limited and Pressman Leasing which will be issued equity shares in Second Phase. Depending upon the availability of surplus amount from disposal of assets with the Company, the Hon'ble High Court of Delhi may decide whether some additional amount of interest can be paid to depositors or other creditors. During the year ended 31st March, 2022, Company is paying the amount as per Phase-I and has simultaneously started making payments under Phase-II during the current financial year.
- The matter regarding payment to aforesaid Financial Institution Parties are already covered under Phase-I and Phase-II schedule of payment decided by One Man Committee duly appointed by Hon'ble Delhi High Court. The company contends that the payment to aforesaid Financial Institution Parties shall be settled as per schedule laid down by the implementation of One Man Committee outcome of Fresh Restructuring Scheme.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable
- (d) On an overall examination of the financial statements of the Company, no funds have been raised on short term basis by the company during the year. In respect of funds raised by the company during earlier years, the matter is sub-judice with Hon'ble Delhi High Court (**refer Note No.-14 and Note No.- 17** of Notes to Accounts).
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person during the year on account of or to meet the obligations of its subsidiary. In respect of funds borrowed in earlier years, the matter is sub-judice with Hon'ble Delhi High Court (refer Note No.-14 and Note No.- 17 of Notes to Accounts).
- (f) The company has not raised any loans during the year and hence reporting under clause 3(ix)(f) of the Order is not applicable.
- x. In respect of IPO / FPO and Private Placement / Preferential Allotment :
- (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. In respect of fraud and whistle blower complaints:
- (a) No fraud by the Company and no fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act 2013, to the extent applicable, with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- xiv. In respect of Internal Audit System:
- (a) In our opinion and based on our examination, and according to the explanations given to us, the Company has not established its internal financial control over financial reporting on criteria based on or 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, though the company has an internal audit system. (Refer Annexure B to this report)
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. In respect of registration with RBI and reporting for Core Investment Company:
- (a) Initially the company was an NBFC. However, renewal of application for registration has been rejected by RBI in 2004. In view of rejection of NBFC license, Section 45-IA of Reserve Bank of India Act, 1934 is not applicable on this company. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has incurred cash losses of Rs. 10.13 lakhs during the current financial year covered by our audit and not in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans, payment of borrowings and various other dues sub-judice with Hon'ble Delhi High Court and considering that the company's application to RBI for certificate of registration (CoR) as a NBFC had been rejected by the RBI in year 2004, a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern (refer note 37 of Notes to Accounts).
- xx. In our opinion, section 135 of the Companies Act 2013 is not applicable to the company. Accordingly, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable.

**For Mukesh Aggarwal & Co.**  
Chartered Accountants  
Firm Registration No. 011393N

**Rishi Mittal**  
Partner  
M.No. 521860

Place : Delhi  
Dated :27th May, 2022

## **ANNEXURE-“B” TO THE INDEPENDENT AUDITOR'S REPORT**

**Referred to in Paragraph 2 (f) under the heading of “report on other legal and regulatory requirements” of our report of even date**

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

We have audited the internal financial controls over financial reporting of DCM FINANCIAL SERVICES LIMITED (the “Company”) as of March 31, 2022 in conjunction with our audit of Ind AS financial statements of the Company for the year ended on that date.

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

The Management of the Company 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 (the “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.

### **Auditor’s Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, 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.

**Disclaimer of Opinion**

According to the information and explanation given to us, the Company has not established its internal financial control over financial reporting on criteria based on or 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. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2022.

We have considered the disclaimer reported above in determining the nature, volume of transactions, materiality, timing, and extent of audit test applied in our audit of the standalone financial statement of the company and the disclaimer does not affect our opinion on the standalone financial statements of the company.

**For Mukesh Aggarwal & Co.**  
Chartered Accountants  
Firm Registration No. 011393N

**Rishi Mittal**  
Partner  
M.No. 521860

Place : Delhi  
Dated : : 27th May, 2022  
UDIN: 225218608JTLD3777

**BALANCE SHEET AS AT 31ST MARCH 2022**

(Amount in Lacs)

Particulars	Note No.	As at 31.03.2022	As at 31.03.2021
<b>I. ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, Plant and Equipment	1	1,137.25	1,165.13
(b) Right to use asset	1.1	4.05	8.10
(c) Financial Assets			
(i) Investments	2	-	-
(ii) Other Financial Assets	3	1,608.45	1,759.56
(d) Deferred Tax Assets (Net)	4	332.78	370.39
(e) Other Non-Current Assets	5	160.69	169.26
<b>2 Current assets</b>			
(a) Financial Assets			
(i) Investments	6	142.40	81.12
(ii) Trade Receivable	7	-	-
(iii) Cash and cash equivalents	8	16.88	27.47
(iv) Other Bank Balance	9	311.81	296.00
(v) Other Financial Assets	10	14.24	15.18
(b) Other Current Assets	11	1.35	1.08
<b>TOTAL ASSETS</b>		<b>3,729.90</b>	<b>3,893.29</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	12	2,212.51	2,212.51
(b) Other Equity	13	(6,528.97)	(6,576.71)
<b>2 Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	14	207.70	207.70
(ii) Lease Liability	15	-	4.40
(b) Provisions	16	10.70	7.20
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17	7,613.33	7,777.13
(ii) Lease Liability	15	4.40	4.04
(iii) Other Financial Liabilities	18	193.33	244.96
(b) Other current liabilities	19	16.66	10.91
(c) Provisions	20	0.24	1.15
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,729.90</b>	<b>3,893.29</b>

**For Mukesh Aggarwal & Co.**

Chartered Accountants

Firm Registration No. 011393N

**Rishi Mittal**

Partner

M.No. 521860

**Nidhi Deveshwar**

Whole Time Director

DIN: 09505480

**Richa Kalra**

Director

DIN: 07632571

**Somali Tiwari**

Company Secretary

M.No. A-47631

Place : Delhi

Dated : 27th May, 2022

## STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH 2022

(Amount in Lacs)			
Particular	Note No.	For the year ended 31.03.2022	For the year ended 31.03.2021
I. Revenue From Operations		-	-
II. Other income	21	353.42	202.46
<b>III. Total Revenue (I + II)</b>		<u>353.42</u>	<u>202.46</u>
IV. Expenses:			
Employee benefits expense	22	54.86	47.60
Finance costs	23	0.94	1.09
Depreciation and amortization expense	1	31.94	32.68
Other expenses	24	177.86	90.79
Total expenses		<u>265.60</u>	<u>172.16</u>
<b>V. Profit before exceptional items and tax (III-IV)</b>		<u>87.82</u>	<u>30.30</u>
VI. Exceptional Item		-	-
<b>VII. Profit before tax (V - VI)</b>		<u>87.82</u>	<u>30.30</u>
VIII. Tax expense:	24		
(1) Current tax		-	7.80
(2) Deferred tax		37.90	2.89
(3) Prior Period Taxes		1.50	32.18
<b>IX Profit (Loss) for the period from continuing operations (VII-VIII)</b>		<u>48.42</u>	<u>(12.57)</u>
<b>X Profit (Loss) for the period</b>		<u>48.42</u>	<u>(12.57)</u>
<b>XI Other Comprehensive income</b>			
A (i) Items that will not be reclassified to profit or loss		(0.97)	0.13
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.29	(0.03)
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>XII Total Comprehensive Income for the period (X+XI) (Comprising profit (loss) and other Comprehensive Income for the period)</b>		<u>47.74</u>	<u>(12.47)</u>
<b>XIII Earnings per equity share (for continuing operation):</b>			
- Basic		0.22	(0.06)
- Diluted		0.22	(0.06)

**For Mukesh Aggarwal & Co.**

Chartered Accountants

Firm Registration No. 011393N

**Rishi Mittal**

Partner

M.No. 521860

**Nidhi Deveshwar**

Whole Time Director

DIN: 09505480

**Richa Kalra**

Director

DIN: 07632571

**Somali Tiwari**

Company Secretary

M.No. A-47631

**Place : Delhi****Dated : 27th May, 2022**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022**

Particulars	(Amount in Lacs)	
	31.03.2022	31.03.2021
<b>(A) Cash flow from Operating Activities</b>		
Profit Before Tax	87.82	30.30
<b>Add:</b>		
Depreciation	31.94	32.68
<b>Less:</b>		
Remeasurement of post employment defined benefit plans	(0.97)	0.13
Lease rent paid (Ind AS)	(3.84)	(4.80)
Interest on Fixed Deposits	(115.18)	(161.81)
Dividend Income	(0.31)	(0.25)
Profit on sale of Investments	-	(18.13)
Interest on Income tax refund	(1.81)	(0.95)
Reversal of Provision, no longer required	(2.00)	(0.04)
Balances written back	(13.67)	-
Unrealised gain on account of fair valuation of Investments	(61.29)	(20.91)
<b>Operating Profits before working Capital changes</b>	<b>(79.31)</b>	<b>(143.78)</b>
Adjustment for:		
Change in Other Financial Current Assets	0.93	97.44
Change in Current Liabilities	5.75	(13.62)
Change in Other Current Financial Liabilities	(51.62)	6.71
Change in Provisions	2.59	2.11
Change in Other Current Assets	(0.27)	(1.09)
Cash generation from Operating Activities	(121.93)	(52.22)
<b>Less:</b>		
Income Tax (paid)/refund	8.88	5.95
	(113.05)	(46.27)
<b>(B) Cash Flow from Investing Activities</b>		
Interest Income	116.98	162.76
Dividend Income	0.31	0.25
Redemption/(Purchase) of FD	135.31	(57.43)
Sale of Investments	-	22.17
Purchase / Sale of Fixed Assets	-	(0.05)
	252.60	127.71
<b>(C) Cash Flow from Financing Activities</b>		
Repayment to Debenture Holders	(56.69)	(6.93)
Repayment of Loan to Fixed Depositors	(93.44)	(58.35)
	(150.13)	(65.28)
Net increase decrease in cash & cash equivalents	(10.58)	16.16
Cash and Cash equivalents (Opening Balance)	27.47	11.31
<b>Cash and Cash equivalents (Closing Balance)</b>	<b>16.89</b>	<b>27.47</b>

Notes forming part of Financial Statements

This is the Cash Flow Statement referred to in our report of even date.

**As per our report annexed,****For Mukesh Aggarwal & Co.**

Chartered Accountants

Firm Registration No. 011393N

**Rishi Mittal**

Partner

M.No. 521860

**Nidhi Deveshwar**

Whole Time Director

DIN: 09505480

**Richa Kalra**

Director

DIN: 07632571

**Somali Tiwari**

Company Secretary

M.No. A-47631

**Place : Delhi****Dated : 27th May, 2022**

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2022**

**A. Equity Share Capital**

(Amount in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
Balance at the beginning of the reporting period;	2,212.51	2,212.51
Change in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the reporting period	2,212.51	2,212.51
Changes in equity share capital during the year	-	-
<b>Balance at the end of the reporting period</b>	<b>2,212.51</b>	<b>2,212.51</b>

**B. Other Equity**

Other equity consist of following:

(Amount in Lacs)

Particulars	Reserves and Surplus					Total
	Capital Reserve	Securities Premium	Debenture Redemption Reserve	Special Reserve	Retained Earnings	
<b>Balance at the end of the 31.03.2020</b>	<b>193.87</b>	<b>1,650.86</b>	<b>8.75</b>	<b>156.23</b>	<b>(8,573.95)</b>	<b>(6,564)</b>
Profit/(loss) for the year	-	-	-	-	(12.57)	(12.57)
Other comprehensive income/(loss) for the year	-	-	-	-	0.10	0.10
Dividends (including corporate dividend tax)	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-
Transfer to Capital Reserve	-	-	-	-	-	-
<b>Balance at the end of the 30.03.2021</b>	<b>193.87</b>	<b>1,650.86</b>	<b>8.75</b>	<b>156.23</b>	<b>(8,586.42)</b>	<b>(6,576.71)</b>
<b>Profit/(loss) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>48.42</b>	<b>48.42</b>
Other comprehensive income/(loss) for the year	-	-	-	-	(0.68)	(0.68)
Dividends (including corporate dividend tax)	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-
Transfer to Capital Reserve	-	-	-	-	-	-
<b>Balance at the end of the 31.03.2022</b>	<b>193.87</b>	<b>1,650.86</b>	<b>8.75</b>	<b>156.23</b>	<b>(8,538.68)</b>	<b>(6,528.97)</b>

**For Mukesh Aggarwal & Co.**

Chartered Accountants

Firm Registration No. 011393N

**Rishi Mittal**

Partner

M.No. 521860

**Nidhi Deveshwar**

Whole Time Director

DIN: 09505480

**Richa Kalra**

Director

DIN: 07632571

**Somali Tiwari**

Company Secretary

M.No. A-47631

**Place : Delhi**

**Dated : 27th May, 2022**



**1 Property, Plant and Equipment**

Property, plant and equipment consist of the following :

Particulars	Land	Plant & Machinery	Buildings	Furniture & Fixtures	Office Equipment & Appliances	(Amount in Lacs)	
						Total	
<b>Year ended 31 March 2021</b>							
<b>Opening Gross Carrying Amount</b>	<b>3.06</b>	<b>0.03</b>	<b>1,304.34</b>	<b>7.81</b>	<b>0.32</b>	<b>1,315.56</b>	
Additions	-	0.05	-	-	-	0.05	
Disposals	-	-	-	-	-	-	
<b>Closing Gross Carrying Amount as at March 31, 2021</b>	<b>3.06</b>	<b>0.07</b>	<b>1,304.34</b>	<b>7.81</b>	<b>0.32</b>	<b>1,315.61</b>	
Opening Accumulated Depreciation	-	-	114.50	7.10	0.25	121.85	
Depreciation charged during the year 2020-2021	-	0.00	28.62	-	-	28.63	
Depreciation on Disposals	-	-	-	-	-	-	
<b>Closing Accumulated Depreciation as at March 31, 2021</b>	<b>-</b>	<b>0.00</b>	<b>143.12</b>	<b>7.10</b>	<b>0.25</b>	<b>150.47</b>	
<b>Net Carrying Amount as at March 31, 2021</b>	<b>3.06</b>	<b>0.07</b>	<b>1,161.22</b>	<b>0.71</b>	<b>0.07</b>	<b>1,165.13</b>	
<b>Year ended 31 March 2022</b>							
<b>Opening Gross Carrying Amount as at March 31, 2021</b>	<b>3.06</b>	<b>0.07</b>	<b>1,304.34</b>	<b>7.81</b>	<b>0.32</b>	<b>1,315.61</b>	
Opening Accumulated Depreciation	-	0.00	143.12	7.10	0.25	150.47	
Depreciation charged during the year 2021-2022	-	0.01	27.88	-	-	27.89	
<b>Depreciation on Disposals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Closing Accumulated Depreciation as at March 31, 2022</b>	<b>-</b>	<b>0.01</b>	<b>171.00</b>	<b>7.10</b>	<b>0.25</b>	<b>178.36</b>	
<b>Net Carrying Amount as at March 31, 2022</b>	<b>3.06</b>	<b>0.06</b>	<b>1,133.34</b>	<b>0.71</b>	<b>0.07</b>	<b>1,137.25</b>	
<b>Note 1.1</b>							
<b>Right to use asset</b>					<b>Right to Use Assets</b>		
<b>Opening Gross Carrying Amount</b>						-	
Additions						12.15	
Disposals						-	
<b>Closing Gross Carrying Amount as at March 31, 2021</b>						<b>12.15</b>	
Opening Accumulated Depreciation							
Depreciation charged during the year 2020-2021							4.05
Depreciation on Disposals							
<b>Closing Accumulated Depreciation as at March 31, 2021</b>							<b>4.05</b>
<b>Net Carrying Amount as at March 31, 2021</b>							<b>8.10</b>

<b>Opening Gross Carrying Amount</b>	12.15
Additions	-
Disposals	-
<b>Closing Gross Carrying Amount as at March 31, 2022</b>	<b>12.15</b>
Opening Accumulated Depreciation	4.05
Depreciation charged during the year 2021-2022	4.05
Depreciation on Disposals	-
<b>Closing Accumulated Depreciation as at March 31, 2022</b>	<b>8.10</b>
<b>Net Carrying Amount as at March 31, 2022</b>	<b>4.05</b>

## 2 NON CURRENT INVESTMENTS

Particulars	As at	As at
	31st March, 2022	31st March, 2021
	Amount in Lacs	Amount in Lacs
<b>Details of non current investment</b>		
-Investments in Equity Shares	-	-
<b>Total</b>	-	-

## 2(A) Details of non-current investment consist of following:

(Amount in Rs.)

Sr. No.	Particulars	Subsidiary / Associate / JV/ Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	As at 31st March, 2022	As at 31st March, 2021
			As at 31st March, 2022	As at 31st March, 2021				
(a)	<b>Investments in Equity Shares</b>							
	<b>Non -Trade Investments</b>							
1	Global IT Options Ltd	Subsidiary	900,000	900,000	UnQuoted	Fully Paid	9,000,000	9,000,000
	Less: Provision for Impairment						(9,000,000)	(9,000,000)
	<b>TOTAL (a)</b>		<b>900,000</b>	<b>900,000</b>			-	-

**Note 3: Other Financial Assets (Non-current)**

Other Financial Assets consist of the following :

Particulars	As at 31st	As at 31st
	March, 2022	March, 2021
	Amount in lacs	Amount in lacs
Bank Deposits*	1,601.89	1,753.00
Security Deposits	6.56	6.56
<b>Total</b>	<b>1,608.45</b>	<b>1,759.56</b>

\*These are restricted bank deposits and cannot be operated without getting prior approval of Hon'ble Delhi High Court.

**Note 4: Deferred Tax Assets (Net)**

Major Components of the deferred tax balances

Deferred Tax Liabilities	As at 31st	As at 31st
	March, 2022	March, 2021
	Amount in lacs	Amount in lacs
Depreciation and amortisation	288.34	294.35
<b>Total (a)</b>	<b>288.34</b>	<b>294.35</b>

Deferred Tax Assets	As at 31st	As at 31st
	March, 2022	March, 2021
	Amount in lacs	Amount in lacs
Post Employment Defined Benefit Plans	2.84	2.05
Provision for Doubtful Debts	600.93	629.32
Unrealised gain on securities carried at fair value through statement of profit and loss	17.26	33.29
Lease	0.09	0.09
<b>Total (b)</b>	<b>621.12</b>	<b>664.75</b>

<b>Net Deferred Tax (Liabilities)/ Assets (b-a)</b>	<b>332.78</b>	<b>370.40</b>
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**Movement in Deferred Tax Assets/(Liabilities)**

Particulars	Property, Plant and Equipment	Post Employment Defined Benefit Plans	Provision for Doubtful Debts	Remeasurement of Investment through Profit and Loss	Lease	Total
<b>At 31st March, 2020</b>	<b>(301.16)</b>	<b>1.62</b>	<b>629.42</b>	<b>43.44</b>	<b>-</b>	<b>373.32</b>
(Charged) / credited						
- to Statement of Profit and Loss	6.81	0.46	(0.10)	(10.15)	0.09	(2.89)
- to Other Comprehensive Income		(0.03)				(0.03)
<b>At 31st March, 2021</b>	<b>(294.35)</b>	<b>2.05</b>	<b>629.32</b>	<b>33.29</b>	<b>0.09</b>	<b>370.39</b>
(Charged) / credited						
- to Statement of Profit and Loss	6.01	0.51	(28.39)	-16.03	0.00	(37.90)
- to Other Comprehensive Income	-	0.29	-	-	-	0.29
<b>At 31st March, 2022</b>	<b>(288.34)</b>	<b>2.84</b>	<b>600.93</b>	<b>17.26</b>	<b>0.09</b>	<b>332.78</b>

**5 OTHER NON CURRENT ASSETS**

Other non current assets consist of the following :

Particulars	As at 31st	As at 31st
	March, 2022	March, 2021
	Amount in lacs	Amount in lacs
TDS Recoverable (Net of Provisions) (Refer Note 5A)"	160.69	169.26
	<u>160.69</u>	<u>169.26</u>
Unsecured , Doubtful		
- Others	10.23	10.23
Less: Provision towards doubtful advances/ECL	(10.23)	(10.23)
	<u>-</u>	<u>-</u>
<b>Total</b>	<b><u>160.69</u></b>	<b><u>169.26</u></b>

**5A Details of Tax Recoverable**

(Amount in lacs)

Particulars	As at 31st	As at 31st
	March, 2022	March, 2021
Advance Tax and TDS	207.49	216.07
Less : Provision for Tax	46.80	46.80
<b>Net</b>	<b><u>160.69</u></b>	<b><u>169.27</u></b>

## 6 CURRENT INVESTMENTS

Particulars	As at 31st March, 2022 Amount in lacs	As at 31st March, 2021 Amount in lacs
<b>Details of current investment</b>		
--Investments in Equity Shares	142.23	80.95
--Investments in NCD	0.17	0.17
<b>Total</b>	<b>142.40</b>	<b>81.12</b>

6 (A) Details of current investment consist of following:

Sr. No.	Particulars	Subsidiary / Associate / JV/ Others	No. of NCD / Units		Quoted / Unquoted	Partly Paid / Fully paid	As at 31st March, 2022	As at 31st March, 2021
			As at 31st March, 2022	As at 31st March, 2021				
(a)	<b>Investments in Non Convertible Debentures</b>							
	<b>At Amortised Cost</b>							
1	Nayara Energy Ltd (NCD)*	Others	49	49	Unquoted	Fully Paid	0.17	0.17
	*Amalgamation of Vadinar oil terminal Ltd with Nayara Energy Ltd (Non Convertible Debentures issued for Shares)							

Total (a)							0.17	0.17
<b>6(B) Details of current investment consist of following:</b>								
(Amount in Rs.)								
Sr. No.	Particulars	Subsidiary / Associate / JV/ Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	As at 31 st March, 2022	As at 31 st March, 2021
			As at 31 st March, 2022	As at 31 st March, 2021				
(a)	<b>Investments in Equity Shares</b>							
	<b>At Fair Value Through Profit &amp; Loss</b>							
1	Clutch Auto Limited	Others	98,050	98,050	Quoted	Fully Paid	0.00	0.00
2	Health fore Technologies (Religare Technologies Ltd)	Others	10	10	Quoted	Fully Paid	0.00	0.00
3	Indo Biotech Foods Ltd	Others	300	300	Quoted	Fully Paid	0.00	0.00
4	Sujana Steel Ltd	Others	1,300	1,300	Quoted	Fully Paid	0.00	0.00
5	Padmini Technology Ltd	Others	500	500	Quoted	Fully Paid	0.00	0.00
6	Radhika Spinning Mills Ltd	Others	300	300	Quoted	Fully Paid	0.00	0.00
7	Uniworth Textiles Ltd.	Others	100	100	Quoted	Fully Paid	0.00	0.00
8	Virtualsoft System Limited	Others	13,400	13,400	Quoted	Fully Paid	0.59	0.00
9	Daewoo Motors India Ltd	Others	8,250	8,250	Unquoted	Fully Paid	0.00	0.00
10	ESSAR Ports Ltd.	Others	3	3	Unquoted	Fully Paid	0.00	0.00
11	Galaxy Indo Fab Ltd (Shri Laksmi Cotsyn Ltd)	Others	200	200	Unquoted	Fully Paid	0.00	0.00
12	Hazira Cargo Terminals Ltd	Others	9	9	Unquoted	Fully Paid	0.00	0.00
13	Haryana Sheet Glass Ltd	Others	200	200	Unquoted	Fully Paid	0.00	0.00
14	Profin Money Market Ltd	Others	25,000	25,000	Unquoted	Fully Paid	3.83	0.00
15	Tulip Finance Ltd	Others	1,000	1,000	Unquoted	Fully Paid	0.00	0.00
16	World Tex Ltd	Others	437,500	437,500	Unquoted	Fully Paid	0.00	0.00
17	Salaya Bulk Terminals Ltd	Others	3	3	Unquoted	Fully Paid	0.00	0.00
18	Skypack Courier Ltd	Others	100	100	Unquoted	Fully Paid	0.00	0.00
19	Banaras Beads Ltd	Others	110	110	Quoted	Fully Paid	0.10	0.05
20	Doin Global Solutions Ltd (Religare Technova)	Others	40	40	Quoted	Fully Paid	0.00	0.00

21	Gagan Polycot Ltd	Others	700	700	Quoted	Fully Paid	0.02	0.01
22	GE Shipping Ltd	Others	65	65	Quoted	Fully Paid	0.20	0.20
23	Gujarat Meditech Ltd	Others	200	200	Quoted	Fully Paid	0.01	0.01
24	Kinetic Trust Ltd.	Others	100	100	Quoted	Fully Paid	0.00	0.00
25	Mid India Industries Ltd	Others	100	100	Quoted	Fully Paid	0.01	0.00
26	Profin Capital Services Ltd	Others	19,300	19,300	Quoted	Fully Paid	29.50	5.80
27	Shree Rajasthan Syntex Ltd	Others	500	500	Quoted	Fully Paid	0.00	0.00
28	Sree Rayalaseema HI Strength Hypo Ltd	Others	8,255	8,255	Quoted	Fully Paid	39.09	19.49
29	Cephram Milk Specialities Ltd.	Others	30,000	30,000	Quoted	Fully Paid	0.00	0.00
30	Punj Llyod Ltd	Others	200,000	200,000	Quoted	Fully Paid	4.36	2.96
31	Sujana Universal Industries Ltd	Others	1,100	1,100	Quoted	Fully Paid	0.00	0.00
32	Svam Software Ltd	Others	200	200	Quoted	Fully Paid	0.01	0.00
33	United Breweries Limited	Others	8	8	Quoted	Fully Paid	0.12	0.10
34	Sunstar Lubricants Ltd	Others	3,100	3,100	Quoted	Fully Paid	0.00	0.00
35	Jaimata Rolled Glass Ltd	Others	100	100	Quoted	Fully Paid	0.00	0.00
36	Jsw Ispat Steel Ltd	Others	80	80	Quoted	Fully Paid	0.00	0.00
37	Modern Threads Ltd	Others	100	100	Quoted	Fully Paid	0.00	0.00
38	Tribology India Ltd	Others	400	400	Quoted	Fully Paid	0.00	0.00
39	HPM Industries Ltd	Others	5,000	5,000	Quoted	Fully Paid	0.00	0.00
40	Mardia Samyoung Capillary Tube	Others	1	1	Quoted	Fully Paid	0.00	0.00
41	Grand Foundry Ltd	Others	600	600	Quoted	Fully Paid	0.00	0.00
42	Goldwon Textiles Ltd	Others	100	100	Quoted	Fully Paid	0.00	0.00
43	Good Value Marketing Ltd	Others	200	200	Quoted	Fully Paid	0.00	0.00
44	Krishna Engineering Works Ltd	Others	300	300	Quoted	Fully Paid	0.00	0.00
45	Superforging & Steels Ltd	Others	9,600	9,600	Quoted	Fully Paid	0.00	0.00
46	Bharati Telecom Ltd	Others	100	100	Unquoted	Fully Paid	0.00	0.00
47	Rajasthan Antibiotics Ltd.	Others	30,000	30,000	Unquoted	Fully Paid	63.07	52.04
48	Cebon India Ltd.	Others	30,000	30,000	Unquoted	Fully Paid	0.00	0.00
49	Krishna Cold Rolled Ltd(Rs.2.50 pd)	Others	25,000	25,000	Unquoted	Fully Paid	0.05	0.14
50	Valplus Biotech Ltd	Others	700	700	Unquoted	Fully Paid	0.10	0.13
51	Adhunik Synthetics Ltd	Others	100	100	Unquoted	Fully Paid	0.00	0.00

52	Bhiwani Synthetics Ltd	Others	400	400	Unquoted	Fully Paid	0.00	0.00
53	BLB Mutual Services Ltd	Others	300	300	Unquoted	Fully Paid	0.00	0.00
54	BLB Share & Financial Services Ltd	Others	50	50	Unquoted	Fully Paid	0.00	0.00
55	Cepharm Organics Ltd	Others	250	250	Unquoted	Fully Paid	0.00	0.00
56	Chirau Finance Invest. & Leasing	Others	3,900	3,900	Unquoted	Fully Paid	0.00	0.00
57	City Lifts Ltd	Others	2,800	2,800	Unquoted	Fully Paid	0.00	0.00
58	Crest Paper Mills Ltd	Others	1,700	1,700	Unquoted	Fully Paid	0.00	0.00
59	Datapro Information Technology Ltd	Others	1,000	1,000	Unquoted	Fully Paid	0.00	0.00
60	Decora Tubes Ltd	Others	200	200	Unquoted	Fully Paid	0.00	0.00
61	East India Syntex Ltd	Others	200	200	Unquoted	Fully Paid	0.00	0.00
62	Electrolux Kelvinator (Intron)	Others	825	825	Unquoted	Fully Paid	0.00	0.00
63	Finolex Industries Ltd	Others	750	-	quoted	Fully Paid	1.16	0.00
64	Garg Forgings & Castings Ltd	Others	500	500	Unquoted	Fully Paid	0.00	0.00
65	Girnar Fibres Ltd	Others	4,100	4,100	Unquoted	Fully Paid	0.00	0.00
66	Gorden Herbert india Ltd	Others	100	100	Unquoted	Fully Paid	0.00	0.00
67	Greenfield Corporation Ltd(Rs.5.00 pd)	Others	127,000	127,000	Unquoted	Fully Paid	0.00	0.00
68	Hindustan Development Corpn. Ltd	Others	21,050	21,050	Unquoted	Fully Paid	0.00	0.00
69	Jaipur Straw Products Ltd	Others	1,200	1,200	Unquoted	Fully Paid	0.00	0.00
70	Jay Vinylys Ltd	Others	100	100	Unquoted	Fully Paid	0.00	0.00
71	Jiwan Flora Ltd	Others	400	400	Unquoted	Fully Paid	0.00	0.00
72	Karishma Floriculture Ltd	Others	1,700	1,700	Unquoted	Fully Paid	0.00	0.00
73	Kashipur Holdings Ltd(Bonus)	Others	50	50	Unquoted	Fully Paid	0.00	0.00
74	Kitti Steels Ltd	Others	100	100	Unquoted	Fully Paid	0.00	0.00
75	Makan Agro Ltd	Others	200	200	Unquoted	Fully Paid	0.00	0.00
76	Minerva Holdings Ltd	Others	20	20	Unquoted	Fully Paid	0.00	0.00
77	Moon Beam Industries Ltd	Others	400	400	Unquoted	Fully Paid	0.00	0.00
78	Pan Asia Industries Ltd	Others	5,400	5,400	Unquoted	Fully Paid	0.00	0.00
79	Rasik Plast Ltd	Others	4,500	4,500	Unquoted	Fully Paid	0.00	0.00
80	S.M. Dychem Ltd	Others	4	4	Unquoted	Fully Paid	0.00	0.00
81	S.V. Electricals Ltd	Others	5,000	5,000	Unquoted	Fully Paid	0.00	0.00



82	Sajjan Textiles Ltd	Others	100	100	Unquoted	Fully Paid	0.00	0.00
83	Shree Pommani Metals & Alloys Ltd	Others	19,400	19,400	Unquoted	Fully Paid	0.00	0.00
84	Siddharth Spinfab Ltd	Others	3,500	3,500	Unquoted	Fully Paid	0.00	0.00
85	Starspin & Twist Ltd	Others	100	100	Unquoted	Fully Paid	0.00	0.00
86	Sturdy Polymers Ltd	Others	200	200	Unquoted	Fully Paid	0.00	0.00
87	Suryachakra Seafoods Ltd	Others	13,400	13,400	Unquoted	Fully Paid	0.00	0.00
88	Swarnima Oils Ltd	Others	200	200	Unquoted	Fully Paid	0.00	0.00
89	Transpower Engineering Ltd	Others	2,500	2,500	Unquoted	Fully Paid	0.00	0.00
90	U.P. Lime Chem Limited	Others	500	500	Unquoted	Fully Paid	0.00	0.00
91	Vikram Projects Ltd	Others	1,600	1,600	Unquoted	Fully Paid	0.00	0.00
92	Vishal Lakco Ltd	Others	9,700	9,700	Unquoted	Fully Paid	0.00	0.00
	<b>Total (b)</b>		<b>1,187,783</b>	<b>1,187,033</b>			<b>142.23</b>	<b>80.95</b>
	<b>Total (a+b)</b>						<b>142.40</b>	<b>81.12</b>

Note: Investments value of 0.00 lacs represent investments having carrying value of Rs. 1 pursuant to fair valuation (Mark to Market)

**7 TRADE RECEIVABLES**

Trade receivables

Particulars	As at 31 st	As at 31 st
	March, 2022	March, 2021
	Amount in lacs	Amount in lacs
Trade Receivables, unsecured:		
Considered good	-	-
Credit impaired	1,694.67	1,694.67
Less: Allowance for expected credit loss	(1,694.67)	(1,694.67)
	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Trade Receivable ageing schedule for year ended as on 31.03.2022 and 31.03.2021:**

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	as at 31st March 2022	-	-	-	-	-	-
	as at 31st March 2021	-	-	-	-	-	-
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	as at 31st March 2022	-	-	-	-	-	-
	as at 31st March 2021	-	-	-	-	-	-
(ii) Undisputed Trade Receivables - credit impaired	as at 31st March 2022	-	-	-	-	-	-
	as at 31st March 2021	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	as at 31st March 2022	-	-	-	-	-	-
	as at 31st March 2021	-	-	-	-	-	-
*(v) Disputed Trade Receivables – which have significant increase in credit risk	as at 31st March 2022	-	-	-	-	-	-
	as at 31st March 2021	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	as at 31st March 2022	-	-	-	-	1,694.67	1,694.67
	as at 31st March 2021	-	-	-	-	1,694.67	1,694.67
Total Trade Receivables	as at 31st March 2022	-	-	-	-	1,694.67	1,694.67
	as at 31st March 2021	-	-	-	-	1,694.67	1,694.67
Less- allowance for credit loss	as at 31st March 2022	-	-	-	-	(1,694.67)	(1,694.67)
	as at 31st March 2021	-	-	-	-	(1,694.67)	(1,694.67)
Total trade receivables	as at 31st March 2022	-	-	-	-	-	-
	as at 31st March 2021	-	-	-	-	-	-

**8 Cash and Cash Equivalent**

Cash and cash equivalents consist of the following :

Particulars	As at 31 st	As at 31 st
	March, 2022	March, 2021
	Amount in lacs	Amount in lacs
<b>(a) Balances with Bank</b>		
-Restricted Bank Balance (Refer Note 8A & 8 B)	24.63	35.22
Less: Provision for impairment (Refer Note 8C)	(7.75)	(7.75)
	<u>16.88</u>	<u>27.47</u>
<b>(b) Cash in hand</b>	-	-
<b>Total</b>	<u><u>16.88</u></u>	<u><u>27.47</u></u>

**8A Restricted Bank Balances Includes :**

Particulars	As at 31 st	As at 31 st
	March, 2022	March, 2021
	Amount in lacs	Amount in lacs
Canara Bank	7.49	7.49
IDBI Bank Limited	2.70	0.25
Axis Bank	7.25	6.95
UTI Bank	0.26	0.26
Kotak Mahindra	2.38	2.32
IDFC	4.55	17.95
<b>Total</b>	<u><u>24.63</u></u>	<u><u>35.22</u></u>

**8B** These are restricted bank balances and cannot be operated without getting prior approval of Hon'ble Delhi High Court.

