

ARYAMAN

FINANCIAL SERVICES LIMITED

27th

Annual Report
2020-21

CORPORATE INFORMATION

CIN: L74899DL1994PLC059009

BOARD OF DIRECTORS:

EXECUTIVE DIRECTORS:

- Mr. Shripal Shah
- Mr. Shreyas Shah

INDEPENDENT DIRECTORS:

- Mr. Darshit Parikh
- Mr. Ram Gaud
- Mr. Abhinav Anand

NON-EXECUTIVE DIRECTOR :

- Mrs. Meloni Shah

KEY MANAGERIAL PERSON:

- Mr. Shripal Shah (Chief Financial Officer)
- Ms. Chaitali Pansari (Company Secretary)

COMMITTEES:

AUDIT COMMITTEE:

- Mr. Darshit Parikh (Chairman)
- Mr. Shripal Shah (Member)
- Mr. Ram Gaud (Member)

STAKEHOLDERS RELATIONSHIP COMMITTEE:

- Mr. Darshit Parikh (Chairman)
- Mr. Abhinav Anand (Member)
- Mr. Shripal Shah (Member)

NOMINATION REMUNERATION COMMITTEE:

- Mr. Darshit Parikh (Chairman)
- Mr. Ram Gaud (Member)
- Mr. Abhinav Anand (Member)

STATUTORY AUDITOR:

M/s V. N. Purohit & Co.,
Chartered Accountants
(Firm Registration No. 304040E)
214, New Delhi House. 2nd Floor
27, Barakhamba Road
New Delhi- 110001

REGISTRAR AND SHARE TRANSFER AGENT:

Adroit Corporate Services Private Limited
19/20, Jafferboy Industrial Estate
1st Floor, Makwana Road,
Marol Naka, Andheri (E),
Mumbai – 400 059

CORPORATE OFFICE:

60, Khatau Building, Ground. Floor,
Alkesh Dinesh Modi Marg,
Fort, Mumbai – 400 001

REGISTERED OFFICE:

102, Ganga Chambers, 6A/1, W.E.A.,
Karol Bagh,
New Delhi – 110 005

Request to Members

Members are requested to send their queries, if any, relating to the annual report, shareholding, etc., to the Company Secretary at the Corporate Office of the Company, on or before Wednesday, September 22, 2021, so that the answers / details can be kept ready at the Annual General Meeting.

Ms. Chaitali Pansari (Company Secretary)
60, Khatau Building, Ground. Floor,
Alkesh Dinesh Modi Marg,
Fort, Mumbai – 400 001
Tel: 022 – 6216 6999
Fax: 022 – 2263 0434
Mail Id: info@afsl.co.in

NOTICE

NOTICE is hereby given that the **Twenty Seventh Annual General Meeting** of the Members of **Aryaman Financial Services Limited** will be held on **Wednesday, September 29, 2021** at **02:00 P.M.** through Video Conference (VC) / Other Audio-Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS:

1) To consider and adopt :-

   a. the Audited Financial Statements of the company for the financial year ended March 31, 2021, together with the Report of the Board and the Auditors thereon; and

   b. the Audited Consolidated Financial Statements of the company for the financial year ended March 31, 2021, together with the Report of the Board and the Auditors thereon.

2) To appoint a Director in place of Mr. Shreyas Shah (DIN: 01835575), who retires by rotation and being eligible, offer himself for re-appointment.

NOTES:

1. Due to the outbreak of COVID-19 pandemic, the Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020, 14/2020, 17/2020 and 02/2021 and SEBI vide its Circular No. SEBI/ HO/ CFD/ CMD1/ CIR/ P/ 2020/ 79 and SEBI/HO/ CFD/CMD2/CIR/P/2021/11 and all other relevant circulars issued from time to time allowed the Companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) without the physical presence of the Members at a common venue. In accordance with, the said circulars of MCA, SEBI and applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the 27th AGM of the Company shall be conducted through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company. Participation of members through VC / OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013.

