# SANMITRA COMMERCIAL LIMITED

13, Prem Niwas, 652, Dr. Ambedkar Road, Khar (West), Mumbai – 400 052
Email ID: sanmitracommercial@ymail.com CIN: L17120MH1985PLC034963

**3rd September, 2021**

**To,**
**The Corporate Service Department,**
**BSE Limited**
**P.J. Towers, Dalal Street,**
**Mumbai- 400001.**

**Scrip Code: 512062**

**Sub: Submission of Annual Report under Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

**Dear Sir / Madam,**

Please find enclosed Notice of 37th Annual General Meeting and copy of Annual Report as per Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 for the year ended 31st March, 2021 for your records.

Kindly take note of the same and oblige.

For **Sanmitra Commercial Limited.**

SANMITRA COMMERCIAL LIMITED MUMBAI

**Prakash Shah**
**Director**
**DIN: 01136800**

**Encl.: Annual Report for the year ended 31st March, 2021.**

**37th**

**Annual Report**

**2020-2021**

# SANMITRA COMMERCIAL LIMITED

13, Prem Niwas, 652, Dr. Ambedkar Road,
Khar (West), Mumbai – 400 052

**BOARD OF DIRECTORS & KMP**

PRAKASH SHAH – Non-Executive Director
PRATEEK GAUTAM CHOPRA - Independent – Non-Executive Director
Himanshu Khatri- Additional Independent Non-Executive Director (Appointed w.e.f. 24.11.2020)
SUMAN SHAH – Non-Executive Director & CEO
JAYSHRI KISHORE JAIN- CFO
SWATI JAIN- Company Secretary & Compliance Officer (Resigned on 30.03.2021)
NEHA KULKARNI- Company Secretary & Compliance Officer (Appointed w.e.f 10.06.2021)

**AUDITORS**

Laxmikant Kabra & Co. LLP
(Formerly known as Laxmikant Kabra & Co.)
Chartered Accountants,
Thane

**SECRETARIAL AUDITOR**

Pooja Gandhi & Associates
Practicing Company Secretary,
Mumbai

**BANKERS**

Canara Bank
New Marine Lines Branch
Mumbai

**REGISTERED OFFICE**

13, Prem Niwas, 652, Dr. Ambedkar Road,
Khar (West), Mumbai – 400 052
CIN: L17120MH1985PLC034963
Email: sanmitracommercial@ymail.com

**CORPORATE OFFICE**

71, Laxmi Building, 4th Floor,
Sir P. M. Road, Fort,
Mumbai – 400 001

**SHARE TRANSFER AGENT**

Purva Sharegistry India Pvt. Ltd.
Shiv Shakti Industrial Estates, Ground Floor,
Unit No. 9, 7-B, J. R. Boricha Marg,
Sitaram Mill Compound, Mumbai – 400 011
Phone: (022) 2301 6761 / 2301 8261
Fax: (022) 2301 8261

## NOTICE

**Notice is hereby given that the Thirty Seventh Annual General Meeting of the shareholders of Sanmitra Commercial Limited will be held on Monday, 27th September, 2021 at 71, Laxmi Building, 4th Floor, Sir P M Road, Fort, Mumbai-400001 at 11.30 a.m. to transact the following business:**

**ORDINARY BUSINESS**

1. To receive, consider, and, adopt the Audited financial statement of the Company as at 31st March, 2021 and Statement of Profit & Loss Account of the Company for the financial year ended on that Date and Reports of the Directors' and Auditors' thereon.

2. To re-appoint Mr. Prakash Shah (DIN: 01764668), who retires by rotation at this Annual General Meeting and being eligible, to offers himself for re-appointment.

**SPECIAL BUSINESS:**

3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

   **"RESOLVED THAT** pursuant to Sections 149,152 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Himanshu Khatri (DIN: 08974992), who was appointed as an Additional Non-executive Independent Director of the Company with effect from 24/11/2020, holds office up to the date of the ensuing Annual General Meeting, and who has submitted a declaration of independence under Section 149(6) of the Companies Act, 2013 and is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Himanshu Khatri as a candidate for the office of Non-executive Independent Director of the Company, be and is hereby appointed as Non-executive Independent Director of the Company to hold office for a term of Five years commencing from 24TH November, 2020 up to 23rd November, 2025 and whose office shall not be liable to retire by rotation."

**Place : Mumbai,**
**Date : 31st August, 2021**

**For & on behalf of the Board of Directors**
**Sanmitra Commercial Limited**

**Sd-**
**Prakash Shah**
**Director**
**DIN: 01136800**

**REGISTERED OFFICE**
13 Prem Niwas, 652,
Dr. Ambedkar Road,
Khar (West),
Mumbai-400052

**NOTES**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing proxy should, however be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

3. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 21st September, 2021 to Monday, 27th September, 2021 (both days inclusive).

4. Members are requested to expeditiously intimate any change in their address registered with the Company. Members holding shares in physical form can submit their PAN details to the Company / Registrars and Transfer Agents, M/s. Purva Sharegistry (I) Pvt. Ltd.

5. Members are requested to bring their attendance slip along with copy of the Annual Report at the time of Annual General Meeting.

6. The Notice of AGM along with the Annual Report 2020-21 is being sent by electronic mode to those members whose email addresses are registered with the Company / Depositories.

7. Shareholders desiring any information as regards the proposed resolutions are requested to write to the Company at least seven working days in advance so as to enable the management to keep the information ready at the meeting.

8. In the terms of Section 72 of the Companies Act, 2013, nomination facility is available to the individual shareholder. The shareholders who are desirous of availing this facility may kindly write to the Registrars & Transfer Agents in Form SH-13 prescribed by the Government which can be obtained from the Company's R&T Agents.

9. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the special business to be transacted at the Meeting is annexed hereto.

10. The remote e-voting period begins on Friday, September 24, 2021 (9.00 am – Indian Standard Time) and ends on Sunday, September 26, 2021 (5.00 p.m. – Indian Standard Time). The remote e-voting module shall be disabled by NSDL for voting thereafter.

**How do I vote electronically using NSDL e-Voting system?**

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

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

**A) Login method for e-Voting for Individual shareholders holding securities in demat mode**

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

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | (i) Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.<br>(ii) If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp<br>(iii) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDLand you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.<br>(iv) Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.<br>**NSDL Mobile App is available on**<br>App Store Google Play |

| | |
|---|---|
| Individual Shareholders holding securities in demat mode with CDSL | 1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest arehttps://web.cdslindia.com/myeasi/home/loginor www.cdslindia.com and click on New System Myeasi.<br>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.<br>3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration<br>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress. |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period |

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

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

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

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|---|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID<br><br>For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID<br><br>For example if your Beneficiary ID is 12********** then your user ID is 12********** |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company<br><br>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle
- Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sgevoting@gmail.com with a copy marked to evoting@nsdl.co.in
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in

**Process for those shareholders whose email ids are not registered with the depositories/ company for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to sanmitracommercial@ymail.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to sanmitracommercial@ymail.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.infor procuring user id and password for e-voting by providing above mentioned documents.

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

5. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 20th September, 2021.

6. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 20th September, 2021, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA.

7. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

8. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

9. Mr Suhas Ganpule, Practicing Company Secretary, (COP No. 5722) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

10. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" or "Ballot Paper" " for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

11. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

12. The Results declared along with the report of the Scrutinizer shall be placed on the website lof NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

**EXPLANATORY STATEMENT IN RESPECT OF THE ITEMS OF THE NOTICE PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

**Item No. 3:**

Mr. Himanshu Khatri (DIN: 08974992) who was appointed as an Additional Non-executive Independent Director of the Company with effect from 24th November 2020, holds office up to ensuing annual General Meeting of the Company. The Board of Directors recommend to the shareholders to appoint Mr. Himanshu Khatri as an Independent Director of the Company for a term of Three years from the 24th November 2020 up to 23rd November 2023. A notice, in writing, under Section 160 of the Companies Act, 2013 has been received from a Member of the Company signifying his intention to propose Mr. Himanshu Khatri as a candidate for the office of Non-executive Independent Director. Mr. Himanshu Khatri is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has consented to act as Director of the Company. The Company has also received declaration from him that he meets the criteria of independence as prescribed both under Section 149 (6) of the Act and under Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 . In the opinion of the Board, he fulfills the conditions specified in the Act and the rules made thereunder and also under the SEBI (LODR) Regulations, 2015 for appointment as Independent Director and is independent of the Management.

Mr. Himanshu Khatri (DIN: 08974992) possesses experience and knowledge, and keeping in view his knowledge it will be in the interest of the Company that Mr. Himanshu Khatri is appointed as an Independent Director.

Except Mr. Himanshu Khatri, none of the Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the resolution set out at item no.3 of the Notice.

**Detail of Directors seeking appointment/re-appointment at the Annual General Meeting**

| **Name of Director** | **Mr. Prakash Shah** | **Mr. Himanshu Khatri** |
|---|---|---|
| **DIN** | 01136800 | 08974992 |
| **Date of Birth** | 15/01/1956 | 26/11/1991 |
| **Date of original appointment** | 12/12/2006 | 24/11/2020 |
| **Relationship with Directors** | Related to Mrs. Suman Shah | - |
| **Expertise in specific functionalArea** | Corporate Law & Taxation Law Advisor | He has experience in the field of Finance, Accounts. |
| **Qualification(s)** | Chartered Accountant | B.Com, C.S. - Executive |
| **Directorship held in other Listed Companies** | Bacil Pharma Ltd<br>New Markets Advisory Limited | NA |
| **Chairmanship/Membership of committees of other public companies** | Nil | Nil |
| **Number of Shares held in the Company as on 31 March, 2021** | 3,74,350 | 0 |

None of the Directors, Key Managerial Person(s) of the Company including their relatives are, in any way, financially or otherwise, concerned or deemed to be interested in the proposed resolution.