**8C** During the year ended 31st March, 2018, the provision for impairment of Rs. 7.75 lacs had been provided for the banks balances which are not in operation from past years and confirmations to their balances are not made available. These balances are subject to confirmation as on 31.3.2022 and are still not operative.

Particulars	As at 31 st	As at 31 st
	March, 2022	March, 2021
	Amount in lacs	Amount in lacs
Canara Bank	7.49	7.49
UTI	0.26	0.26
<b>Total</b>	<u><u>7.75</u></u>	<u><u>7.75</u></u>

**9 Other Bank Balances**

Other Bank Balances consist of the following at amortised cost:

Particulars	As at 31 st	As at 31 st
	March, 2022	March, 2021
	Amount in lacs	Amount in lacs
<b>Bank Deposits( Refer Note 9A)</b>	311.81	296.00
<i>(deposits with original maturity of more than 3 months having remaining maturity less than 12 months)</i>		
<b>Total</b>	<u><u>311.81</u></u>	<u><u>296.00</u></u>

**9A** These are restricted bank deposits and cannot be operated without getting prior approval of Hon'ble Delhi High Court.

**10 Other Current Financial Assets**

Other Current Assets consist of the following at amortised cost:

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
	Amount in lacs	Amount in lacs
Interest accrued but not due on Fixed Deposits	14.23	15.18
<b>(A)</b>	<u>14.23</u>	<u>15.18</u>
Unsecured, Doubtful		
- Inter Corporate Deposit	79.58	79.58
- Bills Receivable	-	107.17
- Rent Receivable	518.47	518.47
-Dividend Receivable	0.01	-
Less: Provision towards Doubtful Debts/ECL	(598.05)	(705.22)
<b>(B)</b>	<u>0.01</u>	<u>-</u>
<b>Total (A) + (B)</b>	<u><b>14.24</b></u>	<u><b>15.18</b></u>

**11 Other Current Assets (Non-Financial)**

Other Current Assets consist of the following:-:

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
	Amount in lacs	Amount in lacs
Employee Advances	-	0.12
Other Advances	1.93	3.54
	1.93	3.66
Less: Provision for doubtful recoverables	(0.58)	(2.58)
<b>Total</b>	<u><b>1.35</b></u>	<u><b>1.08</b></u>

**12 SHARE CAPITAL**

The Authorised, Issued, Subscribed and fully Paid up Share Capital of Equity Shares having a par value of Rs. 10/- each as follows:

Share Capital	As at 31st March, 2022		As at 31st March, 2021	
	Number	Amount in lacs	Number	Amount in lacs
<b>Authorised</b>				
Equity Shares of Rs. 10/- each	65,000,000	6,500.00	65,000,000	6,500.00
6,50,00,000 Equity Shares of Rs.10 each	<b>65,000,000</b>	<b>6,500.00</b>	<b>65,000,000</b>	<b>6,500.00</b>
<b>Issued</b>				
2,21,25,054 Equity Shares of Rs.10 each	22,125,054	2,212.51	22,125,054	2,212.51
Fully paid up				
<b>Total</b>	<b>22,125,054</b>	<b>2,212.51</b>	<b>22,125,054</b>	<b>2,212.51</b>

**12A Reconciliation of number of shares**

Particulars	Equity Shares			
	As at 31st March, 2022		As at 31st March, 2021	
	Number	Amount in lacs	Number	Amount in lacs
Shares outstanding at the beginning of the year	22,125,054	2,212.51	22,125,054	2,212.51
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Any other movement	-	-	-	-
Shares outstanding at the end of the year	<b>22,125,054</b>	<b>2,212.51</b>	<b>22,125,054</b>	<b>2,212.51</b>

**B Shareholding of Promoters**

Shares held by promoters at 31.03.2022

Promoter Name	No. of shares	% of Total Shares	% Change during the year
VIVEK BHARAT RAM	15	0.00%	-
DCM SERVICES LTD	6,352,487	28.71%	-
SHRIRAM GLOBAL ENTERPRISE LTD	312,450	1.41%	-
INTELLECT CAPITAL SERVICE PVT LTD	2,075,000	9.38%	-
<b>TOTAL</b>	<b>8,739,952</b>	<b>39.50%</b>	

**12C Details of shares held by shareholders holding more than 5% of aggregate shares in the company**

Name of Shareholder	Equity Shares			
	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
DCM Services Ltd	6,352,487	28.71%	6,352,487	28.71%
Intellect Capital Services Ltd	2,075,000	9.38%	2,075,000	9.38%
Punjab & Sind Bank	1,319,900	5.97%	1,319,900	5.97%
<b>Total</b>	<b>9,747,387</b>	<b>44.06%</b>	<b>9,747,387</b>	<b>44.06%</b>

**13 OTHER EQUITY**

Other equity consist of following :

Particulars	Reserves and Surplus					Total
	Capital Reserve	Securities Premium	Debenture Redemption Reserve	Special Reserve	Retained Earnings	
<b>Balance at the end of 31.03.2020</b>	<b>193.87</b>	<b>1,650.86</b>	<b>8.75</b>	<b>156.23</b>	<b>(8,573.95)</b>	<b>(6,564.24)</b>
Profit/(loss) for the year	-	-	-	-	(12.57)	(12.57)
Other comprehensive income/(loss) for the year	-	-	-	-	0.10	0.10
Dividends	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-
Transfer to Capital Reserve	-	-	-	-	-	-
<b>Balance at the end of 30.03.2021</b>	<b>193.87</b>	<b>1,650.86</b>	<b>8.75</b>	<b>156.23</b>	<b>(8,586.42)</b>	<b>(6,576.71)</b>
Profit/(loss) for the year	-	-	-	-	48.42	48.42
Other comprehensive income/(loss) for the year	-	-	-	-	(0.68)	(0.68)
Dividends	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-
Transfer to Capital Reserve	-	-	-	-	-	-
<b>Balance at the end of 31.03.2022</b>	<b>193.87</b>	<b>1,650.86</b>	<b>8.75</b>	<b>156.23</b>	<b>(8,538.68)</b>	<b>(6,528.97)</b>

**14 Borrowings (Non- Current)**

Long term borrowings consist of following : (Amount in lacs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>A. Unsecured</b>		
(i) Term Loan from SBI HF (Refer Note 14.1)	25.00	25.00
(ii) Payable to Related Party		
- DCM Services Ltd	182.70	182.70
(Refer Note 14.2)		
	<u>207.70</u>	<u>207.70</u>
<b>Total</b>	<u>207.70</u>	<u>207.70</u>

**14.1 SBI HOME FINANCE LIMITED**

- (a) **Status till 31-March-2017 and as on 31-March 2022** - The company has already paid Rs. 290.00 Lacs under the Old Scheme and proposes to allot shares worth Rs. 25.00 Lacs for the balance as per the Fresh Restructuring Scheme in the first year from the effective date (Effective date means the date of filing of the certified copy of the order sanctioning the scheme of the Hon'ble High Court of Delhi at New Delhi with the Registrar of Companies of Delhi & Haryana). SBIHF has removed a charge on its assets and therefore the loan is now categorized as unsecured loan.

The Company has to allot fully paid up shares of Rs. 25 Lacs of the Company at Rs. 30/- per share (share value Rs. 10/- plus premium Rs. 20/- per shares) or as per SEBI guidelines to SBI Home Finance Ltd. as per the Decree awarded by the Hon'ble High Court of Delhi at New Delhi, within two' years from the effective date of the scheme as per applicable SEBI guidelines.

(b) **DECISION OF ONE MAN COMMITTEE**

As per Report of One Man Committee pursuant to order dated 3.9.2015 passed by Hon'ble Delhi Court as on 10th August, 2017, the debt settlement will be as follows:

- (i) **Amount due to SBI Home Finance as at 31-Dec-2015**

Particulars	Amount (In Lacs)
I. Principal Outstanding	25.00
II. Maturity Interest	-
<b>Total</b>	<b>25.00</b>

- (ii) **Payment Schedule by issuing in shares**

(In Lacs)

Particulars	Phase-I
To be discharged by issuance of Equity shares of the Company of the face value of Rs. 10/- at a premium of Rs. 20/- per share or as per applicable SEBI guidelines	25.00
The Company proposes to allot shares worth Rs. 25.00 Lacs to SBI Home Finance Ltd. as per the Decree awarded by the Hon 'ble High Court of Delhi at New Delhi, within two' years from the effective date of the scheme as per applicable SEBI guidelines	
<b>Total</b>	<b>25.00</b>

Since, the number of shares to be allotted are not clear, presently the amount of Rs. 25 Lacs is shown in Liabilities and not under other equity. The same shall be reclassified depending upon whether Company has to issue variable number of equity shares or fixed number of equity shares.

**14.2 PRESSMAN LEASING**

(a) **DECISION OF ONE MAN COMMITTEE**

The amount due to M/s, Pressman Leasing has been quantified at the lump sum of Rs 410 Lacs and such amount would be paid 55% (Rs. 226 Lacs) in cash and 45% (Rs. 184 Lacs) in shares and details are under:-

(ii) **Payment Schedule** (Amount in lacs.)

Particulars	Phase-I	Phase-II
I. 70% of total principal amount	158	-
II. 30% of total amount	-	68
<b>Total</b>	<b>158.00</b>	<b>68.00</b>

- (b) The Company has to allot fully paid up shares of the Company (45% of 410 Lacs i.e. 184 Lacs) as per SEBI guidelines to Pressman Leasing as per the Decree awarded by the 'Hon'ble High Court of Delhi at New Delhi, within two' years from the effective date of the scheme.

Since, the number of shares to be allotted are variable, the amount is shown in Liabilities and not equity.

- (c) The Interest dues were waived and cancelled.
- (d) The Loan of Pressman Leasing (55% of 410 lacs i.e. 226 lacs) was acquired by DCM Services Limited. The company pursuant to scheme of One Man Committee, has paid 70% i.e. Rs. 156 Lacs of the principal amount to DCM Services Limited under Phase-I during the year ended 31-March-2018, being assignee of said loan of Pressman Leasing. The balance 30% amount which was outstanding as on 01st April 2019 and was included in the Payment to Related Party has been released in FY 19-20 as per Phase-II as per Schedule. The closing balance after payment as per phase II of Rs. 0.68 lacs to Pressman Leasing is NIL as on 31st March 2022.

**15 Lease Liability**

Particulars	As at 31st March, 2022	As at 31st March, 2021
	Amount in lacs	Amount in lacs
Lease Liability( Non-current)	-	4.40
<b>Total</b>	-	4.40
Lease Liability( current)	4.40	4.04
<b>Total</b>	<b>4.40</b>	<b>4.04</b>

**16 Provisions (Non-Current)**

Provisions consist of the following :

Particulars	As at 31st March, 2022	As at 31st March, 2021
	Amount in lacs	Amount in lacs
<b>(a) Provision for Employee Benefits</b>		
Leave Encashment	1.24	0.62
Gratuity	9.46	6.58
<b>Total</b>	<b>10.70</b>	<b>7.20</b>

**17 Borrowings( Current)**

Borrowings consist of the following :

Particulars	As at 31st March, 2022	As at 31st March, 2021
	Amount in lacs	Amount in lacs
<b>a. Inter Corporate Deposits</b>		
From Related Parties (Refer Note 17.1)	1,052.65	1,052.65
<b>b. Debentures (Secured )</b>		
Debentures (Refer Note 17.2)	1,785.05	1,841.75

**c. Unsecured**

Fixed Deposit from Public (Refer Note 17.3)	4,755.87	4,849.31
Inter - Corporate Deposits (Refer Note 17.4)	13.51	27.17
(d) Security Deposits	6.25	6.25
<b>Total</b>	<b>7,613.33</b>	<b>7,777.13</b>

**18 Current Financial Liabilities**

Current Financial Liabilities consist of the following at amortised cost:-

Particulars	As at 31st	As at 31st
	March, 2022	March, 2021
	Amount in Lacs	Amount in Lacs
a. Payable to Punjab & Haryana High Court (Refer Note 18.1)	100.00	100.00
(b) Expenses Payable	81.04	90.61
(c) Other Payable	12.29	54.35
<b>Total</b>	<b>193.33</b>	<b>244.96</b>

**17.1 Payable to Related Parties**

The One Man committee earlier recommended to pay to the creditors 70% of the principal amount. The above said arrangement was modified by the committee on 18th May 2019 and accordingly it has been decided to pay creditors who have claimed amount as per procedure set by the committee and whose documents have been verified. As per the claims made by the creditors 100% of principal being paid to them and balance 30% to creditors whom 70% has already been paid has also started by the company. The balance payable to creditors is as per books and who have not claimed so far or their documents are under verification.

Payable to Related Party Include the following:	31.03.2022	31.03.2021
	Amount in lacs	Amount in lacs
- DCM International Limited	281.57	281.57
- DCM Services Limited	739.24	739.24
- DCM Anubhavi Market Private Limited	31.84	31.84
	<b>1,052.65</b>	<b>1,052.65</b>

**17.2 DEBENTURES**

(a) Debentures	As at 31st	As at 31st
	March, 2022	March, 2021
	Amount in lacs	Amount in lacs
"A" Series Debenture	2.10	2.10
"B" Series Debenture		
- 19.5% Regular	764.43	786.88
- 19.5% Cumulative	772.72	799.70
- Deep Discount Bonds	245.80	253.07
	<b>1,785.05</b>	<b>1,841.75</b>

**(b) Scheme "A" Series**

The company had allotted the Debenture 'A' series on 28th February, 1996 and 23rd September, 1996 respectively. These debentures are secured against mortgage/hypo-thecation/charge on assets financed out of the proceeds of these debentures. The outstanding debentures of Rs. 7.10 lacs were overdue as on March 31, 2019 out of which Rs 5.00 lacs have been repaid during the year 2019-2020 and 2020-2021. The remaining overdue balance are to be paid as per report of One Man Committee under Fresh Restructuring Scheme.



**(c) Scheme "B" Series**

Debenture 'B' Series were allotted on 5th November, 1996 and are secured against hypothecation/charge on land and premises situated at Mouje Pirangut, Taluka Mulshi, Distt Pune in the State of Maharashtra alongwith all buildings, structures thereon and all plant and machinery, spares, tools, accessories and other movables of the Company, both present and future, whether installed or not. The total amount of debentures allotted were Rs 2818.04 lacs which matured for redemption on 5th May, 1998. Out of total debentures allotted amounting to Rs 2818.04 lacs debentures of Rs. 1035.08 lacs have been redeemed till March 31st, 2022. The remaining debentures as at March 31, 2022 in the "B" series amounting to Rs 1782.95 lacs consist of the following:-

Particulars	Amount in Rs.	Amount in Rs.
19.5% Regular	764.43	786.88
19.5% Cumulative	772.72	799.70
Deep Discount Bonds	245.80	253.07
<b>Total</b>	<b>1,782.95</b>	<b>1,839.65</b>

(d) The value of assets charged in favour of debentures has been depleted over a period of time but the depletion has not been ascertained. To the extent of shortfall, if any, the liability is unsecured.

(e) A supplementary trust deed for giving effect to the proposed repayment plans as provided in Clause 44 of the Trust deed has not been prepared by the trustees so far.

(f) **Status till 31-March-2017 and till 31st March 2022** - Provision of interest on debentures up to 31st March, 2017 from the date of renewal offer letter of 1998 is calculated @ 10% p.a. of simple interest on 19.5% Debenture "B" Series and regular interest on Debenture "A" Series amounting to approximately Rs. 4822.30 lacs has not been provided since a Fresh Restructuring Scheme that is subject to the approval of the Hon'ble High Court of Delhi has been submitted which does not envisage payment of any interest. The rate of 10% per annum issued for Debenture holders is based on the order of Company Law Board (CLB) which was pronounced for Fixed Depositors. Though Fresh Scheme does not envisage payment of any interest, it has been considered prudent to provide interest of 10% per annum on 19.5% Debenture "B" Series and regular interest on Debenture "A" Series since date of renewal offer letter in 1998 by following principles of prudence.

However, since the Restructuring Scheme proposed by One Man Committee has been approved Hon'ble Delhi High Court, the maturity interest amount is restricted to Rs 235 lacs which is scheduled to be shall be to be paid in Phase-2, although decision regarding payment of interest after maturity will be taken at a future date by Hon'ble Delhi Court.

(g) **Status till 31-March-2017** - The Central Bank of India, Bombay, Trustees for the Non-Convertible Debentures B-Series have filed a suit for recovery of Rs. 4421.78 lacs on 14th October, 1999 before the Hon'ble Bombay High Court. It includes interest of Rs. 1553.61 lacs and Rs. 2867.96 lacs towards principal. No provision has been made in the books of accounts for such interest.

The Hon'ble Bombay High Court vide its interim order dated 24th December, 1999 has passed an order that all receipts from hypothecated assets shall be deposited with the trustees in a separate bank account except for amounts utilized as per orders of The Reserve Bank of India and the Company Law Board.

The suit filed by the Central Bank of India before the Hon'ble Bombay High Court has been stayed by Hon'ble High Court of Delhi vide order dated September 14th, 2005 on application made by the company and there is no change in the status as at 31st March, 2022

However, some of the debentures holders have already been paid by the Central Bank of India. The amount which has been already been paid to the Debenture Holders by the Central Bank of India be paid to the Bank. The Central Bank of India has also claimed some amount in a suit filed before the Hon'ble Bombay High Court. No claim has however, been filed by the Central Bank of India before the One Man Committee despite opportunity granted to the Bank. While computing the amount payable in phases to other creditors, this amount claimed by the Bank will be not disbursed till the bank is able to establish its claim in the appropriate proceedings before the Court/One Man Committee.

**(h) DECISION OF ONE MAN COMMITTEE**

As per report of One Man Committee pursuant to order dated 3.9.2015 passed by Hon'ble Delhi Court as on 10th August, 2017, repayment of Debenture holders of "A" Series as well as "B" Series is to be made in two phases. In the first phase of scheme of repayment, debenture holders are to be paid 70% the balance principal amount. The Debenture holders having balance of Rs 5,000 or less will be paid their 100% principal amount in the First Phase. In the second phase maturity interest on debentures is to be paid along with remaining 30%. The schedule of payment to Debenture holders to settle debt will be as under :-

**(i) Amount due to Debenture-holders**

Particulars	Amount in lacs
I. Principal Outstanding	2553
II. Maturity Interest	235
<b>Total</b>	<b>2788</b>

**(ii) Payment Schedule**

Particulars	Phase-I	Phase-II
I. 70% of total principal amount	1,787.00	-
II. Less than Rs 5,000	169.00	-
III. 30% of total amount	-	597.00
IV. Maturity Interest	-	235.00
<b>Total</b>	<b>1,956.00</b>	<b>832.00</b>

**(i) Statement on Reconciliation of Debentures:**

<b>Principal Outstanding as per the Scheme of One Man Committee</b>	<b>2,552.86</b>
Less: Redemption made during the year with the approval of High Court of Delhi	2.65
<b>Balance as on 1st April 2017</b>	<b>2,550.21</b>
Less: Redemption made during the year ended 31-March-2018 as per the scheme of one man committee	176.17
<b>Balance as on 31st March 2018</b>	<b>2,374.04</b>
Less: Redemption made during the year ended 31-March-2019 as per the scheme of one man committee	351.95
<b>Balance as on 31st March 2019</b>	<b>2,022.09</b>
Less: Redemption made during the year ended 31-March-2020 as per the scheme of one man committee	173.41
<b>Balance as on 31st March 2020</b>	<b>1,848.68</b>
Less: Redemption made during the year ended 31-March-2021 as per the scheme of one man committee	6.93
<b>Balance as on 31st March 2021</b>	<b>1,841.75</b>
Less: Redemption made during the year ended 31-March-2022 as per the scheme of one man committee	56.69
<b>Balance as on 31st March 2022</b>	<b>1,785.06</b>

Total Debt was scheduled to be paid in Two phases. First phase of debt settlement as per Report of One Committee pursuant to order dated 3.9.2015 has already commenced in the FY 17-18 and payments to debenture holders amounting of Rs.1035.08 lacs has already been made till March 31, 2022. Remaining debt includes balance 30% and unclaimed original principal amount invested of Rs 0.05 or less. Since KYC norms are still under process and payments are to be made in coming periods, the entire debt balance of Rs 1785.06 lacs is shown under Current Borrowings.

The One Man committee earlier recommended to pay to the creditors 70% of the principal amount. The above said arrangement was modified by the committee on 18th May 2019 and accordingly it has been decided to pay creditors who have claimed amount as per procedure set by the committee and whose documents have been verified. As per the claims made by the creditors 100% of principal being paid to them and balance 30% to creditors whom 70% has already been paid has also been started by the company. The balance payable to creditors is as per books and who have not claimed so far or their documents are under verification

**17.3 FIXED DEPOSITORS**

- (a) **STATUS AS AT -31-MARCH-2017** - In respect of repayment of outstanding deposits with interest vide order dated 17.07.98, the Company Law Board had ordered payment of interest at contracted rates up to the date of maturity and at 10% thereafter. Due to liquidity problems, the company has not fully followed the schedule of repayment ordered by the Company Law Board. However, a Fresh Restructuring Scheme of arrangement for re-organization of the share capital of the company and for compromise with its creditors including fixed depositors filed with Hon'ble Delhi High Court in 2004 does not envisage payment of interest accordingly provision of interest payable amounting to Rs. 827.06 lacs recorded earlier has been written back in earlier years.

**STATUS AS AT -31-MARCH-2017** - Provision for interest on fixed deposits up to March 31, 2017 calculated at simple interest @ 10% p.a. in accordance with the order of The Hon'ble Company Law Board amounting to approx. Rs. 11,588.66 lacs (including Rs. 11027.21 lacs for the earlier years) has not been made, in view of the "Fresh Restructuring Scheme" pending before the Hon'ble Delhi High Court wherein the company does not envisage payment of any interest. To the extent of non-provision of interest @10% as per the previous CLB order, the cumulative interest of Rs.11474.19 lacs were not provided for. The difference between the contracted rate of interest and rate of interest @ 10% has also not been ascertained and provided for.

- (b) Liability on account of Fixed Deposits received contain certain deposits which appear prima-facie to be suspect due to either lack of identification of depositors or no claim or confirmation having been received by the company. Payment of those deposits that are under a suspicious category will be made under the scheme of One Man Committee only after the evidence of receipt of money is established.

(c) **DECISION OF ONE MAN COMMITTEE**

As per Report of One Man Committee pursuant to order dated 3.9.2015 passed by Hon'ble Delhi Court as on 10th August, 2017, repayment to Fixed Depositors is to be made in two phases. In the first phase of scheme of repayment are to be paid 70% the balance principal amount. The Depositors having balance of Rs 5000 or less will be paid their 100% principal amount in the first phase. In the second phase maturity interest is to be paid along with remaining 30%. In the circumstances the debt settlement will be as follows

(i) **Amount due to Fixed Depositors as at 31-Dec-2015**

Particulars	Amount in lacs
I. Principal Outstanding	5,631.00
II. Maturity Interest	1,448.00
<b>Total</b>	<b>7,079.00</b>

(ii) **Payment Schedule**

Amount in lacs

Particulars	Phase-I	Phase-II
I. 70% of total principal amount	3615.00	-
II. Less than Rs 5,000	467.00	-
III. 30% of total amount	-	1,559.00
IV. Maturity Interest	-	1,448.00
<b>Total</b>	<b>4,082.00</b>	<b>3,007.00</b>

(d) **Statement on Reconciliation of FDS Accepted:**

Particulars	Amount in lacs
Balance as on 1st April 2018	5,449.93
Less: Redemption made during the year with the approval of High Court of Delhi	212.46
Balance as on 31st March 2019	5,237.47
Less: Redemption made during the year as per the scheme of one man committee	329.81
<b>Balance as on 31st March 2020</b>	<b>4,907.66</b>
Less: Redemption made during the year as per the scheme of one man committee	58.35
<b>Balance as on 31st March 2021</b>	<b>4,849.31</b>
Less: Redemption made during the year as per the scheme of one man committee	93.44
<b>Balance as on 31st March 2022</b>	<b>4,755.87</b>

However, since the Fresh Restructuring Scheme has been approved by One Man Committee, the

maturity interest amount is decided to be 1448.00 Lacs payable in II Phase. Although the same is not recorded in Books of Accounts. Also the decision regarding payment of interest after maturity will be taken at a future date by Hon'ble Delhi Court.

Total Debt was scheduled to be paid in Two phases. First phase of debt settlement as per Report of One Committee pursuant to order dated 3.9.2015 has already begun in the FY 17-18 and payments to depositors of Rs.391.56 lacs has already made till 31st March 2019. During the financial year 2019-20 further payment to depositors to the tune of Rs. 329.80 lacs has been made. Remaining debt includes balance 30% and unclaimed original principal amount invested of Rs 0.05 lacs or less. Since KYC norms are still under process and payments are to be made in coming periods, the entire debt balance as at March 31, 2022 of Rs. 4755.87 lacs is shown under Current Borrowings.

The One Man committee earlier recommended to pay to the creditors 70% of the principal amount. The above said arrangement was modified by the committee on 18th May 2019 and accordingly it has been decided to pay creditors who have claimed amount as per procedure set by the committee and whose documents have been verified. As per the claims made by the creditors 100% of principal being paid to them and balance 30% to creditors whom 70% has already been paid has also started by the company. The balance payable to creditors is as per books and who have not claimed so far or their documents are under verification.

**17.4 INTER CORPORATE DEPOSITS**

- (a) **Status as at 31-March-2017-** The value of inter corporate deposits is Rs 27.17 Lacs Considering the order of The Hon'ble Company Law Board for Fixed Deposits which states to charge interest @10% p.a. which should also be considered for Inter Corporate Deposits on prudence basis. Considering the interest rate of 10% p.a. the total interest liability comes to be approximately Rs. 54.33 lacs which includes approximately Rs. 51.62 lacs for the earlier years, has not been made in view of the "Fresh Restructuring Scheme" pending before the Hon'ble High Court of Delhi wherein the company does not envisage payment of any interest. The interest is not provided in the books of accounts

(b) **DECISION OF ONE MAN COMMITTEE**

ICD Lenders will be paid principal due to them as on 30th June 2004. Interest dues are waived and cancelled. The payment of principal to the ICD lenders will be made as follows:

**(i) Amount due to ICD Lenders as at 31-Dec-2015**

Particulars	Amount in lacs
I. Principal Outstanding	27.17
II. Maturity Interest	-
<b>Total</b>	<b>27.17</b>

**(ii) Payment Schedule** **Amount in lacs**

Particulars	Phase-I	Phase-II
I. 70% of total principal amount	19.02	-
II. Less than Rs 5,000	-	-
III. 30% of total amount	-	8.15
<b>Total</b>	<b>19.02</b>	<b>8.15</b>

However, after approval of Scheme of One Man Committee, the settlement has been decided at Rs 27.17 Lacs. Interest Dues are waived and cancelled.

No payment has been made till date to ICD Lenders. However, scheme has been already approved, so the amount is to be paid in coming periods as per Phase-1 and Phase-2. Hence, the amount of ICD is classified under Current Borrowings. During the financial year ending March 31, 2022, the company has written back an ICD of Rs.13.66 lacs from Sushma Finance as the amount payable towards said ICD is time barred and considering that no claim has been made till date by the concerned lender.

- 18.1 During the year 1999, the company had received Rs. 100.00 Lacs from one of its debtors i.e. Pure Drinks New Delhi Ltd. where the winding up petition proceedings was already initiated. Upon receipt of payment, the Company reduced the recoverable amount accordingly. Subsequently, the Hon'ble Punjab and Haryana Court deemed that payment is out of turn/preferential payment made by Pure Drinks New Delhi Ltd where winding up petition proceedings was already initiated and asked the company to deposit back the said amount with Hon'ble Punjab and Haryana Court. The company had filed a SLP with the Hon'ble Supreme Court of India which has been dismissed by

them. Therefore the company is liable to deposit the amount mentioned above which is yet to be deposited.