2. In compliance with the aforesaid MCA and SEBI Circulars, Notice of the AGM and Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company/RTA/Depositories. Members may note that the Notice of the AGM and Annual Report will also be available on the Company's website at www.afsl.co.in website of BSE Limited at www.bseindia.com Further, the Notice of AGM shall also be available on the website of the e-voting agency- Central Depository Services (India) Limited at www.evotingindia.com

3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, since the physical attendance of Members has been dispensed with, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the Attendance Slip, Route Map and Proxy Form are not annexed to this Notice.

4. Corporate Members are requested to send a scanned copy (PDF / JPEG format) of the Board Resolution authorizing its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, to feedback@afsl.co.in

5. The attendance of the members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

6. The Members can join the AGM through VC / OAVM mode 30 minutes before and after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice.

7. The statutory documents of the Company and/or the documents referred to in this Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice upto the date of AGM, i.e September 29, 2021. Members seeking to inspect can send an e- mail to feedback@afsl.co.in

8. As per Regulation 40 of SEBI Listing Regulations, as amended, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository w.e.f April 1, 2019. Further, SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated September 7, 2020 read with SEBI/HO/MIRSD/RTAMB/CIR/P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. In view of this, members holding shares in physical form are requested to consider converting their holdings to demat form to avoid hassle in transfer of shares.

9. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective depository participants, and members holding shares in physical mode are requested to update their email addresses with the Company's RTA to receive all communication (including Annual Report) in electronic mode.

10. SEBI has mandated the submission of PAN by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the Company's RTA.

11. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, etc., to their DPs if the shares are held by them in demat form and to Company's RTA if the shares are held by them in physical form.

12. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company's RTA, the details of such folios together with the share certificates and self attested copy of PAN card and Aadhar card for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

13. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's RTA. In respect of shares held in demat form, the nomination form may be filed with the respective Depository Participant.

14. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, September 23, 2021 to Wednesday, September 29, 2021.

15. The details relating to ordinary business forms part of the Explanatory Statement pursuant to Section 102(1) of the Act to be transacted at the AGM, which is annexed hereto.

A. Voting through electronic means

1. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to e-voting Facility provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.

2. The remote e-voting period commences on **Saturday, September 25, 2021 (9:00 a.m.)** and ends on **Tuesday, September 28, 2021 (5:00 p.m.)**. During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **Friday, September 17, 2021**, may cast their vote by remote

e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

3. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

4. Mr. Jigarkumar Gandhi, Practicing Company Secretary (Membership No. F7569) 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.

5. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

Login method for e-Voting and joining virtual meeting for individual shareholders holding securities in demat mode.

i. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020,** under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

ii. In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 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.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	**Login Method**
Individual Shareholders holding securities in Demat mode with **CDSL**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing 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/login or www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the E voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/NSDL/KARVY/LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration 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 where the E Voting is in progress.
Individual Shareholders holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is 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 3) 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
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. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
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.comor contact at 022-23058738 and 22-23058542-43.

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.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

iii. Login method of e-Voting for **shareholders other than individual shareholders & physical shareholders.**

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on "Shareholders" module.

3) Now enter your User ID

   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physica Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

7) After entering these details appropriately, click on "SUBMIT" tab.

8) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

9) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

10) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

11) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

12) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

13) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

14) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

15) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

16) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

17) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**

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

INSTRUCTIONS FOR SHAREHOLDERSATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting &e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.

3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **5 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **5 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.

2. For Demat shareholders -, please provide Demat account detials (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **Company/RTA email id**.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

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

OTHER INSTRUCTIONS:

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting (votes cast during the AGM and votes cast through remote e-voting) and make, not later than two working days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

2. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.afsl.co.in and on the website of CDSL www.evotingindia.com , immediately. The Company shall simultaneously forward the result to BSE Limited, where the shares of the Company are listed.