**Place : Mumbai,**
**Date : 31st August, 2021**

**For & on behalf of the Board of Directors**
**Sanmitra Commercial Limited**

**Sd-**
**Prakash Shah**
**Director**
**DIN: 01136800**

**REGISTERED OFFICE**
13 Prem Niwas, 652,
Dr. Ambedkar Road,
Khar (West),
Mumbai-400052

## DIRECTORS' REPORT

To,
The Membersof
**Sanmitra Commercial Limited**

Your Directors have pleasure in presenting Thirty Seventh Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2021.

**Financial Highlights**

| Particulars | For the Year ended 31st March, 2021 | For the Year ended 31st March, 2020 |
|---|---|---|
| Net Profit/ (Net Loss) Before Providing for Depreciation and Tax | **(11,31,354)** | (6,70,641) |
| Less: Depreciation | **(13,984)** | (28,107) |
| Profit/(Loss) after Providing for Depreciation and before tax | **(11,45,338)** | (6,98,748) |
| Add / (Less) Provision for:<br>A) Deferred Tax<br>B) Income Tax<br>C) Tax in respect of earlier year | **2,123** | (2,123) |
| Profit/(Loss) after Taxation | **(11,43,215)** | (7,00,871) |

The business activities of the Company resulted in Net Loss for the year ended 31st March, 2021 is Rs. 11,43,215 as compared to previous year's Loss of Rs. 7,00,871.

**State of Company's Affairs and Future Outlook**
As reported earlier the high volatility of price variation in the prices of waste paper, increase in cheaper imports of waste paper from other countries and uncertainties of prices the management has decided to suspend the trading in waste paper and Company is also considering other suitable areas of business.

The company during the year has not carried out any major business activity and the management is also considering for diversification of business activities. However in order to generate revenue to afford part of fixed expenses of the company, the management has decided to utilize the surplus funds and deployed the same as temporary loans and advances.

**Dividend**
In view of accumulated losses, your Directors did not recommend any dividend for its equity shareholders.

**Impact Of Covid-19 Pandemic:**

The spread of COVID-19 pandemic affected activities of businesses across the globe. In many countries, including India, there has been severe disruption to regular business operations due to lock-downs, disruptions in transportation, travel bans, quarantines, social distancing and such other emergency measures. In assessing the recoverability of receivables, inventories, loans and other financial assets, the Company has considered internal and external information up to the date of approval of the financial statements. Considering the uncertainties involved in estimating the impact of this pandemic, the future impact of this pandemic may be different from those estimated as on the date of approval of these financial statements.

**Deposits:**

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

**Transfers to Reserves:**

In view of accumulated losses, the Company was not required to transfer any amount to the Reserves.

**Share Capital**

The paidup equity capital as on March 31, 2021 was Rs. 1,10,00,000/- The Company has not bought back any securities or issued any Sweat Equity shares or bonus shares or provided any stock option scheme to employees during the year under review.

**Details of Subsidiary / Joint Venture/Associates Company**

Pursuant to provisions of Companies Act, 2013 Company does not have any Subsidiary/ Joint Venture and Associate Companies.

**Extract of Annual Return**

The extract of Annual Return, in format MGT – 9, for the Financial Year 2020-2021 has been enclosed with this report.

**Number of Board Meetings**

During the Financial Year 2020-2021, six meetings of the Board of Directors of the company were held. The date of the meetings of the board held is as under-

| Sr. No. | Date of Meeting | Total Strength of the Board | No. of Directors Present |
|---|---|---|---|
| 01 | 30.07.2020 | 3 | 3 |
| 02 | 31.08.2020 | 3 | 3 |
| 03 | 15.09.2020 | 3 | 3 |
| 04 | 12.11.2020 | 3 | 3 |
| 05 | 24.11.2020 | 4 | 4 |
| 06 | 13.02.2021 | 4 | 4 |

**Independent Directors' Meeting**

During the year under review, Independent Directors met on 13th February 2021, inter-alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board as whole.
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality, quantity content and timeless of flow of information between the management and the Board.

**Particulars of Loan, Guarantees and Investments under Section 186**

Complete details of Loan, Guarantee, Investment, Security covered under section 186 of The Companies Act, 2013 as disclosed in the financial statement and notes there under.

**Particulars of Contracts or Arrangements with Related Parties**

During the year, the Company had entered into contract / arrangement / transaction with related parties at arm's length basis which could not considered material in accordance with the policy of the Company on materiality of related party transactions, The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board.

**Conservation of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo**

As required under Rule 8 (3) of the Companies (Accounts) Rules, 2014, the particulars relating to the conservation of energy, technology absorption and the foreign exchange earnings and out go are NIL.

**Internal Control and System**

Adequate internal controls, systems, and checks are in place, commensurate with the size of the Company and the nature of its business. The management exercises financial control on the Company's operations through monitoring and standard operating procedures.

**Details of Directors and Key Managerial Personnel**

| Sr. | Name and Address | Designation | Date of Appointment | DIN/PAN |
|---|---|---|---|---|
| 1. | **Mr. Prakash Shah** | Director | 12/12/2006 | 01136800 |
| 2. | **Mrs. Suman Prakash Shah** | Director & CEO | 26/03/2015 | 01764668 |
| 3. | **Mr. Prateek Gautam Chopra** | Independent Director | 30/12/2017 | 07303755 |
| 4. | **Mr. Himanshu Khatri** | Independent Director | 24/11/2020 | 08122263 |
| 5. | **Mrs. Jayshri Kishor Jain** | CFO | 29/03/2019 | AFTPJ4271Q |
| 6. | **Mrs. Neha Kulkarni** | Company Secretary | 10/06/2021 | BTFPK5729K |

In accordance with the provisions of the Act and the Articles of Association of the Company Mr. Prakash Shah is liable to retire by rotation and being eligible offers himself for re-appointment.
Mr. Himanshu Khatri was appointed as Additional Independent Non-Executive Director on 24/11/2020.

The Company has received Declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and under Regulations of the SEBI (LODR), Regulations, 2015.

**Board Evaluation**

Formal Annual evaluation has been made by the Board of its own Performance and that of its Committees & Individual Directors during the meeting of Board of Directors and by common discussion with concerned persons.

**EMPLOYEES RELATIONS:**

During the year under review, your Company enjoyed cordial relationship with employees at all levels.

**MANAGERIAL REMUNERATION:**

1. None of the Directors receive any remuneration nor receive any sitting fees.
2. There is no change in the remuneration of Key managerial Personnel or Director which was disclosed in Annual return i.e. MGT-9.
3. As on 31st March 2021, there were a total of 2 employees on the roll of the Company.
4. It is affirmed that the remuneration is as per the remuneration policy of the company.

The Company do not have any Holding or Subsidiary Company and None of the Directors of the Company are the Managing Director or Whole Time Director in the Associate Company.

**Audit Committee**

The Audit Committee has been reconstituted as per regulation 18 of SEBI (LODR) regulations, 2015 & Section 177 of Companies Act, 2013 during the year as: Mr. Prateek Gautam Chopra (Non-executive Independent Director/Chairman), Himanshu Khatri (Non-executive Independent Director) and Mr. Prakash B. Shah (Non-Executive Directors)

Four Audit Committee Meetings were held during the year as below

| | | | |
|---|---|---|---|
| 30.07.2020 | 15.09.2020 | 12.11.2020 | 13.02.2021 |

**Nomination & Remuneration Committee & Policy**

In compliance with section 178 of the Act the Board has constituted "Nomination and Remuneration Committee" which comprises Non-executive Directors namely Mr. Prateek Gautam Chopra (Chairman), and Mr. Prakash B. Shah and Mr. Himanshu Khatri (Non-executive Independent Director) as members.

The Board has framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

Two Nomination and Remuneration Committee Meetings were held during the year as below:

| | |
|---|---|
| 15.09.2020 | 24.11.2020 |

**Stakeholders Relationship Committee**

This Committee comprises of Mr. Prateek Gautam Chopra (Chairman), Mr. Himanshu Khatri (Non-executive Independent Director) and Mr. Prakash B. Shah (Non-executive Independent Director) as members. During the year ended 31st March, 2021.

Three Stakeholder relationship Committee Meetings were held during the year as below:

| | | |
|---|---|---|
| 30.07.2020 | 12.11.2020 | 13.02.2021 |

**Transfer of Amounts to Investor Education and Protection Fund**

There are no amounts due and outstanding to be credited to investor Education and Protection Fund as 31st March, 2021.

**Disclosure on Establishment of a Vigil Mechanism**

The Company has Vigil Mechanism/Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. No personnel had been denied access to the Audit Committee to lodge their grievances.

**Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013**

There were no complaints reported under the prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

**Fraud Reporting (Required by Companies Amendment Bill, 2014)**

No Fraud reported / observed during the financial year 2020-2021.

**AUDITORS**

**Statutory Auditors**

The auditors M/s Laxmikant Kabra & Co. LLP (Formerly Known as M/s Lakmikant Kabra & Co.) Chartered Accountants, Thane were appointed as Statutory Auditors of the Company for the period of five consecutive years in accordance with the provisions of the Companies Act, 2013 at the conclusion of previous Annual General Meeting held on 29th September, 2017. In terms of provisions of section 139 (1) the appointment of M/s Laxmikant Kabra & Co., Chartered Accountants, as statutory auditors of the Company was for the term of 5 Years.