#### 19 Other Current Liabilities (Non-Financial)

Other current liabilities consist of the following:-

Particulars	As at 31st	As at 1st
	March, 2022	April, 2021
	Amount in lacs	Amount in lacs
Statutory Liabilities	4.30	3.38
Payable to Employees	12.36	7.53
<b>Total</b>	<b>16.66</b>	<b>10.91</b>

#### 20 Provision (Current)

Provisions consist of the following :

Particulars	As at 31st	As at 1st
	March, 2022	April, 2021
	Amount in lacs	Amount in lacs
<b>(a) Provision for employee benefits</b>		
- Leave Encashment	0.03	1.01
- Gratuity	0.21	0.14
<b>Total</b>	<b>0.24</b>	<b>1.15</b>

#### 21 Other Income

Other income (net) consist of the following:

Particulars	For the	For the
	year ended	year ended
	31.03.2022	31.03.2021
	Amount in lacs	Amount in lacs
Interest on Fixed Deposits	115.16	161.81
Interest on NCD	0.02	-
Dividend Income	0.31	0.25
Profit on sale of Investment	-	18.13
Provision for NPA Written Back	107.17	-
Miscellaneous Income	0.00	0.00
Reversal of Provision, no longer required	2.00	0.41
Interest on Income Tax Refund	1.81	0.95
Balances Written Back	65.66	-
Gain or Loss on Fair Value of Investment	61.29	20.91
<b>Total</b>	<b>353.42</b>	<b>202.46</b>

#### 22 Employee Benefit Expense

Employee benefits expenses consist of the following:

Particulars	For the	For the
	year ended	year ended
	31.03.2022	31.03.2021
	Amount in lacs	Amount in lacs
(a) Salaries, Wages & Bonus	48.92	41.52
(b) Contributions to Provident Fund and other funds	5.94	6.08
<b>Total</b>	<b>54.86</b>	<b>47.60</b>

**23 Finance Cost**

Finance costs consist of the following:

Particulars	For the	For the
	year ended 31.03.2022	year ended 31.03.2021
	Amount in lacs	Amount in lacs
Interest on late deposit of TDS	0.18	0.00
Interest Expense on Lease liability	0.76	1.09
<b>Total</b>	<b>0.94</b>	<b>1.09</b>

**24 Other Expenses**

Other expenses consist of the following

Particulars	For the	For the
	year ended 31.03.2022	year ended 31.03.2021
	Amount in lacs	Amount in lacs
<b>Travelling &amp; Conveyance</b>	1.37	1.24
Repairs	-	-
- Building	0.08	0.28
- Others	0.15	0.20
Electricity & Water	0.70	0.78
Legal & Consultancy Charges	33.55	57.65
Postage and Telegram	0.01	0.02
Auditors Remuneration:	-	-
- Statutory/Tax Audit	3.84	3.84
- Other	0.18	0.53
Rent	0.86	0.86
Telephone Expenses	0.50	0.33
Advertisement & Publicity	0.29	0.97
Printing and Stationery	0.09	0.13
Bank Charges	0.05	0.03
Share Transfer Expenses	1.71	2.20
AGM Expenses	9.64	10.03
Internal Audit Fees	0.20	0.20
Listing Fees	7.83	7.84
Property Tax	3.38	3.38
Penalty on late deposit of EPF	0.02	-
Receivable W/off	0.13	-
Bad Debts W/off	107.17	-
Website Charges	0.05	-
Mutation Exp	3.70	-
Excess Accrued Interest written off	0.44	-
Other Expenses	<b>1.92</b>	<b>0.28</b>
<b>Total</b>	<b>177.86</b>	<b>90.79</b>

**25 Income tax expenses**

Particulars	For the	For the
	year ended 31.03.2022	year ended 31.03.2021
	Amount in lacs	Amount in lacs
<b>A. Amount recognised in profit or loss</b>		
Current tax	-	7.80
Adjustments/(credits) related to previous years - Net	1.50	32.18
<b>Total current tax</b>	<b>1.50</b>	<b>39.98</b>
Deferred tax		
Deferred tax for the year	37.90	2.89
Adjustments/(credits) related to previous years - Net	-	-
Total deferred tax	37.90	2.89
<b>TOTAL</b>	<b>39.40</b>	<b>42.87</b>
<b>B Amount recognised in other comprehensive income</b>		
Deferred tax		
<b>On items that will not be reclassified to profit or loss</b>		
- Remeasurement gains/(losses) on defined benefit plans	(0.29)	0.03
<b>TOTAL</b>	<b>(0.29)</b>	<b>0.03</b>

**26) Significant Accounting Policies****A. Statement of Compliance with Ind AS**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The Company adopted Ind AS from 1st April, 2018.

Up to the year ended 31st March, 2017, the Company prepared its financial statements in accordance with the requirements of previous Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006.

**B. Basis of Preparation**

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

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. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the following fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the

scope of Ind AS 102 – Share-based Payment, leasing transactions that are within the scope of Ind AS 116 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in IndAS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

All the amounts included in the financial statements are reported in Indian Rupees ('Rupees' or 'Rs.'), except per share data and unless stated otherwise and rounded off to nearest Rupees.

**C. Basis of classification of Current and Non-Current**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is classified as current when it is:

- a) Expected to be realized or intended to be sold or consumed in normal operating cycle
- b) Held primarily for the purpose of trading
- c) Expected to be realized within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

- a) It is expected to be settled in normal operating cycle
- b) It is held primarily for the purpose of trading
- c) It is due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

**D. Operating Cycle**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements.

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

**E. Use of Estimates**

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period; they are recognized in the period of the revision and future periods if the revision affects both current and future periods.

**F. Property, Plant and Equipment – Tangible Assets**

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognized as at 1st April, 2016 measured as per the previous GAAP.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalized. Expenses capitalized also include applicable borrowing costs for qualifying assets, if any. All up-gradation/enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of 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 and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight-line basis. Land is not depreciated.

The estimated useful lives of property, plant and equipment of the Company are as follows:

Asset	Life of Asset
Buildings	30 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Office Equipment	5 Years
Plant & Machinery	15 years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease. Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

#### G. Impairment of Assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

#### H. Financial Assets

**Recognition:** Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognized at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

**Classification:** Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- Amortized cost**, where the financial assets are held solely for collection of cash flows arising from payments of principal and/ or interest.
- Fair value through other comprehensive income (FVTOCI)**, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealized gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- Fair value through profit or loss (FVTPL)**, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealized gains and losses arising from changes in the fair value being recognized in the Statement of Profit and Loss in the period in which they arise. Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortized cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

**Impairment:** The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortized cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue

cost or effort. Expected credit losses are assessed and loss allowances recognized if the credit quality of the financial asset has deteriorated significantly since initial recognition.

**Reclassification:** When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortized cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognized gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

**De-recognition:** Financial assets are de-recognized when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership.

If the assets is one that is measured at :-

- a) Amortized cost, the gain or loss is recognized in the Statement of Profit and Loss;
- b) Fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

**Income Recognition:** Interest income is recognized in the Statement of Profit and Loss using the effective interest method. Dividend income is recognized in the Statement of Profit and Loss when the right to receive dividend is established.

#### I. Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption/ settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are de-recognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

#### J. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

#### K. Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

#### L. Equity Instruments

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

#### M. Revenue

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
  - Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
  - The amount of revenue can be measured reliably;
  - It is probable that the economic benefits associated with the transaction will flow to the Company; and
- a) **Interest income:** Income from a financial asset is recognised when it is probable that the economic benefits will flow to Company and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the interest rate as applicable
  - b) **Dividend income:** dividend is recognised when the right to receive the payment is established (generally on shareholder's approval by the reporting date).

- c) **Other revenues:** are recognised on accrual basis, except where there are uncertainties in realisation / determination of income and in such case income is recognised on realisation / certainty

#### N. Employee Benefits

##### a) Retirement benefit costs and termination benefits :

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

Contribution towards Provident Fund is paid as per the statutory provisions. These benefits are charged to the Statement of profit and loss of the year when they become due. For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the return on plan assets(excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to the statement of profit and loss. Past service cost is recognized in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- Re-measurement.

##### b) Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Leave availment / encashment benefit is provided as per Company Scheme. Employees are entitled to accumulate leaves subject to certain limit as per Company scheme. Liabilities for compensated absence that are not expected to be settled wholly within 12 months after the end of the period in which the employees rendered the related service, are measured at the present value of expected future payment to be made in respect of service provided by employees up to the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of reporting period. Re-measurement as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss. The liability is determined through actuarial valuation using projected unit credit method.

#### O. Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset/s and the arrangement conveys a right to use the asset/s, even if that right is not explicitly specified in an arrangement.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

## **P. Taxes on Income**

Income tax expense represents the sum of the tax currently payable and deferred taxation.

### **a) Current Tax**

Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

### **b) Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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

Deferred tax is recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

### **c) Minimum Alternate Tax**

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group. Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

## **Q. Claims**

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

**R. Provisions**

Provisions are recognized when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognized is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

**S. Operating Segment**

The Company is engaged in a single segment i.e. financing Operations viz., inter corporate deposits and investments. Presently Company is not carrying on any operation except realizing all debts or maintaining existing assets. The operating results are regularly reviewed and performance is assessed by its Chief Operating Decision Maker (CODM). All the company's resources are dedicated to this single segment and all the discrete financial information is available for this segment.

**T. Earnings per share**

Basic earnings per share is calculated by dividing profit or loss attributable to the owners of the company by weighted average number of equity shares outstanding during the financial year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, share split and any new equity issue. For the purpose of calculating diluted earnings per share, profit or loss attributable to the owners of the Company and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**U. Contingent liabilities**

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood on outflow of resources is remote, no provision or disclosure is made.

**V. Financial and Management Information Systems**

The Company's Accounting System is designed to unify the Financial Records and also to comply with the relevant provisions of the Companies Act, 2013, to provide financial and cost information appropriate to the businesses and facilitate Internal Control.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

**Additional Notes to Accounts****27) RESTRUCTURING SCHEME****Preamble**

The management for a structured debt repayment had prepared two schemes of arrangement for reorganization of share capital of the company and for compromise with its secured and unsecured creditors. Both the schemes of arrangement envisage a viable, just & equitable settlement with its secured and unsecured creditors while simultaneously increasing the risk and stake of the promoters and their shareholding through fresh infusion of funds by the promoter company.

The company moved an application before the Hon'ble Company Law Board, New Delhi on 22nd July 2004 under Regulation 44 of the Company Law Regulations, 1991 proposing a fresh repayment schedule to fixed depositors of the Company. The same repayment schedule included in the "Fresh Restructuring Scheme" filed before the Hon'ble High Court of Delhi at New Delhi on 24th September 2004.

The implementation of the schemes is subject to the fulfillment of all the conditions of erstwhile section 391 to section 394 of the Companies Act, 1956 and approval/orders of the Hon'ble Delhi High Court. The Hon'ble Delhi High Court did not approve the company's first scheme filed in May 2000, though approved by the secured and unsecured creditors in their respective meetings convened pursuant to the orders of the Hon'ble Court, yet the Hon'ble Court did not accord sanction to the scheme on technical grounds. An application for review had been filed before the Hon'ble Delhi High Court on 30th May 2003, which is not yet to be listed for hearing and which is hereinafter, wherever applicable, referred to as the "Old scheme under review". The company intends not to pursue the review application filed for the old scheme under review before the Hon'ble Delhi High Court and it is proposed to be withdrawn at an appropriate stage of the proceedings for the sanction of the "Fresh Restructuring Scheme".

The company filed a fresh Scheme of Arrangement for the reorganization of the share capital of the company and for compromise with the secured and unsecured creditors of the company, hereinafter referred to as the "Fresh Restructuring Scheme" before the Hon'ble Delhi High Court at New Delhi on 24th September 2004.

Pursuant to the orders of the Hon'ble Delhi High Court, the unsecured creditors and debenture holders in their meeting convened under the Chairpersonship of court appointed Chairpersons (retired Judges of Hon'ble Delhi High Court) on 1st April 2005 and 2nd April, 2005 have approved the scheme without any modifications with the requisite majority. The meeting of the other secured creditors (banks/ institutions) was held on 17th September 2005 and has also approved the scheme by the requisite majority after considering some modifications proposed by the Punjab & Sind Bank.

The promoter company has undertaken, subject to sanction of the scheme by the Hon'ble Delhi High Court, to contribute to Rs. 1950.00 lacs of which Rs. 1560.00 lacs were deposited with the Registrar of the Hon'ble Delhi High Court Registrar, as per court order by the promoter group, and the balance amount of Rs 390.00 lacs had been deposited with the Registrar of the Hon'ble Delhi High Court Registrar on 27th April, 2012.

The restructured debts of the company for each category of debt is on the basis of outstanding as envisaged in the fresh restructuring scheme filed in the year 2004 excluding interest not provided for and all liquidated damages/penal charges and interest on unpaid interest. The "Fresh Scheme of Arrangement" is drawn on the basis of acceptance of waiver of payment of past and future interest, penal charges, liquidated damages, and any other charges, costs and claims etc. except as provided and for values contained therein which is subject to the approval of the Hon'ble Delhi High Court.

Over the years and till 31st March, 2017, the accounts of the company have been drawn on the assumption that the "fresh restructuring scheme" will be accepted and implemented. If it is not accepted and cannot be implemented for any reason the total liability before the proposed restructuring scheme including those for which no provision has been made and has been quantified under appropriate heads, shall become payable.

**Developments during the financial year ended 31st March 2022**

Justice Anil Kumar as one man committee was appointed vide order dated:- 3rd September, 2015 by the Hon'ble High Court of Delhi to scrutinize the list of depositors and other claimants and to take steps enumerated hereinafter with the view to resolve at-least some of the disputes. The Hon'ble High Court of Delhi entrusted the following functions to said One Man Committee :-

- (i) To scrutinize and finalize the list of depositors/ claimants so as to assess the genuineness of the depositors and their claim and to weed out any duplicate) benami, fictitious and doubtful claims.
- (ii) To categorize the claimants/ depositors into groups, on the basis of various parameters. For instance, depositors could be segregated into (a) individuals (b) corporate (c)

institutions (Banks and Finance Companies), etc. Similarly, very small depositors wherein, the amount due is only upto Rs. 5000 could be segregated as a separate category.

- (iii) At the same time it would also be open to the Central Bank of India which was constituted a debenture trustee by the company, to put up any claims that they may have before the said committee.
- (iv) To take stock of the entire assets of the company, whether in the form of fixed assets or bank accounts and fixed deposits, etc.
- (v) To assess the value of the fixed assets of the company and for the purpose, if need be, take the help of a professional valuer. Also, to get from the company its brief statement of accounts which shall include all income and expenditures, so as to enable a proper review of the assets and liabilities of the company.
- (vi) To suggest modalities for the disposal of fixed assets, so that the money realized could be used for disbursement of principal amounts as well as interest (over the delayed period), if possible, amongst the depositors.
- (vii) To make suggestions on the modalities of payment, which would obviously depend upon the amounts finally realized after disposing off/ liquefying all assets of the company.

The one man committee submitted its report on to Hon'ble High Court of Delhi on 22nd April, 2016. Taking cognizance of the report, Hon'ble High Court of Delhi on 10th August, 2017 accepted the recommendation of one man committee enumerated in the report. Hon'ble High Court of Delhi also noted that none of the parties had any objection on the implementation of the report. The task of implementing the report was also assigned to Justice Anil Kumar. Hon'ble High Court of Delhi held that the issue of revival of the company will be decided once all payments are made in the manner as suggested in the report. The report of one committee has laid the schedule of payments to parties covered under the scheme as under:-

- (i) Before starting repayment of amount, the genuineness of all the depositors and their claims shall be assessed to weed out any benami, fictitious and doubtful claims. Notices to all the depositors/ claimants shall be sent and consideration of their pleas and contentions will be necessary. From the data it has also been observed that some of the individuals and companies have invested sums by depositing multiple small amounts. Committee observed that it already has sufficient funds, ready cash, to repay about 70% of the deposits to all the depositors having deposits of more than Rs 5000 including secured creditors in the first stage. It is recommended in the circumstances that 70% a part of the amount be paid to the creditors having deposits of more than Rs. 5000 and full amount be paid to those who have deposits of Rs. 5000 or less than Rs. 5000 in the first instance.
- (ii) In order to realise the maximum value of the immovable asset of the Company, the premises/property in the building of NBCC, it is the recommendation of the committee that the same be sold by the auction by the Hon'ble Company Court. The company has estimated its value around Rs. 4100 lacs, whereas the creditors are of the view that its value will not be less than Rs 8000 lacs. It has been noticed that the disputes are pending between NBCC and the Petitioner Company with regard to the said property which is pending adjudication before Shri S.K. Kaul, Sole Arbitrator appointed by NBCC in terms of Agreement dated 9th Dec, 1995 and is now fixed for final arguments. The claim of NBCC is for an amount of Rs.288 Lacs. It is also noticed that such other and several disputes are pending with regard to this NBCC property, which make it unfeasible for anyone to sell it easily or to get a realistic value of the property on the basis of valuation report and then to decide on such valuation as to how much total amount is to be paid to the creditors. Valuation of such a property will also be more of distress sale value and will not be realistic. In the circumstances an efficacious way will be to pay a part of the amount from the liquid assets available with the company and in the meantime also to sell the fixed assets of the Company by auction by the Hon'ble Company Court. This will result in a part payment to all the genuine creditors and to realize the actual value of the immovable assets of the Company. This will also facilitate the Hon'ble Company Court to determine whether some interest should be paid to the creditors considering all the other factors including that the endeavor is not to wind up the Company but to revive the Company if sufficient surplus is available with the Company after selling all its immovable assets. Therefore, it is recommended that the immovable and fixed assets of the company be sold by auction by Hon'ble Company Court in the manner adopting the modalities which are followed while selling the fixed assets and the immovable properties of the companies which are under

liquidation with the help from Official Liquidator or a Consultant, though the sale of the properties is not for the purpose of winding up the Petitioner Company.

(iii) Tentative realizable value of the following assets of the Company will be:-

**1. Value of Assets/Sources of Funds**

**As on 31.12.15**

<b>S.N.</b>	<b>Source</b>	<b>Rs in Lacs</b>
1	Sale of Immoveable assets	4200.00
	Receivables	850.00
	Investments in shares	100.00
	Fixed Deposits with Banks	4750.00
	Promoter Contribution-Deposits with High Court	2950.00
	<b>Total</b>	<b>12850.00</b>
Less	Scheme Repayment Cost	100.00
	Statutory Dues & Taxation	143.00
	Legal Cost	50.00
	To be deposited with P& H High Court	100.00
	Due to Employees	50.00
	Claim of MS Shoes arbitration award	513.00
	Claim of NBCC-pending arbitration	288.00
	Income Tax on Interest for Deposit with Delhi High Court	300.00
	<b>Total</b>	<b>1544.00</b>
	<b>Net Available</b>	<b>11306.00</b>

As on 31.12.2015, the details of creditors for repayment are as follows however after weeding out the claims of fictitious, doubtful claims and benami, the amount payable to creditors may decrease and my not increase.

**Details of Creditors for repayment under Scheme:**

**(As on 31.12.15)**

<b>S.N.</b>	<b>Source</b>	<b>Rs in Lacs</b>
I	Fixed Deposit holders	5631.00
II	Debentures	2553.00
III	ICD & BRD lenders	27.00
IV	Punjab & Sind Bank	803.00
V	Indusind Bank	577.00
VI	Pressman Limited	410.00
VII	SBI Homes Finance Ltd (To be paid in shares)	25.00
VIII	SIDBI	36.00
IX	Maturity Interest on Fixed Deposits	1448.00
X	Maturity interest on Debentures	235.00
	<b>Total</b>	<b>11745.00</b>

**Taking these figures and facts and circumstances it is recommended that repayment be made in two phases, as detailed below:**

**Phase 1:**

<b>S.N.</b>	<b>Particulars</b>	<b>Source of Utilization</b>
I	Repayment to the extent of 70% of the principal amount of Fixed Deposits, Debentures and Banks having deposits of more than Rs.5,000/	Available Cash in Bank, Fixed Deposits and Promoter's Deposits with Court
II	Full amount be paid to Fixed Deposits, Debentures and Banks having deposit of Rs. 5000/- and less	Available Cash in Bank, Fixed Deposits and Promoter's Deposits with Court



**Phase 2**

In the second phase, which should also commence with phase 1 simultaneously, properties and shares and all the assets be liquidated by selling and the realized amount is recommended to be utilized for the repayment of balance 30% of principal and the maturity value on the fixed deposits, debentures and banks. If the amount is still available to the Company, the Hon'ble Company Court may decide whether some amount - be paid as interest as has also been recommended by the Reserve Bank of India. Certain steps of the Phase 2 which can commence with phase 1 i.e. sale of the properties of the Company by the Hon'ble Company Court and/or such steps which will be required to sell the assets of the Company in order to realize the value of the assets to meet the liabilities of the fixed deposits and debentures creditors. **In the circumstances, the Debt Settlement is under:-**

**DEBENTURES****(A) Amount due to Debenture-holders as decided by one man committee as at 31st December, 2015**

S.N.	Particulars	Amount in Lacs
I	Principal Outstanding	Rs 2553.00
II	Maturity Interest	Rs 235.00
	<b>TOTAL</b>	<b>Rs 2788.00</b>

**(B) Payment Schedule (Rs. in Cr.)**

S.N.	Particulars	Phase-I	Phase-II
I	70% of total principal amount	1787 Lacs	-
II	Less than Rs 5,000	169 Lacs.	-
III	30% of total amount	-	597 Lacs
IV	Maturity Interest	-	235 Lacs.
	<b>Total</b>	<b>Rs 1956 Lacs.</b>	<b>Rs 832 Lacs.</b>

Some of the debentures holders have already been paid by the Central Bank of India. The amount which has been already been paid to the Debenture Holders by the Central Bank of India be paid to the Bank. The Central Bank of India has also claimed some amount in a suit filed before the Hon'ble Bombay High Court. No claim has however, been filed by the Central Bank of India before the Committee despite opportunity granted to the Bank. While computing the amount payable in phases to other creditors, this amount claimed by the Bank will be not disbursed till the bank is able to establish its claim in the appropriate proceedings before the Court.

Payments to debenture holders are being made as per the recommendation of One Man Committee from the Financial Year 2017-18 to 2021-22. Refer note 17.2 for details regarding repayments made to debenture holders.

**FIXED DEPOSITS****(A) Amount due to Fixed Depositors as decided one man committee as at 31st December, 2015**

S.N.	Particulars	Amount in Lacs
I	Principal Outstanding	Rs 5,631
II	Maturity Interest	Rs 1,448
	<b>TOTAL</b>	<b>Rs 7,079</b>

**(B) Payment Schedule (Rs. in Cr.)**

S.N.	Particulars	Phase-I	Phase-II
I	70% of total principal amount	Rs 3,615	-
II	Less than Rs 5,000	Rs 467	-
III	30% of total amount	-	Rs 1,549
IV	Maturity Interest	-	Rs 1,448
	<b>Total</b>	<b>Rs 4,082</b>	<b>Rs 2,997</b>

Payment to Fixed Deposit holders are being made as per the recommendation of One Man Committee from Financial Years 2017-18 to 2021-22. Refer note 17.3 for details regarding repayments made to fixed deposit holders.

**SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA (SIDBI)****(A) Amount due to SIDBI as decided by one man committee as at 31st December, 2015**

S.N.	Particulars	Amount in Lac
I	Principal Outstanding	Rs 36.30Lac
II	Interest	--
	<b>TOTAL</b>	<b>Rs 36.30 Lac</b>

**(B) Payment Schedule****(Amount in Lac)**

S.N.	Particulars	Phase-I	Phase-II
I	70% of total principal amount	Rs 25.41 Lac	-
II	Less than Rs 5,000	-	-
III	30% of total amount	-	Rs 10.89 Lac
	<b>Total</b>	<b>Rs 25.41 Lac</b>	<b>Rs 10.89 Lac</b>

Payment to SIDBI has been made as per the recommendation of One Man Committee during the Financial Year 2017-18 and 2019-20.

**PUNJAB & SIND BANK (PSB)****Background**

The Punjab and Sind Bank had filed recovery proceedings in the year 2000 before the Debt Recovery Tribunal for Rs.1,217 Lacs comprising of Rs.850 lacs as ledger balance and Rs.376 lacs as Memo Interest. In the year 2000. Company in order to redress the repayment issues, propounded a scheme and in the scheme of rearrangement with its creditors proposed to pay Rs 951 lacs to the Bank and the Bank voted in favour of scheme and the suit in DRT has been stayed by the High Court and the Bank agreed to receive Rs. 951 lacs. This amount was agreed after protracted discussions/ negotiations with PSB, and it has been agreed that amount payable as on Sept, 1997 will be taken as principal and interest from Sept 1997 to March, 2000 will be added @ 10% quarterly compounded. Thus the amount payable became Rs 951 lacs. It was admitted and justified by the said bank that this settlement was as per RBI guidelines. Reliance for this can be placed on an internal note dated 12th Sept, 2000 of the bank and a letter dated 20th Oct, 2000 from the counsel of PSB. As per terms of settlement Rs 50.00 Lacs were paid to PSB in the year 2000. Though the part payment has been made to the Bank pursuant to settlement and scheme, however, due to modifications made in scheme for, PSB by Company in the creditors meeting. The scheme was, will be paid in 6 equal yearly installments of one year after the approval of the said scheme or 1st April, 2006 which ever will be earlier and balance 40% by equity shares at any time within three years of the effective date or 1.4.2006. The shares were to be allotted on preferential allotment basis as per the rate approved by SEBI under its guidelines. The sale price of the share was protected to the extent of Rs.375 lacs by issuing fresh additional equity, if required. The bank was paid Rs. 90 lacs in the year 2005-06, but further amount could not be paid on account of order dated 6th March, 2006 "of the Hon'ble Court. The Bank received the amounts partly under the settlement and could not withdraw from the scheme without refunding the amounts received by it, yet in 2012 it filed an application for intervention/ objection to the scheme which has not been allowed. In the circumstances the amount payable to the bank has been taken as settled with the Bank and 70% of the .said amount be paid forthwith in the first phase and balance in the second phase which is substantially better as earlier only Rs.60 lakhs was payable in six years and equity shares were to be issued for the balance amount. Under the previous proposal which has been accepted by the Bank, the amount was payable in installments and part of the amount by converting the amount in ' equity shares whereas under present recommendation 70% of the amount is payable forthwith and balance' amount in second phase after liquefying all the assets of the Company which will be probably within two years.

In the scheme, the amount payable to Punjab & Sind Bank has been quantified at Rs. 901.80 lacs as on 30th June 2004. This figure has been arrived at after compounding the interest payable on the principal amount due as on 30th September 1997, at the rate of 10% compounded quarterly till 31st March 2000, after allowing credit for actual amount paid till date. (Present Value of amount payable after all adjustments the payable amount is Rs 803.4 lacs) The settlement made with the Bank in

the scheme earlier has been considered as the base. Accordingly, keeping in line with the above settlement and OTS guidelines of RBI, the following payments is recommended to be made to PSB:

**(A) Amount due to PSB as decided one man committee as at 31st December, 2015**

S.N.	Particulars	Amount in Lacs
I	Principal Outstanding	Rs 803 .00
II	Interest	--
	<b>TOTAL</b>	<b>Rs 803 .00</b>

**(B) Payment Schedule**

**Amount in Lac**

S.N.	Particulars	Phase-I	Phase-II
I	70% of total principal amount	Rs 562	-
II	Less than Rs 5,000	-	-
III	30% of total amount	-	Rs 241
	<b>Total</b>	<b>Rs 562</b>	<b>Rs 241</b>

Payment to PSB has been made as per the recommendation of One Man Committee during the Financial Year 2017-18 and 2019-20.

**INDUSIND BANK**

In the scheme, the total principal amount payable to IndusInd Bank has been quantified at Rs 651.50 Lacs as on 30th June 2004. This figure has been arrived at after calculating interest upto 31st March 2000 @12% p.a. compounded quarterly on the principal amount of L/C devolvement, after allowing credits for actual amounts paid till date and credit for margin money amounting to Rs. 35.99 Lacs, and excludes penal interest/ additional interest/ overdue charges, if any, debited by the Bank. (Present outstanding after all adjustments is Rs 577 lakhs) The settlement made with the Bank in the earlier scheme has been considered as the base. The total amount payable under the scheme to IndusInd Bank so quantified shall be repaid in line with the above settlement and RBI guidelines of OTS is as under:

**(A) Amount due to INDUSIND Bank as decided by one man committee as at 31st December, 2015**

S.N.	Particulars	Amount in Lacs
I	Principal Outstanding	Rs 577
II	Interest	--
	<b>TOTAL</b>	<b>Rs 577</b>

**(B) Payment Schedule**

**Amount in Lacs**

S.N.	Particulars	Phase-I	Phase-II
I	70% of total principal amount	Rs 404	-
II	Less than Rs 5,000	-	-
III	30% of total amount	-	Rs 173
	<b>Total</b>	<b>Rs 404</b>	<b>Rs 173</b>

Payment to Indusind Bank has been made as per the recommendation of One Man Committee during the Financial Year 2017-18 and 2019-20.

**SBI HOME FINANCE LTD**

A consent decree was passed by the Hon'ble High Court of Delhi at New Delhi on 12th December 2000 for an amount of Rs.315 lacs/- The terms of the Consent Decree were as under :-

- i. Rs 290 Lacs were to be paid on or before 31st March 2001 under a monthly payment schedule commencing from December 2000, and on payment of Rs. 290 Lacs, the title of the property was to be released;
- ii. The sum of Rs. 25.00 Lacs was to be discharged by issuance of Equity shares of the Company of the face value of Rs. 10/- at a premium of Rs. 20/- per share or as per applicable SEBI guidelines. In terms of the Decree, a sum of Rs. 290 Lacs has been paid by the Company to SBI Home Finance and the title deeds of the NBCC property have been released by SBI Home

Finance Ltd. However, balance amount of Rs. 25.00 Lacs which was to be converted into fully paid up shares of the Company at Rs. 30/- per share (share value Rs. 10/- plus premium Rs. 20/- per shares) have not been issued by the Company.

The Company proposes to allot shares worth Rs. 25.00 Lacs to SBI Home Finance Ltd. as per the Decree awarded by the Hon'ble High Court of Delhi at New Delhi, within two' years from the effective date of the scheme as per applicable SEBI guidelines. Under this scheme, payment shall be discharged in the following manner:-

**(A) Amount due to SBI Home Finance Ltd as decided by one man committee as at 31st December, 2015**

S.N.	Particulars	Amount in Lacs
I	Principal Outstanding	Rs 25 Lacs
II	Interest	--
	<b>TOTAL</b>	<b>Rs 25 Lacs</b>

**(B) Payment Schedule by issuing in Shares**

S.N.	Particulars	Rupees in Lac
I	To be discharged by issuance of Equity shares of the Company of the face value of Rs. 10/- at a premium of Rs. 20/- per share or as per applicable SEBI guidelines	Rs 25 Lac
II	The Company proposes to: allot shares worth Rs. 25.00 Lacs to SBI Home Finance Ltd. as per the Decree awarded by the Hon'ble High Court of Delhi at New Delhi, within two' years from the effective date of the scheme as per applicable SEBI guidelines	-
	<b>Total</b>	<b>Rs 25 Lac</b>

Since, the number of shares to be allotted are not clear, presently the amount of Rs. 25 Lacs is shown in Liabilities and not under other equity. The same shall be reclassified depending upon whether Company has to issue variable number of equity shares or fixed number of equity shares.(refer note 14.1).

**ICD LENDERS**

ICD Lenders will be paid principal due to them as on 30th June 2004. Interest dues are waived and cancelled. The payment of principal to the ICD lenders will be made as follows:

**(A) Amount due to ICD Lenders as decided by one man committee**

S.N.	Particulars	Amount in Lac
I	Principal Outstanding	Rs 27.17 Lac
II	Interest	--
	<b>TOTAL</b>	<b>Rs 27.17 Lac</b>

**(B) Payment Schedule (Rs. in Lac)**

S.N.	Particulars	Phase-I	Phase-II
I	70% of total principal amount	Rs 19.02 Lac	-
II	30% of total amount	-	Rs 8.15 Lac
	<b>Total</b>	<b>Rs 19.02 Lac</b>	<b>Rs 8.15 Lac</b>

During the financial year ending March 31, 2022, the company has written back an ICD of Rs.13.66 Lacs from Sushma Finance as the amount payable towards said ICD is time barred and considering that no claim has been made till date by the concerned lender.

**PRESSMAN LEASING**

The amount due to M/s, Pressman Leasing has been quantified at the lump sum of Rs 410 Lacs and such amount would be paid 55% in cash and 45% in shares and details are under :-

**(A) Amount due to PRESSMAN LEASING as decided by one man committee**

S.N.	Particulars	Amount in Lakhs.
I	Principal Outstanding	Rs 410
II	Interest	--
	<b>TOTAL</b>	<b>Rs 410</b>

**(B) Payment Schedule in Cash**

Amount Rs in Cr

S.N.	Particulars	Phase-I	Phase-II
I	70% of total principal amount	Rs 158	-
II	30% of total amount	-	Rs 68
	<b>Total</b>	<b>Rs 158</b>	<b>Rs 68</b>

**(C) Balance Payment by issuing of Equity Shares**

S.N.	Particulars	Rupees in Lakhs
I	To be discharged by issuance of Equity shares of the Company of the face value of Rs. 10 as per applicable SEBI guidelines	Rs 184
	<b>TOTAL</b>	<b>Rs 184</b>

Payment to Pressman Leasing has been made as per the recommendation of One Man Committee during the Financial Year 2017-18 and 2019-20. The shares as per the scheme will be issued as per the scheme.