GREEN INTIATIVE

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' initiated by the Ministry of Corporate Affairs, Government of India (MCA), by its recent circulars, enabling electronic delivery of documents including the annual reports, notices, circulars to shareholders at their e-mail address previously registered with the depository participants (DPs)/company/registrars and share transfer agents. Shareholders who have not registered their e-mail addresses so far are requested to register their e-mail addresses to help us in the endeavour to save trees and protect the planet. Those holding shares in demat form can register their email address with their concerned DP. Those shareholders who hold shares in physical form are requested to register their e-mail addresses with our registrar, Adroit Corporate Services Pvt. Ltd, by sending a duly filed "registration / updation of shareholder information form" available on http://afsl.co.in/investor-relation.html, duly signed by the first /sole holder quoting details of folio no.

16. **All queries relating to Share Transfer and allied subjects should be addressed to:**
Adroit Corporate Services Private Limited
19/20, Jafferboy Industrial Estate
1st Floor, Makwana Road,
Marol Naka, Andheri (E),
Mumbai – 400 059

Registered Office:
102, Ganga Chambers,
6A/1, W.E.A., Karol Bagh,
New Delhi – 110 0051
Tel : 022 – 6216 6999
Fax: 022 – 2263 0434
CIN: L74899DL1994PLC059009
Website: http://www.afsl.co.in
Email: info@afsl.co.in

By Order Of The Board Of Directors
FOR ARYAMAN FINANCIAL SERVICES LIMITED

Sd/-
CHAITALI PANSARI
(Company Secretary)
Mumbai, Thursday, August 26, 2021

Annexure - A

The relevant details of directors who is proposed to be re-appointed directors of the Company, as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 issued by the Company Secretaries of India are as under;

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT	
PARTICULARS	**MR. SHREYAS SHAH**
Current Position	Executive Director (Liable to retire by rotation)
Age:	33 Years
Qualification:	BMS, LLB
Experience:	More than 10 Years in the field of investments and finance
Expertise in specific functional areas	His functional responsibility handling the business development of the Company.
Date of first Appointment:	May 29, 2013
Number of Board Meetings attended during the year:	Attended all the meetings held till date in F.Y. 2020-21
Shareholding in the Company:	90,000 Equity Shares
Relationship with Other Directors:	Mr. Shripal Shah (Brother)
Other Directorships:	1) Mahshri Enterprises Private Limited; 2) Aryaman Capital Markets Limited; 3) Escorp Asset Management Limited; 4) Roopshri Resorts Limited 5) Overskud Multi Asset Management Private Limited
Memberships / Chairmanship of Committees:	Member of Stakeholder Relationship Committee of Roopshri Resorts Limited.

BOARD'S REPORT

To,
The Members,

Your Directors take pleasure in presenting their ***Twenty Seventh Annual Report*** on the Business and Operations of the Company and the Accounts for the Financial Year ended 31st March, 2021 (period under review).

1. FINANCIAL PERFORMANCE OF THE COMPANY:

The summary of consolidated and standalone financial highlights for the financial year ended March 31, 2021 and previous financial year ended March 31, 2020 is given below:

Consolidated Financial Performance:

(₹ in lakhs)

Particulars	31-Mar-2021	31-Mar-2020
Total Income	**13,809.18**	**8,946.18**
Less: Expenditure	13,702.76	8,815.15
Profit before Depreciation	**120.19**	**145.06**
Less: Depreciation	13.78	14.04
Profit before Tax	**106.41**	**131.02**
Provision for Taxation	23.21	37.73
Profit after Tax	**83.20**	**93.29**
Other Comprehensive Income	**901.10**	**(209.07)**
Total Comprehensive Income	**984.30**	**(115.78)**
Total Profit/Loss for the year attributable to:		
Owners of the Company	76.54	90.71
Non-Controlling Interests	6.66	2.59
Other Comprehensive Income for the year attributable to:		
Owners of the Company	465.81	(153.48)
Non-Controlling Interests	435.29	(55.59)
Total Comprehensive Income/Loss for the year attributable to:		
Owners of the Company	542.35	(62.77)
Non-Controlling Interests	441.96	(53.00)
Earning Per Share (Face Value of ₹10)		
(1) Basic	**0.71**	**0.80**
(2) Diluted	**0.71**	**0.80**