**Auditors Report**

The Report of M/s Laxmikant Kabra & Co LLP (Formerly known as Laxmikant Kabra & Co.) for the financial year 2020-2021 do not contain any qualifications, observations or comments on the Financial transactions or matters which have any adverse effect on the functioning of the Company, however following observation made by the Auditor.

| Observation of Auditor | Management Clarification |
|---|---|
| The company has given unsecured loans and advances to various parties which is not the main object / core business activity of the company. | The company during the year has not carried out any major business activity and The management is also considering for diversification of business activities, however in order to generate revenue to afford part of fixed expenses of the company, the management has decided to utilize the surplus funds and deployed the same as temporary loans and advances. |

**Secretarial Audit Report**

A Secretarial Audit was conducted during the year by the Secretarial Auditor, M/s Pooja Gandhi & Associates, Practicing Company Secretaries, Mumbai, in accordance with Provisions of Section 204 of the Act. The Secretarial Auditors Report is attached as Annexure II and forms part of this Report.

**Cost Auditors**

Requirements of Appointment of Cost Auditors of the company are not applicable to the company.

**Stock Exchange**

The Company's equity shares are listed at BSE Limited and the Annual Listing Fees for the year 2020-2021 has been paid.

**Directors Responsibility Statement**

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

a) In the preparation of the annual accounts for the financial year ended 31st March, 2021, the applicable Ind-AS had been followed along with proper explanation relating to material departures;

The directors had selected such accounting policies and applied them and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2021.

b) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 forsafeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

c) The directors had prepared the annual accounts on a going concern basis;

d) 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.

e) The proper internal financial controls are in place and that such internal financial controls are adequate and are operating effectively.

f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**Acknowledgment**

The Directors express their sincere appreciation to the valued shareholders, bankers, professionals, clients and devoted employees for their support.

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

**Sanmitra Commercial Limited**

| | | |
|---|---|---|
| | **Sd-** | **Sd-** |
| | **Mr. Prakash Shah** | **Mrs. Suman Shah** |
| **Place: Mumbai** | **Director** | **Director** |
| **Date: 31st August 2021** | **DIN: 01136800** | **DIN: 01764668** |

**FORM NO. MGT 9**
**EXTRACT OF ANNUAL RETURN**
**As on financial year ended on 31.03.2021**

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

**I. REGISTRATION & OTHER DETAILS**:

| | | |
|---|---|---|
| 1. | CIN | L74120MH1985PLC034963 |
| 2. | Registration Date | 02/01/1985 |
| 3. | Name of the Company | SANMITRA COMMERCIAL LIMITED |
| 4. | Category/Sub-category of the Company | Public Company / limited by Shares |
| 5. | Address of the Registered office & contact details | 13, Prem Niwas, 652 Dr. Ambedkar Road, Khar (West), Mumbai - 400 052 |
| 6. | Whether listed company | YES |
| 7. | Name, Address & contact details of the Registrar & Transfer Agent, if any. | Purva Share Registry (India) Pvt. Ltd Shiv Shakti Industrial Estate, Gr. Floor, Unit No. 9, 7 B, J R Boricha Marg, Sitaram Mill Compound, Mumbai, Maharashtra-400011 |

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY** (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

| Sr. No. | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
|---|---|---|---|
| 1 | Security Services | 99852 | 0% |
| 2 | Dealer, importer, exporter and commission agent of various good | 51909 | 0% |

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: None**

**IV. SHARE HOLDING PATTERN** (Equity Share Capital Breakup as percentage of Total Equity)

**A) Category-wise Share Holding**

| **Category of Shareholders** | **No. of Shares held at the beginning of the year[As on 01-April-2020]** | | | | **No. of Shares held at the end of the year[As on 31-March-2021]** | | | | **% Change during the year** |
|---|---|---|---|---|---|---|---|---|---|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| **A. Promoter s** | | | | | | | | | |
| **(1) Indian** | | | | | | | | | |
| a) Individual/ HUF | 374350 | - | 374350 | 34.03% | 374350 | - | 374350 | 34.03% | - |
| b) Central Govt | - | - | - | - | - | - | - | - | - |
| c) State Govt(s) | - | - | - | - | - | - | - | - | - |
| d) Bodies Corp. | - | - | - | - | - | - | - | - | - |
| e) Banks / FI | - | - | - | - | - | - | - | - | - |
| f) Any other | - | - | - | - | - | - | - | - | - |
| **Total shareholding of Promoter (A)** | 374350 | **-** | 374350 | 34.03% | 374350 | - | 374350 | 34.03% | - |
| **B. Public Shareholding** | | | | | | | | | |
| **1. Institutions** | - | - | - | - | - | - | - | - | - |
| a) Mutual Funds | - | - | - | - | - | - | - | - | - |
| b) Banks / FI | - | - | - | - | - | - | - | - | - |
| c) Central Govt | - | - | - | - | - | - | - | - | - |
| d) State Govt(s) | - | - | - | - | - | - | - | - | - |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| f) Insurance Companies | - | - | - | - | - | - | - | - | - |
| g) FIIs | - | - | - | - | - | - | - | - | - |
| h) Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| Others (specify) | - | - | - | - | - | - | - | - | - |
| **Sub-total (B)(1):-** | - | - | - | - | - | - | - | - | - |
| | | | | | | | | | |
| **2. Non-Institutions** | | | | | | | | | |
| a) Bodies Corp. | - | - | - | - | - | - | - | - | |
| i) Indian | - | - | - | - | - | - | - | - | - |
| ii) Overseas | - | - | - | - | - | - | - | - | - |
| b) Individuals | - | - | - | - | - | - | - | - | - |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 10000 | 115650 | 125650 | 11.42% | 10000 | 115650 | 125650 | 11.42% | - |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 600000 | - | 600000 | 54.55% | 600000 | - | 600000 | 54.55% | - |
| c) Others (specify) | - | - | - | - | - | - | - | - | - |
| Non Resident Indians | - | - | - | - | - | - | - | - | - |
| Overseas Corporate Bodies | - | - | - | - | - | - | - | - | - |
| Foreign Nationals | - | - | - | - | - | - | - | - | - |
| Clearing Members | - | - | - | - | - | - | - | - | - |
| Trusts | - | - | - | - | - | - | - | - | - |
| Foreign Bodies - D R | - | - | - | - | - | - | - | - | - |
| **Sub-total (B)(2):-** | 610000 | 115650 | 725650 | 65.97% | 610000 | 115650 | 725650 | 65.97% | - |
| **Total Public Shareholding (B)=(B)(1)+ (B)(2)** | **610000** | **115650** | **725650** | **65.97%** | **610000** | **115650** | **725650** | **65.97%** | **-** |
| C. Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| **Grand Total (A+B+C)** | **984350** | **115650** | **1100000** | **100%** | **984350** | **115650** | **1100000** | **100%** | **-** |

**B) Shareholding of Promoter-**

| S. N | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in shareholding during the year |
|---|---|---|---|---|---|---|---|---|
| | | No. of Shares | % of total Shares of the company | %of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | %of Shares Pledged / encumbered to total shares | |
| 2 | Prakash Bhoorchand Shah | 3,74,350 | 34.03% | 0.00% | 374350 | 34.03% | 0.00% | 0.00% |

**C) Change in Promoters' Shareholding:**

| SN | Particulars | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | At the beginning of the year | 3,74,350 | 34.03% | | |
| 2 | Date wise Increase/Decrease in Promoters Shareholding during the year<br>Date Reason | - | - | - | - |
| 3 | At the end of the year | | | 3,74,350 | 34.03% |

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

| **SN** | **For Each of the Top 10 Shareholders** | **Shareholding at the beginning of the year (As on 01.04.2020)** | | **Cumulative Shareholding during the year (From 31.03.2021)** | |
|---|---|---|---|---|---|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | **Jitendra Bhanwarlal Salecha** | | | | |
| | At the beginning of the year | 1,50,000 | 13.64% | | |
| | Changes during the year | No changes during the year | | | |
| | At the end of the year | | | 1,50,000 | 13.64% |
| 2 | **D. P. Singh** | | | | |
| | At the beginning of the year | 50,000 | 4.55% | | |
| | Changes during the year | No changes during the year | | | |
| | At the end of the year | | | 50,000 | 4.55% |
| 3 | **Praveen Sankhla** | | | | |
| | At the beginning of the year | 50,000 | 4.55% | | |
| | Changes during the year | No changes during the year | | | |
| | At the end of the year | | | 50,000 | 4.55% |
| 4 | **Puroshottam Bohra** | | | | |
| | At the beginning of the year | 50,000 | 4.55% | | |
| | Changes during the year | No changes during the year | | | |
| | At the end of the year | | | 50,000 | 4.55% |
| 5 | **Shobhadevi Sarda** | | | | |
| | At the beginning of the year | 50,000 | 4.55% | | |
| | Changes during the year | No changes during the year | | | |
| | At the end of the year | | | 50,000 | 4.55% |
| 6 | **Sulabh Bhandari** | | | | |
| | At the beginning of the year | 50,000 | 4.55% | | |
| | Changes during the year | No changes during the year | | | |
| | At the end of the year | | | 50,000 | 4.55% |
| 7 | **Sarda Bhagwan Shrinivas** | | | | |
| | At the beginning of the year | 50,000 | 4.55% | | |
| | Changes during the year | No changes during the year | | | |
| | At the end of the year | | | 50,000 | 4.55% |
| 8 | **Malvika Sarda** | | | | |
| | At the beginning of the year | 50,000 | 4.55% | | |
| | Changes during the year | No changes during the year | | | |
| | At the end of the year | | | 50,000 | 4.55% |
| 9 | **Shobha Darak** | | | | |
| | At the beginning of the year | 40,000 | 3.64% | | |
| | Changes during the year | No changes during the year | | | |
| | At the end of the year | | | 40,000 | 3.64% |
| 10 | **Kaveri Kailash Darak** | | | | |
| | At the beginning of the year | 30,000 | 2.73% | | |
| | Changes during the year | No changes during the year | | | |
| | At the end of the year | | | 30,000 | 2.73% |