**Developments during the financial year ended 31st March, 2021 and 31st March 2022**

During the financial year ending 31st March 2021 and 31st March 2022, the company is continuing to make payments to deposit holders and debenture holders in Phase – I. Phase II has also been started simultaneously during the current financial year.

The One Man committee earlier recommended to pay to the creditors 70% of the principal amount. The above said arrangement was modified by the committee on 18th May 2019 and accordingly it has been decided to pay creditors who have claimed amount as per procedure set by the committee and whose documents have been verified. As per the claims made by the creditors 100% of principal being paid to them and balance 30% to creditors whom 70% has already been paid has also started by the company. The balance payable to creditors is as per books and who have not claimed so far or their documents are under verification.

*The Hon'ble High Court of Delhi has appointed Mr. Laxmi Kant Gaur, District Judge ( Retd.) vide its order dated 29th July 2021, as the One Man Committee in place of Hon'ble Mr. Justice Anil Kumar (in view of his unfortunate demise). The One Man Committee would continue from the stage at which the exercise assigned to the One Man Committee by the High Court stands, at the stage when Hon'ble Mr. Justice Anil Kumar unfortunately expired. The agenda of the One Man Committee would be as per the order dated 3rd September, 2015, read with subsequent orders passed, if any, in that regard. The One Man Committee would be entitled to remuneration of Rs. 1 lakh per month to be paid from the account of the Company.*

**28) Earnings Per Share (EPS):**

		Year ended 31st March, 2022	Year ended 31st March, 2021
a)	<b>Calculation of Weighted Average Number of Equity Shares of 100 each</b>		
	Number of Shares at the beginning of the period**	22,125,054	22,125,054
	Number of Shares at the close of the period**	22,125,054	22,125,054
	Weighted Average number of Equity Shares**		
	During the period	22,125,054	22,125,054

b)	Net Profit/(Loss) for the period attributable to Equity Shares (in Rs.)	48.42	(12.57)
c)	Earning per share – Basic**	0.22	(0.06)
d)	Earning per share – Diluted**	0.22	(0.06)

**29) Contingent Liabilities and Commitments**

**A) Contingent Liabilities**

- (a) During the year ended 30th June, 2011 the company's tenant had filed a claim of Rs. 100.00 Lacs against the company due to damages suffered by the tenant which is still pending under arbitration proceedings as on 31st March, 2022.
- (b) There is an award passed by the High Court vide its judgment dated April 27, 2022 against the company in the matter of MS Shoes East Limited for Rs. 12.82 Lacs i.e. the claim amount, along with interest of Rs. 8.97 Lacs for an underwriting given by the company in the year 1995 for the public issue of M/s MS Shoes East Ltd.
- (c) Due to dispute with the builder namely M/s NBCC Ltd. from which the company had purchased an office premises in the year 1995, regarding a claim of Rs. 288.29 Lacs on account of increase in super area and certain other expenditure which the builder i.e. M/s NBCC Ltd. had incurred and the same is pending in arbitration. Breakup of the amount of Rs. 288.29 lacs mentioned supra is as follows:

S.No.	Description	Amount
1.	Difference in super area Vs. provisional area	229.28
2.	Claim of property tax	3.19
3.	Claim of ground rent	21.67
4.	Allied charges	7.82
5.	Augmentation of Electric sub station	1.33
6.	Loss of profit	20.00
7.	Arbitration cost	5.00
<b>TOTAL</b>		<b>288.29</b>

During the financial year ending March 31, 2021, an Award was given by Arbitrator in respect of dispute that has arisen between NBCC Ltd. (Claimant) and DCM Financial Services Limited (Respondent) in relation to sale of Commercial Space-Upper Ground Floor NBCC Place, Pragati Vihar, New Delhi by the Claimant to the respondent.

The summary position of award is as under:r:

Party	Amount Claimed (in Rs.)	Awarded (in Rs.)
NBCC Ltd.- Claimant	434.95	41.06
DCM Financial Services Limited-Counter Claimant/Respondent	3269.50	78.97

In addition to the above, Interest @ 10% is payable by both the parties on their respective amounts.

That whereas NBCC has filed objections to the award in Delhi High Court in December 2020 and the same appears to be lying in objections.

That DCM has also filed objection in Delhi High Court and the same has not being listed so far.

Company Management is hopeful that there will not be any extra claims in view of Award declared by Arbitrator.

**B) Commitments**

There are no non-cancelable capital commitments.

**30) Defined Benefit Plans/Long Term Compensated Absences :-****Description of Plans**

The Company makes contributions to Defined Benefit and Defined Contribution Plans for qualifying employees. Gratuity Benefits and Leave Encashment Benefits are unfunded in nature. The Defined Benefit Plans are based on employees' length of service.

The liabilities arising in the Defined Benefit Schemes are determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credit method at the year end. The Company makes regular contributions to these Employee Benefit Plans. The net Defined benefit cost is recognized by the companies in Financial Statements.

**Discount Rate:** The present value of Defined Benefit Plans liability is determined using the discount rate based on the market yields prevailing at the end of reporting period on Government bonds. A decrease in yields will increase the fund liabilities and vice-versa.

The estimated term of the benefit obligations works out to 10.39 years. For the current valuation a discount rate of 7.27% p.a. compound has been used.

**Salary Escalation Rate:** The Salary Escalation rate usually consists of at least three components, viz. regular increments, price inflation and promotional increases. In addition to this any commitments by the management regarding future salary increases and the Company's philosophy towards employee remuneration are also to be taken into account. Again, a long term view as to the trend in salary escalation rates has to be taken rather than guided by the escalation rates experienced in the immediate past, if they have been influenced by unusual factors.

**Withdrawals Rate:** Past experience indicates the current level of attrition. The assumption may incorporate the Company's policy towards retention of employees, historical data and industry outlook.

**Mortality Rate:** We have used Indian Assured Lives Mortality Table (IALM) 2006-08, as issued by Institute of Actuaries of India, for the valuation.

The following table summarize the components of net benefit expenses recognized in the statement of Profit & loss and the funded status and the amount recognized in Balance Sheet during 2020-21.

Amount in Lacs

PARTICULARS	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Unfunded	Unfunded	Unfunded	Unfunded
	<b>31.03.2022</b>		<b>31.03.2021</b>	
<b>Statement of profit &amp; loss</b>				
<b>Net employee benefit expense recognized in employee cost</b>				
Current Service Cost	1.52	0.07	1.23	0.84
Interest Cost on Defined Benefit Obligation	0.46	0.11	0.37	0.04
<b>Total Expense recognized in the Statement of Profit and Loss</b>	<b>1.98</b>	<b>0.18</b>	<b>1.60</b>	<b>0.88</b>
<b>Re measurements recognised in Other Comprehensive Income</b>				
Net Actuarial (Gain)/Loss	0.97	(0.55)	(0.47)	0.10
<b>Total defined benefit cost recognized in Profit &amp; Loss and Other Comprehensive Income</b>	<b>2.95</b>	<b>(0.37)</b>	<b>(1.13)</b>	<b>0.98</b>

<b>Changes in the present value of the defined benefit obligation are as follows:</b>				
Opening Defined Benefit Obligation	6.72	1.63	5.58	0.65
Interest Cost	0.46	0.11	0.37	0.04
Current Service Cost	1.52	0.07	1.23	0.84
Benefits Paid	-	-	-	-
Actual Losses / (Gain) on Obligation	0.97	(0.55)	(0.47)	0.10
Closing Defined Benefit Obligation	9.67	1.26	6.71	1.63
<b>Classification in Balance Sheets</b>				
Net Assets/ (Liability)	Gratuity		Leave Encashment	
	Current	Non-Current	Current	Non-Current
As at 31st March 2022	0.21	9.46	0.03	1.24
As at 31st March 2021	0.14	6.58	1.01	0.62
<b>The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:</b>				
Discount Rate	7.27	6.70	7.27	7.27
Increase in Compensation Cost	6.00	6.00	6.00	6.00

**SENSITIVITY ANALYSIS**

	<b>PARTICULARS</b>	<b>Gratuity</b>	<b>Leave encashment</b>
a.	Defined benefit obligation - Discount rate + 100 Basis points	(0.69)	(0.14)
b.	Defined benefit obligation - Discount rate - 100 Basis points	0.79	0.16
c.	Defined benefit obligation – Salary escalation rate + 100 Basis points	0.79	0.16
d.	Defined benefit obligation – Salary escalation rate - 100 Basis points	(0.70)	(0.14)

- 31)** For year ended 31st March, 2022, Company has no dues from any party that it is covered under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED).
- 32)** As the Company has brought forward unabsorbed depreciation amounting to Rs. 2820.33 lacs under the Income Tax Act, 1961 and is unlikely to have taxable income in the foreseeable future. Deferred tax assets in situation where carry forward unabsorbed depreciation/business loss exists, are not recognized to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered, accordingly Deferred Tax Assets on Unabsorbed Depreciation Losses are not recognized in accordance with Ind AS 12 "Income Taxes".
- 33) Deposit of Rs 1950.00 lacs by DCM Services Limited**

DCM Services Ltd, as a promoter had committed to bring in Rs 1950.00 lacs as a promoter contribution upon sanction of their restructuring scheme under erstwhile Section 391 of the Indian Companies Act, 1956 which is under implementation by One Man Committee appointed with the direction of Hon'ble Delhi High Court.

The Court vide order dated 06.05.2008 has asked DCM Services Limited to deposit Rs. 1950.00 lacs with the Court and pursuant to the court order. DCM Services Limited deposited Rs 500 Lacs on 16.07.2010, Rs 670 lacs on 18.11.2010, Rs. 390 lacs on 21.04.2011 & Rs. 390 lacs on 27.04.2012 aggregating to Rs. 1950.00 lacs on behalf of the promoters with the Registrar, Hon'ble Delhi High Court. All the funds are with Delhi High Court along-with accrued interest thereon. No financial impact of this has been recorded in the financials of the company till the period ended 31st March, 2022 as there is no clarity provided by Hon'ble High Court of Delhi on whether Company would have to issue any shares against such contribution as per SEBI guidelines or such amount would be refundable to DCM Services Limited or there would be no liability on the Company to pay or issue any shares. Till Company gets any clarity on this matter, no financial entry has been recorded in the books of accounts.



**34) Related Parties Transactions:****A. List of Related parties**

SN	Description of Relationship	Name of Party	
(a)	Control Exist		
	- Subsidiary Company	(i)	Global IT Option Limited
(b)	Significant Influence Exist	(i)	DCM Services limited
		(ii)	DCM International Limited
		(iii)	DCM Anubhavi Marketing Private Limited
(c)	Key Management Personnel	(i)	Mr. Shantanu Deveshwar – Executive Director (till 14-01-2022)
		(ii)	Mrs. Nidhi Deveshwar- Executive Director (w.e.f 14-02-2022)
		(iii)	Mrs. Somali Tiwari- Company Secretary and CFO

**B. Transactions with related parties during the year** **Amount in Lacs**

	Particulars	For the year ending 31st March 2022	For the year ending 31st March 2021
<b>Key Management Personnel</b>			
1.	Remuneration	7.34	7.69
2.	Services procured from Subsidiary	0.50	-

**C. Balance Outstanding** **Amount in Lacs**

1.	DCM Services Ltd.*		
	- ICD payable	739.24	739.24
	- Equity shares to be issued ( refer note 14.2)	182.70	182.70
2.	DCM International Limited*	281.57	281.57
3.	DCM Anubhavi Marketing Private Limited*	31.84	31.84
4.	Remuneration Payable	0.42	Nil

\*Balances payable to these companies are subject to confirmation and reconciliation as at March 31, 2022.

**35) Financial Instruments and Related Disclosures****a) Categories of Financial Instruments** **Amount in Lacs**

Particulars	Note	As at 31st March 2022	As at 31st March 2021
<b>Financial Assets</b>			
<b>I</b>	<b>Measured at amortised cost</b>		
(i)	Investments	6	0.17
(ii)	Cash and cash equivalents	8	16.88
(iii)	Other Bank Balances	9	311.81
(iv)	Others	3& 10	1622.68
	<b>Total (A)</b>		<b>1951.54</b>
			<b>2098.38</b>
<b>II</b>	<b>Measured at fair value through Profit &amp; Loss</b>		
(i)	Investments	6	142.23
	<b>Total (B)</b>		<b>142.23</b>
	<b>Total financial assets (A+B)</b>		<b>2093.77</b>
			<b>2179.33</b>
<b>Financial Liabilities</b>			
<b>I</b>	<b>Measured at amortised cost</b>		
(i)	Borrowings	14 & 17	7821.03
(ii)	Other financial liabilities	18	193.33
(iii)	Lease liabilities	15	4.40
	<b>Total financial liabilities</b>		<b>8018.76</b>
			<b>8238.23</b>

**(b) Fair Value Hierarchy**

	Particulars	As at 31st March 2022	As at 31st March 2021
<b>I</b>	<b>Financial Assets / Financial Liabilities at amortized cost</b>		
	The carrying amount of financial assets and financial liabilities measured at amortized cost are a reasonable approximation of their fair values.		
	Investment in Non-Convertible Debentures	0.17	0.17
<b>II</b>	<b>Financial assets at fair value through profit &amp; loss</b>		
	Investment in Equity Shares (Level 1)	79.00	28.63
	Investment in Equity Shares (Level 2)	63.23	52.31

The Company determines the fair value of its financial instruments on the basis of the following hierarchy:

Level 1: The fair value of financial instruments that are quoted in active markets are determined on the basis of quoted price for identical assets or liabilities.

Level 2: The fair value of financial instruments that are not traded in an active market are determined on the basis of net asset value as per last available audited financial statements.

Level 3: If one or more of the significant inputs is not based on observable market data, the fair value is determined using discounted cash flow method with the most significant inputs being the discount rate that reflects the credit risk of the counter-party.

**36) Capital Management**

The Company's objective for managing capital is to ensure as under:

- a) To ensure the company's ability to continue as a going concern.
- b) Maintaining a strong credit rating and healthy debt equity ratio in order to support business and maximize the shareholders' value.
- c) Maintain an optimal capital structure.
- d) Compliance financial covenants under the borrowing facilities.

For the purpose of capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company.

The Company manages its capital structure keeping in view of:

- a) Compliance of financial covenants of borrowing facilities.
- b) Changes in economic conditions.

In order to achieve this overall objective of capital management, amongst other things, the Company aims to ensure that it meets financial covenants as decided by One Man Committee and Delhi High Court. One Man Committee has given few recommendations for payments to its creditors which has been accepted by Hon'ble Delhi High Court.

There has been no breach in the financial covenants of any borrowing facilities in the current period. There is no change in the objectives, policies or processes for managing capital over previous year.

**37) Going Concern Basis**

The company filed a fresh Scheme of Arrangement for the reorganization of the share capital of the company and for compromise with the secured and unsecured creditors of the company, hereinafter referred to as the "Fresh Restructuring Scheme" before the Hon'ble Delhi High Court at New Delhi on 24th September 2004.

Pursuant to the orders of the Hon'ble Delhi High Court, the unsecured creditors and debenture holders in their meeting convened under the Chairpersonship of court appointed Chairpersons (retired Judges of Hon'ble Delhi High Court) on 1st April 2005 and 2nd April, 2005 have approved the scheme without any modifications with the requisite majority. The meeting of the other secured creditors (banks/ institutions) was held on 17th September 2005 and has also approved the scheme by the requisite majority after considering some modifications proposed by the Punjab & Sind Bank. The promoter company has undertaken, subject to sanction of the scheme by the Hon'ble Delhi High Court, contributed Rs. 1950.00 lacs of which Rs. 1560.00 lacs were deposited with the Registrar of the Hon'ble Delhi High Court Registrar, as per court order by the promoter group, and the balance amount of Rs 390 Lacs had been deposited on 27th April, 2012. The Fresh Restructuring Scheme kept pending for approval of Hon'ble High Court of Delhi. Over the years and till 31st March, 2017, the accounts of the company have been drawn on the assumption that the "fresh restructuring scheme" will be accepted and implemented. If it is not accepted and cannot be implemented for any reason the total liability before the proposed restructuring scheme including those for which no provision has been made and has been quantified under appropriate heads, shall become payable.

Justice Anil Kumar as one man committee was appointed vide order dated:- 3rd September, 2015 by the Hon'ble High Court of Delhi to scrutinize the list of depositors and other claimants and to take steps enumerated hereinafter with the view to resolve at-least some of the disputes.

The one man committee submitted its report on to Hon'ble High Court of Delhi on 22nd April, 2016. Taking cognizance of the report, Hon'ble High Court of Delhi on 10th August, 2017 accepted the recommendation of one man committee enumerated in the report. One Man Committee observed that that it already has sufficient funds, ready cash, to repay about 70% of the deposits to all the depositors having deposits of more than Rs 5000 including secured creditors in the first stage. Under Phase -1, 70% a part of the amount be paid to the creditors having deposits of more than 5000 and full amount be paid to those who have deposits of Rs. or less than Rs.5000 in the first instance. In the second phase, which should also commence. with phase 1 simultaneously, properties and shares and all the assets be liquidated by selling and the realized amount is recommended to be utilized for the repayment of balance 30% of principal and the maturity value on the fixed deposits, debentures and banks. If the amount is still available to the Company, the Hon'ble Company Court may decide whether some amount - be paid as interest as has also been recommended by the Reserve Bank of India. During the year ended 31st March, 2018, Company started paying the amount as per Phase-I and Phase-II is still in continuation for the financial year ending 31st March 2019, 31st March 2020, 31st March 2021 and 31st March 2022, However, company has simultaneously started making payment under phase- II of balance 30% to those who have claimed the same. During the year 2021-22 company has started making payment of 100% to those creditors who are claiming it. Hon'ble High Court of Delhi held that the issue of revival of the company will be decided once all payments are made in the manner as suggested in the report. The accounts of the company have been prepared on a "going concern" basis on an assumption & premises made by the management that:-

- (a) Company earned a net profit of Rs. 47.74 lacs during the year ended March 31, 2022 and, as of that date, the Company's current liabilities exceeded its total assets by Rs 4098.06 lacs. The accumulated loss as on 31st March, 2022 stands to Rs. 8538.68 lacs -(Previous year Rs. 8586.42/-). As on 31st March, 2022, the Company's total liabilities exceeded to its total assets by Rs. 4316.46 lacs (Previous year Rs. 4364.21 lacs).

- (b) The Company is not carrying on any business as to comply with the directives of the Reserve Bank of India the company ceased to accept deposits from September 1997 and the company's application to RBI for certificate of registration (CoR) as a NBFC had been rejected by the RBI in year 2004. The Company contends that the Scheme of One Man Committee shall be implemented in full and other aspect of fresh restructuring scheme such issuance of equity to SBI HOME FINANCE LTD and Pressman Leasing would be approved/decided upon by the Hon'ble Delhi High Court and accordingly the decision on revival of Company would be taken by Hon'ble Delhi High Court and
- (c) Adequate finances and opportunities would be available in the foreseeable future to enable the company to start operating on a profitable basis,
- 38)** The Company's application to RBI for Certificate of Registration (CoR) as a NBFC had been rejected by the RBI in year 2004. The company had made an appeal to the Appellate Authority, Ministry of Finance which directed the RBI to keep its order of rejection of CoR in abeyance for a period of six months and directed the company to file Fresh Restructuring Scheme before Hon'ble Delhi High Court. RBI has preferred an appeal before the Hon'ble Delhi High Court against the order of the appellate authority, which is still pending. This may be decided upon once scheme of One Man Committee shall be implemented in full and other aspect of fresh restructuring scheme would be approved/decided upon by the Hon'ble Delhi High Court.
- 39)** Balance confirmation of bills receivable and payable, advances recoverable in cash or in kind, receivables and payables relating to lease and hire purchase, lease security deposit of which party wise details are not available. Balance confirmation of inter-corporate deposits, balance of ex-employees, margin against L/C, loans from institutions, banks, and other receivables and payables have not been received from the parties/persons concerned. In the absence of balance confirmation the closing balances as per books of accounts have been incorporated in the final accounts and have been shown, unless otherwise stated by the management about its recoverability in the financials including considering the NPA Provisions, are good for recovery/ payment. Time barred debts under the Limitations Act have not been separately ascertained and written off or provided for. In the absence of such confirmation & corresponding reconciliation, it is not feasible for us to determine financial impact on the financials and the amount referred as payable in the financials can differ.

**40) Segment information for the year ended 31st March 2022**

The Company is engaged in a single segment i.e. Financing Operations viz., inter corporate deposits and investments. Presently Company is not carrying on any operation except realizing all debts or maintaining existing assets. The operating results are regularly reviewed and performance is assessed by its Chief Operating Decision Maker (CODM). All the company's resources are dedicated to this single segment and all the discrete financial information is available for this segment.

- 41)** The COVID -19 pandemic is rapidly spreading throughout the world. The company is not doing any operations as there is order by the Hon'ble High Court and RBI to not to do any operations/ business. Accordingly, company is only paying back its creditors and Fixed Deposit Holders as per the recommendations of One Man Committee. The Company has resumed repayment to its creditors in a phased manner as per directives from the Government of India. The Company has evaluated impact of this pandemic on its business operations and financial position and based on its review of current indicators of future economic conditions, there is no significant impact on its financial results as at 31st March 2022. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial results. The Company will continue to monitor any material changes to future economic conditions.

**42) Ratios**

The ratios for the years ended March 31, 2022 and March 31, 2021 are disclosed below, to the extent applicable to the Company:

Particulars	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	Variance In %	Reason for Variance
Current Ratio (in times)	Current assets	Current liabilities	0.06	0.05	18.75%	-
Debt-Equity Ratio (in times)	Total Debt	Shareholder's Equity	(1.81)	(1.83)	(0.97%)	-
Debt Service Coverage Ratio (in times)	Earnings available for debt service	Debt service	0.002	0.003	(22.47%)	-
Return on Equity (ROE) (in %)	Net Profits after taxes	Average Shareholder's Equity	1.12%	(0.29%)	486.9%	PAT in the current year has improved due to balances and provisions written back and fair value gain on investments
Return on capital employed (ROCE) (in %)	Earnings before interest and taxes	Capital Employed	2.80%	0.97%	189.67%	EBIT in the current year has improved due to balances and provisions written back and fair value gain on investments
Return on Investment (ROI) (in %)	Income generated from investments	Time weighted average investment	8.45%	8.74%	(3.40%)	-

**43)** Figures for the previous year have been re-grouped/re-classified wherever necessary to make them comparable with the figures of the current year.

**For Mukesh Aggarwal & Co.**

Chartered Accountants  
Firm Registration No. 011393N

**Rishi Mittal**  
Partner  
M.No. 521860

**Nidhi Deveshwar**  
Whole Time Director  
DIN: 09505480

**Richa Kalra**  
Director  
DIN: 07632571

**Somali Tiwari**  
Company Secretary  
M.No. A-47631

**Place : Delhi**

**Dated : 27th May, 2022**

## INDEPENDENT AUDITOR'S REPORT

To the Members of

**DCM FINANCIAL SERVICES LIMITED**

**Report on the Audit of the Consolidated Financial Statements**

**Qualified Opinion**

We have audited the accompanying consolidated financial statements of **DCM FINANCIAL SERVICES LIMITED** ("the Company") and its subsidiary (the Company and its subsidiary together referred to as the "Group") which comprise the Consolidated Balance Sheet as at 31st March, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and notes to the consolidated 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, except for the possible effects of the matter described in the **Basis for Qualified Opinion paragraph and Key Audit Matters paragraph**, the aforesaid Ind AS consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated State of Affairs of the Group as at March 31, 2022; and their consolidated profit, their consolidated total comprehensive income, their consolidated Cash Flow Statement and their Consolidated Statement of changes in equity for the year ended on that date.

**Basis for Qualified Opinion**

- (i) Justice Anil Kumar\* as one man committee was appointed vide order dated: 3rd September, 2015 by the Hon'ble High Court of Delhi to scrutinize the list of depositors and other claimants and to take steps enumerated hereinafter with the view to resolve at-least some of the disputes. The one man committee submitted its report on to Hon'ble High Court of Delhi on 22nd April, 2016. Taking cognizance of the report, Hon'ble High Court of Delhi on 10th August, 2017 accepted the recommendation of one man committee enumerated in the report. Under Scheme of One Man Committee, Interest of Rs 235 Lakhs are payable to Debenture Holders and Rs 1,448 Lakhs are payable to Fixed Depositors under Phase-2 of Schedule of Payments laid down by One Man Committee. Presently the said committee has waived any further payment of Interest to Fixed Depositors, Debenture-holders and other lenders, however on complete liquidation of properties and investments, if any surplus remains after payment to all stakeholder creditors, then further payment of Interest would be decided. All stakeholders creditors which are covered under scheme has given its consent to the scheme. No provision of Rs. 1,683 Lakhs as laid down under the scheme towards Interest on Debentures and Fixed Deposits, have been provided in the consolidated financial statements on the outstanding amount of Debentures and Fixed Deposits.

Had interest of Rs. 1,683 Lakhs been provided for in the consolidated financial statements of year ending 31st March 2018 on outstanding amount of Debentures and Fixed Deposits, the Net Profit before tax would have been lowered by Rs. 1,683 Lakhs and Net Profit after tax would have been lowered by Rs. 1,340 Lakhs as at 31st March, 2018. The cumulative net loss as well as Current Liabilities as at 31st March, 2022 would have been higher by Rs 1,340 Lakhs. The same has been explained in **Note 17.2 and Note 17.3**

*\*The Hon'ble High Court of Delhi has appointed Mr. Laxmi Kant Gaur, District Judge (Retd.) vide its order dated 29th July 2021, as the One Man Committee in place of Hon'ble Mr. Justice Anil Kumar (in view of his unfortunate demise). The One Man Committee would continue from the stage at which the exercise assigned to the One Man Committee by the High Court stands, at the stage when Hon'ble Mr. Justice Anil Kumar unfortunately expired. The agenda of the One Man Committee would be as per the order dated 3rd September, 2015, read with subsequent orders passed, if any, in that regard.*

- (ii) For redemption of 'B' series debentures of Rs. 2014.98 Lakhs debenture redemption reserve is required to be created. Debenture redemption reserve of Rs. 2014.98 Lakhs has not been created due to insufficient profits. The same has been explained in **Note 17.2**.

- (iii) The value of assets charged as security in favor of banks, debenture-holders & financial institutions have been depleted over a period of time. The depletion has not yet been ascertained by the Company. To the extent of shortfall, if any, the liability is unsecured, whereas the same has been shown as secured. The same has been explained in **Note 17.2**
- (iv) Balance confirmation of bills receivable and payable, advances recoverable in cash or in kind, receivables and payables relating to lease and hire purchase, lease security deposit of which party wise details are not available. Balance confirmation of inter-corporate deposits, FD balances with Bank, interest on FD from banks, balance of ex-employees, margin against L/C, loans from institutions, banks, no dues certificate on payment of loans from bank and other receivables and payables have not been received from the parties/persons concerned. In the absence of balance confirmation, the closing balances as per books of accounts have been incorporated in the final accounts and have been shown, unless otherwise stated by the management about its recoverability in the financials including considering the NPA Provisions, are good for recovery/ payment. Time barred debts under the Limitations Act have not been separately ascertained and written off or provided for. In the absence of such confirmation & corresponding reconciliation, it is not feasible for us to determine financial impact on the financials and the amount referred as payable in the financials can differ. Please refer **Note No-39**
- (v) **Contingent liabilities and Other Commitments**
- v (a) During the year ended 30th June, 2011 the company's tenant had filed a claim of Rs. 100 lacs against the company due to damages suffered by the tenant which is still pending under arbitration proceedings as on 31st March, 2022.
- v (b) There is an award passed by the High Court vide its judgment dated April 27, 2022 against the company in the matter of MS Shoes East Limited for Rs. 12.82lacs i.e. the claim amount, along with interest of Rs. 8.97lacs for an underwriting given by the company in the year 1995 for the public issue of M/s MS Shoes East Ltd.
- v (c) Due to dispute with the builder namely M/s NBCC Ltd. from which the company had purchased an office premises in the year 1995, regarding a claim of Rs. 288.29lacs on account of increase in super area and certain other expenditure which the builder i.e. M/s NBCC Ltd. had incurred and the same is pending in arbitration. Breakup of the amount of 288.29 lacs mentioned supra is as follows:

S. No.	Description	Amount
1.	Difference in super area Vs. provisional area	229.28/-
2.	Claim of property tax	3.19/-
3.	Claim of ground rent	21.67/-
4.	Allied charges	7.82/-
5.	Augmentation of Electric sub station	1.33/-
6.	Loss of profit	20.00/-
7.	Arbitration cost	5.00/-
<b>TOTAL</b>		<b>288.29</b>

During the financial year ending March 31, 2021, the award was given in respect of dispute that has arisen between NBCC Ltd. (Claimant) and DCM Financial Services Limited (Respondent) in relation to sale of Commercial Space-Upper Ground Floor NBCC Place, Pragati Vihar, New Delhi by the Claimant to the respondent.

The summary position of award is as under:

Party	Amount Claimed (in Rs.)	Awarded (in Rs.)
NBCC Ltd.- Claimant	434.95	41.06
DCM Financial Services Limited - Counter Claimant/Respondent	3269.50	78.97

In addition to the above, Interest @ 10% is payable by both the parties on their respective amounts.

That whereas NBCC has filed objections to the award in Delhi High Court in Dec 2020 and the same appears to be by lying in objections.

That DCM has also filed objection in Delhi High Court and the same has not being listed so far.

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

#### Other Matter

We draw attention to **Note 41** to the consolidated financial statements, regarding management's assessment of Covid-19 impact on the future performance of the Group. Our report is not modified in respect of the matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:-

- (i) We draw attention to **Note 37** in the consolidated financial statements, which indicates that the Company earned a net profit of Rs. 46.79 Lacs during the year ended March 31, 2022 and, as of that date, the Company's current liabilities exceeded its total assets by Rs. 4076.53 Lacs. The accumulated loss as on 31st March, 2022 stands to Rs. 8520.24 Lacs (Previous year Rs. 8567.03 lacs). As on 31st March, 2022, the Company's total liabilities exceeded to its total assets by Rs.4294.93 lacs (Previous year Rs. 4341.74 Lacs).

As stated in **Note 37**, these events or conditions, along with other matters as set forth in Note 37 which are as under:-

The Company is not carrying on any business as to comply with the directives of the Reserve Bank of India, the company ceased to accept deposits from September 1997 and the company's application to RBI for certificate of registration (CoR) as a NBFC had been rejected by the RBI in year 2004. The Company contends that the Scheme of One Man Committee shall be implemented in full and other aspect of fresh restructuring scheme such issuance of equity to SBI Home Finance Limited and Pressman Leasing, would be approved/decided upon by the Hon'ble Delhi High Court and accordingly the decision on revival of Company would be taken by Hon'ble Delhi High Court. This indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

- (ii) We draw attention to **Note 27** in the consolidated financial statements regarding successful implementation of scheme of One Man Committee on which continuity and revival of the Company is completely dependent which not only includes successful implementation of Schedule of payments described under Phase-I and Phase-II, but also realisability of funds from the disposal of Fixed Assets especially Building which is under dispute with Tenant as well as NBCC.
- (iii) We draw attention to **Note 33** in the consolidated financial statements on the deposit Rs. 1950 lacs with the Hon'ble Delhi High Court. DCM Services Ltd, as a promoter had committed to bring in Rs. 1950 lacs as a promoter contribution upon sanction of their restructuring scheme under erstwhile Section 391 of the Indian Companies Act, 1956 which is under implementation by One Man Committee appointed with the direction of Hon'ble Delhi High Court. The Court vide order dated 06.05.2008 has asked DCM Services Limited to deposit Rs. 1950 lacs with the Court and pursuant to the court order DCM Services Limited deposited Rs. 500 lacs on 16.07.2010, Rs



670 lacs on 18.11.2010, Rs. 390 lacs on 21.04.2011 & Rs. 390 lacs on 27.04.2012 aggregating to Rs. 1950 lacs on behalf of the promoters with the Registrar, Hon'ble Delhi High Court. All the funds are with Delhi High Court along-with accrued interest thereon. No financial impact of this has been recorded in the financials of the company till 31st March, 2022 as there is no clarity provided by Hon'ble High Court of Delhi on whether Company would have to issue any shares against such contribution as per SEBI guidelines or such amount would be refundable to DCM Services Limited by company or there would be no liability on the Company to either to pay the said amount or issue any shares in lieu of that. Till Company gets any clarity on this matter, no financial entry has been recorded in the books of accounts.