Standalone Financial Performance:

(₹ in lakhs)

Particulars	31-Mar-2021	31-Mar-2020
Total Income	**282.06**	**478.12**
Less: Expenditure	212.52	358.04
Profit before Depreciation	**61.42**	**112.70**
Less: Depreciation	8.12	7.38
Profit before Tax	**69.54**	**120.08**
Provision for Taxation	12.02	36.58
Profit after Tax	**57.52**	**83.50**
Other Comprehensive Income		
Total Comprehensive Income	**57.52**	**83.50**
Earning Per Share (Face Value of ₹10)		
(1) Basic	**0.49**	**0.71**

(2) Diluted	**0.49**	**0.71**

2. REVIEW OF OPERATIONS

Standalone:
The Total Income of the Company stood at Rs. 282.06 Lacs for the year ended March 31, 2021 as against Rs 478.12 Lacs in the previous year. The Company made a Net Profit of Rs. 57.52 Lacs for the year ended March 31, 2021 as compared to the Net Profit of Rs. 83.50 Lacs in the previous year.

Consolidated:
The Consolidated Total Income is Rs. 13,809.18 Lacs for the financial year ended March 31, 2021 as against Rs. 8,946.17 Lacs during the previous financial year. Consolidated Net Profit is Rs. 83.20 Lacs for the year ended March 31, 2021 as compared to Rs. 93.29 Lacs in the previous year registering a decrease of 10.82%

The consolidated financials reflect the cumulative performance of the Company together with its subsidiaries. Detailed description about the business carried on by these entities including the Company is contained in the Management Discussion and Analysis report forming part of this Annual Report.

3. TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013

The Board has decided not to transfer any amount to the Reserves for the year under review.

4. CASH FLOW AND CONSOLIDATED FINANCIAL STATEMENTS:

As required under regulation 34 of the SEBI (LODR) Regulations, 2015, a Cash Flow Statement forms part of Annual Report.

5. DIVIDEND:

The dividend policy for the year under review has been formulated taking into consideration of growth of the company and to conserve resources, the Directors do not recommend any dividend for year ended March 31, 2021.

6. TRANSFER OF UNPAID AND UNCLAIMED DIVIDENDS TO INVESTOR EDUCATION AND PROTECTION FUND

The Ministry of Corporate Affairs under Sections 124 and 125 of the Companies Act, 2013 requires dividends that are not encashed/ claimed by the shareholders for a period of seven consecutive years, to be transferred to the Investor Education and Protection Fund (IEPF). In FY 2020-21, there was no amount due for transfer to IEPF.

7. SHARE CAPITAL

The authorized share capital of the company is Rs. 11,70,00,000/- divided into 1,17,00,000 equity shares of Rs. 10/-

The paid-up share capital of the Company is Rs 11,68,20,000 divided into 1,16,82,000 Equity shares of Rs. 10/-

Company has appointed M/s Bigshare Services Private Limited as the Registrar and Transfer Agent of the Company.

8. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

Management's Discussion and Analysis Report for the year under review, in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") and SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (the "Amended Listing Regulations"), is presented in a separate section forming part of the Annual Report.

9. CHANGE IN NATURE OF BUSINESS, IF ANY

There has been no change in nature of business of the Company during the FY under review.

10. DISCLOSURES BY DIRECTORS

The Board of Directors have submitted notice of interest in Form MBP 1 under Section 184(1)as well as intimation by directors in Form DIR 8 under Section 164(2) and declarations as to compliance with the Code of Conduct of the Company.

11. REMUNERATION POLICY:

The Company has framed a Nomination and Remuneration Policy pursuant to Section 178 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The Policy is provided in Annexed to this Report as "*Annexure*

12. MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments, which affect the financial position of the Company which have occurred between the end of the FY and the date of this Report.