**E) Shareholding of Directors and Key Managerial Personnel:**

| SN | Shareholding of each Directors and each Key Managerial Personnel | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | **Prakash Bhoorchand Shah** | | | | |
| 1 | At the beginning of the year | 3,74,350 | 34.03 % | | |
| 2 | Change in shareholding during the year<br>Date Reason | - | - | - | - |
| 3 | At the end of the year | | | 3,74,350 | 34.03% |

**V) INDEBTEDNESS -** Indebtedness of the Company including interest outstanding/accrued but not due for payment.:

| | Unsecured Loans | Deposits | Total Indebtness |
|---|---|---|---|
| Indebtedness at the beginning of the financial year | | | |
| i) Principal Amount | 9,50,000 | - | 9,50,000 |
| ii) Interest due but not paid | - | - | - |
| iii) Interest accrued but not due | - | - | - |
| Total (i+ii+iii) | 9,50,000 | - | 9,50,000 |
| Change in Indebtedness during the financial year | - | - | - |
| Additions | 12,05,196 | - | 12,05,196 |
| Reduction | - | - | - |
| Net Change | - | - | - |
| Indebtedness at the end of the financial year | | - | |
| i) Principal Amount | 21,55,196 | | 21,55,196 |
| ii) Interest due but not paid | - | - | - |
| iii) Interest accrued but not due | - | - | - |
| Total (i+ii+iii) | 21,55,196 | - | 21,55,196 |

**VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A.** Remuneration to Managing Director, Whole-time Directors and/or Manager: **NIL**

**B.** Remuneration to other directors: **NIL**

**C.** Remuneration to key Managerial Personnel other than MD/MANAGER/WTD**:**

| Sr. No. | Particulars of Remuneration | Key Managerial Personnel | | |
|---|---|---|---|---|
| | | SUMAN PRAKASH SHAH | JAYSHRI KISHOR JAIN | SWATI JAIN |
| | | CEO* | CFO** | Company Secretary** |
| 1 | Gross salary (p.m.) | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | - | 1,80,000 | 1,80,000 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | - | - |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | - | - | - |
| 2 | Stock Option | - | - | - |
| 3 | Sweat Equity | - | - | - |
| 4 | Commission | - | - | - |
| | - as % of profit | - | - | - |
| | others, specify… | - | - | - |
| 5 | Others, please specify | - | - | - |
| | Total | | 1,80,000 | 1,80,000 |

**VII) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL**

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

**Sanmitra Commercial Limited**

**Sd-**
**Mr. Prakash Shah**
**Director**
**DIN: 01136800**

**Sd-**
**Mrs. Suman Shah**
**Director**
**DIN: 01764668**

**Place: Mumbai**
**Date: 31st August 2021**

**FORM NO. 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 transaction under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at Arm's length basis.**

| SL. No. | Particulars | Details |
|---|---|---|
| a) | Name (s) of the related party & nature of relationship | NA |
| b) | Nature of contracts/arrangements/transaction | NA |
| c) | Duration of the contracts/arrangements/transaction | NA |
| d) | Salient terms of the contracts or arrangements or transaction including the value, if any | NA |
| e) | Justification for entering into such contracts or arrangements or transactions' | NA |
| f) | Date of approval by the Board | NA |
| g) | Amount paid as advances, if any | NA |
| h) | Date on which the special resolution was passed in General meeting as required under first proviso to section 188 | NA |

**2. Details of contracts or arrangements or transactions at Arm's Length Basis:**

| Particular | | | Salient Term of the Contract | Amount of Transaction |
|---|---|---|---|---|
| Name of Related party | Nature of Relation | Name of Transaction | | |
| Prakash Shah | Director | Loans and Advances ( Loan Taken) | On demand | 12,05,196 |

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

**Sanmitra Commercial Limited**

**Sd-**
**Mr. Prakash Shah**
**Director**
**DIN: 01136800**

**Sd-**
**Mrs. Suman Shah**
**Director**
**DIN: 01764668**

**Place: Mumbai**
**Date: 31st August 2021**

**Form No. MR-3**
**Secretarial Audit Report**
*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*
For the Financial Year ended 31st March, 2021

**To,**
**The Members**
**Sanmitra Commercial Limited,**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s **Sanmitra Commercial Limited** (hereinafter called the Company).

Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2021 has complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by 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 thereunder;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

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

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009: **Not Applicable**

d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: **Not Applicable**

e. 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;

f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998:**Not Applicable;**

g. The Securities and Exchange Board of India (Mutual Fund) Regulation 1996: **Not Applicable;**

h. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999: **Not Applicable.**

VI. All other relevant laws applicable to the Company, a list of which has been provided by the management. The examination and reporting of these laws and rules are limited to whether there are adequate systems and processes in place to monitor and ensure compliance with those laws.

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

a) Secretarial Standards issued by The Institute of Company Secretaries of India.
b) SEBI (Listing Obligations and Disclosures Requirements), 2015 The Company has complied with the applicable clauses of the listing agreement entered into by it with the BSE Limited (BSE) as also with the applicable clauses of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements), 2015.The Listing Agreements entered into by the Company with the BSE Limited and Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. to the extent applicable .

**I further report that**

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

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

All the decisions were carried out unanimously by the members of the Board and Committees and the same were duly recorded in the minutes of the meeting of the Board of Directors and Committees of the Company.

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

**I further report that** there were no instances of:

i. Public / Rights / Preferential issue of shares / debentures / sweat equity.

ii. Buy-Back of securities.

iii. Merger / amalgamation / reconstruction etc.

iv. Foreign technical collaborations

**For Pooja Gandhi & Co.,**
**Practising Company Secretaries**
**Sd/-**
**Pooja Gandhi.**
**Proprietor,**
**Membership No: 22838**
**C. P No: 20135**
**UDIN: A022838C000863722**

**Date: 31.08.2021**
**Place: Mumbai**

Annexure 'A'

To,
The Members,
**Sanmitra Commercial Limited**
Mumbai

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 record. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. We believe that the practices and processes, 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 management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, norms and standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We have reported, in our audit report, only those non-compliance, especially in respect of filing of applicable forms/documents, which, in our opinion, are material and having major bearing on financials of the Company.
8. In consideration of the restrictions for physical visit to client office due to spread of Covid-19 pandemic, we have relied on electronic data for verification of certain records as the physical verification was not possible.

**For Pooja Gandhi & Co.,**
**Practising Company Secretaries**

**Sd/-**
**Pooja Gandhi.**
**Proprietor,**
**Membership No: 22838**
**C. P No: 20135**

**Date: 31.08.2021** **UDIN: A022838C000863722**
**Place: Mumbai**

# INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors of Sanmitra Commercial Limited**
**Report on the Audit of Financial Results**

**Opinion**

We have audited the annual financial results of Sanmitra Commercial Limited (hereinafter referred to as the 'Company") for the year ended March 31, 2021 and the Balance Sheet and the Statement of Cash Flows as at and for the year ended on that date, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial results:

i. are presented in accordance with the requirements of Regulation 33 and Regulation 52 of the Listing Regulations in this regard; and
ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2021 and the balance sheet and the statement of cash flows as at and for the year ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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 key audit matters to be communicated in our report.

| Key Audit Matter | How the matter was addressed in our Audit |
|---|---|
| The company has given unsecured loans and advances to various parties which is not the main object / core business activity of the company. | We have recognized the same on the fair value and interest income is recognized on accrual basis. However, if the interest is not recoverable then management does not recognise the same. |

**Other Matters**

The continuous spreading of COVID -19 across India has resulted in restriction on physical visit to the client locations and the need for carrying out alternative audit procedures as per the Standards on Auditing prescribed by the Institute of Chartered Accountants of India (ICAI). As a result of the above, the entire audit was carried out based on remote access of the data as provided by the management of the Company. This has been carried out based on the advisory on "Specific Considerations while conducting Distance Audit/ Remote Audit/ Online Audit under current Covid-19 situation" issued by the Auditing and Assurance Standards Board of ICAI. We have been represented by the management of the Company that the data provided for our audit purposes is correct, complete, reliable and are directly generated by the accounting system of the Company without any further manual modifications.

We bring to the attention of the users that the audit of the financial statements has been performed in the aforesaid conditions.

Our audit opinion is not modified in respect of the above.

**Emphasis of Matter**

Advance given to creditors and outstanding trade payables/ receivables which pertains to the business of the company that was closed in FY 2018-19, are yet to be settled. Due to the outbreak of Corona Virus (Covid 19) and lockdown on the account of the same the recoverability of the balances is yet to be determined by the management. The said advances are subject to confirmation.

**Other Information**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

These financial results have been prepared on the basis of the annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Company and the balance sheet and the statement of cash flows in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 of the Listing Regulations. The Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the financial results by the Directors of the Company, as aforesaid.

In preparing the financial results, the Board of Directors of the Company are responsible for assessing the ability of the Company 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 of the Company are responsible for overseeing the financial reporting process of the Company.

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

Our objectives are to obtain reasonable assurance about whether the financial results 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 results.

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

i. Identify and assess the risks of material misstatement of the financial results, 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.
ii. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
iv. Conclude on the appropriateness of the Board of Directors' 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 results 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.
v. Evaluate the overall presentation, structure and content of the financial results including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

1. As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

   b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the statement of change in equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid financial statements comply with Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2" to this report.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) 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 no pending litigations on its financial position.
      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

2. 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.