**Information Other than the consolidated financial statements and Auditor's Report Thereon**

The Board of Directors of Group is responsible for the preparation of the other information. The other information comprises the Board's Report including Annexure to Board's Report but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 consolidated financial statements**

The Board of Directors of Company is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

**Auditor's Responsibilities for the Audit of the consolidated financial statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks,

and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

1. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor’s Report) Order, 2020 (the “Order”/ “CARO”) issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor’s report, according to the information and explanations given to us, and based on the CARO reports of the Company and its subsidiary included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report following qualifications in the CARO report of the Company.

Name of the Company (Holding Company)	Paragraph numbers of the CARO report containing the qualifications
DCM FINANCIAL SERVICES LIMITED	3(iii)(c),3(iii)(d),3(v),3(ix)(a),3(ix)(d),3(ix)(e),3(xiv)(a),3(xvii) and 3(xix) of the Order

2. As required by Section 143 (3) of the Companies Act, 2013, we report that:
- a. Except for the matters described in the Basis for Qualified Opinion and Key Audit Matters paragraph, 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. Except for the matters described in the Basis for Qualified Opinion and Key Audit Matters paragraph, in our opinion proper books of account as required by law have been kept by so far as it appears from our examination of those books;
  - c. Except for the matters described in the Basis for Qualified Opinion and Key Audit Matters paragraph, the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.;
  - d. Except for the matters described in the Basis for Qualified Opinion and Other Key Matters paragraph, in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act;
  - e. On the basis of the representations received from the directors as on 31st March 2022 taken on the record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary company, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act;
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in **Annexure 'A'** which is based on the auditors' reports of the Company and its subsidiary company.
  - g. with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013 and on the basis of approval received from Central Government on 1st May, 2017 which contains payment of managerial remuneration of not more than Rs 3.99 Lac per annum to the directors of the Company. No further order has been passed in this regard.

- h. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements – **Refer Note 29** to the consolidated financial statements;
  - ii. The Group has made provisions as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - iii. The Company has moved an application before the Hon'ble Company Law Board, New Delhi on 22nd July 2004 under Regulation 44 of the Company Law Regulations 1991 proposing a fresh repayment schedule for fixed depositors, debenture-holders and other creditors of the Company. The company filed a Fresh Scheme of Arrangement for the reorganization of the share capital of the company and for compromise with the secured and unsecured creditors of the company, hereinafter referred to as the "**Fresh Restructuring Scheme**" before the Hon'ble Delhi High Court on 24th September 2004 mentioning therein repayment schedule.

Justice Anil Kumar as one man committee was appointed vide order dated:- 3rd

September, 2015 by the Hon'ble High Court of Delhi to scrutinize the list of depositors and other claimants and to take steps enumerated hereinafter with the view to resolve at-least some of the disputes. The one man committee submitted its report on to Hon'ble High Court of Delhi on 22nd April, 2016. Taking cognizance of the report, Hon'ble High Court of Delhi on 10th August, 2017 accepted the recommendation of one man committee enumerated in the report. One Man Committee observed that that it already has sufficient funds, ready cash, to repay about 70% of the deposits to all the depositors having deposits of more than Rs 5,000 including secured creditors in the first stage. Under Phase -1, 70% of the principal amount be paid to the creditors having deposits of more than 5,000 and full amount be paid to those who have deposits of Rs. or less than Rs.5,000 in the first instance to fixed depositors, Debenture-holders and banks. In the second phase, which should also commence with phase 1 simultaneously, properties and shares and all the assets be liquidated by selling and the realized amount is recommended to be utilized for the repayment of balance 30% of principal amount and the maturity interest component only on the fixed deposits and debentures. Other creditors such as banks, financial institutions, ICD Holders shall also be paid 30% of the Principal Amount except to SBI Home Finance Limited and Pressman Leasing which will be issued equity shares in Second Phase. Depending upon the availability of surplus amount from disposal of assets with the Company, the Hon'ble High Court of Delhi may decide whether some additional amount of interest can be paid to depositors or other creditors. During the year ended 31st March, 2018, During the year ended 31st March, 2018, Company started paying the amount as per Phase-I and the company is still in continuation of making payments as per Phase I for the year ended 31st March 2022. Also the company has started making payments as per Phase II simultaneously during the current financial year. The matter regarding payment to fixed depositors, debenture-holders and other sums are already covered under Phase-I and Phase-II schedule of payment decided by One Man Committee duly appointed by Hon'ble Delhi High Court.

The One Man committee earlier recommended to pay to the creditors 70% of the principal amount. The above said arrangement was modified by the committee on 18th May 2019 and accordingly it has been decided to pay creditors in full who have claimed amount as per procedure set by the committee and whose documents have been verified. As per the claims made by the creditors 100% of principal being paid to them. Also company has also started paying balance 30% to creditors to whom 70% has already been paid previously. The balance payable to creditors is as per books and who have not claimed so far or their documents are under verification.

All the unpaid matured Public Fixed Deposits of Rs 4,755.87 Lakhs and Unpaid Matured Debentures of Rs. 1,785.05 Lakhs which was more than seven year old. Accordingly except the matter stated above, there has been no delay in transferring amounts or there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. **Refer Note No 17.2 and 17.3.**

There is no outstanding amounts in Subsidiary Company which are required to be transferred to the Investor Education and Protection Fund.

- iv. (a) The respective Management of the company and its subsidiary has represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly

lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The respective Management of the company and its subsidiary has represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The company has neither declared nor paid any dividend during the year ending March 31, 2022. Also, no dividend has been proposed by the Board for the year ending March 31, 2022. Accordingly, reporting under Rule 11(f) is not applicable.

**For Mukesh Aggarwal & Co.**  
Chartered Accountants  
Firm Registration No. 011393N

**Rishi Mittal**  
*Partner*  
M.No. 521860

Place : New Delhi  
Dated : 27th May, 2022  
UDIN: 22521860AJTLD04699

## **Annexure 'A' to Independent Auditors' Report**

**Referred to in Paragraph 2 (f) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date**

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

We have audited the internal financial controls over financial reporting of DCM FINANCIAL SERVICES LIMITED ("herein referred as the Company") and its subsidiary company as of March 31, 2022 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

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

The management of Company and its subsidiary company is responsible for establishing and maintaining internal financial controls based on internal policies & procedures, accounting records and essential components on the internal control over financial reporting criteria established by the respective Company as per Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the 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 internal financial controls over financial reporting of the Company and its subsidiary 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 prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

We believe that the audit evidence we have obtained 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.

**Disclaimer of Opinion**

According to the information and explanation given to us, the Company and its subsidiary has not established its internal financial control over financial reporting on criteria based on or 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. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2022.

We have considered the disclaimer reported above in determining the nature, volume of transactions, materiality, timing, and extent of audit test applied in our audit of the financial statement of the company and the disclaimer does not affect our opinion on the consolidated financial statements of the company.

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one subsidiary, is based on solely on the corresponding reports of the auditors of such company.

**For Mukesh Aggarwal & Co.**  
Chartered Accountants  
Firm Registration No. 011393N

**Rishi Mittal**  
*Partner*  
M.No. 521860

Place : New Delhi  
Dated : 27th May, 2022  
UDIN: 22521860AJTLD04699

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2022

Particulars	Note No.	(Amount in Lacs)	
		As at 31.03.2022	As at 31.03.2021
<b>I. ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, Plant and Equipment	1	1,144.31	1,165.63
(b) Right to use asset	1.1	4.05	8.10
(c) Financial Assets			
(i) Investments	2	0.73	0.50
(ii) Other Financial Assets	3	1,608.55	1,759.66
(d) Deferred Tax Assets (Net) Including MAT	4	332.97	370.68
(e) Other Non-Current Assets	5	160.86	169.32
<b>2 Current assets</b>			
(a) Financial Assets			
(i) Investments	6	142.40	81.12
(ii) Trade Receivable	7	-	-
(iii) Cash and cash equivalents	8	18.08	29.55
(iv) Other Bank Balance	9	324.20	315.00
(v) Other Financial Assets	10	14.25	15.88
(b) Other Current Assets	11	1.58	1.09
<b>TOTAL ASSETS</b>		<b>3,751.98</b>	<b>3,916.53</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	12	2,212.51	2,212.51
(b) Other Equity	13	(6,510.47)	(6,557.36)
Attributable to Owners of the Parent			
Non - Controlling Interests		3.03	3.12
<b>2 Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	14	207.70	207.70
(ii) Lease Liability	15	-	4.40
(b) Provisions	16	10.70	7.20
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17	7,613.33	7,777.13
(ii) Lease Liabilities	15	4.40	4.04
(iii) Other Financial Liabilities	18	193.90	245.73
(b) Other current liabilities	19	16.65	10.91
(c) Provisions	20	0.23	1.15
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,751.98</b>	<b>3,916.53</b>

**For Mukesh Aggarwal & Co.**

Chartered Accountants

Firm Registration No. 011393N

**Rishi Mittal**

Partner

M.No. 521860

**Nidhi Deveshwar**

Whole Time Director

DIN: 09505480

**Richa Kalra**

Director

DIN: 07632571

**Somali Tiwari**

Company Secretary

M.No. A-47631

**Place : Delhi****Dated : 27th May, 2022**



## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH 2022

Particular	Note No.	(Amount in Lacs)	
		For the year ended 31.03.2022	For the yearended 31.03.2021
I. Revenue From Operations		-	-
II. Other income	21	354.47	203.52
<b>III. Total Revenue (I + II)</b>		<b>354.47</b>	<b>203.52</b>
IV. Expenses:			
Employee benefits expense	22	54.86	47.60
Finance costs	23	0.94	1.09
Depreciation and amortization expense	1	32.67	33.45
Other expenses	24	179.05	91.47
Total expenses		267.52	173.61
<b>V. Profit before exceptional items and tax (III-IV)</b>		<b>86.95</b>	<b>29.91</b>
VI. Exceptional Item		-	-
<b>VII. Profit before tax (V - VI)</b>		<b>86.95</b>	<b>29.91</b>
VIII. Tax expense:	25		
(1) Current tax		-	7.80
(2) Deferred tax		37.98	2.86
(3) Prior Period Taxes		1.50	32.18
<b>IX Profit (Loss) for the period from continuing operations (VII-VIII)</b>		<b>47.47</b>	<b>(12.93)</b>
<b>X Profit (Loss) for the period</b>		<b>47.47</b>	<b>(12.93)</b>
<b>XI Other Comprehensive income</b>			
A (i) Items that will not be reclassified to profit or loss		(0.97)	0.13
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.29	(0.03)
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>XII Total Comprehensive Income for the period (X+XI) (Comprising profit (loss) and other Comprehensive Income for the period)</b>		<b>46.79</b>	<b>(12.83)</b>
Total Comprehensive Income			
Attributable to			
Owners of the Parent		46.89	(12.79)
Non-Controlling Interests		(0.10)	(0.05)
Profit for the year			
Attributable to:			
Owners of the Parent		47.57	(12.89)
Non-Controlling Interests		(0.10)	(0.04)
Other Comprehensive Income for the year			
Attributable to:			
Owners of the Parent		(0.68)	0.10
Non-Controlling Interests		-	-
<b>XIII Earnings per equity share (for continuing operation):</b>			
- Basic		0.21	(0.06)
- Diluted		0.21	(0.06)

**For Mukesh Aggarwal & Co.**

Chartered Accountants

Firm Registration No. 011393N

**Rishi Mittal**

Partner

M.No. 521860

**Nidhi Deveshwar**

Whole Time Director

DIN: 09505480

**Richa Kalra**

Director

DIN: 07632571

**Somali Tiwari**

Company Secretary

M.No. A-47631

Place : Delhi

Dated : 27th May, 2022

## CONSOLIDATED CASH FLOW STATEMENT FOR THE ENDED 31ST MARCH 2022

Particulars	(Amount in Lacs)	
	31.03.2022	31.03.2022
(A) <b>Cash flow from Operating Activities</b>		
Profit Before Tax	86.95	29.91
<b>Add:</b>		
Depreciation	32.67	33.45
<b>Less:</b>		
Remeasurement of post employment defined benefit plans	(0.97)	0.13
Lease rent paid	(4.80)	(4.80)
Interest on Fixed Deposits	(115.97)	(162.58)
Dividend Income	(0.32)	(0.25)
Profit on sale of Investments	-	(18.13)
Interest on Income tax refund	(1.81)	(0.95)
Reversal of Provision, no longer required	(2.00)	(0.04)
Unrealised gain on account of fair valuation of Investments	(61.52)	(21.20)
<b>Operating Profits before working Capital changes</b>	<b>(67.76)</b>	<b>(144.46)</b>
Adjustment for:		
Change in Other Financial Current Assets	1.63	96.72
Change in Current Liabilities	5.74	(13.62)
Change in Other Current Financial Liabilities	(51.82)	4.74
Change in Other Non Current Financial Liabilities	0.36	-
Change in Provisions	2.58	2.11
Change in Other Current Assets	0.45	(1.08)
Cash generation from Operating Activities	(108.83)	(55.59)
Less: Income Tax (paid)/refund	8.46	5.89
	<b>(100.37)</b>	<b>(49.70)</b>
(B) <b>Cash Flow from Investing Activities</b>		
Interest Income	117.77	163.53
Dividend Income	0.32	0.25
Redemption/(Purchase) of FD	141.90	(76.43)
Sale of Investments	-	22.17
Purchase / Sale of Fixed Assets	(7.29)	(0.05)
	<b>252.70</b>	<b>109.47</b>
(C) <b>Cash Flow from Financing Activities</b>		
Repayment to Debenture Holders	(56.69)	(6.93)
Repayment to SIDBI	(13.66)	-
Repayment of Loan to Fixed Depositors	(93.44)	(58.35)
	<b>(163.80)</b>	<b>(65.28)</b>
Net increase decrease in cash & cash equivalents	(11.47)	(5.51)
Cash and Cash equivalents (Opening Balance)	29.55	35.06
<b>Cash and Cash equivalents (Closing Balance)</b>	<b>18.08</b>	<b>29.55</b>

**For Mukesh Aggarwal & Co.**

Chartered Accountants

Firm Registration No. 011393N

**Rishi Mittal**

Partner

M.No. 521860

**Nidhi Deveshwar**

Whole Time Director

DIN: 09505480

**Richa Kalra**

Director

DIN: 07632571

**Somali Tiwari**

Company Secretary

M.No. A-47631

Place : Delhi

Dated : 27th May, 2022

**STATEMENT OF CONSOLIDATED CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2022**

**Equity Share Capital**

(Amount in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
Balance at the beginning of the reporting period;	2,212.51	2,212.51
Change in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the reporting period	2,212.51	2,212.51
Changes in equity share capital during the year	-	-
<b>Balance at the end of the reporting period</b>	<b>2,212.51</b>	<b>2,212.51</b>

**Other Equity**

(Amount in Lacs)

Other Equity	Reserves and Surplus				Retained Earnings	Attributable to the owners of Parent	Non Controlling Interest	Total
	Capital Reserve	Securities Premium	Debenture Redemption Reserve	Special Reserve				
<b>Balance at the end of the 31.03.2020</b>	<b>193.87</b>	<b>1,650.86</b>	<b>8.75</b>	<b>156.23</b>	<b>(8,554.18)</b>	<b>(6,544.55)</b>	<b>3.16</b>	<b>(6,541.39)</b>
Balance at the beginning of the reporting period	193.87	1,650.86	8.75	156.23	(8,554.18)	(6,544.55)	3.16	(6,541.39)
Profit/(loss) for the year	-	-	-	-	(12.95)	(12.91)	(0.04)	(12.94)
Other comprehensive income/(loss) for the year	-	-	-	-	0.10	0.10	-	0.10
Dividends paid	-	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-	-	-
Transfer to Capital Reserve	-	-	-	-	-	-	-	-
<b>Balance at the end of the 31.03.2021</b>	<b>193.87</b>	<b>1,650.86</b>	<b>8.75</b>	<b>156.23</b>	<b>(8,567.03)</b>	<b>(6,557.36)</b>	<b>3.12</b>	<b>(6,554.24)</b>
Balance at the beginning of the reporting period	193.87	1,650.86	8.75	156.23	(8,567.03)	(6,557.36)	3.12	(6,554.24)
Profit/(loss) for the year	-	-	-	-	47.47	47.57	(0.10)	47.47
Other comprehensive income/(loss) for the year	-	-	-	-	(0.68)	(0.68)	-	-
Dividends paid	-	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-	-	-
Transfer to Capital Reserve	-	-	-	-	-	-	-	-
<b>Balance at the end of the 31.03.2022</b>	<b>193.87</b>	<b>1,650.86</b>	<b>8.75</b>	<b>156.23</b>	<b>(8,520.24)</b>	<b>(6,510.47)</b>	<b>3.03</b>	<b>(6,506.76)</b>

**For Mukesh Aggarwal & Co.**

Chartered Accountants

Firm Registration No. 011393N

**Rishi Mittal**  
Partner

M.No. 521860

**Nidhi Deveshwar**  
Whole Time Director  
DIN: 09505480

**Richa Kalra**  
Director  
DIN: 07632571

**Somali Tiwari**  
Company Secretary  
M.No. A-47631

**Place : Delhi**

**Dated : 27th May, 2022**

**1 Property, Plant and Equipment**

Property, plant and equipment consist of the following :

Particulars	(Amount in Lacs)									
	Land	Plant & Machinery	Buildings	Vehicles	Computers	Furniture & Fixtures	Office Equipment & Appliances	Total		
<b>Year ended 31 March 2021</b>										
<b>Opening Gross Carrying Amount</b>	<b>3.06</b>	<b>0.03</b>	<b>1,304.34</b>	<b>3.78</b>	<b>0.11</b>	<b>7.81</b>	<b>0.90</b>	<b>1,320.03</b>		<b>0.05</b>
Additions	-	0.05	-	-	-	-	-	-		-
Disposals	-	-	-	-	-	-	-	-		-
<b>Closing Gross Carrying Amount as at March 31, 2021</b>	<b>3.06</b>	<b>0.07</b>	<b>1,304.34</b>	<b>3.78</b>	<b>0.11</b>	<b>7.81</b>	<b>0.90</b>	<b>1,320.08</b>		
Opening Accumulated Depreciation	-	-	114.50	2.81	0.08	7.10	0.56	125.05		-
Depreciation charged during the year 2020-2021	-	0.00	28.62	0.64	0.02	-	0.11	29.40		-
Depreciation on Disposals	-	-	-	-	-	-	-	-		-
<b>Closing Accumulated Depreciation as at March 31, 2021</b>	<b>-</b>	<b>0.00</b>	<b>143.12</b>	<b>3.45</b>	<b>0.10</b>	<b>7.10</b>	<b>0.67</b>	<b>154.45</b>		
<b>Net Carrying Amount as at March 31, 2021</b>	<b>3.06</b>	<b>0.07</b>	<b>1,161.22</b>	<b>0.33</b>	<b>0.00</b>	<b>0.71</b>	<b>0.24</b>	<b>1,165.63</b>		
<b>Year ended 31 March 2022</b>										
<b>Opening Gross Carrying Amount</b>	<b>3.06</b>	<b>0.07</b>	<b>1,304.34</b>	<b>3.78</b>	<b>0.11</b>	<b>7.81</b>	<b>0.90</b>	<b>1,320.08</b>		
Additions	-	-	-	7.29	-	-	-	-		-
Disposals	-	-	-	-	-	-	-	-		-
Closing Gross Carrying Amount as at March 31, 2022	3.06	0.07	1,304.34	11.07	0.11	7.81	0.90	1,327.37		-
Opening Accumulated Depreciation	-	0.00	143.12	3.45	0.10	7.10	0.67	154.45		-
Depreciation charged during the year 2021-2022	-	0.01	27.88	0.63	0.00	-	0.11	28.62		-
Depreciation on Disposals	-	-	-	-	-	-	-	-		-
Closing Accumulated Depreciation as at March 31, 2022	-	0.01	171.00	4.08	0.10	7.10	0.77	183.06		-
<b>Net Carrying Amount as at March 31, 2022</b>	<b>3.06</b>	<b>0.06</b>	<b>1,133.34</b>	<b>7.00</b>	<b>0.00</b>	<b>0.71</b>	<b>0.13</b>	<b>1,144.31</b>		

**Note 1.1**

**Right to use asset**

	(Amount in Lacs)	
		Right to Use Assets
<b>Opening Gross Carrying Amount</b>		
Additions	-	12.15
Disposals	-	-
<b>Closing Gross Carrying Amount as at March 31, 2021</b>		<b>12.15</b>
Opening Accumulated Depreciation	-	-
Depreciation charged during the year 2020-2021	-	4.05
Depreciation on Disposals	-	-
<b>Closing Accumulated Depreciation as at March 31, 2021</b>		<b>4.05</b>
<b>Net Carrying Amount as at March 31, 2021</b>		<b>8.10</b>

Opening Gross Carrying Amount		12.15
Additions		-
Disposals		-
Closing Gross Carrying Amount as at March 31, 2022		<b>12.15</b>
Opening Accumulated Depreciation		4.05
Depreciation charged during the year 2021-2022		4.05
Depreciation on Disposals		-
Closing Accumulated Depreciation as at March 31, 2022		8.10
<b>Net Carrying Amount as at March 31, 2022</b>		<b>4.05</b>

## 2 NON CURRENT INVESTMENTS

Particulars	As at 31st March, 2022 (Amount in Lacs)	As at 31st March, 2021 (Amount in Lacs)
<b>Details of non current investment</b>		
--Investments in Equity Shares	0.73	0.50
<b>Total</b>	<b>0.73</b>	<b>0.50</b>

## 2 (A) Details of non current investment consist of following:

Sr. No.	Particulars	Subsidiary / Associate / JV/ Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	As at 31st March, 2022	As at 31st March, 2021
			As at 31 st March, 2022	As at 31 st March, 2021				
(a)	Investments in Equity Shares							
	<b>Non -Trade Investments</b>							
1	Hindalco Industries Limited	Others	82	82	Quoted	Fully Paid	0.44	0.27
2	Digjam Limited	Others	1	58	Quoted	Fully Paid	0.00	0.00
3	Federal Bank Limited	Others	300	300	Quoted	Fully Paid	0.29	0.23
4	Dion Global Solutions Limited	Others	20	20	Quoted	Fully Paid	0.00	0.00
5	Healthfore Technologies	Others	5	5	Quoted	Fully Paid	0.00	0.00
	<b>TOTAL</b>		<b>408</b>	<b>465</b>			<b>0.73</b>	<b>0.50</b>

**Note 3: Other Financial Assets (Non-Current)**

Other Financial Assets consist of the following:

Particulars	As at 31st	As at 31st
	March, 2022	March, 2021
	Amount in Lacs	Amount in Lacs
Bank Deposits*	1,601.89	1,753.00
Security Deposits	6.66	6.66
<b>Total</b>	<b>1,608.55</b>	<b>1,759.66</b>

\*These are restricted bank deposits and cannot be operated without getting prior approval of Hon'ble Delhi High Court.

**Note 4: Deferred Tax Assets (Net)**

Major Components of the deferred tax balances

Deferred Tax Liabilities	As at 31st	As at 31st
	March, 2022	March, 2021
	Amount in Lacs	Amount in Lacs
Depreciation and amortisation	288.00	293.98
<b>Total</b>	<b>288.00</b>	<b>293.98</b>

Deferred Tax Assets	As at 31st	As at 31st
	March, 2022	March, 2021
	Amount in Lacs	Amount in Lacs
Post Employment Defined Benefit Plans	2.84	2.05
Provision for Doubtful Debts	600.93	629.32
Unrealised gain on securities carried at fair value through statement of profit and loss	17.11	33.20
Lease	0.09	0.09
<b>Total (b)</b>	<b>620.97</b>	<b>664.66</b>

<b>Net Deferred Tax (Liabilities)/ Assets (b-a)</b>	<b>332.97</b>	<b>370.68</b>
<b>Add: Minimum Alternative Tax (MAT) credit entitlement</b>		
<b>Net Deferred Tax Asset</b>	<b>332.97</b>	<b>370.68</b>

**Movement in Deferred Tax Assets/(Liabilities)**

Particulars	Property, Plant and Equipment	Post Employment Defined Benefit Plans	Provision for Doubtful Debts	Remeasurement of Investment through Profit and Loss	Lease	Total
<b>At 31st March, 2020</b>	<b>(300.91)</b>	<b>1.62</b>	<b>629.42</b>	<b>43.43</b>	<b>-</b>	<b>373.56</b>
(Charged) / credited						
- to Statement of Profit and Loss	6.92	0.46	(0.10)	(10.23)	0.09	(2.86)
- to Other Comprehensive Income	-	(0.03)	-	-	-	(0.03)
<b>At 31st March, 2021</b>	<b>(293.98)</b>	<b>2.05</b>	<b>629.32</b>	<b>33.20</b>	<b>0.09</b>	<b>370.67</b>
(Charged) / credited						
- to Statement of Profit and Loss	5.98	0.51	(28.39)	(16.09)	0.00	(37.98)
- to Other Comprehensive Income	-	0.29	-	-	-	0.29
<b>At 31st March, 2022</b>	<b>(288.00)</b>	<b>2.84</b>	<b>600.93</b>	<b>17.11</b>	<b>0.09</b>	<b>332.97</b>

**5 OTHER NON CURRENT ASSETS**

Other non current assets consist of the following :

Particulars	As at 31st	As at 31st
	March, 2022	March, 2021
	Amount in Lacs	Amount in Lacs
TDS Recoverable (Net of Provisions) (Refer Note 5A)	160.86	169.32
	<u>160.86</u>	<u>169.32</u>
Unsecured , Doubtful		
- Others	10.23	10.23
Less: Provision towards doubtful advances/ECL	(10.23)	(10.23)
	-	-
<b>Total</b>	<b><u>160.86</u></b>	<b><u>169.32</u></b>

**5A Details of Tax Recoverable**

Particulars	As at 31st	As at 31st
	March, 2022	March, 2021
	Amount in Lacs	Amount in Lacs
Advance Tax and TDS	207.66	216.07
Less : Provision for Tax	46.80	46.80
<b>Net</b>	<b><u>160.86</u></b>	<b><u>169.27</u></b>

**6 CURRENT INVESTMENTS**

Particulars	As at 31st	As at 31st
	March, 2022	March, 2021
	Amount in Lacs	Amount in Lacs
Details of current investment		
--Investments in Equity Shares	142.23	80.95
--Investments in NCD	0.17	0.17
<b>Total</b>	<b><u>142.40</u></b>	<b><u>81.12</u></b>

## 6(A) Details of current investment consist of following:

Sr. No.	Particulars	Subsidiary / Associate / JV / Others	No. of NCD / Unit		Quoted / Unquoted	Partly Paid / Fully paid	Amount in Lacs	
			As at 31 st March, 2022	As at 31 st March, 2021			As at 31st March, 2022	As at 31st March, 2021
(a)	<b>Investments in Non Convertible Debentures</b>							
	<b>At Amortised Cost</b>							
	Nayara Energy Ltd (NCD)*							
	*Amalgamation of Vadinar oil terminal Ltd with Nayara Energy Ltd (Non Convertible Debentures issued for Shares)	Others	49	49	Unquoted	Fully Paid	0.17	0.17
	Total (a)						0.17	0.17

## 6(B) Details of current investment consist of following:

(Amount in Lacs)

Sr. No.	Particulars	Subsidiary / Associate / JV / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Amount in Rs.	
			As at 31 st March, 2022	As at 31 st March, 2021			As at 31st March, 2021	As at 31st March, 2020
(b)	<b>Investments in Equity Shares</b>							
	<b>At Fair Value Through Profit &amp; Loss</b>							
1	Clutch Auto Limited	Others	98,050	98,050	Quoted	Fully Paid	0.00	0.00
2	Health fore Technologies (Religare Technologies Ltd)	Others	10	10	Quoted	Fully Paid	0.00	0.00
3	Indo Biotech Foods Ltd	Others	300	300	Quoted	Fully Paid	0.00	0.00
4	Sujana Steel Ltd	Others	1,300	1,300	Quoted	Fully Paid	0.00	0.00
5	Padmini Technology Ltd	Others	500	500	Quoted	Fully Paid	0.00	0.00
6	Radhika Spinning Mills Ltd	Others	300	300	Quoted	Fully Paid	0.00	0.00
7	Uniworth Textiles Ltd.	Others	100	100	Quoted	Fully Paid	0.00	0.00



8	Virtualsoft System Limited	Others	13,400	13,400	Quoted	Fully Paid	0.59	0.00
9	Daewoo Motors India Ltd	Others	8,250	8,250	Unquoted	Fully Paid	0.00	0.00
10	ESSAR Ports Ltd.	Others	3	3	Unquoted	Fully Paid	0.00	0.00
11	Galaxy Indo Fab Ltd (Shri Laksmi Cotsyn Ltd)	Others	200	200	Unquoted	Fully Paid	0.00	0.00
12	Hazira Cargo Terminals Ltd	Others	9	9	Unquoted	Fully Paid	0.00	0.00
13	Haryana Sheet Glass Ltd	Others	200	200	Unquoted	Fully Paid	0.00	0.00
14	Profin Money Market Ltd	Others	25,000	25,000	Unquoted	Fully Paid	3.83	0.00
15	Tulip Finance Ltd	Others	1,000	1,000	Unquoted	Fully Paid	0.00	0.00
16	World Tex Ltd	Others	437,500	437,500	Unquoted	Fully Paid	0.00	0.00
17	Salaya Bulk Terminals Ltd	Others	3	3	Unquoted	Fully Paid	0.00	0.00
18	Skypack Courier Ltd	Others	100	100	Unquoted	Fully Paid	0.00	0.00
19	Banaras Beads Ltd	Others	110	110	Quoted	Fully Paid	0.10	0.05
20	Doin Global Solutions Ltd (Religare Technova)	Others	40	40	Quoted	Fully Paid	0.00	0.00
21	Gagan Polycot Ltd	Others	700	700	Quoted	Fully Paid	0.02	0.01
22	GE Shipping Ltd	Others	65	65	Quoted	Fully Paid	0.20	0.20
23	Gujarat Meditech Ltd	Others	200	200	Quoted	Fully Paid	0.01	0.01
24	Kinetic Trust Ltd.	Others	100	100	Quoted	Fully Paid	0.00	0.00
25	Mid India Industries Ltd	Others	100	100	Quoted	Fully Paid	0.01	0.00
26	Profin Capital Services Ltd	Others	19,300	19,300	Quoted	Fully Paid	29.50	5.80
27	Shree Rajasthan Syntex Ltd	Others	500	500	Quoted	Fully Paid	0.00	0.00
28	Sree Rayalaseema Hi Strength Hypo Ltd	Others	8,255	8,255	Quoted	Fully Paid	39.09	19.49
29	Cepharm Milk Specialities Ltd.	Others	30,000	30,000	Quoted	Fully Paid	0.00	0.00
30	Punj Lijod Ltd	Others	200,000	200,000	Quoted	Fully Paid	4.36	2.96
31	Sujana Universal Industries Ltd	Others	1,100	1,100	Quoted	Fully Paid	0.00	0.00
32	Swam Software Ltd	Others	200	200	Quoted	Fully Paid	0.01	0.00
34	United Breweries Limited	Others	8	8	Quoted	Fully Paid	0.12	0.10
35	Sunstar Lubricants Ltd	Others	3,100	3,100	Quoted	Fully Paid	0.00	0.00
36	Jaimata Rolled Glass Ltd	Others	100	100	Quoted	Fully Paid	0.00	0.00
37	Jsw Ispat Steel Ltd	Others	80	80	Quoted	Fully Paid	0.00	0.00