13. EXTRACT OF ANNUAL RETURN:

The weblink for accessing extract of annual return is https://www.afsl.co.in/investor-relation.php

14. CHANGE IN SHARE CAPITAL:

There was no change in Share Capital for year ended March 31, 2021.

15. FAMILIARISATION PROGRAMME FOR DIRECTORS

As a practice, all Directors (including Independent Directors) inducted to the Board go through a structured orientation programme. Presentations are made by Senior Management giving an overview of the operations, to familiarise the new Directors with the Company's business operations. The Directors are given an orientation on the products of the business, group structure and subsidiaries, Board constitution and procedures, matters reserved for the Board, and the major risks and risk management strategy of the Company.

During the year under review, no new Independent Directors were inducted to the Board.

16. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

i. Change in Directors

During the period under review, there were no changes in Director.

ii. Committees of Board of Directors

There has been no change in Committees of Board of Directors during period under review.

iii. Independent Directors

Independent Directors have provided their confirmation, that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

An independent director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for reappointment for next five years on passing of a special resolution by the Company.

iv. Retirement by Rotation of the Directors

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Shreyas Shah, Executive Director of the Company, retires by rotation and offers himself for re- appointment.

The brief resume of Mr. Shreyas Shah, the nature of his expertise in specific functional areas, names of the companies in which he has held directorships, his shareholding etc. are furnished in the "Annexure A" to notice of the ensuing AGM.

17. KEY MANAGERIAL PERSONNEL

As on 31st March 2021, the Key Managerial Personnel (KMP) of the Company appointed under the provisions of Section 203 of the Companies Act, 2013, are Shripal Shah (Chief Financial Officer), Chaitali Pansari (Company Secretary & Compliance Officer)

18. BOARD MEETINGS:

During the year, Six Board Meetings were convened and duly held. The details of which are given in the Corporate Governance Report, which forms part of this report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

19. AUDIT COMMITTEE:

The Audit Committee comprises of, Mr. Darshit Parikh (Chairman), Mr. Shripal Shah (Member) and Mr. Ram Gaud (Member). Powers and role of the Audit Committee are included in the Corporate Governance Report. All the recommendation made by the Audit Committee was accepted by the Board of Directors.

20. BOARD EVALUATION:

Your Board has devised an Evaluation Policy for evaluating the performance of the Board, its Committees, Executive Directors, Independent Directors. Based on the same, the performance was evaluated for the financial year ended March 31, 2021. As part of the evaluation process, the performance of Non- Independent Directors, the Chairman and the Board was conducted by the Independent Directors. The performance evaluation of the respective Committees and that of Independent and Non- Independent Directors was done by the Board excluding the Director being evaluated.

The policy inter alia provides the criteria for performance evaluation such as Board effectiveness, quality of discussion, contribution at the meetings, business acumen, strategic thinking, time commitment, and relationship with the stakeholders, corporate governance practices, contribution of the committees to the Board in discharging its functions etc.

The Board carried out formal annual evaluation of its own performance and that of its Committees viz., the Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee (NRC). The Board also carried out the performance evaluation of all the individual directors including the Chairman of the Company. Additionally, NRC also carried out the evaluation of the performance of all the individual directors and Chairman of the Company. The performance evaluation was carried out by way of obtaining feedback from the Directors through a structured questionnaire prepared in accordance with the policy adopted by the Board and after taking into consideration the Guidance Note on Board Evaluation issued by Securities and Exchange Board of India.

The feedback received from the Directors through the above questionnaire was reviewed by the Chairman of the Board and the Chairman of the NRC and then discussed the same at the meetings of the Board and NRC respectively. The performance evaluation of the Chairman, Whole Time Director and the Board as a whole was carried out by the Independent Directors at their separate meeting.

21. CORPORATE SOCIAL RESPONSIBILITY

The Company does not fall under the criteria laid under the provisions of Section 135 of the Act and rules framed there under. Therefore, the provisions of Corporate Social Responsibility are not applicable to the Company.