In our opinion and to the best of our information and according to the explanation given to us, the remuneration paid/ provided by the company to its directors during the year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any directors is not in excess of the limit laid down U/s 197 of the IT Act. The Ministry of Corporate Affairs has not prescribed other details U/s 197 (16) which require to be commented by us.

**For Laxmikant Kabra & Co LLP**
**Chartered Accountants**
**Firm Reg. No.: 117183W/ W100736**

**Sd-**
**CA Laxmikant Kabra**
**Partner** **Place: Thane**
**Membership No.: 101839** **Date: 30th June 2021**

**UDIN: 21101839AAAAGB9979**

## Annexure A to Auditor's Report

The annexure referred to in independent auditor's report to the members of the Company on the financial statements for the year ended March 31, 2021. We report that:

1.

a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
b. As explained to us, the Company has a program for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies reported on such verification were not material and have been properly dealt with in the books of account.
c. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the title deeds of immovable properties are held in the name of the company.

2. (a) to (c) As per the information and explanations given to us, the company does not have any inventory. Hence, no further comments are given in relation to the same.

3. In our opinion the Company has not granted any loans to person covered in the register maintained under section 189 of the Companies Act, 2013.

4. In our opinion and according to the information and explanations given to us, the company has neither given any loan nor made any investment during the year, therefore provisions of section 185 and 186 of the Act regarding thereto are not applicable. However, the company has given loans to various parties within the prescribed limit as covered under section 186 of the Companies Act 2013.

5. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2021 and therefore, the provisions of the Clause 3 (v) of the Order are not applicable to the Company.

6. To the best of our knowledge and explanation given to us, the provisions of maintenance of cost records under sub section (1) of Section 148 of the Act are not applicable to Company for the financial year 2020-21. Accordingly, Clause (vi) of Order is not applicable.

7.

a. Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, goods & service tax and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

   According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess, goods & service tax and other material statutory dues were outstanding, for the year end, for a period of more than six months from the date they became payable.

b. According to the records of the Company, there are no dues outstanding of income-tax, sales- tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute for the year ended March 31, 2021.

8. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders or government.

9. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management and on an overall examination of the balance sheet, we report that the company has not raised any money by way of public issue or further public offer during the year.

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

11. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has not been paid.

12. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

13. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

15. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.

16. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company

**For Laxmikant Kabra & Co LLP**
**Chartered Accountants**
**Firm Reg. No.: 117183W/ W100736**

**Sd-**
**CA Laxmikant Kabra**
**Partner**
**Membership No.: 101839**
**UDIN: 21101839AAAAGB9979**

**Place: Thane**
**Date: 30th June 2021**

## ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT

**Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members Sanmitra Commercial Limited on the financial statements for the year ended March 31, 2021**

**Report on the internal financial controls under clause (i) of sub-section 3 of section 143 of the Act**

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

**Management's responsibility for internal financial controls**

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

**Auditor's responsibility**

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

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

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

**Meaning of internal financial controls over financial reporting**

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

A company's internal financial control over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.

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

**Inherent limitations of internal financial controls over financial reporting**

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

**Opinion**

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

**For Laxmikant Kabra & Co LLP**
**Chartered Accountants**
**Firm Reg. No.: 117183W/ W100736**

**Sd-**
**CA Laxmikant Kabra**
**Partner** **Place: Thane**
**Membership No.: 101839** **Date: 30th June 2021**

**UDIN: 21101839AAAAGB9979**

**Balance Sheet as at 31st March, 2021**

**(Amount in ₹)**

| Particulars | Note No. | As at 31.03.2021 | As at 31.03.2020 |
|---|---|---|---|
| **I. ASSETS** | | | |
| **1 Non-Current Assets** | | | |
| Property, Plant and Equipments | 3 | **27,111** | **41,095** |
| **Financial assets** | | | |
| (a) Income Tax Assets (Net) | 4 | **2,00,000** | **2,00,000** |
| **2 Current assets** | | | |
| **Financial assets** | | | |
| (a) Investments | 5 | **22,74,669** | **29,52,589** |
| (b) Trade Receivable | 6 | **14,33,809** | **14,33,809** |
| (c) Cash and cash equivalents | 7 | **2,44,004** | **87,153** |
| (d) Loans & Advances | 8 | **47,60,911** | **47,13,911** |
| Other current assets | 9 | **1,31,54,304** | **1,31,45,397** |
| Deferred tax Assets(net) | 10 | **3,33,721** | **1,54,744** |
| **Total** | | **2,24,28,529** | **2,27,28,698** |
| **II. EQUITY AND LIABILITY** | | | |
| **1 Equity** | | | |
| Equity Share Capital | 11 | **1,10,00,000** | **1,10,00,000** |
| Other Equity | 12 | **8,02,115** | **24,46,397** |
| **2 Non-Current Liabilities** | | | |
| **Financial Liabilities** | | | |
| (a)Borrowings | | **0** | **0** |
| **3 Current liabilities** | | | |
| **Financial liabilities** | | | |
| (a) Borrowings | 13 | **21,55,196** | **9,50,000** |
| (b) Trade Payable | 14 | **68,21,486** | **68,05,653** |
| (c) Other financial liabilities | 15 | **1,59,608** | **1,24,214** |
| (d) Provisions | 16 | **14,90,124** | **14,02,434** |
| **Total** | | **2,24,28,529** | **2,27,28,698** |
| Summary of Significant Accounting Policies<br>See other notes to Accounts | 2 | | |

Notes referred to above form part of Balance Sheet
As per our report of even date attached.

**FOR Laxmikant Kabra & Co. LLP** **For and on behalf of the Board**
Chartered Accountants
Firm Registration No.:117183W/ W100736

| **Sd-** | **Sd-** | **Sd-** | **Sd-** | **Sd-** |
|---|---|---|---|---|
| **CA Laxmikant Kabra** | **Suman Shah** | **Prakash shah** | **Neha Kulkarni** | **Jayshri Jain** |
| Partner | (Director) | (Director) | Company Secretary | CFO |

Membership No.: 101839
Place: Mumbai
Date: June 30, 2021

**Statement of Profit and Loss for the year ended 31st March, 2021**

**(Amount in ₹)**

| Particulars | Note No. | year ended March 31, 2021 | year ended March 31, 2020 |
|---|---|---|---|
| I. Revenue from operations | | **0** | **0** |
| II. Other Income | 17 | **3,17,236** | **4,07,630** |
| **Total Revenue(I+II)** | | **3,17,236** | **4,07,630** |
| III. Expenses | | | |
| Purchase of Stock in Trade | | **0** | **0** |
| Employee benefit expense | 18 | **4,40,000** | **3,82,262** |
| Finance Cost | | **0** | **0** |
| Depreciation and amortization expenses | 3 | **13,984** | **28,107** |
| Other expenses | 19 | **10,08,590** | **6,96,009** |
| **Total Expenses** | | **14,62,574** | **11,06,378** |
| **IV. Profit/(Loss) before exceptional items and tax** | | **(11,45,338)** | **(6,98,748)** |
| V. Exceptional Items | | **0** | **0** |
| **VI. Profit /(Loss) after exceptional item before tax (IV+V)** | | **(11,45,338)** | **(6,98,748)** |
| VII. Tax Expenses: | | | |
| Current Tax | | **0** | **0** |
| MAT | | | **0** |
| Deferred Tax | | **2,123** | **(2,123)** |
| **VIII. Profit/(Loss) for the year after tax (VI-VII)** | | **(11,43,215)** | **(7,00,871)** |
| **IX. Other Comprehensive Income** | | | |
| **(A) Items that will not be reclassified to profit or loss** | | | |
| (i) Gain/(loss) recognized on fair valuation of financial assets | | **(6,77,920)** | **(3,38,154)** |
| (ii) Income Tax relating to items that will not reclassified to profit or Loss | | **1,76,260** | **87,919** |
| **(B) Items that may be reclassified to profit or loss** | | | |
| (i) Provision for change in value of investments | | **0** | **0** |
| (ii) Income Tax relating to items that may be reclassified to profit or Loss | | **0** | **0** |
| **Total Other Comprehensive Income (A(i)+(ii))** | | **(5,01,660)** | **(2,50,235)** |
| **X. Total Comprehensive Income for the period (VIII)+(IX)** | | **(16,44,876)** | **(9,51,105)** |
| XII. Earning per equity share of Rs. 10 each: | | | |
| (1) Basic and Diluted | | **(1.04)** | **(0.64)** |

Notes referred to above form part of Balance Sheet
As per our report of even date attached.