38	Modern Threads Ltd	Others	100	100	100	Quoted	Fully Paid	0.00	0.00
39	Tribology India Ltd	Others	400	400	400	Quoted	Fully Paid	0.00	0.00
40	HPM Industries Ltd	Others	5,000	5,000	5,000	Quoted	Fully Paid	0.00	0.00
41	Mardia Samyoung Capillary Tube	Others	1	1	1	Quoted	Fully Paid	0.00	0.00
42	Grand Foundry Ltd	Others	600	600	600	Quoted	Fully Paid	0.00	0.00
43	Goldwon Textiles Ltd	Others	100	100	100	Quoted	Fully Paid	0.00	0.00
44	Good Value Marketing Ltd	Others	200	200	200	Quoted	Fully Paid	0.00	0.00
45	Krishna Engineering Works Ltd	Others	300	300	300	Quoted	Fully Paid	0.00	0.00
46	Superforging & Steels Ltd	Others	9,600	9,600	9,600	Quoted	Fully Paid	0.00	0.00
47	Bharati Telecom Ltd	Others	100	100	100	Unquoted	Fully Paid	0.00	0.00
48	Rajasthan Antibiotics Ltd.	Others	30,000	30,000	30,000	Unquoted	Fully Paid	63.07	52.04
49	Cebon India Ltd.	Others	30,000	30,000	30,000	Unquoted	Fully Paid	0.00	0.00
50	Krishna Cold Rolled Ltd(Rs.2.50 pd)	Others	25,000	25,000	25,000	Unquoted	Fully Paid	0.05	0.14
51	Vaiplus Biotech Ltd	Others	700	700	700	Unquoted	Fully Paid	0.10	0.13
52	Adhunik Synthetics Ltd	Others	100	100	100	Unquoted	Fully Paid	0.00	0.00
53	Bhiwani Synthetics Ltd	Others	400	400	400	Unquoted	Fully Paid	0.00	0.00
54	BLB Mutual Services Ltd	Others	300	300	300	Unquoted	Fully Paid	0.00	0.00
55	BLB Share & Financial Services Ltd	Others	50	50	50	Unquoted	Fully Paid	0.00	0.00
56	Cepharm Organics Ltd	Others	250	250	250	Unquoted	Fully Paid	0.00	0.00
57	Chirau Finance Invest. & Leasing	Others	3,900	3,900	3,900	Unquoted	Fully Paid	0.00	0.00
58	City Lifts Ltd	Others	2,800	2,800	2,800	Unquoted	Fully Paid	0.00	0.00
59	Crest Paper Mills Ltd	Others	1,700	1,700	1,700	Unquoted	Fully Paid	0.00	0.00
60	Datapro Information Technology Ltd	Others	1,000	1,000	1,000	Unquoted	Fully Paid	0.00	0.00
61	Decora Tubes Ltd	Others	200	200	200	Unquoted	Fully Paid	0.00	0.00
62	East India Syntex Ltd	Others	200	200	200	Unquoted	Fully Paid	0.00	0.00
63	Electrolux Kelvinator (Intron)	Others	825	825	825	Unquoted	Fully Paid	0.00	0.00
64	Finolex Industries Ltd	Others	750	-	-	quoted	Fully Paid	1.16	0.00
65	Garg Forgings & Castings Ltd	Others	500	500	500	Unquoted	Fully Paid	0.00	0.00
66	Gimar Fibres Ltd	Others	4,100	4,100	4,100	Unquoted	Fully Paid	0.00	0.00
67	Gorden Herbert India Ltd	Others	100	100	100	Unquoted	Fully Paid	0.00	0.00
68	Greenfield Corporation Ltd(Rs.5.00 pd)	Others	127,000	127,000	127,000	Unquoted	Fully Paid	0.00	0.00

69	Hindustan Development Corpn. Ltd	Others	21,050	21,050	Unquoted	Fully Paid	0.00	0.00
70	Jainpur Straw Products Ltd	Others	1,200	1,200	Unquoted	Fully Paid	0.00	0.00
71	Jay Vinyls Ltd	Others	100	100	Unquoted	Fully Paid	0.00	0.00
72	Jiwan Flora Ltd	Others	400	400	Unquoted	Fully Paid	0.00	0.00
73	Karishma Floriculture Ltd	Others	1,700	1,700	Unquoted	Fully Paid	0.00	0.00
74	Kashipur Holdings Ltd(Bonus)	Others	50	50	Unquoted	Fully Paid	0.00	0.00
75	Kitti Steels Ltd	Others	100	100	Unquoted	Fully Paid	0.00	0.00
76	Makan Agro Ltd	Others	200	200	Unquoted	Fully Paid	0.00	0.00
77	Minerva Holdings Ltd	Others	20	20	Unquoted	Fully Paid	0.00	0.00
78	Moon Beam Industries Ltd	Others	400	400	Unquoted	Fully Paid	0.00	0.00
79	Pan Asia Industries Ltd	Others	5,400	5,400	Unquoted	Fully Paid	0.00	0.00
80	Rasik Plast Ltd	Others	4,500	4,500	Unquoted	Fully Paid	0.00	0.00
81	S.M. Dychem Ltd	Others	4	4	Unquoted	Fully Paid	0.00	0.00
82	S.V. Electricals Ltd	Others	5,000	5,000	Unquoted	Fully Paid	0.00	0.00
83	Sajjan Textiles Ltd	Others	100	100	Unquoted	Fully Paid	0.00	0.00
84	Shree Pommani Metals & Alloys Ltd	Others	19,400	19,400	Unquoted	Fully Paid	0.00	0.00
85	Siddarth Spinfab Ltd	Others	3,500	3,500	Unquoted	Fully Paid	0.00	0.00
86	Starspin & Twist Ltd	Others	100	100	Unquoted	Fully Paid	0.00	0.00
87	Sturdy Polymers Ltd	Others	200	200	Unquoted	Fully Paid	0.00	0.00
88	Suryachakra Seafoods Ltd	Others	13,400	13,400	Unquoted	Fully Paid	0.00	0.00
89	Swarnima Oils Ltd	Others	200	200	Unquoted	Fully Paid	0.00	0.00
90	Transpower Engineering Ltd	Others	2,500	2,500	Unquoted	Fully Paid	0.00	0.00
91	U.P. Lime Chem Limited	Others	500	500	Unquoted	Fully Paid	0.00	0.00
92	Vikram Projects Ltd	Others	1,600	1,600	Unquoted	Fully Paid	0.00	0.00
93	Vishal Lakco Ltd	Others	9,700	9,700	Unquoted	Fully Paid	0.00	0.00
	<b>Total (b)</b>		<b>1,187,783</b>	<b>1,187,033</b>			<b>142.23</b>	<b>80.95</b>
	<b>Total (a+b)</b>						<b>142.40</b>	<b>81.12</b>

Note: Investments value of 0.00 lacs represent investments having carrying value of Rs. 1 pursuant to fair valuation (Mark to Market)

7 TRADE RECEIVABLES

	As at 31st March, 2022	As at 31st March, 2021
	Amount in Lacs	Amount in Lacs
Trade Receivables, unsecured:	-	-
Considered good	1,694.67	1,694.67
Credit impaired	(1,694.67)	(1,694.67)
Less: Allowance for credit loss	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Trade Receivable ageing schedule for year ended as on 31.03.2022 and 31.03.2021:

Particulars		Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	as at 31st March 2022	-	-	-	-	-	-	-
	as at 31st March 2021	-	-	-	-	-	-	-
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	as at 31st March 2022	-	-	-	-	-	-	-
	as at 31st March 2021	-	-	-	-	-	-	-
(ii) Undisputed Trade Receivables - credit impaired	as at 31st March 2022	-	-	-	-	-	-	-
	as at 31st March 2021	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	as at 31st March 2022	-	-	-	-	-	-	-
	as at 31st March 2021	-	-	-	-	-	-	-
*(v) Disputed Trade Receivables – which have significant increase in credit risk	as at 31st March 2022	-	-	-	-	-	-	-
	as at 31st March 2021	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	as at 31st March 2022	-	-	-	-	-	1,694.67	1,694.67
	as at 31st March 2021	-	-	-	-	-	1,694.67	1,694.67
Total Trade Receivables	as at 31st March 2022	-	-	-	-	-	1,694.67	1,694.67
	as at 31st March 2021	-	-	-	-	-	1,694.67	1,694.67
Less- allowance for credit loss	as at 31st March 2022	-	-	-	-	-	(1,694.67)	(1,694.67)
	as at 31st March 2021	-	-	-	-	-	(1,694.67)	(1,694.67)
Total trade receivables	as at 31st March 2022	-	-	-	-	-	-	-
	as at 31st March 2021	-	-	-	-	-	-	-

**8 Cash and Cash Equivalent**

Cash and cash equivalents consist of the following at amortised cost:

Particulars	As at 31st	As at 31st
	March, 2022	March, 2021
	Amount in Lacs	Amount in Lacs
(a) Balances with Bank		
Balance with Banks	1.11	2.02
-Restricted Bank Balance (Refer Note 8A & 8B)	24.63	35.22
Less: Provision for impairment (Refer Note 8C)	(7.75)	(7.75)
	18.00	29.49
(b) Cash in hand	0.09	0.06
<b>Total</b>	<b>18.08</b>	<b>29.55</b>

**8A Restricted Bank Balances Includes :**

Particulars	As at 31st	As at 31st
	March, 2022	March, 2021
Canara Bank	7.49	7.49
IDBI Bank Limited	2.70	0.25
Axis Bank	7.25	6.95
UTI Bank	0.26	0.26
Kotak Mahindra	2.38	2.32
IDFC	4.55	17.95
<b>Total</b>	<b>24.63</b>	<b>35.22</b>

**8B** These are restricted bank balances and cannot be operated without getting prior approval of Hon'ble Delhi High Court.

**8C** During the year ended 31st March, 2018, the provision for impairment of Rs. 7.75 lacs had been provided for the banks balances which are not in operation from past years and confirmations to their balances are not made available. These balances are subject to confirmation as on 31.3.2022 and are still not operative.

(Amount in Lacs)

	As at 31st	As at 31st
	March, 2022	March, 2021
Canara Bank	7.49	7.49
UTI	0.26	0.26
<b>Total</b>	<b>7.75</b>	<b>7.75</b>

**9 Other Bank Balances**

Other Bank Balances consist of the following at amortised cost:

Particulars	As at 31st	As at 31st
	March, 2022	March, 2021
	Amount in Lacs	Amount in Lacs
<b>Bank Deposits( Refer Note 9A)</b>		
<i>(deposits with original maturity of more than 3 months having remaining maturity less than 12 months)</i>	324.20	315.00
<b>Total</b>	<b>324.20</b>	<b>315.00</b>

**9A** These are restricted bank deposits and cannot be operated without getting prior approval of Hon'ble Delhi High Court.

**10 Other Current Financial Assets**

Other Current Assets consist of the following at amortised cost:

Particulars	As at 31st March, 2022	As at 31st March, 2021
	Amount in Lacs	Amount in Lacs
Interest accrued but not due on Fixed Deposits	14.24	15.88
<b>(A)</b>	<b>14.24</b>	<b>15.88</b>
Unsecured, Doubtful		
- Inter Corporate Deposit	79.58	79.58
- Bills Receivable	-	107.17
- Rent Receivable	518.47	518.47
-Dividend Receivable	0.01	-
Less: Provision towards Doubtful Debts/ECL	(598.05)	(705.22)
<b>(B)</b>	<b>0.01</b>	<b>-</b>
<b>Total (A) + (B)</b>	<b>14.25</b>	<b>15.88</b>

**11 Other Current Assets (Non-Financial)**

Other Current Assets consist of the following:-:

Particulars	As at 31st March, 2022	As at 31st March, 2021
	Amount in Lacs	Amount in Lacs
Employee Advances	-	0.12
Other Advances	1.95	3.52
Prepaid Expenses	0.21	0.03
	2.16	3.68
Less: Provision for doubtful recoverables	(0.58)	(2.58)
<b>Total</b>	<b>1.58</b>	<b>1.09</b>

**12 SHARE CAPITAL**

The Authorised, Issued, Subscribed and fully Paid up Share Capital of Equity Shares having a par value of Rs. 10/- each as follows:

Share Capital	As at 31st March, 2022		As at 31st March, 2021	
	Number	Amount in lacs	Number	Amount in lacs
<b>Authorised</b>				
Equity Shares of Rs. 10/- each	65,000,000	6,500.00	65,000,000	6,500.00
6,50,00,000 Equity Shares of Rs.10 each	<b>65,000,000</b>	<b>6,500.00</b>	<b>65,000,000</b>	<b>6,500.00</b>
<b>Issued</b>				
2,21,25,054 Equity Shares of Rs.10 each	22,125,054	2,212.51	22,125,054	2,212.51
Fully paid up				
<b>Total</b>	<b>22,125,054</b>	<b>2,212.51</b>	<b>22,125,054</b>	<b>2,212.51</b>

**12A Reconciliation of number of shares**

Particulars	Equity Shares			
	As at 31st March, 2022		As at 31st March, 2021	
	Number	Amount in lacs	Number	Amount in lacs
Shares outstanding at the beginning of the year	22,125,054	2,212.51	22,125,054	2,212.51
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Any other movement	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>22,125,054</b>	<b>2,212.51</b>	<b>22,125,054</b>	<b>2,212.51</b>

**B Shareholding of Promoters****Shares held by promoters at 31.03.2022**

Promoter Name	No. of shares	% of Total Shares	% Change during the year
VIVEK BHARAT RAM	15	0.00%	-
DCM SERVICES LTD	6,352,487	28.71%	-
SHRIRAM GLOBAL ENTERPRISE LTD	312,450	1.41%	-
INTELLECT CAPITAL SERVICE PVT LTD	2,075,000	9.38%	-
<b>Total</b>	<b>8,739,952</b>	<b>39.50%</b>	

**12C Details of shares held by shareholders holding more than 5% of aggregate shares in the company**

Name of Shareholders	Equity Shares			
	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
DCM Services Ltd	6,352,487	28.71%	6,352,487	28.71%
Intellect Capital Services Ltd	2,075,000	9.38%	2,075,000	9.38%
Punjab & Sind Bank	1,319,900	5.97%	1,319,900	5.97%
<b>Total</b>	<b>9,747,387</b>	<b>44.06%</b>	<b>9,747,387</b>	<b>44.06%</b>

**13 OTHER EQUITY**

Other equity consist of following :

( Amount in lacs)

Other Equity	Reserves and Surplus				Retained Earnings	Attributable to the owners of Parent	Non Controlling Interest	Total
	Capital Reserve	Securities Premium	Debenture Redemption Reserve	Special Reserve				
<b>Balance at the end of the 31.03.2020</b>	<b>193.87</b>	<b>1,650.86</b>	<b>8.75</b>	<b>156.23</b>	<b>(8,554.18)</b>	<b>(6,544.55)</b>	<b>3.16</b>	<b>(6,541.39)</b>
Balance at the beginning of the reporting period	193.87	1,650.86	8.75	156.23	(8,554.18)	(6,544.55)	3.16	(6,541.39)
Profit/(loss) for the year	-	-	-	-	(12.95)	(12.91)	(0.04)	(12.94)
Other comprehensive income/(loss) for the year	-	-	-	-	0.10	0.10	-	0.10
Dividends paid	-	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-	-	-
Transfer to Capital Reserve	-	-	-	-	-	-	-	-
<b>Balance at the end of the 31.03.2021</b>	<b>193.87</b>	<b>1,650.86</b>	<b>8.75</b>	<b>156.23</b>	<b>(8,567.03)</b>	<b>(6,557.36)</b>	<b>3.12</b>	<b>(6,554.24)</b>
Balance at the beginning of the reporting period	193.87	1,650.86	8.75	156.23	(8,567.03)	(6,557.36)	3.12	(6,554.24)
Profit/(loss) for the year	-	-	-	-	47.47	47.57	(0.10)	47.47
Other comprehensive income/(loss) for the year	-	-	-	-	(0.68)	(0.68)	-	-
Dividends paid	-	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-	-	-
Transfer to Capital Reserve	-	-	-	-	-	-	-	-
<b>Balance at the end of the 31.03.2022</b>	<b>193.87</b>	<b>1,650.86</b>	<b>8.75</b>	<b>156.23</b>	<b>(8,520.24)</b>	<b>(6,510.47)</b>	<b>3.03</b>	<b>(6,506.76)</b>



**14 Borrowings (Non- Current)**

Long term borrowings consist of following :

Particulars	As at 31st	As at 31st
	March, 2022	March, 2021
	Amount in Lacs	Amount in Lacs
<b>A. Unsecured</b>		
(i) Term Loan from SBI HF (Refer Note 14.1)	25.00	25.00
(ii) Payable to Related Party	-	-
- DCM Services Ltd (Refer Note 14.2)	182.70	182.70
	<u>207.70</u>	<u>207.70</u>
<b>Total</b>	<u><b>207.70</b></u>	<u><b>207.70</b></u>

**14.1 SBI HOME FINANCE LIMITED**

- (a) **Status till 31-March-2017 and as on 31-March 2022** - The company has already paid Rs. 290.00 lacs under the Old Scheme and proposes to allot shares worth Rs. 25.00 lacs for the balance as per the Fresh Restructuring Scheme in the first year from the effective date (Effective date means the date of filing of the certified copy of the order sanctioning the scheme of the Hon'ble High Court of Delhi at New Delhi with the Registrar of Companies of Delhi & Haryana). SBIHF has removed a charge on its assets and therefore the loan is now categorized as unsecured loan.

The Company has to allot fully paid up shares of Rs. 25 Lacs of the Company at Rs. 30/- per share (share value Rs. 10/- plus premium Rs. 20/- per shares) or as per SEBI guidelines to SBI Home Finance Ltd. as per the Decree awarded by the Hon'ble High Court of Delhi at New Delhi, within two' years from the effective date of the scheme as per applicable SEBI guidelines.

**(b) DECISION OF ONE MAN COMMITTEE**

As per Report of One Man Committee pursuant to order dated 3.9.2015 passed by Hon'ble Delhi Court as on 10th August, 2017, the debt settlement will be as follows:

**(i) Amount due to SBI Home Finance as at 31-Dec-2015**

Particulars	Amount (In Lacs)
I. Principal Outstanding	25.00
II. Maturity Interest	-
<b>Total</b>	<b>25.00</b>

**(ii) Payment Schedule by issuing in shares****(In Lacs)**

Particulars	Phase-I
To be discharged by issuance of Equity shares of the Company of the face value of Rs. 10/- at a premium of Rs. 20/- per share or as per applicable SEBI guidelines	25.00
The Company proposes to allot shares worth Rs. 25.00 Lacs to SBI Home Finance Ltd. as per the Decree awarded by the Hon 'ble High Court of Delhi at New Delhi, within two' years from the effective date of the scheme as per applicable SEBI guidelines	
<b>Total</b>	<b>25.00</b>

Since, the number of shares to be allotted are not clear, presently the amount of Rs. 25 Lacs is shown in Liabilities and not under other equity. The same shall be reclassified depending upon whether Company has to issue variable number of equity shares or fixed number of equity shares.

**14.2 PRESSMAN LEASING****(a) DECISION OF ONE MAN COMMITTEE**

The amount due to M/s, Pressman Leasing has been quantified at the lump sum of Rs 410 lacs and such amount would be paid 55% (Rs. 226 lacs) in cash and 45% (Rs. 184 lacs) in shares and details are under:-

Particulars	Amount (In Lacs)	
	Phase-I	Phase-II
I. 70% of total principal amount	1.58	-
II. 30% of total amount	-	0.68
<b>Total</b>	<b>1.58</b>	<b>0.68</b>

- (b) The Company has to allot fully paid up shares of the Company (45% of 410 Lacs i.e. 184 Lacs) as per SEBI guidelines to Pressman Leasing as per the Decree awarded by the 'Hon'ble High Court of Delhi at New Delhi, within two' years from the effective date of the scheme.

Since, the number of shares to be allotted are variable, the amount is shown in Liabilities and not equity.

- (c) The Interest dues were waived and cancelled.]

- (d) The Loan of Pressman Leasing (55% of 410 lacs i.e. 226 lacs) was acquired by DCM Services Limited. The company pursuant to scheme of One Man Committee, has paid 70% i.e. Rs. 156 lacs of the principal amount to DCM Services Limited under Phase-I during the year ended 31-March-2018, being assignee of said loan of Pressman Leasing. The balance 30% amount which was outstanding as on 01st April 2019 and was included in the Payment to Related Party has been released in FY 19-20 as per Phase-II as per Schedule. The closing balance after payment as per phase II of Rs.0.68 lacs to Pressman Leasing is NIL as on 31st March 2022.

**15 Lease Liability**

Other Non Current Liabilities consist of the following:-

Particulars	As at 31st March, 2022	As at 1st March, 2021
	Amount in Lacs	Amount in Lacs
Lease Liability( Non- Current)		4.40
<b>Total</b>	-	4.40
Lease Liability(Current)	4.40	4.04
<b>Total</b>	<b>4.40</b>	<b>4.04</b>

**16 Provisions (Non-Current)**

Provisions consist of the following :

Particulars	As at 31st March, 2022	As at 1st March, 2021
	Amount in Lacs	Amount in Lacs
<b>(a) Provision for Employee Benefits</b>		
Leave Encashment	1.24	0.62
Gratuity	9.46	6.58
<b>Total</b>	<b>10.70</b>	<b>7.20</b>

**17 Borrowings( Current)**

Borrowings consist of the following :

Particulars	As at 31st March, 2022 Amount in Lacs	As at 1st March, 2021 Amount in Lacs
<b>(a) Inter Corporate Deposits</b>		
From Related Parties (Refer Note 17.1)	1,052.65	1,052.65
	<u>1,052.65</u>	<u>1,052.65</u>
<b>(b) Debentures (Secured )</b>		
Debentures (Refer Note 17.2)	1,785.05	1,841.75
	<u>1,785.05</u>	<u>1,841.75</u>
<b>(c) Unsecured</b>		
Fixed Deposit from Public (Refer Note 17.3)	4,755.87	4,849.31
- Corporate Deposits (Refer Note 17.4)	13.51	27.17
	<u>4,769.38</u>	<u>4,876.48</u>
<b>(d) Security Deposits</b>	6.25	6.25
<b>Total</b>	<u><u>7,613.33</u></u>	<u><u>7,777.13</u></u>

**18 Current Financial Liabilities**

Current Financial Liabilities consist of the following at amortised cost:-

Particulars	As at 31st March, 2022 Amount in Lacs	As at 1st March, 2021 Amount in Lacs
(a) Payable to Punjab & Haryana High Court (Refer Note 18.1)	100.00	100.00
(b) Expenses Payable	81.04	90.61
(c) Other Payable	12.86	55.12
<b>Total</b>	<u><u>193.90</u></u>	<u><u>245.73</u></u>

**17.1 Payable to Related Parties**

The One Man committee earlier recommended to pay to the creditors 70% of the principal amount. The above said arrangement was modified by the committee on 18th May 2019 and accordingly it has been decided to pay creditors who have claimed amount as per procedure set by the committee and whose documents have been verified. As per the claims made by the creditors 100% of principal being paid to them and balance 30% to creditors whom 70% has already been paid has also started by the company. The balance payable to creditors is as per books and who have not claimed so far or their documents are under verification.

Payable to Related Party Include the following:	31.03.2022	31.03.2021
- DCM International Limited	281.57	281.57
- DCM Services Limited	739.24	739.24
- DCM Anubhavi Market Private Limited	31.84	31.84
	<u><u>1,052.65</u></u>	<u><u>1,052.65</u></u>

**17.2 DEBENTURES**

(a) Debentures	As at 31.03.2022	As at 31.03.2021
"A" Series Debenture	2.10	2.10
"B" Series Debenture	-	-
- 19.5% Regular	764.43	786.88
- 19.5% Cumulative	772.72	799.70
- Deep Discount Bonds	245.80	253.07
	<u><u>1,785.05</u></u>	<u><u>1,841.75</u></u>

**(b) Scheme "A" Series**

The company had allotted the Debenture 'A' series on 28th February, 1996 and 23rd September, 1996 respectively. These debentures are secured against mortgage/hypo-thecation/charge on assets financed out of the proceeds of these debentures. The outstanding debentures of Rs. 7.1 Lacs were overdue as on March 31, 2019 out of which Rs 5.00 lacs have been repaid during the year 2019-2020 and 2020-2021. The remaining overdue balance are to be paid as per report of One Man Committee under Fresh Restructuring Scheme.

**(c) Scheme "B" Series**

Debenture 'B' Series were allotted on 5th November, 1996 and are secured against hypothecation/charge on land and premises situated at Mouje Pirangut, Taluka Mulshi, Distt Pune in the State of Maharashtra alongwith all buildings, structures thereon and all plant and machinery, spares, tools, accessories and other movables of the Company, both present and future, whether installed or not. The total amount of debentures allotted were Rs 2818.04 lacs which matured for redemption on 5th May, 1998. Out of total debentures allotted amounting to Rs 2818.04, debentures of Rs. 1035.08 lacs have been redeemed till March 31st, 2022. The remaining debentures as at March 31, 2022 in the "B" series amounting to Rs 1782.95 lacs consist of the following:-

Particulars	Amount in Lacs	Amount in Lacs
19.5% Regular	764.43	786.88
19.5% Cumulative	772.72	799.70
Deep Discount Bonds	245.80	253.07
<b>Total</b>	<b>1,782.95</b>	<b>1,839.65</b>

**(d)** The value of assets charged in favour of debentures has been depleted over a period of time but the depletion has not been ascertained. To the extent of shortfall, if any, the liability is unsecured.

**(e)** A supplementary trust deed for giving effect to the proposed repayment plans as provided in Clause 44 of the Trust deed has not been prepared by the trustees so far.

**(f) Status till 31-March-2017 and till 31st March 2021 -** Provision of interest on debentures up to 31st March, 2017 from the date of renewal offer letter of 1998 is calculated @ 10% p.a. of simple interest on 19.5% Debenture "B" Series and regular interest on Debenture "A" Series amounting to approximately Rs. 4822.30 lacs has not been provided since a Fresh Restructuring Scheme that is subject to the approval of the Hon'ble High Court of Delhi has been submitted which does not envisage payment of any interest. The rate of 10% per annum issued for Denture holders is based on the order of Company Law Board (CLB) which was pronounced for Fixed Depositors. Though Fresh Scheme does not envisage payment of any interest, it has been considered prudent to provide Interest of 10% per annum on 19.5% Debenture "B" Series and regular interest on Debenture "A" Series since date of renewal offer letter in 1998 by following principles of prudence.

However, since the Restructuring Scheme proposed by One Man Committee has been approved Hon'ble Delhi High Court, the maturity interest amount is restricted to Rs 235 Lacs which is scheduled to be shall be to be paid in Phase-2, although decision regarding payment of interest after maturity will be taken at a future date by Hon'ble Delhi Court.

**(g) Status till 31-March-2017 -** The Central Bank of India, Bombay, Trustees for the Non-Convertible Debentures B-Series have filed a suit for recovery of Rs. 4421.78 lacs on 14th October, 1999 before the Hon'ble Bombay High Court. It includes interest of Rs. 1553.61 lacs and Rs. 2867.96 lacs towards principal. No provision has been made in the books of accounts for such interest.

The Hon'ble Bombay High Court vide its interim order dated 24th December, 1999 has passed an order that all receipts from hypothecated assets shall be deposited with the trustees in a separate bank account except for amounts utilized as per orders of The Reserve Bank of India and the Company Law Board.

The suit filed by the Central Bank of India before the Hon'ble Bombay High Court has been stayed by Hon'ble High Court of Delhi vide order dated September 14th, 2005 on application made by the company and there is no change in the status as at 31st March, 2020.

However, some of the debentures holders have already been paid by the Central Bank of India. The amount which has been already been paid to the Debenture Holders by the Central Bank of India be paid to the Bank. The Central Bank of India has also claimed some amount in a suit filed before the Hon'ble Bombay High Court. No claim has however, been filed by the Central Bank of India before the One Man Committee despite opportunity granted to the Bank. While computing the amount payable in phases to other creditors, this amount claimed by the Bank will be not disbursed till the bank is able to establish its claim in the appropriate proceedings before the Court/One Man Committee.

**(h) DECISION OF ONE MAN COMMITTEE**

As per report of One Man Committee pursuant to order dated 3.9.2015 passed by Hon'ble Delhi Court as on 10th August, 2017, repayment of Debenture holders of "A" Series as well as "B" Series is to be made in two phases. In the first phase of scheme of repayment, debenture holders are to be paid 70% the balance principal amount. The Debenture holders having balance of Rs 5,000 or less will be paid their 100% principal amount in the First Phase. In the second phase maturity interest on debentures is to be paid along with remaining 30%. The schedule of payment to Debenture holders to settle debt will be as under :-

**(i) Amount due to Debenture-holders**

Particulars	Amount (In Lacs.)
I. Principal Outstanding	2553
II. Maturity Interest	235
<b>Total</b>	<b>2788</b>

**(ii) Payment Schedule**

(In Lacs)

Particulars	Phase-I	Phase-II
I. 70% of total principal amount	1787	-
II. Less than Rs 5,000	169	-
III. 30% of total amount	-	597.00
IV. Maturity Interest	-	235.00
<b>Total</b>	<b>1,956.00</b>	<b>832.00</b>

**(i) Statement on Reconciliation of Debentures:**

<b>Principal Outstanding as per the Scheme of One Man Committee</b>	<b>2,552.86</b>
Less: Redemption made during the year with the approval of High Court of Delhi	2.65
<b>Balance as on 1st April 2017</b>	<b>2,550.21</b>
Less: Redemption made during the year ended 31-March-2018 as per the scheme of one man committee	176.17
<b>Balance as on 31st March 2018</b>	<b>2,374.04</b>
Less: Redemption made during the year ended 31-March-2019 as per the scheme of one man committee	351.95
<b>Balance as on 31st March 2019</b>	<b>2,022.09</b>
Less: Redemption made during the year ended 31-March-2020 as per the scheme of one man committee	173.41
<b>Balance as on 31st March 2020</b>	<b>1,848.68</b>
Less: Redemption made during the year ended 31-March-2021 as per the scheme of one man committee	6.93
<b>Balance as on 31st March 2021</b>	<b>1,841.75</b>
Less: Redemption made during the year ended 31-March-2022 as per the scheme of one man committee	56.69
<b>Balance as on 31st March 2022</b>	<b>1,785.05</b>

Total Debt was scheduled to be paid in Two phases. First phase of debt settlement as per Report of One Committee pursuant to order dated 3.9.2015 has already commenced in the FY 17-18 and payments to debenture holders amounting of Rs.708.46 Lacs has already been made till

March 31, 2021. Remaining debt includes balance 30% and unclaimed original principal amount invested of Rs 5000 or less. Since KYC norms are still under process and payments are to be made in coming periods, the entire debt balance of Rs 1841.74 lacs is shown under current borrowings

The One Man committee earlier recommended to pay to the creditors 70% of the principal amount. The above said arrangement was modified by the committee on 18th May 2019 and accordingly it has been decided to pay creditors who have claimed amount as per procedure set by the committee and whose documents have been verified. As per the claims made by the creditors 100% of principal being paid to them and balance 30% to creditors whom 70% has already been paid has also been started by the company. The balance payable to creditors is as per books and who have not claimed so far or their documents are under verification.

**17.3 FIXED DEPOSITORS**

(a) **STATUS AS AT -31-MARCH-2017** - In respect of repayment of outstanding deposits with interest vide order dated 17.07.98, the Company Law Board had ordered payment of interest at contracted rates up to the date of maturity and at 10% thereafter. Due to liquidity problems, the company has not fully followed the schedule of repayment ordered by the Company Law Board. However, a Fresh Restructuring Scheme of arrangement for re-organization of the share capital of the company and for compromise with its creditors including fixed depositors filed with Hon'ble Delhi High Court in 2004 does not envisage payment of interest accordingly provision of interest payable amounting to Rs. 827.06 lacs recorded earlier has been written back in earlier years.

**STATUS AS AT -31-MARCH-2017** - Provision for interest on fixed deposits up to March 31, 2017 calculated at simple interest @ 10% p.a. in accordance with the order of The Hon'ble Company Law Board amounting to approx. Rs. 11588.66 lacs (including Rs. 11027.21 lacs for the earlier years) has not been made, in view of the "Fresh Restructuring Scheme" pending before the Hon'ble Delhi High Court wherein the company does not envisage payment of any interest. To the extent of non-provision of interest @10% as per the previous CLB order, the cumulative Interest of Rs.11,474.19 Lacs were not provided for. The difference between the contracted rate of interest and rate of interest @ 10% has also not been ascertained and provided for.