**For Laxmikant Kabra & Co. LLP** **For and on behalf of the Board**
Chartered Accountants
Firm Registration No.: 117183W/ W100736

| **Sd-** | **Sd-** | **Sd-** | **Sd-** | **Sd-** |
|---|---|---|---|---|
| **CA Laxmikant Kabra** | **Suman Shah** | **Prakash shah** | **Neha Kulkarni** | **Jayshri Jain** |
| Partner | (Director) | (Director) | Company Secretary | CFO |
| Membership No.: 101839 | | | | |
| Place: Mumbai | | | | |
| Date: June 30, 2021 | | | | |

**Cash Flow Statement for the Financial Year ended 31 March, 2021**

**(Amount in ₹)**

| Particulars | Year ended 31.03.2021 | Year ended 31.03.2020 |
|---|---|---|
| **A. CASH FLOW FROM OPERATING ACTIVITIES** | | |
| Net (loss) / profit before tax | **(11,45,338.06)** | (6,98,747.66) |
| Adjustments for | | |
| Depreciation | **13,983.96** | 28,107.03 |
| Interest & Dividend Income | **3,17,236.00** | 4,07,630.00 |
| Operating profit before working capital changes | **(8,14,118.10)** | (2,63,010.63) |
| Working capital adjustments :- | | |
| Increase / (Decrease) in Trade and Other Payables | **15,832.00** | (1,404.00) |
| Increase / (Decrease) in Borrowings | **12,05,196.00** | 9,25,001.00 |
| Increase / (Decrease) in Provisions | **87,690.00** | 1,61,500.00 |
| Increase / (Decrease) in Other Financial Liabilities | **35,393.94** | (1,48,458.00) |
| Increase / (Decrease) in Deferred Tax Asset | **0.00** | (85,796.00) |
| (Increase) / Decrease in Loans & Advances | **(46,911.00)** | 5,93,000.00 |
| (Increase) / Decrease in Trade Receivable | **0.00** | (0.53) |
| (Increase) / Decrease in Other Current Assets | **(9,141.00)** | 57,550.93 |
| Cash generated from / (used in) operations | **4,73,941.84** | 12,38,382.77 |
| Provision for loss on Fair valuation of Financial Asset | **0.00** | (3,38,154.09) |
| Tax relating to Fair Valuation of Financial Asset | **0.00** | 87,919.48 |
| Provision for Current Tax | **0.00** | (5,123.00) |
| **Net cash (used in) / from generated from operating activities** | **4,73,941.84** | 9,83,025.16 |
| | | |
| **B. CASH FLOW FROM INVESTING ACTIVITIES** | | |
| Purchase of Property, Plant & Equipment | **0.00** | (27,700.00) |
| Long Term Investments | **0.00** | (17,16,992.91) |
| Interest & Dividend Income | **(3,17,236.00)** | (4,07,630.00) |
| Direct Taxes Paid | **-** | - |
| **Net cash (used in) / generated from investing activities** | **(3,17,236.00)** | (21,52,322.91) |
| | | |
| **C. CASH FLOW FROM FINANCING ACTIVITIES** | | |
| Increase/(Decrease)of Unsecured Loan | **-** | - |
| Net cash (used in) / generated from financing activities | **-** | - |
| | | |
| **D. Net decrease in cash and cash equivalents (A+B+C)** | **1,56,851.36** | (11,69,297.75) |
| Cash and cash equivalents at the beginning of the year | **87,152.64** | 12,56,254.27 |
| Cash and cash equivalents at the end of the year | **2,44,004.00** | 87,152.64 |

Notes referred to above form part of Balance Sheet
As per our report of even date attached.

**For Laxmikant Kabra & Co. LLP**
Chartered Accountants
Firm Registration No.: 117183W/ W100736

**For and on behalf of the Board**

| **Sd-** | **Sd-** | **Sd-** | **Sd-** | **Sd-** |
|---|---|---|---|---|
| **CA Laxmikant Kabra** | **Suman Shah** | **Prakash shah** | **Neha Kulkarni** | **Jayshri Jain** |
| Partner | (Director) | (Director) | Company Secretary | CFO |

Membership No.: 101839
Place: Mumbai
Date: June 30, 2021

**NOTES FORMING PART OF THE BALANCE SHEET AS AT 31.3.2021**

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

## 1. Corporate Information

Sanmitra Commercial Limited ("the Company'') is a public limited company incorporated under the provisions of the Companies Act, 1956 and listed on the Bombay Stock Exchange. The Registered office is situated at 13, Prem Niwas, Dr. Ambedkar Road, Khar West, Mumbai-400 013. The main object of the Company is to undertake Commercial Services and trading & marketing of various goods.

The financial statements were authorized for issue in accordance with the Board resolution passed on 30th June, 2021.

### 2. Significant Accounting Policies

### 2.1 Compliance with IND-AS

The Company has prepared financial statements for the year ended March 31, 2021 in accordance with Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) together with the comparative period data as at and for the year ended March 31, 2021.

### 2.2 Basis of preparation and presentation

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

The financial statements are prepared in INR and all values are rounded to the nearest Lakhs, except when otherwise stated. The company has consistently applied the following accounting policies to all periods presented in these financial statements.

**a) Current versus non-current classification of assets and liabilities:**

The Company presents assets and liabilities in the Balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- 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 current when:

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

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Operating Cycle is the time between the acquisition of assets for business purposes and their realization into cash and cash equivalents.

**b) Property, Plant and Equipment:**

Property, Plant and Equipment are recorded at their cost of acquisition, net of refundable taxes or levies, less accumulated depreciation and impairment losses, if any. The cost thereof comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost for bringing the asset to its working condition for its intended use.

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

Machinery Spares which can be used only in connection with a particular item of Fixed Asset and

the use of which is irregular, are capitalized at cost. The cost thereof comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost for bringing the asset to its working condition for its intended use.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment and other Non-current Assets recognised as on 1st April, 2016 (date of transition) measured as per previous GAAP as its deemed cost on the date of transition.

**Depreciation:**

Depreciation on Property, Plant and Equipment and Investment Properties is provided on different class of assets based on the method and on the basis of its useful lives as per Schedule II of the Companies Act, 2013, Depreciation on Fixed Assets other than Plant and Machinery is provided on Written down value Method.

Depreciation on additions to Fixed Assets is provided on pro-rata basis from the date of acquisition or installation.

**Impairment of Property Plant and Equipment & other Non-Current Assets:**

Carrying amount of tangible and intangible assets are reviewed at each Balance Sheet date. These are treated as impaired when the carrying cost thereof exceeds its recoverable value. Recoverable value is higher of the asset's net selling price or 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 and from its disposal at the end of its useful life. Net selling price is the amount receivable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. An impairment loss is charged for when an asset is identified as impaired.

**c) Fair Value Measurement:**

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, 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

**d) Financial instruments:**

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

**FINANCIAL ASSETS**

**Initial recognition and measurement-**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date.

**Subsequent measurement-**

For purposes of subsequent measurement, financial assets are classified in three categories:

i) Financial assets measured at fair value through other comprehensive income (FVTOCI)

ii) Financial assets measured at fair value through profit or loss (FVTPL)

iii) Financial assets at amortized cost

**Equity instruments**

All equity instruments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, an irrevocable choice is made on initial recognition to measure it at FVTOCI. All fair value changes on such investments, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale or disposal of the investment. However, on sale or disposal the company may transfer the cumulative gain or loss within equity.

**Derecognition**

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

- The contractual rights to receive cash flows from the asset have expired, or The Company has transferred its rights to receive contractual cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

On Derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in OCI and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

**FINANCIAL LIABILITIES:**

**Initial Recognition and Measurement:**

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

**Subsequent Measurement:**

This is dependent upon the classification thereof as under:

**Loans and Borrowings:**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

**Derecognition:**

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

**Equity Instruments:**

An equity instrument is any contract that evidences a residual interest in the assets of an entity in accordance with the substance of the contractual arrangements. These are recognised at the amount of the proceeds received, net of direct issue costs.

**e) Revenue Recognition:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the amount is received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government, discounts and rebates.

**Other Operating Revenue**:

Revenue in respect of other income is recognized only when it is reasonably certain that ultimate collection will be made.

**Interest Income:**

Interest Income from Financial Assets is recognized using the Effective Interest Rate (EIR) on amortized cost basis.

**Dividend Income:**

Dividend income is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

**f) Employee Benefits:**

Short term employee benefits are those which are payable wholly within twelve months of rendering service and are recognized as an expense at the undiscounted amount in Statement of Profit and Loss of the year in which the related service is rendered.

**g) Borrowing Costs:**

Borrowing costs comprising of interest and other costs that are incurred in connection with the borrowing of funds that are attributable to the acquisition or construction of qualifying assets are considered as a part of cost of such assets less interest earned on the temporary investment. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Statement of profit and loss in the year in which they are incurred.

**h) Taxes on Income:**

**Current Income Taxes:**

Current income tax liabilities are measured at the amount expected to be paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in other comprehensive income / equity is recognized similarly and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Deferred Taxes:**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, when the deferred tax liability arises from an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except, when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

**MAT:**

Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which give rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax after the specified years. Accordingly, MAT is recognized as deferred tax asset in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefits associated with it will flow to the Company.

**i) Provisions, Contingent Liabilities and Contingent Assets:**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

When the Company expects part or entire provision to be reimbursed, the same is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A Contingent Liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of enterprise or a present obligation that arises from past events that may, but probably will not, require an outflow of resources.

Both provisions and contingent liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the Financial Statements.

**j) Earnings Per Share:**

Basic Earnings Per Share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average numbers of equity shares outstanding during the year are adjusted for events including a bonus issue, bonus element in right issue to existing shareholders, share split, and reverse share split (consolidation of shares).

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

**k) Cash and Cash Equivalent:**

Cash and cash equivalent for the purpose of Cash Flow Statement comprise cash at bank and in hand.

**l) Statement of Cash Flow:**

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**m) Segment Reporting:**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Company has been identified as being the Chief Operating Decision Maker (CODM) by the management of the Company. The Company has single reportable segments. However the Company has no separate reportable segment.

**n) Significant Accounting Judgements, Estimates and Assumptions:**

The preparation of Financial Statements is in conformity with the recognition and measurement principles of Ind AS which requires the management to make judgements for estimates and assumptions that affect the amounts of assets, liabilities and the disclosure of contingent liabilities on the reporting date and the amounts of revenues and expenses during the reporting period and the disclosure of contingent liabilities. Differences between actual results and estimates are recognized in the period in which the results are known/ materialize.

**i) Estimation of current tax expense and deferred tax:**

The calculation of the Company's tax charge necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits/losses and/or cash flows. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

**ii) Recognition of deferred tax assets/ liabilities:**

The recognition of deferred tax assets/liabilities is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts.

**iii) Estimated fair value of Financial Instruments:**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Management uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

**Note 3: Property, Plant & Equipment**

| Particulars | Gross Block | | | Depreciation | | | WDV as on 31st March 2021 | WDV as on 31st March 2020 |
|---|---|---|---|---|---|---|---|---|
| | Opening as on 01.04.2020 | Additions/Deduction during the year | Closing As at 31.03.2021 | Opening as on 01.4.2020 | during the year | Closing as at 31.03.2021 | | |
| Computers | 1,12,249 | - | 1,12,249 | 1,03,626 | 7,296 | 1,10,922 | 1,327 | 8623 |
| Office Equipments | 51,100 | - | 51,100 | 18,628 | 6,687 | 25,315 | 25,785 | 32,467 |
| **TOTAL** | **1,63,349** | **-** | **1,63,649** | **1,22,254** | **13,983** | **1,36,237** | **27,112** | **41095** |
| **Previous Year** | **1,63,349** | **0** | **1,63,649** | **94,152** | **28107** | **1,22,254** | **41095** | |

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

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|---|---|
| Advance Tax Paid | **2,00,000** | 2,00,000 |
| **TOTAL** | **2,00,000** | 2,00,000 |

**Note 5: Current Investments**

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|---|---|
| **Investment measured at Fair Value through OCI** Investments in Quoted Shares | **29,52,589** | 35,55,334 |
| Add/(Less): Provision for Change in value of Investments | **(6,77,920)** | (6,02,745) |
| **TOTAL** | **22,74,669** | 29,52,589 |

**Note 6: Trade Receivable**

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|---|---|
| Trade receivables outstanding for less than six months | **11,65,327** | 11,65,327 |
| Trade receivables outstanding for more than six months | **2,68,481** | 2,68,481 |
| **TOTAL** | **14,33,809** | 14,33,809 |

**Note 7: Cash and Cash Equivalent**

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|---|---|
| Balance with Bank (Current Account) | **27,157** | 31,757 |
| Cash in hand | **2,16,847** | 55,396 |
| **TOTAL** | **2,44,004** | 87,153 |

**Note 8: Loans& Advances**

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|---|---|
| Loan to Related Parties | **-** | - |
| Short Term Loans & Advances to others | **47,60,911** | 47,13,911 |
| **TOTAL** | **47,60,911** | 47,13,911 |

**Note 9: Other Current Assets**

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|---|---|
| Balance with Government Authorities (TDS Receivable) | **0** | 0 |
| Advances to creditors | **1,31,28,234** | 1,31,28,234 |
| Advance to CDSL | **0** | 0 |
| Other Advance | **0** | 0 |
| Other Current Assets | **26,070** | 17,163 |
| **TOTAL** | **1,31,54,304** | 1,31,45,397 |

**Note 10: Non-Current Liabilities – Deferred Tax Liability**

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|---|---|
| Opening Deferred Tax | **1,54,744** | 68,948 |
| Liability/(Asset) occurred during the year | **1,78,977** | 85,796 |
| **TOTAL** | **3,33,721** | 1,54,744 |

**Note 11: Equity Share Capital**

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|---|---|
| **Authorized Capital**<br>12,50,000 ( Previous Year 12,50,000) Equity Shares of Rs. 10/- each | **1,25,00,000** | 1,25,00,000 |
| **TOTAL** | **1,25,00,000** | 1,25,00,000 |
| **Issued , Subscribed and Paid up Capital**<br>11,00,000 ( Previous Year 11,00,000) Equity Shares of Rs. 10/- each, Fully paid up | **1,10,00,000** | 1,10,00,000 |
| **TOTAL** | **1,10,00,000** | 1,10,00,000 |

**Reconciliation of No. of Shares outstanding at the beginning and at the end of the Year**

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|---|---|
| Number of Equity Shares at the beginning | **11,00,000** | 11,00,000 |
| Number of Equity Shares at the end | **11,00,000** | 11,00,000 |

**Details of the Shareholders holding more than 5% of Equity Shares in the Company**

| Particulars | No of Shares Held | % of Shares |
|---|---|---|
| **Prakash Bhoorchand Shah** | | |
| Current Year | 3,73,350 | 34.03% |
| Previous Year | 3,73,350 | 34.03% |
| **Jitendra Bhanwarlal Salecha** | | |
| Current Year | 1,50,000 | 13.63% |
| Previous Year | 1,50,000 | 13.63% |

**Note 12: Other Equity**

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|---|---|
| **Surplus (Profit and Loss Account)** | | |
| Opening Balance | **24,46,397** | 34,00,907 |
| Add: Movement in OCI (Net) the year | **(5,01,660)** | (2,53,638) |
| Add: Profit (Loss) for the Year | **(11,43,215)** | (7,00,871) |
| **TOTAL** | **8,02,115** | 24,46,397 |

**Note 13: Current Liabilities- Borrowings**

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|---|---|
| **Unsecured** | | |
| Loan from Director | **15,55,196** | 3,50,000 |
| Intercorporate Loan | **6,00,000** | 6,00,000 |
| **TOTAL** | **21,55,196** | 9,50,000 |

**Note 14: Current Liabilities- Trade Payables**

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|---|---|
| Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises | **68,21,486** | 68,05,653 |
| **TOTAL** | **68,21,486** | 68,05,653 |

**Note 15: Current Liabilities- other financial liability**

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|---|---|
| Statutory Payables | **1,59,608** | 1,24,214 |
| **TOTAL** | **1,59,608** | 1,24,214 |

**Note 16: Current Liabilities- Provisions**

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|---|---|
| Provision for Tax | **10,49,670** | 11,20,980 |
| Provision for Employee Benefit Expenses | **2,50,000** | 1,50,000 |
| Provision for Expenses | **1,90,454** | 1,31,454 |
| **TOTAL** | **14,90,124** | 14,02,434 |

**Note 17: Other Income**

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|---|---|
| Interest | **3,17,000** | 4,07,000 |
| Income Tax Refund | **0** | 1,350 |
| Misc. Income | **0** | (720) |
| Dividend | **236** | 0 |
| **TOTAL** | **3,17,236** | 4,07,630 |

**Note 18: Employee Benefit Expenses**

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|---|---|
| Salaries and Wages | **4,40,000** | 3,33,000 |
| Staff Welfare Expenses | **0** | 49,262 |
| **TOTAL** | **4,40,000** | 3,82,262 |

**Note 19: Other Expenses**

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|---|---|
| Administrative Expenses | **0** | 0 |
| Accounting Charges | **55,000** | 30,000 |
| AMC Charges | **0** | 0 |
| Annual Custodial Fees | **53,030** | 0 |
| Audit Fees | **59,000** | 59,000 |
| Bank Charges | **1,154** | 6,38 |
| Books & Periodicals | **0** | 4,860 |
| Computer maintenance | **0** | 0 |
| Conveyance | **19,450** | 22,445 |
| Interest paid for delay payment | **0** | 0 |
| Demat Charges | **4,022** | 590 |
| Rent Rates & Taxes | **0** | 0 |
| Filing Fees - R.O.C. | **19,900** | 0 |
| Interest Written Off | **2,70,000** | 4,800 |
| Interest on TDS | **0** | 13,954 |
| Interest on Delay Payment | **0** | 0 |
| Legal & professional Charges | **0** | 0 |
| Listing & Custodial Fees | **3,54,000** | 3,54,450 |
| Lodging & Boarding Charges | **0** | 0 |
| Miscellaneous Expenses | **17,124** | 5,271 |
| Office Expenses | **11,618** | 22,601 |
| Postage & Telegram | **0** | 1,994 |
| Printing & Stationery | **6,063** | 6,795 |
| Loss on sale of Investments | **0** | 0 |
| Professional Fees | **40,000** | 45,000 |
| Publication Expenses | **29,849** | 38,188 |
| Repairs & Maintenance | **0** | 0 |
| R&T Charges | **48,380** | 76,683 |
| Sundry Balances Written Off (Amount no more recoverable) | **0** | 0 |
| Telephone Expenses | **7,757** | 3,760 |
| Travelling Expenses | **0** | 4,980 |
| Electricity Expenses | **12,243** | 0 |
| **TOTAL** | **10,08,590** | 6,96,009 |

**Other Notes to Accounts**

**I. Earnings Per Share:**

| Particulars | Current Year | Previous Year |
|---|---|---|
| Profit/(Loss) for the year after Tax (₹ in lakhs) | **(11,43,215)** | (7,00,871) |
| Weighted Average number of Equity Shares | **11,00,000** | 11,00,000 |
| Earnings per Share (of ₹ 10/- each) | **(1.04)** | (0.64) |

**II. Related Party Information & Transactions with Related Parties:**

| | |
|---|---|
| Directors | Mr. Prakash Shah |
| Nature of Transaction | Short Term Loan |
| Op. Balance | 3,50,000 |
| Credit | 12,05,196 |
| Debit | 0 |
| Cl. Balance | 15,55,196 |

**III. Segment Reporting:**

The Company has no separate reporting segment.

**IV. Financial Instrument:**

The significant accounting policies, including the criteria of recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability, and equity instrument are disclosed in note 2.2 of the Ind AS financial statement.