(b) Liability on account of Fixed Deposits received contain certain deposits which appear prima-facie to be suspect due to either lack of identification of depositors or no claim or confirmation having been received by the company. Payment of those deposits that are under a suspicious category will be made under the scheme of One Man Committee only after the evidence of receipt of money is established.

(c) **DECISION OF ONE MAN COMMITTEE**

As per Report of One Man Committee pursuant to order dated 3.9.2015 passed by Hon'ble Delhi Court as on 10th August, 2017, repayment to Fixed Depositors is to be made in two phases. In the first phase of scheme of repayment are to be paid 70% the balance principal amount. The Depositors having balance of Rs 5000 or less will be paid their 100% principal amount in the first phase. In the second phase maturity interest is to be paid along with remaining 30%. In the circumstances the debt settlement will be as follows

(i) **Amount due to Fixed Depositors as at 31-Dec-2015**

Particulars	Amount (In Lacs)
I. Principal Outstanding	5,631.00
II. Maturity Interest	1,448.00
<b>Total</b>	<b>7,079.00</b>

## (ii) Payment Schedule

(Amount In Lacs)

Particulars		Phase-II
I. 70% of total principal amount	3615	-
II. Less than Rs 5,000	467	-
III. 30% of total amount	-	1,559.00
IV. Maturity Interest	-	1,448.00
<b>Total</b>	<b>4,082.00</b>	<b>3,007.00</b>

## (d) Statement on Reconciliation of FDs Accepted:

Particulars	Amount In Lacs
Balance as on 1st April 2018	5,449.93
Less: Redemption made during the year with the approval of High Court of Delhi	212.46
Balance as on 31st March 2019	5,237.47
Less: Redemption made during the year as per the scheme of one man committee	329.81
<b>Balance as on 31st March 2020</b>	<b>4,907.66</b>
Less: Redemption made during the year as per the scheme of one man committee	58.35
<b>Balance as on 31st March 2021</b>	<b>4,849.31</b>
Less: Redemption made during the year as per the scheme of one man committee	93.44
<b>Balance as on 31st March 2022</b>	<b>4,755.87</b>

However, since the Fresh Restructuring Scheme has been approved by One Man Committee, the maturity interest amount is decided to be 1448 Lacs payable in II Phase. Although the same is not recorded in Books of Accounts. Also the decision regarding payment of interest after maturity will be taken at a future date by Hon'ble Delhi Court.

Total Debt was scheduled to be paid in Two phases. First phase of debt settlement as per Report of One Committee pursuant to order dated 3.9.2015 has already begun in the FY 17-18 and payments to depositors of Rs.391.56 lacs has already made till 31st March 2019. During the financial year 2019-20 further payment to depositors to the tune of Rs. 329.80 lacs has been made. Remaining debt includes balance 30% and unclaimed original principal amount invested of Rs 5000 or less. Since KYC norms are still under process and payments are to be made in coming periods, the entire debt balance as at March 31, 2022 of Rs. 4755.87 lacs is shown under Current Borrowings.

The One Man committee earlier recommended to pay to the creditors 70% of the principal amount. The above said arrangement was modified by the committee on 18th May 2019 and accordingly it has been decided to pay creditors who have claimed amount as per procedure set by the committee and whose documents have been verified. As per the claims made by the creditors 100% of principal being paid to them and balance 30% to creditors whom 70% has already been paid has also started by the company. The balance payable to creditors is as per books and who have not claimed so far or their documents are under verification.

17.4 **INTER CORPORATE DEPOSITS**

- (a) **Status as at 31-March-2017-** The value of inter corporate deposits is Rs 27.16 lacs Considering the the order of The Hon'ble Company Law Board for Fixed Deposits which states to charge interest @10% p.a. which should also be considered for Inter Corporate Deposits on prudence basis. Considering the interest rate of 10% p.a. the total interest liability comes to be approximately Rs. 54.33 lacs which includes approximately Rs. 51.61 lacs for the earlier years, has not been made in view of the "Fresh Restructuring Scheme" pending before the Hon'ble High Court of Delhi wherein the company does not envisage payment of any interest. The interest is not provided in the books of accounts

**(b) DECISION OF ONE MAN COMMITTEE**

ICD Lenders will be paid principal due to them as on 30th June 2004. Interest dues are waived and cancelled. The payment of principal to the ICD lenders will be made as follows:

**(i) Amount due to ICD Lenders as at 31-Dec-2015**

Particulars	Amount (In Lacs)
I. Principal Outstanding	27.17
II. Maturity Interest	-
<b>Total</b>	<b>27.17</b>

**(ii) Payment Schedule**

Particulars	Amount (In Lacs)	
	Phase-II	Phase-II
I. 70% of total principal amount	1902	-
II. Less than Rs. 5000	-	-
III. 30% of total amount	-	815.00
<b>Total</b>	<b>1,902.00</b>	<b>815.00</b>

However, after approval of Scheme of One Man Committee, the settlement has been decided at Rs 27.17 Lacs. Interest Dues are waived and cancelled.

No payment has been made till date to ICD Lenders. However, scheme has been already approved, so the amount is to be paid in coming periods as per Phase-1 and Phase-2. Hence, the amount of ICD is classified under Current Borrowings. During the financial year ending March 31, 2022, the company has written back an ICD of Rs.13.66 lacs from Sushma Finance as the amount payable towards said ICD is time barred and considering that no claim has been made till date by the concerned lender.

**18.1** During the year 1999, the company had received Rs. 100 lacs from one of its debtors i.e. Pure Drinks New Delhi Ltd. where the winding up petition proceedings was already initiated. Upon receipt of payment, the Company reduced the recoverable amount accordingly. Subsequently, the Hon'ble Punjab and Haryana Court deemed that payment is out of turn/preferential payment made by Pure Drinks New Delhi Ltd where winding up petition proceedings was already initiated and asked the company to deposit back the said amount with Hon'ble Punjab and Haryana Court. The company had filed a SLP with the Hon'ble Supreme Court of India which has been dismissed by them. Therefore the company is liable to deposit the amount mentioned above which is yet to be deposited.

**19 Other Current Liabilities (Non-Financial)**

Other current liabilities consist of the following:-

Particulars	As at 31st	As at 31st
	March, 2022	March, 2021
	Amount in Lacs	Amount in Lacs
Statutory Liabilities	4.30	3.38
Payable to Employees/Employee Advances	12.35	7.53
<b>Total</b>	<b>16.65</b>	<b>10.91</b>

**20 Provision (Current)**

Provisions consist of the following :

Particulars	As at 31st	As at 31st
	March, 2022	March, 2021
	Amount in Lacs	Amount in Lacs
<b>(a) Provision for employee benefits</b>		
- Leave Encashment	0.03	1.01
- Gratuity	0.21	0.14
<b>Total</b>	<b>0.23</b>	<b>1.15</b>



**21 Other Income**

Other income (net) consist of the following:

Particulars	For the year	For the year
	ended 31.03.2022	ended 31.03.2021
	Amount in Lacs	Amount in Lacs
Interest on Fixed Deposits	115.97	162.58
Interest on NCD	0.02	-
Dividend Income	0.32	0.25
Profit on sale of Investment	-	18.13
Provision for NPA Written Back	107.17	-
Miscellaneous Income	0.00	0.00
Reversal of Provision, no longer required	2.00	0.41
Interest on Income Tax Refund	1.81	0.95
Balances Written Back	65.66	-
Gain or Loss on Fair Value of Investment	61.52	21.20
<b>Total</b>	<b>354.47</b>	<b>203.52</b>

**22 Employee Benefit Expense**

Employee benefits expenses consist of the following:

Particulars	For the year	For the year
	ended 31.03.2022	ended 31.03.2021
	Amount in Lacs	Amount in Lacs
(a) Salaries, Wages & Bonus	48.92	41.52
(b) Contributions to Provident Fund and other funds	5.94	6.08
<b>Total</b>	<b>54.86</b>	<b>47.60</b>

**23 Finance Cost**

Finance costs consist of the following:

Particulars	For the year	For the year
	ended 31.03.2022	ended 31.03.2021
	Amount in Lacs	Amount in Lacs
Interest on late deposit of TDS	0.18	0.00
Interest Expense on Lease liability	0.76	1.09
<b>Total</b>	<b>0.94</b>	<b>1.09</b>

**24 Other Expenses**

Other expenses consist of the following

Particulars	For the year	For the year
	ended 31.03.2022	ended 31.03.2021
	Amount in Lacs	Amount in Lacs
Travelling & Conveyance	1.38	1.27
Repairs		
- Building	0.08	0.28
- Others	1.12	0.25
Electricity & Water	0.70	0.78
Legal & Consultancy Charges	33.76	58.01
Postage and Telegram	0.01	0.02

Particulars	For the year	For the year
	ended 31.03.2022	ended 31.03.2021
	Amount in Lacs	Amount in Lacs
Auditors Remuneration:		
- Statutory/Tax Audit	4.13	4.13
- Other	0.18	0.53
Rent	0.86	0.86
Telephone Expenses	0.50	0.33
Advertisement & Publicity	0.29	0.97
Printing and Stationery	0.09	0.13
Bank Charges	0.09	0.03
Share Transfer Expenses	1.71	2.20
AGM Expenses	9.14	9.78
Internal Audit Fees	0.20	0.20
Listing Fees	7.83	7.84
Property Tax	3.38	3.38
Penalty on late deposit of EPF	0.02	-
Insurance Charges	0.17	0.07
Receivable W/off	0.13	-
Bad Debts W/off	107.17	-
Website Charges	0.05	-
Mutation Expenses	3.70	-
Excess Accrued Interest written off	0.44	-
Other Expenses	1.92	0.41
<b>TOTAL</b>	<b>179.05</b>	<b>91.47</b>

**25 Income tax expenses**

(Amount in Rs. Lacs)

Particulars	For the	For the
	year ended	year ended
	31.03.2022	31.03.2021
<b>A. Amount recognised in profit or loss</b>		
<b>Current tax</b>		
Income tax for the year		
Current tax	-	7.80
Adjustments/(credits) related to previous years - Net	1.50	32.18
<b>Total current tax</b>	<b>1.50</b>	<b>39.98</b>
<b>Deferred tax</b>		
Deferred tax for the year	37.98	2.86
Adjustments/(credits) related to previous years - Net	-	-
<b>Total deferred tax</b>	<b>37.98</b>	<b>2.86</b>
<b>TOTAL</b>	<b>39.48</b>	<b>42.84</b>
<b>B. Amount recognised in other comprehensive income</b>		
The tax (charge)/credit arising on income and expenses recognised in other comprehensive income is as follows:		
<b>Deferred tax</b>		
On items that will not be reclassified to profit or loss		
- Remeasurement gains/(losses) on defined benefit plans	(0.29)	0.03
<b>TOTAL</b>	<b>(0.29)</b>	<b>0.03</b>

**26) Significant Accounting Policies****I. BASIS OF CONSOLIDATION**

The Consolidated financial statements (CFS) relate to DCM Financial Services Limited (the holding company) and its subsidiary company.

**(a) Basis of Accounting:**

- (i) The Consolidated financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as the holding company i.e. year ended 31st March, 2022.
- (ii) The Consolidated financial statements of the holding company and its subsidiary companies have been prepared in accordance with the relevant Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013.

**(b) Principles of consolidation:**

The consolidated financial statements have been prepared on the following basis:

- (i) The Consolidated financial statements of the holding company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Indian Accounting Standard (Ind AS) 110 - "Consolidated financial statements".
- (ii) The excess/deficit of the cost to the holding company of its investment in its subsidiaries over its share of net worth of the subsidiaries at the date of investment in the subsidiaries are treated as goodwill/capital reserve in the CFS. Goodwill is disclosed as asset and capital reserve as a reserve in Consolidated Balance Sheet.
- (iii) Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the holding company in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of investments as stated above.

**(c) Information on Subsidiary Companies**

The following subsidiary companies are considered in the consolidated financial statements:

Particulars	% voting power held	
	As at 31 <sup>st</sup> March, 2022	As at 1 <sup>st</sup> April, 2021
<b>Subsidiary Companies:-</b>		
Global IT Options Limited	90%	90%

**II Basis of preparation of consolidated financial statements****A. Statement of Compliance with Ind AS**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The Company adopted Ind AS from 1st April, 2018.

Up to the year ended 31st March, 2017, the Company prepared its financial statements in accordance with the requirements of previous Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006.

**B. Basis of Preparation**

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

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. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing

the asset or liability at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the following fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 – Share-based Payment, leasing transactions that are within the scope of Ind AS 116 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in IndAS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

All the amounts included in the financial statements are reported in Indian Rupees ('Rupees' or 'Rs.'), except per share data and unless stated otherwise and rounded off to nearest Rupees.

#### **C. Basis of classification of Current and Non-Current**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification

An asset is classified as current when it is:

- a) Expected to be realized or intended to be sold or consumed in normal operating cycle
- b) Held primarily for the purpose of trading
- c) Expected to be realized within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

- a) It is expected to be settled in normal operating cycle
- b) It is held primarily for the purpose of trading
- c) It is due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

#### **D. Operating Cycle**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements.

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

#### **E. Use of Estimates**

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and

expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period; they are recognized in the period of the revision and future periods if the revision affects both current and future periods.

#### F. Property, Plant and Equipment – Tangible Assets

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognized as at 1st April, 2016 measured as per the previous GAAP.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalized. Expenses capitalized also include applicable borrowing costs for qualifying assets, if any. All up-gradation/enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of 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 and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight-line basis. Land is not depreciated.

The estimated useful lives of property, plant and equipment of the Company are as follows:

Asset	Life of Asset
Buildings	30 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Office Equipment	5 Years
Plant & Machinery	15 years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease. Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate..

#### G. Impairment of Assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

#### H. Financial Assets

**Recognition:** Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognized at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

**Classification:** Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- Amortized cost**, where the financial assets are held solely for collection of cash flows arising from payments of principal and/ or interest.
- Fair value through other comprehensive income (FVTOCI)**, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured

at fair value, with unrealized gains and losses arising from changes in the fair value being recognised in other comprehensive income.

- c) **Fair value through profit or loss (FVTPL)**, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealized gains and losses arising from changes in the fair value being recognized in the Statement of Profit and Loss in the period in which they arise. Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortized cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

**Impairment:** The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortized cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognized if the credit quality of the financial asset has deteriorated significantly since initial recognition.

**Reclassification:** When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortized cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognized gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

**De-recognition: Financial assets are de-recognized when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership.**

Concomitantly, if the asset is one that is measured at:

- a) Amortized cost, the gain or loss is recognized in the Statement of Profit and Loss;
- b) Fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

**Income Recognition:** Interest income is recognized in the Statement of Profit and Loss using the effective interest method. Dividend income is recognized in the Statement of Profit and Loss when the right to receive dividend is established.

#### I. Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption/ settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are de-recognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

#### J. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

#### K. Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

**L. Equity Instruments**

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

**M. Revenue**

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
  - Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
  - The amount of revenue can be measured reliably;
  - It is probable that the economic benefits associated with the transaction will flow to the Company; and
- a) **Interest income:** Income from a financial asset is recognised when it is probable that the economic benefits will flow to Company and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the interest rate as applicable.
  - b) **Dividend income:** dividend is recognised when the right to receive the payment is established (generally on shareholder's approval by the reporting date).
  - c) **Other revenues:** are recognised on accrual basis, except where there are uncertainties in realisation / determination of income and in such case income is recognised on realisation / certainty.

**N. Employee Benefits****a) Retirement benefit costs and termination benefits :**

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Contribution towards Provident Fund is paid as per the statutory provisions. These benefits are charged to the Statement of profit and loss of the year when they become due. For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the return on plan assets(excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to the statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement.

**b) Short-term and other long-term employee benefits:**

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Leave availment / encashment benefit is provided as per Company Scheme. Employee's are entitled to accumulate leaves subject to certain limit as per Company scheme. Liabilities for compensated absence that are not expected to be settled wholly within 12 months after the end of the period in which the employees rendered the related service,

are measured at the present value of expected future payment to be made in respect of service provided by employees up to the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of reporting period. Re-measurement as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss. The liability is determined through actuarial valuation using projected unit credit method.

#### **O. Leases**

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset/s and the arrangement conveys a right to use the asset/s, even if that right is not explicitly specified in an arrangement.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

#### **P. Taxes on Income**

Income tax expense represents the sum of the tax currently payable and deferred taxation.

##### **a) Current Tax**

Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

##### **b) Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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

Deferred tax is recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the deferred tax is also recognised in other comprehensive income or directly in equity respectively.



**c) Minimum Alternate Tax**

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group. Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

**Q. Claims**

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

**R. Provisions**

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

**S. Operating Segment**

The Company is engaged in a single segment i.e. Financing Operations viz., inter corporate deposits and investments. Presently Company is not carrying on any operation except realizing all debts or maintaining existing assets. The operating results are regularly reviewed and performance is assessed by its Chief Operating Decision Maker (CODM). All the company's resources are dedicated to this single segment and all the discrete financial information is available for this segment.

**T. Earnings per share**

Basic earnings per share is calculated by dividing profit or loss attributable to the owners of the company by weighted average number of equity shares outstanding during the financial year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, share split and any new equity issue. For the purpose of calculating diluted earnings per share, profit or loss attributable to the owners of the Company and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**U. Contingent liabilities**

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood on outflow of resources is remote, no provision or disclosure is made.

**V. Financial and Management Information Systems**

The Company's Accounting System is designed to unify the Financial Records and also to comply with the relevant provisions of the Companies Act, 2013, to provide financial and cost information appropriate to the businesses and facilitate Internal Control.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to

accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

**Additional Notes to Accounts****27) RESTRUCTURING SCHEME****Preamble**

The management for a structured debt repayment had prepared two schemes of arrangement for reorganization of share capital of the company and for compromise with its secured and unsecured creditors. Both the schemes of arrangement envisage a viable, just & equitable settlement with its secured and unsecured creditors while simultaneously increasing the risk and stake of the promoters and their shareholding through fresh infusion of funds by the promoter company.

The company moved an application before the Hon'ble Company Law Board, New Delhi on 22nd July 2004 under Regulation 44 of the Company Law Regulations, 1991 proposing a fresh repayment schedule to fixed depositors of the Company. The same repayment schedule included in the "Fresh Restructuring Scheme" filed before the Hon'ble High Court of Delhi at New Delhi on 24th September 2004.

The implementation of the schemes is subject to the fulfillment of all the conditions of erstwhile section 391 to section 394 of the Companies Act, 1956 and approval/orders of the Hon'ble Delhi High Court. The Hon'ble Delhi High Court did not approve the company's first scheme filed in May 2000, though approved by the secured and unsecured creditors in their respective meetings convened pursuant to the orders of the Hon'ble Court, yet the Hon'ble Court did not accord sanction to the scheme on technical grounds. An application for review had been filed before the Hon'ble Delhi High Court on 30th May 2003, which is not yet to be listed for hearing and which is hereinafter, wherever applicable, referred to as the "Old scheme under review". The company intends not to pursue the review application filed for the old scheme under review before the Hon'ble Delhi High Court and it is proposed to be withdrawn at an appropriate stage of the proceedings for the sanction of the "Fresh Restructuring Scheme".

The company filed a fresh Scheme of Arrangement for the reorganization of the share capital of the company and for compromise with the secured and unsecured creditors of the company, hereinafter referred to as the "Fresh Restructuring Scheme" before the Hon'ble Delhi High Court at New Delhi on 24th September 2004.

Pursuant to the orders of the Hon'ble Delhi High Court, the unsecured creditors and debenture holders in their meeting convened under the Chairpersonship of court appointed Chairpersons (retired Judges of Hon'ble Delhi High Court) on 1st April 2005 and 2nd April, 2005 have approved the scheme without any modifications with the requisite majority. The meeting of the other secured creditors (banks/ institutions) was held on 17th September 2005 and has also approved the scheme by the requisite majority after considering some modifications proposed by the Punjab & Sind Bank.

The promoter company has undertaken, subject to sanction of the scheme by the Hon'ble Delhi High Court, to contribute to Rs. 1950.00 lacs of which Rs. 1560.00 lacs were deposited with the Registrar of the Hon'ble Delhi High Court Registrar, as per court order by the promoter group, and the balance amount of Rs 390.00 lacs had been deposited with the Registrar of the Hon'ble Delhi High Court Registrar on 27th April, 2012.

The restructured debts of the company for each category of debt is on the basis of outstanding as envisaged in the fresh restructuring scheme filed in the year 2004 excluding interest not provided for and all liquidated damages/penal charges and interest on unpaid interest. The "Fresh Scheme of Arrangement" is drawn on the basis of acceptance of waiver of payment of past and future interest, penal charges, liquidated damages, and any other charges, costs and claims etc. except as provided and for values contained therein which is subject to the approval of the Hon'ble Delhi High Court.

Over the years and till 31st March, 2017, the accounts of the company have been drawn on the assumption that the "fresh restructuring scheme" will be accepted and implemented. If it is not accepted and cannot be implemented for any reason the total liability before the proposed restructuring scheme including those for which no provision has been made and has been

quantified under appropriate heads, shall become payable.

**Developments till the financial year ended 31st March 2022**

Justice Anil Kumar as one man committee was appointed vide order dated:- 3rd September, 2015 by the Hon'ble High Court of Delhi to scrutinize the list of depositors and other claimants and to take steps enumerated hereinafter with the view to resolve at-least some of the disputes. The Hon'ble High Court of Delhi entrusted the following functions to said One Man Committee :-

- (i) To scrutinize and finalize the list of depositors/ claimants so as to assess the genuineness of the depositors and their claim and to weed out any duplicate) benami, fictitious and doubtful claims.
- (ii) To categorize the claimants/ depositors into groups, on the basis of various parameters. For instance, depositors could be segregated into (a) individuals (b) corporate (c) institutions (Banks and Finance Companies), etc. Similarly, very small depositors wherein, the amount due is only upto Rs. 5,000 could be segregated as a separate category.
- (iii) At the same time it would also be open to the Central Bank of India which was constituted a debenture trustee by the company, to put up any claims that they may have before the said committee.
- (iv) To take stock of the entire assets of the company, whether in the form of fixed assets or bank accounts and fixed deposits, etc.
- (v) To assess the value of the fixed assets of the company and for the purpose, If need be, take the help of a professional valuer. Also, to get from the company its brief statement of accounts which shall include all income and expenditures, so as to enable a proper review of the assets and liabilities of the company.
- (vi) To suggest modalities for the disposal of fixed assets, so that the money realized could be used for disbursal of principal amounts as well as interest (over the delayed period), if possible, amongst the depositors.
- (vii) To make suggestions on the modalities of payment, which would obviously depend upon the amounts finally realized after disposing off/ liquefying all assets of the company.

The one man committee submitted its report on to Hon'ble High Court of Delhi on 22nd April, 2016. Taking cognizance of the report, Hon'ble High Court of Delhi on 10th August, 2017 accepted the recommendation of one man committee enumerated in the report. Hon'ble High Court of Delhi also noted that none of the parties had any objection on the implementation of the report. The task of implementing the report was also assigned to Justice Anil Kumar. Hon'ble High Court of Delhi held that the issue of revival of the company will be decided once all payments are made in the manner as suggested in the report. The report of one committee has laid the schedule of payments to parties covered under the scheme as under:-

- (i) Before starting repayment of amount, the genuineness of the all the depositors and their claims shall be assessed to weed out any benami, fictitious and doubtful claims. Notices to all the depositors/ claimants shall be sent and consideration of their pleas and contentions will be necessary. From the data it has also been observed that some of the individuals and companies have invested sums by depositing multiple small amounts. Committee observed that that it already has sufficient funds, ready cash, to repay about 70% of the deposits to all the depositors having deposits of more than Rs 5,000 including secured creditors in the first stage. It is recommended in the circumstances that 70% a part of the amount be paid to the creditors having deposits of more than 5,000 and full amount be paid to those who have deposits of Rs. 5,000 or less than Rs.5,000 in the first instance.
- (ii) In order to realise the maximum value of the immovable asset of the Company, the premises/property in the building of NBCC, it is the recommendation of the committee that the same be sold by the auction by the Hon'ble Company Court. The company has estimated its value around Rs 4100.00 lacs., whereas the creditors are of the view that its value will not be less than Rs 8000.00 lacs. It has been noticed that the disputes are pending between NBCC and the Petitioner Company with regard to the said property which is pending adjudication before Shri S.K. Kaul, Sole Arbitrator appointed by NBCC in terms of Agreement dated 9th Dec, 1995 and is now fixed for final arguments. The claim of NBCC is for an amount of Rs 288.00 lacs. It is also noticed that such other and several

disputes are pending with regard to this NBCC property, which make it unfeasible for anyone to sell it easily or to get a realistic value of the property on the basis of valuation report and then to decide on such valuation as to how much total amount is to be paid to the creditors. Valuation of such a property will also be more of distress sale value and will not be realistic. In the circumstances an efficacious way will be to pay a part of the amount from the liquid assets available with the company and in the meantime also to sell the fixed assets of the Company by auction by the Hon'ble Company Court. This will result in a part payment to all the genuine creditors and to realize the actual value of the immovable assets of the Company. This will also facilitate the Hon'ble Company Court to determine whether some interest should be paid to the creditors considering all the other factors including that the endeavor is not to wind up the Company but to revive the Company if sufficient surplus is available with the Company after selling all its immovable assets. Therefore, it is recommended" that the" immovable and fixed assets of the company be sold by auction by Hon'ble Company Court in the manner adopting the modalities which are followed while selling the fixed assets and the immovable properties of the companies which are under liquidation with the help from Official Liquidator or a Consultant, though the sale of the properties is not for the purpose of winding up the Petitioner Company.

(iii) Tentative realizable value of the following assets of the Company will be:-

**1. Value of Assets/Sources of Funds As on 31.12.15**

S.N.	Source	Amount Rs. in Lacs.
1	Sale of Immoveable assets	4200.00
	Receivables	850.00
	Investments in shares	100.00
	Fixed Deposits with Banks	4750.00
	Promoter Contribution-Deposits with High Court	2950.00
	<b>Total</b>	<b>12850.00</b>
Less	Scheme Repayment Cost	100.00
	Statutory Dues & Taxation	143.00
	Legal Cost	50.00
	To be deposited with P& H High Court	100.00
	Due to Employees	50.00
	Claim of MS Shoes arbitration award	513.00
	Claim of NBCC-pending arbitration	288.00
	Income Tax on Interest for Deposit with Delhi High Court	300.00
	<b>Total</b>	<b>1544.00</b>
	<b>Net Available</b>	<b>11306.00</b>

As on 31.12.2015, the details of creditors for repayment are as follows however after weeding out the claims of fictitious, doubtful claims and benami, the amount payable to creditors may decrease and my not increase.

**Details of Creditors for repayment under Scheme: (As on 31.12.15)**

S.N.	Source	Amount Rs. in Lacs.
I	Fixed Deposit holders	5631.00
II	Debentures	2553.00
III	ICD & BRD lenders	27.00
IV	Punjab & Sind Bank	803.00
V	Indusind Bank	577.00
VI	Pressman Limited	410.00
VII	SBI Homes Finance Ltd (To be paid in shares)	25.00

VIII	SIDBI	36.00
IX	Maturity Interest on Fixed Deposits	1448.00
X	Maturity interest on Debentures	235.00
	<b>Total</b>	<b>11745.00</b>

Taking these figures and facts and circumstances it is recommended that repayment be made in two phases, as detailed below:

**Phase 1:**

S.N.	Particulars	Source of Utilization
I	Repayment to the extent of 70% of the principal amount of Fixed Deposits, Debentures and Banks having deposits of more than Rs.5,000/	Available Cash in Bank, Fixed Deposits and Promoter's Deposits with Court
II	Full amount be paid to Fixed Deposits, Debentures and Banks having deposit of Rs. 5,000 / - and less	Available Cash in Bank, Fixed Deposits and Promoter's Deposits with Court

**Phase 2**

In the second phase, which should also commence. with phase 1 simultaneously, properties and shares and all the assets be liquidated by selling and the realized amount is recommended to be utilized for the repayment of balance 30% of principal and the maturity value on the fixed deposits, debentures and banks. If the amount is still available to the Company, the Hon'ble Company Court may decide whether some amount - be paid as interest as has also been recommended by the Reserve Bank of India. Certain steps of the Phase 2 which can commence with phase 1 i.e. sale of the properties of the Company by the Hon'ble Company Court and/ or such steps which will be required to sell the assets of the Company in order to realize the value of the assets to meet the liabilities of the fixed deposits and debentures creditors. In the circumstances, the Debt Settlement is under:-

**DEBENTURES**

**(A) Amount due to Debenture-holders as decided by one man committee as at 31st December, 2015**

S.N.	Particulars	Amount in Lacs
I	Principal Outstanding	Rs 2553.00
II	Maturity Interest	Rs 235.00
	<b>TOTAL</b>	<b>Rs 2788.00</b>

**(A) Payment Schedule**

S.N.	Particulars	Phase-I	Phase-II
I	70% of total principal amount	1787 Lacs	-
II	Less than Rs 5,000	169 Lacs.	-
III	30% of total amount	-	597 Lacs
IV	Maturity Interest	-	235 Lacs.
	<b>TOTAL</b>	<b>Rs 1956 Lacs.</b>	<b>Rs 832 Lacs.</b>

Some of the debentures holders have already been paid by the Central Bank of India. The amount which has been already been paid to the Debenture Holders by the Central Bank of India be paid to the Bank. The Central Bank of India has also claimed some amount in a suit filed before the Hon'ble Bombay High Court. No claim has however, been filed by the Central Bank of India before the Committee despite opportunity granted to the Bank. While computing

the amount payable in phases to other creditors, this amount claimed by the Bank will be not disbursed till the bank is able to establish its claim in the appropriate proceedings before the Court.

Payment to debenture holders are being made as per the recommendation of One Man Committee from the Financial Year 2017-18 to 2021-22. Refer note 17.2 for details regarding repayments made to debenture holders.

**FIXED DEPOSITS**

**(A) Amount due to Fixed Depositors as decided one man committee as at 31st December, 2015**

S.N.	Particulars	Amount in Lacs
I	Principal Outstanding	Rs 5,631
II	Maturity Interest	Rs 1,448
	<b>TOTAL</b>	<b>Rs 7,079</b>

**(B) Payment Schedule (Amount in Lacs)**

S.N.	Particulars	Phase-I	Phase-II
I	70% of total principal amount	Rs 3,615	-
II	Less than Rs 5,000	Rs 467	-
III	30% of total amount	-	Rs 1,549
IV	Maturity Interest	-	Rs 1,448
	<b>Total</b>	<b>Rs 4,082</b>	<b>Rs 2,997</b>

Payment to Fixed Deposit holders are being made as per the recommendation of One Man Committee from Financial Years 2017-18 to 2021-22. Refer note 17.3 for details regarding repayments made to Fixed deposit holders.

**SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA (SIDBI)**

**(A) Amount due to SIDBI as decided by one man committee as at 31st December, 2015**

S.N.	Particulars	Amount in Lac
I	Principal Outstanding	Rs 36.30Lac
II	<b>Interest</b>	--
	<b>TOTAL</b>	<b>Rs 36.30 Lac</b>

**(B) Payment Schedule (Rs. in lacs)**

S.N.	Particulars	Phase-I	Phase-II
I	70% of total principal amount	Rs 25.41 Lac	-
II	Less than Rs 5,000	-	-
III	30% of total amount	-	Rs 10.89 Lac
	<b>Total</b>	<b>Rs 25.41 Lac</b>	<b>Rs 10.89 Lac</b>

Payment to SIDBI has been made as per the recommendation of One Man Committee during the Financial Year 2017-18 and 2019-20.