**(a) Financial Assets and Liabilities**

The carrying values of financial instruments by categories as at 31st March, 2021 are as follows:

| Particulars | Note No. | Fair Value through Profit / Loss | Fair Value Through OCI | Amortized Cost | Total carrying Value |
|---|---|---|---|---|---|
| **Financial Assets** | | | | | |
| **Current** | | | | | |
| Investment | 5 | **-** | 22,74,669 | **-** | **22,74,669** |
| Trade receivables | 6 | | **-** | 1,45,62,000 | **1,45,62,000** |
| Cash and cash equivalents | 7 | **-** | **-** | 2,44,004 | **2,44,004** |
| Loans & Advances | 8 | | | 47,60,911 | **47,60,911** |
| **TOTAL** | | **-** | **22,74,669** | **1,95,66,915** | **2,18,41,584** |
| **Financial Liabilities** | | | | | |
| **Current** | | | | | |
| Trade Payables | 15 | - | - | 68,21,485 | **68,21,485** |
| Other Financial liabilities | 16 | - | - | 1,59,608 | **1,59,608** |
| **TOTAL** | | - | **-** | **69,81,093** | **69,81,093** |

The carrying values of financial instruments by categories as at 31st March, 2020 are as follows:

| Particulars | Note No. | Fair Value through Profit / Loss | Fair Value Through OCI | Amortized Cost | Total carrying Value |
|---|---|---|---|---|---|
| **Financial Assets** | | | | | |
| **Current** | | | | | |
| Investments | 5 | **-** | 29,52,589 | **-** | **29,52,589** |
| Trade receivables | 6 | | **-** | 1,45,62,000 | **1,45,62,000** |
| Cash and cash equivalents | 7 | **-** | **-** | 87,152 | **87,152** |
| Loans & Advances | 8 | | | 47,13,911 | **47,13,911** |
| **TOTAL** | | **-** | **29,52,589** | **1,93,63,063** | **2,23,15,652** |
| **Financial Liabilities** | | | | | |
| **Current** | | | | | |
| Trade Payables | 15 | - | - | 68,55,993 | **68,55,993** |
| Other Financial liabilities | 16 | - | - | 1,24,214 | **1,24,214** |
| **TOTAL** | | - | **-** | **69,80,207** | **69,80,207** |

**Fair Value Hierarchy**

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of the following three levels:

**Level 1:** Inputs are quoted prices (unadjusted) in active markets for identical assets and liabilities.

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

**Level 3:** Inputs are not based on observable market data unobservable inputs. Fair value are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following table summarizes financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured on fair value on recurring basis (but fair value disclosures are required)

| **As at 31st March, 2021** | **Level 1** | **Level 2** | **Level 3** | **Total** |
|---|---|---|---|---|
| **Financial Assets :** *Investments measured at Fair value through Other Comprehensive Income* | | | | |
| Investments in Quoted Equity Shares | 22,74,669 | - | - | **29,52,589** |

| **As at 31st March, 2020** | **Level 1** | **Level 2** | **Level 3** | **Total** |
|---|---|---|---|---|
| **Financial Assets :** *Investments measured at Fair value through Other Comprehensive Income* | | | | |
| Investments in Quoted Equity Shares | 29,52,589 | - | - | **29,52,589** |

**V.** The Company's financial statements were authorized for issue in accordance with a resolution of the Board of Directors on 30th July, 2020 in accordance with the provisions of the Companies Act, 2013 and are subject to the approval of the shareholders at the Annual General Meeting.

**VI.** The figures in the financial statements are rounded off to the nearest lakhs and indicated in lakhs of Rupees.

**VII**. Previous year's figures have been regrouped/re-arranged wherever necessary in order to conform to those of the Current Year.

**For Laxmikant Kabra & Co. LLP**
**Chartered Accountants**
**Firm Registration No.:117183W**

**For and on behalf of the Board**

| | | | | |
|---|---|---|---|---|
| **Sd-** | **Sd-** | **Sd-** | **Sd-** | **Sd-** |
| **CA Laxmikant Kabra** | **Suman Shah** | **Prakash shah** | **Neha Kulkarni** | **Jayshri Jain** |
| **Partner** | (Director) | (Director) | (Company Secretary) | (CFO) |
| **Membership No.: 101839** | | | | |
| **Place: Mumbai** | | | | |
| **Date: June 30, 2021** | | | | |

**SANMITRA COMMERCIAL LIMITED**
CIN: L74120MH1985PLC034963
Registered Office: 13, Prem Niwas, 652, Dr. Ambedkar Road
Khar (West), Mumbai - 400052

**PROXY FORM**

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

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

I/We, bearing the member(s) of _____ shares of Sanmitra Commercial Limited, hereby appoint:

| | | |
|---|---|---|
| 1. | Name : | |
| | Address: | |
| | | |
| | E-mail address: | or failing him |
| 2. | Name : | |
| | Address: | |
| | | |
| | E-mail address: | or failing him |
| 3. | Name : | |
| | Address: | |
| | | |
| | E-mail address: | or failing him |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 37th Annual General Meeting of the Company, to be held on the Monday, 27th September, 2021 at 11:30 a.m. at 71, Laxmi Building, Sir P. M. Road, Fort, Mumbai – 400 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

| | |
|---|---|
| **Ordinary Business** | |
| 1. | Adoption of the Financial Statements for the financial year ended 31st March 2021 and the Board of Directors' and Auditors' Reports thereon. |
| 2. | To re-appoint Mr. Prakash Shah (DIN: 01764668), who retires by rotation at this Annual General Meeting and being eligible, to offers himself for re-appointment. |
| **Special Business** | |
| 3. | Appointment of Mr. Himanshu Khatri (DIN: 08974992) as Non-executive Independent Director on the Board for the period of 5 years. |

Signed this _____ day of _____ 2021

Affix Revenue Stamp of ₹ 1

Signature of Shareholder Signature of Proxy

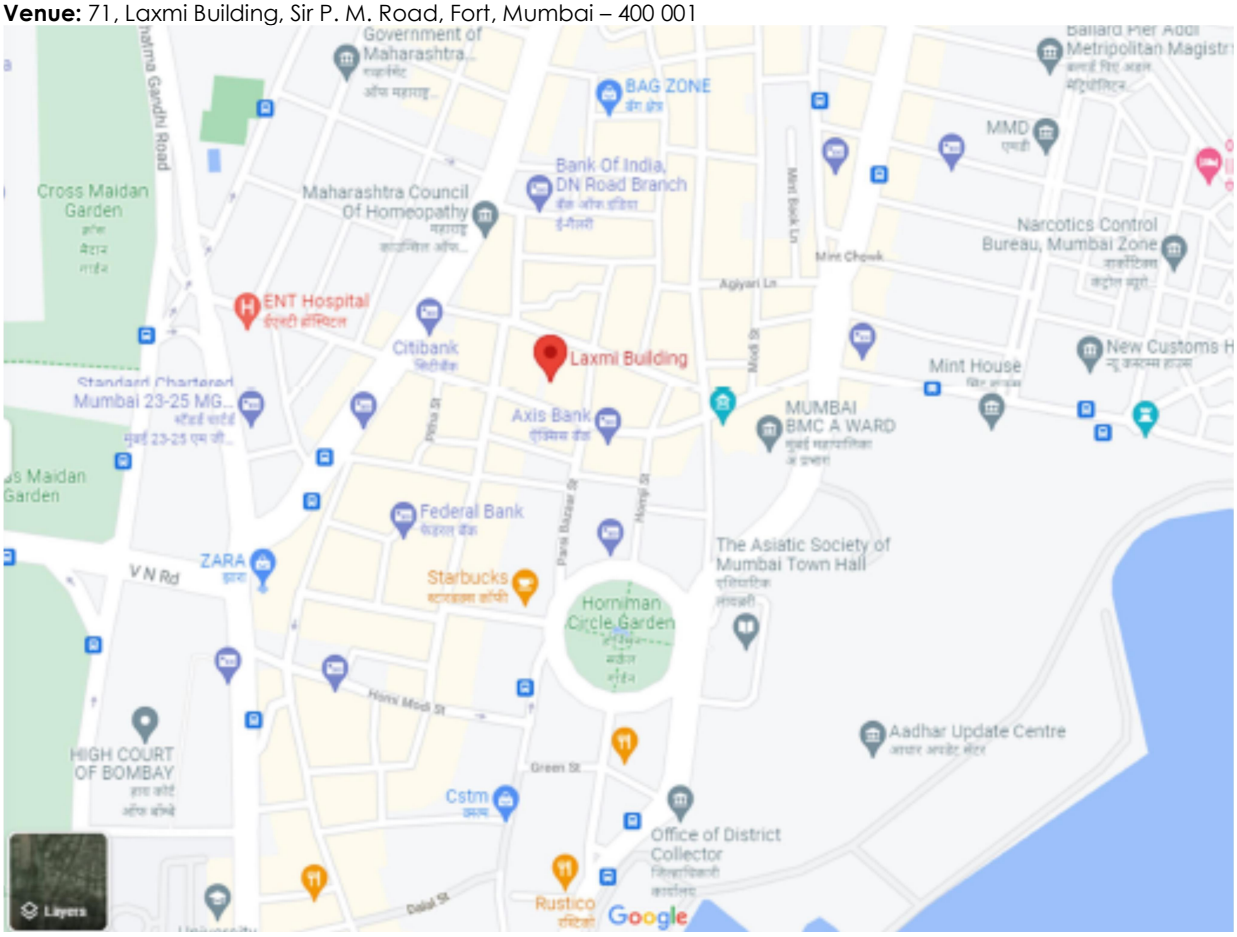
Notes:
1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

2. For the resolutions, explanatory statement and notes please refer notice of 37th Annual General Meeting.

## NOTE

Route Map to the AGM Venue

**Venue:** 71, Laxmi Building, Sir P. M. Road, Fort, Mumbai – 400 001




*If undelivered, please return to;*
**SANMITRA COMMERCIAL LIMITED**
**13, Prem Niwas, 652, Dr. Ambedkar Road,**
**Khar (West), Mumbai – 400 052**