**PUNJAB & SIND BANK (PSB)**

**Background**

The Punjab and Sind Bank had filed recovery proceedings in the year 2000 before the Debt Recovery Tribunal for Rs .1,217 lacs. comprising of Rs.850 lac as ledger balance and Rs.376 lacs as Memo Interest. In the year 2000. Company in order to redress the repayment issues, propounded a scheme and in the scheme of rearrangement with its creditors proposed to pay Rs 951 lacs to the Bank and the Bank voted in favour of scheme and the suit in DRT has been stayed by the High Court and the Bank agreed to receive Rs. 951 lacs. This amount was agreed after protracted discussions/ negotiations with PSB, and it has been agreed that amount payable as on Sept, 1997 will be taken as principal and interest from Sept 1997 to March, 2000 will be added @ 10% quarterly compounded. Thus the amount payable became Rs 951 lacs. It was admitted and justified by the said bank that this settlement was as per RBI guidelines. Reliance for this can be placed on an internal note dated

12th Sept, 2000 of the bank and a letter dated 20th Oct, 2000 from the counsel of PSB. As per terms of settlement Rs 50.00 Lacs were paid to PSB in the year 2000. Though the part payment has been made to the Bank pursuant to settlement and scheme, however, due to modifications made in scheme for, PSB by Company in the creditors meeting. The scheme was, will be paid in 6 equal yearly installments of one year after the approval of the said scheme or 1st April, 2006 which ever will be earlier and balance 40% by equity shares at any time within three years of the effective date or 1.4.2006. The shares were to be allotted on preferential allotment basis as per the rate approved by SEBI under its guidelines. The sale price of the share was protected to the extent of Rs.375 lacs by issuing fresh additional equity, if required. The bank was paid Rs. 90 lacs in the year 2005-06, but further amount could not be paid on account of order dated 6th March, 2006 "of the Hon'ble Court. The Bank received the amounts partly under the settlement and could not withdraw from the scheme without refunding the amounts received by it, yet in 2012 it filed an application for intervention/objection to the scheme which has not been allowed. In the circumstances the amount payable to the bank has been taken as settled with the Bank and 70% of the. said amount be paid forthwith in the first phase and balance in the second phase which is substantially better as earlier only Rs.60 lakhs was payable in six years and equity shares were to be issued for the balance amount. Under the previous proposal which has been accepted by the Bank, the amount was payable in installments and part of the amount by converting the amount in ' equity shares whereas under present recommendation 70% of the amount is payable forthwith and balance' amount in second phase after liquefying all the assets of the Company which will be probably within two years.

In the scheme, the amount payable to Punjab & Sind Bank has been quantified at Rs. 901.80 lacs as on 30th June 2004. This figure has been arrived at after compounding the interest payable on the principal amount due as on 30th September 1997, at the rate of 10% compounded quarterly till 31st March 2000, after allowing credit for actual amount paid till date. (Present Value of amount payable after all adjustments the payable amount is Rs 803.4 lacs) The settlement made with the Bank in the scheme earlier has been considered as the base. Accordingly, keeping in line with the above settlement and OTS guidelines of RBI, the following payments is recommended to be made to PSB:

**(A) Amount due to PSB as decided one man committee as at 31st December, 2015**

S.N.	Particulars	Amount in Lacs
I	Principal Outstanding	Rs 803 .00
II	Interest	--
	<b>TOTAL</b>	<b>Rs 803.00</b>

**(B) Payment Schedule Amount in Lacs**

S.N.	Particulars	Phase-I	Phase-II
I	70% of total principal amount	Rs 562 lacs	-
II	Less than Rs 5,000	-	-
III	30% of total amount	-	Rs 241 lacs
	<b>Total</b>	<b>Rs 562 lacs</b>	<b>Rs 241 lacs</b>

Payment to PSB has been made as per the recommendation of One Man Committee during the Financial Year 2017-18 and 2019-20.

**INDUSIND BANK**

In the scheme, the total principal amount payable to IndusInd Bank has been quantified at Rs 6.515 Lacs as on 30th June 2004. This figure has been arrived at after calculating interest upto 31st March 2000 @12% p.a. compounded quarterly on the principal amount of L/C devolvement, after allowing credits for actual amounts paid till date and credit for margin money amounting to Rs. 35.99 Lacs, and excludes penal interest/ additional interest/ overdue charges, if any, debited by the Bank. (Present outstanding after all adjustments is Rs 5.77Cr) The settlement made with the Bank in the earlier scheme has been considered as the base. The total amount payable under the scheme to IndusInd Bank so quantified shall be repaid in line with the above settlement and RBI guidelines of OTS is as under:

**(A) Amount due to INDUSIND Bank as decided by one man committee as at 31st December, 2015**

S.N.	Particulars	Amount in Lacs
I	Principal Outstanding	Rs 577
II	Interest	--
	<b>TOTAL</b>	<b>Rs 577.</b>

**(B) Payment Schedule Amount in Lacs**

S.N.	Particulars	Phase-I	Phase-II
I	70% of total principal amount	Rs 404	-
II	Less than Rs 5,000	-	-
III	30% of total amount	-	Rs 173
	<b>Total</b>	<b>Rs 404</b>	<b>Rs 173</b>

Payment to IndusInd Bank has been made as per the recommendation of One Man Committee during the Financial Year 2017-18 and 2019-20.

**SBI HOME FINANCE LTD**

A consent decree was passed by the Hon'ble High Court of Delhi at New Delhi on 12th December 2000 for an amount of Rs.315 Lacs The terms of the Consent Decree were as under :-

- i. Rs 290.00 lacs were to be paid on or before 31st March 2001 under a monthly payment schedule commencing from December 2000, and on payment of Rs. 290.00 lacs, the title of the property was to be released;
- ii. The sum of Rs. 25.00 lacs was to be discharged by issuance of Equity shares of the Company of the face value of Rs. 10/- at a premium of Rs. 20/- per share or as per applicable SEBI guidelines. In terms of the Decree, a sum of Rs. 290.00 lacs has been paid by the Company to SBI Home Finance and the title deeds of the NBCC property have been released by SBI Home Finance Ltd. However, balance amount of Rs. 25.00 lacs which was to be converted into fully paid up shares of the Company at Rs. 30/- per share (share value Rs. 10 plus premium Rs. 20 per share has been issued by the Company.

The Company proposes to allot shares worth Rs. 25.00 lacs to SBI Home Finance Ltd. as per the Decree awarded by the' Hon'ble High Court of Delhi at New Delhi, within two' years from the effective date of the scheme as per applicable SEBI guidelines. Under this scheme, payment shall be discharged in the following manner:-

**(A) Amount due to SBI Home Finance Ltd as decided by one man committee as at 31st December, 2015**

S.N.	Particulars	Amount in Lacs
I	Principal Outstanding	Rs 25 Lacs
II	Interest	--
	<b>TOTAL</b>	<b>Rs 25 Lacs</b>

**(B) Payment Schedule by issuing in Shares**

S.N.	Particulars	Rupees in Lac
I	To be discharged by issuance of Equity shares of the Company of the face value of Rs. 10/- at a premium of Rs. 20/- per share or as per applicable SEBI guidelines	Rs 25 Lac
II	The Company proposes to: allot shares worth Rs. 25.00 Lacs to SBI Home Finance Ltd. as per the Decree awarded by the' Hon'ble High Court of Delhi at New Delhi, within two' years from the effective date of the scheme as per applicable SEBI guidelines	
	<b>Total</b>	<b>Rs 25 Lac</b>



Since, the number of shares to be allotted are not clear, presently the amount of Rs. 25 Lacs is shown in Liabilities and not under other equity. The same shall be reclassified depending upon whether Company has to issue variable number of equity shares or fixed number of equity shares.(refer note 14.1)

#### ICD LENDERS

ICD Lenders will be paid principal due to them as on 30th June 2004. Interest dues are waived and cancelled. The payment of principal to the ICD lenders will be made as follows:

##### (A) Amount due to ICD Lenders as decided by one man committee

S.N.	Particulars	Amount in Lac
I	Principal Outstanding	Rs 27.17 Lac
II	Interest	--
	<b>TOTAL</b>	<b>Rs 27.17 Lac</b>

##### (B) Payment Schedule

S.N.	Particulars	Phase-I	Phase-II
I	70% of total principal amount	Rs 19.02 Lac	-
II	30% of total amount	-	Rs 8.15 Lac
	<b>Total</b>	<b>Rs 19.02 Lac</b>	<b>Rs 8.15 Lac</b>

During the financial year ending March 31, 2022, the company has written back an ICD of Rs.13.66Lacs from Sushma Finance as the amount payable towards said ICD is time barred and considering that no claim has been made till date by the concerned lender.

#### PRESSMAN LEASING

The amount due to M/s, Pressman Leasing has been quantified at the lump sum of Rs 4.10 Cr and such amount would be paid 55% in cash and 45% in shares and details are under :-

##### (A) Amount due to PRESSMAN LEASING as decided by one man committee

S.N.	Particulars	Amount in Lacs.
I	Principal Outstanding	Rs 410
II	Interest	--
	<b>TOTAL</b>	<b>Rs 410</b>

##### (B) Payment Schedule in cash

Amount in Lacs.

S.N.	Particulars	Phase-I	Phase-II
I	70% of total principal amount	Rs 158	-
II	30% of total amount	-	Rs 68
	<b>Total</b>	<b>Rs 158</b>	<b>Rs 68</b>

##### (C) Balance Payment by Issuing of Equity Shares

S.N.	Particulars	Rupees in Lacs
I	To be discharged by issuance of Equity shares of the Company of the face value of Rs. 10 as per applicable SEBI guidelines	Rs 184
	<b>TOTAL</b>	<b>Rs 184</b>

Payment to Pressman Leasing has been made as per the recommendation of One Man Committee during the Financial Year 2017-18 and 2019-20. The shares as per the scheme will be issued as per the scheme.

#### Developments during the financial year ended 31st March, 2021 and 31st March 2022

During the financial year ending 31st March 2021 and 31st March 2022, the company is continuing to make payments to deposit holders and debenture holders in Phase – I. Phase II has also been started simultaneously during the current financial year.

The One Man committee earlier recommended to pay to the creditors 70% of the principal amount. The above said arrangement was modified by the committee on 18th May 2019 and accordingly it has been decided to pay creditors who have claimed amount as per procedure set by the committee and whose documents have been verified. As per the claims made by the creditors 100% of principal being paid to them and balance 30% to creditors whom 70% has already been paid has also started by the company. The balance payable to creditors is as per books and who have not claimed so far or their documents are under verification.

*The Hon'ble High Court of Delhi has appointed Mr. Laxmi Kant Gaur, District Judge ( Retd.) vide its order dated 29th July 2021, as the One Man Committee in place of Hon'ble Mr. Justice Anil Kumar( in view of his unfortunate demise).The One Man Committee would continue from the stage at which the exercise assigned to the One Man Committee by the High Court stands , at the stage when Hon'ble Mr. Justice Anil Kumar unfortunately expired. The agenda of the One Man Committee would be as per the order dated 3rd September, 2015, read with subsequent orders passed, if any, in that regard. The One Man Committee would be entitled to remuneration of Rs. 1 lakh per month to be paid from the account of the Company.*

**28) Earnings Per Share (EPS):**

		Year ended 31st March, 2022	Year ended 31st March, 2021
a)	<b>Calculation of Weighted Average Number of Equity Shares of 100 each</b>		
	Number of Shares at the beginning of the period**	22,125,054	22,125,054
	Number of Shares at the close of the period**	22,125,054	22,125,054
	Weighted Average number of Equity Shares** During the period	22,125,054	22,125,054
b)	Net Profit/(Loss) for the period attributable to Equity Shares (in Rs.)	47.45	(12.94)
c)	Earning per share – Basic**	0.21	(0.06)
d)	Earning per share – Diluted**	0.21	(0.06)

**29) Contingent Liabilities and Commitments**

**A) Contingent Liabilities**

- During the year ended 30th June, 2011 the company's tenant had filed a claim of Rs. 100.00 Lacs against the company due to damages suffered by the tenant which is still pending under arbitration proceedings as on 31st March, 2022.
- There is an award passed by the High Court vide its judgment dated April 27, 2022 against the company in the matter of MS Shoes East Limited for Rs. 12.82 lacs i.e. the claim amount, along with interest of Rs. 8.97 Lacs for an underwriting given by the company in the year 1995 for the public issue of M/s MS Shoes East Ltd.
- Due to dispute with the builder namely M/s NBCC Ltd. from which the company had purchased an office premises in the year 1995, regarding a claim of Rs. 288.30 lacs on account of increase in super area and certain other expenditure which the builder i.e. M/s NBCC Ltd. had incurred and the same is pending in arbitration. Breakup of the amount of Rs. 288.30 mentioned supra is as follows:

S.No.	Description	Amount
1.	Difference in super area Vs. provisional area	229.28/-
2.	Claim of property tax	3.19/-
3.	Claim of ground rent	21.67/-
4.	Allied charges	7.82/-
5.	Augmentation of Electric sub station	1.33/-

6.	Loss of profit	20.00/-
7.	Arbitration cost	5.00/-
<b>TOTAL</b>		<b>288.29</b>

During the financial year ending March 31, 2021, an Award was given by Arbitrator in respect of dispute that has arisen between NBCC Ltd. (Claimant) and DCM Financial Services Limited (Respondent) in relation to sale of Commercial Space-Upper Ground Floor NBCC Place, Pragati Vihar, New Delhi by the Claimant to the respondent.

The summary position of award is as under:

Party	Amount Claimed (in Lacs.)	Awarded (in lacs.)
NBCC Ltd.- Claimant	434.95	41.06
DCM Financial Services Limited-Counter Claimant/ Respondent	3269.50	78.97

In addition to the above, Interest @ 10% is payable by both the parties on their respective amounts.

That whereas NBCC has filed objections to the award in Delhi High Court in December 2020 and the same appears to be lying in objections.

That DCM has also filed objection in Delhi High Court and the same has not being listed so far.

Company Management is hopeful that there will not be any extra claims in view of Award declared by Arbitrator.

## B) Commitments

There are no non-cancellable capital commitments.

## 30) Defined Benefit Plans/Long Term Compensated Absences :-

### Description of Plans

The Company makes contributions to Defined Benefit and Defined Contribution Plans for qualifying employees. Gratuity Benefits and Leave Encashment Benefits are unfunded in nature. The Defined Benefit Plans are based on employees' length of service.

The liabilities arising in the Defined Benefit Schemes are determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credit method at the year end. The Company makes regular contributions to these Employee Benefit Plans. The net Defined benefit cost is recognized by the companies in Financial Statements.

**Discount Rate:** The present value of Defined Benefit Plans liability is determined using the discount rate based on the market yields prevailing at the end of reporting period on Government bonds. A decrease in yields will increase the fund liabilities and vice-versa.

The estimated term of the benefit obligations works out to 10.87 years. For the current valuation a discount rate of 7.63% p.a. compound has been used.

**Salary Escalation Rate:** The Salary Escalation rate usually consists of at least three components, viz. regular increments, price inflation and promotional increases. In addition to this any commitments by the management regarding future salary increases and the Company's philosophy towards employee remuneration are also to be taken into account. Again, a long term view as to the trend in salary escalation rates has to be taken rather than guided by the escalation rates experienced in the immediate past, if they have been influenced by unusual factors.

**Withdrawals Rate:** Past experience indicates the current level of attrition. The assumption may incorporate the Company's policy towards retention of employees, historical data and industry

outlook.

**Mortality Rate:** We have used Indian Assured Lives Mortality Table (IALM) 2006-08, as issued by Institute of Actuaries of India, for the valuation.

The following table summarize the components of net benefit expenses recognized in the statement of Profit & loss and the funded status and the amount recognized in Balance Sheet during 2021-22

PARTICULARS	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Unfunded	Unfunded	Unfunded	Unfunded
	31.03.2022		31.03.2021	
<b>Statement of profit &amp; loss</b>				
<b>Net employee benefit expense recognized in employee cost</b>				
Current Service Cost	1.52	0.07	1.23	0.84
Interest Cost on Defined Benefit Obligation	0.46	0.11	0.37	0.04
<b>Total Expense recognized in the Statement of Profit and Loss</b>	1.98	0.18	1.61	0.88
<b>Re measurements recognised in Other Comprehensive Income</b>				
Net Actuarial (Gain)/Loss	0.97	(0.55)	(0.47)	0.10
<b>Total defined benefit cost recognized in Profit &amp; Loss and Other Comprehensive Income</b>	2.95	(0.37)	(1.14)	0.98
<b>Changes in the present value of the defined benefit obligation are as follows:</b>				
Opening Defined Benefit Obligation	6.72	1.63	5.58	0.65
Interest Cost	0.46	0.11	0.37	0.04
Current Service Cost	1.52	0.07	1.23	0.84
Benefits Paid	-	-	-	-
Actual Losses / (Gain) on Obligation	0.97	(0.55)	(0.47)	0.10
Closing Defined Benefit Obligation	9.66	1.27	6.72	1.63
<b>Classification in Balance Sheets</b>				
Net Assets/ (Liability)	<b>Gratuity</b>		<b>Leave Encashment</b>	
	Current	Non-Current	Current	Non-Current
As at 31st March 2022	0.21	9.46	0.03	1.24
As at 31st March 2021	0.14	6.58	1.01	0.62
<b>The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:</b>				
Discount Rate	6.70	6.70	6.70	6.70
Increase in Compensation Cost	6.00	6.00	6.00	6.00

**SENSITIVITY ANALYSIS**

PARTICULARS	Gratuity	Leave encashment
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a.	Defined benefit obligation - Discount rate + 100 Basis points	(0.69)	(0.14)
b.	Defined benefit obligation - Discount rate - 100 Basis points	0.79	0.16
c.	Defined benefit obligation – Salary escalation rate + 100 Basis points	0.79	0.16
d.	Defined benefit obligation – Salary escalation rate - 100 Basis points	(0.70)	(0.14)

31) For year ended 31st March, 2022, Company has no dues from any party that it is covered under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED).

32) As the Company has brought forward unabsorbed depreciation amounting to Rs. 2820.33 lacs under the Income Tax Act, 1961 and is unlikely to have taxable income in the foreseeable future. Deferred tax assets in situation where carry forward unabsorbed depreciation/business loss exists, are not recognized to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered, accordingly Deferred Tax Assets on Unabsorbed Depreciation Losses are not recognized in accordance with Ind AS 12 "Income Taxes".

**33) Deposit of Rs 1950 lacs by DCM Services Limited**

DCM Services Ltd, as a promoter had committed to bring in Rs 1950.00 lacs as a promoter contribution upon sanction of their restructuring scheme under erstwhile Section 391 of the Indian Companies Act, 1956 which is under implementation by One Man Committee appointed with the direction of Hon'ble Delhi High Court.

The Court vide order dated 06.05.2008 has asked DCM Services Limited to deposit Rs. 1950.00 lacs with the Court and pursuant to the court order. DCM Services Limited deposited Rs 500 lacs on 16.07.2010, Rs 670 lacs on 18.11.2010, Rs. 390 lacs on 21.04.2011 & Rs. 390 lacs on 27.04.2012 aggregating to Rs. 1950.00 lacs on behalf of the promoters with the Registrar, Hon'ble Delhi High Court. All the funds are with Delhi High Court along-with accrued interest thereon. No financial impact of this has been recorded in the financials of the company for the period ended 31st March, 2022 as there is no clarity provided by Hon'ble High Court of Delhi on whether Company would have to issue any shares against such contribution as per SEBI guidelines or such amount would be refundable to DCM Services Limited or there would be no liability on the Company to pay or issue any shares. Till Company gets any clarity on this matter, no financial entry has been recorded in the books of accounts.

**34) Related Parties Transactions:**

**A. List of Related parties**

SN	Description of Relationship	Name of Party	
	Control Exist - Subsidiary Company	(i)	Global IT Option Limited
(a)	Significant Influence Exist	(i)	DCM Services limited
		(ii)	DCM International Limited
		(iii)	DCM Anubhavi Marketing Private Limited
(b)	Key Management Personnel	(i)	Mr. Shantanu Deveshwar – Executive Director (till 14-01-2022)
		(ii)	Mrs. Nidhi Deveshwar - Executive Director (w.e.f 14-02-2022)
		(iii)	Mrs. Somali Tiwari - Company Secretary and CFO

**B. Transactions with related parties during the year**

(Amount in Lacs.)

Particulars	For the year ending 31st March 2022	For the year ending 31st March 2021
<b>Key Management Personnel</b>		
1. Remuneration to KMP	7.34	7.69

**C. Balance Outstanding** (Amount in Lacs.)

1.	DCM Services Ltd.		
	- ICD payable	739.24	739.24
	- Equity shares to be issued ( refer note 14.2)	182.70	182.70
2.	DCM International Limited*	281.57	281.57
3.	DCM Anubhavi Marketing Private Limited*	31.84	31.84
4.	Remuneration Payable	0.42	0.29

\*Balances payable to these companies are subject to confirmation and reconciliation as at March 31, 2022.

**35) Financial Instruments and Related Disclosures**

**a) Categories of Financial Instruments**

	Particulars	Note	As at 31st March 2022	As at 31st March 2021
<b>Financial Assets</b>				
<b>I</b>	<b>Measured at amortised cost</b>			
	(i) Investments	6	0.17	0.17
	(ii) Cash and cash equivalents	8	18.08	29.54
	(iii) Other Bank Balances	9	324.20	315.00
	(iv) Others	3 & 10	1622.80	1775.54
	<b>Total (A)</b>		<b>1965.25</b>	<b>2120.25</b>
<b>II</b>	<b>Measured at fair value through Profit &amp; loss</b>			
	(i) Investments	2 & 6	142.97	81.44
	<b>Total (B)</b>		<b>142.97</b>	<b>81.44</b>
	<b>Total financial assets (A+B)</b>		<b>2108.22</b>	<b>2201.69</b>
<b>Financial Liabilities</b>				
<b>I</b>	<b>Measured at amortised cost</b>			
	(i) Borrowings	14 & 17	7821.04	7984.83
	(ii) Other financial liabilities	18	193.90	245.73
	(iii) Lease Liabilities	15	4.40	8.44
	<b>Total financial liabilities</b>		<b>8019.32</b>	<b>8239.00</b>

**(b) Fair Value Hierarchy:**

	Particulars	As at 31st March 2022	As at 31st March 2021
<b>I</b>	<b>Financial Assets / Financial Liabilities at amortized cost</b>		
	The carrying amount of financial assets and financial liabilities measured at amortized cost are a reasonable approximation of their fair values except the following:		
	Investment in Non-Convertible Debentures	0.17	0.17
<b>II</b>	<b>Financial assets at fair value through profit &amp; loss</b>		
	Investment in Equity Shares (Level 1)	79.74	29.13
	Investment in Equity Shares (Level 2)	63.23	52.31
<b>III</b>	<b>Financial assets at fair value through Other Comprehensive Income</b>	NIL	NIL

The Company determines the fair value of its financial instruments on the basis of the following hierarchy:

Level 1: The fair value of financial instruments that are quoted in active markets are determined on the basis of quoted price for identical assets or liabilities.

Level 2: The fair value of financial instruments that are not traded in an active market are determined on the basis of net asset value as per last available audited financial statements.

Level 3: If one or more of the significant inputs is not based on observable market data, the fair

value is determined using discounted cash flow method with the most significant inputs being the discount rate that reflects the credit risk of the counter-party.

### 36) Capital Management

The Company's objective for managing capital is to ensure as under:

- a) To ensure the company's ability to continue as a going concern.
- b) Maintaining a strong credit rating and healthy debt equity ratio in order to support business and maximize the shareholders' value.
- c) Maintain an optimal capital structure.
- d) Compliance financial covenants under the borrowing facilities.

For the purpose of capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company.

The Company manages its capital structure keeping in view of:

- a) Compliance of financial covenants of borrowing facilities.
- b) Changes in economic conditions.

In order to achieve this overall objective of capital management, amongst other things, the Company aims to ensure that it meets financial covenants as decided by One Man Committee and Delhi High Court. One Man Committee has given few recommendations for payments to its creditors which has been accepted by Hon'ble Delhi High Court.

There has been no breach in the financial covenants of any borrowing facilities in the current period. There is no change in the objectives, policies or processes for managing capital over previous year.

### 37) Going Concern Basis

The company filed a fresh Scheme of Arrangement for the reorganization of the share capital of the company and for compromise with the secured and unsecured creditors of the company, hereinafter referred to as the "Fresh Restructuring Scheme" before the Hon'ble Delhi High Court at New Delhi on 24th September 2004.

Pursuant to the orders of the Hon'ble Delhi High Court, the unsecured creditors and debenture holders in their meeting convened under the Chairpersonship of court appointed Chairpersons (retired Judges of Hon'ble Delhi High Court) on 1st April 2005 and 2nd April, 2005 have approved the scheme without any modifications with the requisite majority. The meeting of the other secured creditors (banks/ institutions) was held on 17th September 2005 and has also approved the scheme by the requisite majority after considering some modifications proposed by the Punjab & Sind Bank. The promoter company has undertaken, subject to sanction of the scheme by the Hon'ble Delhi High Court, contributed Rs. 1950 lacs of which Rs. 1560 lacs were deposited with the Registrar of the Hon'ble Delhi High Court Registrar, as per court order by the promoter group, and the balance amount of Rs 390 lacs had been deposited on 27th April, 2012. The Fresh Restructuring Scheme kept pending for approval of Hon'ble High Court of Delhi. Over the years and till 31st March, 2017, the accounts of the company have been drawn on the assumption that the "fresh restructuring scheme" will be accepted and implemented. If it is not accepted and cannot be implemented for any reason the total liability before the proposed restructuring scheme including those for which no provision has been made and has been quantified under appropriate heads, shall become payable.

Justice Anil Kumar as one man committee was appointed vide order dated:- 3rd September, 2015 by the Hon'ble High Court of Delhi to scrutinize the list of depositors and other claimants and to take steps enumerated hereinafter with the view to resolve at-least some of the disputes.

The one man committee submitted its report on to Hon'ble High Court of Delhi on 22nd April, 2016. Taking cognizance of the report, Hon'ble High Court of Delhi on 10th August, 2017 accepted the recommendation of one man committee enumerated in the report. One Man Committee observed that that it already has sufficient funds, ready cash, to repay about 70% of the deposits to all the depositors having deposits of more than Rs 5,000 including secured creditors in the first stage. Under Phase -1, 70% a part of the amount be paid to the creditors having deposits of more than 5,000 and full amount be paid to those who have deposits of Rs. or less than Rs.5,000 in the first instance. In the second phase, which should also commence.

with phase 1 simultaneously, properties and shares and all the assets be liquidated by selling and the realized amount is recommended to be utilized for the repayment of balance 30% of principal and the maturity value on the fixed deposits, debentures and banks. If the amount is still available to the Company, the Hon'ble Company Court may decide whether some amount - be paid as interest as has also been recommended by the Reserve Bank of India. During the year ended 31st March, 2018, Company started paying the amount as per Phase-I and Phase-I is still in continuation for the financial year ending 31st March 2019, 31st March 2020, 31st March 2021 and 31st March 2022. However, company has simultaneously started making payment under phase- II of balance 30% to those who have claimed the same. During the year 2021-22 company has started making payment of 100% to those creditors who are claiming it. Hon'ble High Court of Delhi held that the issue of revival of the company will be decided once all payments are made in the manner as suggested in the report. The accounts of the company have been prepared on a "going concern" basis on an assumption & premises made by the management that:-

- (a) Company earned a net profit of Rs. 46.79 lacs during the year ended March 31, 2022 and, as of that date, the Company's current liabilities exceeded its total assets by Rs. 4076.53 lacs. The accumulated loss as on 31st March, 2022 stands to Rs. 8520.24 lacs (Previous year Rs. 8567.03 lacs). As on 31st March, 2022, the Company's total liabilities exceeded to its total assets by Rs.4294.93 lacs (Previous year Rs. 4341.74 lacs).
  - (b) The Company is not carrying on any business as to comply with the directives of the Reserve Bank of India the company ceased to accept deposits from September 1997 and the company's application to RBI for certificate of registration (CoR) as a NBFC had been rejected by the RBI in year 2004. The Company contends that the Scheme of One Man Committee shall be implemented in full and other aspect of fresh restructuring scheme such issuance of equity to SBI HOME FINANCE LTD and Pressman Leasing would be approved/decided upon by the Hon'ble Delhi High Court and accordingly the decision on revival of Company would be taken by Hon'ble Delhi High Court and
  - (c) Adequate finances and opportunities would be available in the foreseeable future to enable the company to start operating on a profitable basis,
- 38)** The Holding Company's application to RBI for Certificate of Registration (CoR) as a NBFC had been rejected by the RBI in year 2004. The company had made an appeal to the Appellate Authority, Ministry of Finance which directed the RBI to keep its order of rejection of CoR in abeyance for a period of six months and directed the company to file Fresh Restructuring Scheme before Hon'ble Delhi High Court. RBI has preferred an appeal before the Hon'ble Delhi High Court against the order of the appellate authority, which is still pending. This may be decided upon once scheme of One Man Committee shall be implemented in full and other aspect of fresh restructuring scheme would be approved/decided upon by the Hon'ble Delhi High Court.
- 39)** Balance confirmation of bills receivable and payable, advances recoverable in cash or in kind, receivables and payables relating to lease and hire purchase, lease security deposit of which party wise details are not available. Balance confirmation of inter-corporate deposits, balance of ex-employees, margin against L/C, loans from institutions, banks, and other receivables and payables have not been received from the parties/persons concerned. In the absence of balance confirmation the closing balances as per books of accounts have been incorporated in the final accounts and have been shown, unless otherwise stated by the management about its recoverability in the financials including considering the NPA Provisions, are good for recovery/ payment. Time barred debts under the Limitations Act have not been separately ascertained and written off or provided for. In the absence of such confirmation & corresponding reconciliation, it is not feasible for us to determine financial impact on the financials and the amount referred as payable in the financials can differ.
- 40) Segment information for the year ended 31st March 2022**
- The Company is engaged in a single segment i.e. Financing Operations viz., inter corporate deposits and investments. Presently Company is not carrying on any operation except realizing all debts or maintaining existing assets. The operating results are regularly reviewed and



performance is assessed by its Chief Operating Decision Maker (CODM). All the company's resources are dedicated to this single segment and all the discrete financial information is available for this segment.

- 41) The COVID -19 pandemic is rapidly spreading throughout the world. The company is not doing any operations as there is order by the Hon'ble High Court and RBI to not to do any operations/ business. Accordingly, company is only paying back its creditors and Fixed Deposit Holders as per the recommendations of One Man Committee. The Company has resumed repayment to its creditors in a phased manner as per directives from the Government of India. The Company has evaluated impact of this pandemic on its business operations and financial position and based on its review of current indicators of future economic conditions, there is no significant impact on its financial results as at 31st March 2022. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial results. The Company will continue to monitor any material changes to future economic conditions.

- 42) **Statement of net assets and profit or (loss) other comprehensive income and total comprehensive income attributable to owners**

Amount in Lacs

Name of the Company	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or (Loss)		Share in other Comprehensive Income		Share in Total Comprehensive income	
	As % of Consolidated net assets	Amount in Lakh	As % of Consolidated profit or loss	Amount in Lakh	As % of Consolidated other Comprehensive Income	Amount in Lakh	As % of Consolidated Total Comprehensive income	Amount in Lakh
<b>Parent Company (Indian)</b>								
DCM Financial Services Limited	100.50	(4316.46)	102.02	48.43	100	(0.68)	102.05	47.75
<b>Subsidiaries Companies (Indian)</b>								
Global IT Options Limited	(0.45)	19.36	(1.83)	(.87)	-	-	(1.86)	(0.87)
<b>Non-Controlling Interest</b>	<b>(0.05)</b>	<b>2.15</b>	<b>(0.19)</b>	<b>(0.09)</b>	<b>-</b>	<b>-</b>	<b>(0.19)</b>	<b>(0.09)</b>
<b>Total</b>	<b>100</b>	<b>(4294.95)</b>	<b>100</b>	<b>47.47</b>	<b>100</b>	<b>(0.68)</b>	<b>100</b>	<b>46.79</b>

- (43) Figures for the previous year are in brackets and have been re-grouped/re-classified wherever necessary to make them comparable with the figures of the current year.

**For Mukesh Aggarwal & Co.**

Chartered Accountants  
Firm Registration No. 011393N

**Rishi Mittal**  
Partner  
M.No. 521860

**Nidhi Deveshwar**  
Whole Time Director  
DIN: 09505480

**Richa Kalra**  
Director  
DIN: 07632571

**Somali Tiwari**  
Company Secretary  
M.No. A-47631

Place : Delhi

Dated : 27th May, 2022







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