22. AUDITORS:

i. Statutory Auditors:

Subject to the amendment stated in The Companies Amendment Act, 2017 read with Notification S.O. 1833(E) dated 7th May 2018 deleting the provision of annual ratification of the appointment of auditor, the requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with and no resolution has been proposed for the same.

ii. Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed JNG & CO., a firm of Company Secretaries in Practice (CP No. 8108), to undertake the Secretarial Audit of the Company for the F.Y. 2020-21. The Secretarial Audit Report for F.Y. 2020-21 is annexed herewith as *"Annexure II"*.

iii. Cost Auditor:

Your Company is principally engaged into Merchant Banking. Therefore, Section 148 of the Companies Act, 2013 is not applicable to the Company.

iv. Internal Auditor:

The Board of Directors, based on the recommendation of the Audit Committee and pursuant to the provisions of section 138 of the Act read with the Companies (Accounts) Rules, 2014, has reappointed M/s Gaurav Shiv & Co, Chartered Accountants, Delhi (FRN No. 032322N) as the Internal Auditors of your Company for the financial year 2021-2022 . The Internal Auditor conducts the internal audit of the functions and operations of the Company and reports to the Audit Committee and Board from me to me.

23. AUDITOR'S REPORT:

The Auditor's Report and Secretarial Auditor's Report does not contain any qualifications, reservations or adverse remarks. Report of the Secretarial Auditor is given as an Annexure, which forms part of this report.

24. SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENT:

As on March 31, 2021, your Company has (Aryaman Capital Markets Limited & Escorp Asset Management Limited). There are no associate companies or joint venture companies within the meaning of Section 2(6) of the Act. There are no changes in subsidiaries, during the period under review.

The Annual Accounts of the above referred subsidiary shall be made available to the shareholders of the Company and of the subsidiary company on request and will also be kept open for inspection at the Registered Office of the Company and of the subsidiary companies during the office hours on all working days and during the Annual General Meeting. Company's consolidated financial statements included in this Annual Report incorporates the accounts of its subsidiaries prepared as per Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries in Form AOC-1 is attached to the financial statements of the Company as *"Annexure III"*.

25. VIGIL MECHANISM:

In pursuance of the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for Directors and Employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at https://www.afsl.co.in/investor-relation.php

26. INTERNAL AUDIT & CONTROLS:

Pursuant to provisions of Section 138 read with rules made there under, the Board has appointed M/s Gaurav Shiv & Co., Chartered Accountants, as an Internal Auditors of the Company to check the internal controls and functioning of the activities and recommend ways of improvement. The Internal Audit is carried out quarterly basis; the report is placed in the Audit Committee Meeting and the Board Meeting for their consideration and direction.

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

27. RISK ASSESSMENT AND MANAGEMENT:

Your Company has been on a continuous basis reviewing and streamlining its various operational and business risks involved in its business as part of its risk management policy. Your Company also takes all efforts to train its employees from time to time to handle and minimize these risks.

28. LISTING WITH STOCK EXCHANGES:

Aryaman Financial Services Limited continues to be listed on BSE Limited. It has paid the Annual Listing Fees for the year 2021-22 to BSE Limited.

29. COMPLIANCE WITH SECRETARIAL STANDARDS:

The Company is fully compliant with the applicable Secretarial Standards (SS) viz. SS-1 & SS-2 on Meetings of the Board of Directors and General Meetings respectively.

30. POLICIES AND DISCLOSURE REQUIREMENTS:

In terms of provisions of the Companies Act, 2013 the Company has adopted policies which are available on its website http://www.afsl.co.in

31. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

i. **Conservation of Energy**

a) **The steps taken or impact on conservation of energy** – The Operations of the Company are not energy intensive. However, adequate measures have been initiated for conservation of energy.
b) **The steps taken by the Company for utilizing alternate source of energy** – Company shall consider on adoption of alternate source of energy as and when necessities.
c) **The Capital Investment on energy conversation equipment** – No Capital Investment yet.

ii. **Technology absorption**

a) **The efforts made towards technology absorption.** – Minimum technology required for Business is absorbed.
b) **The benefits derived like product improvement, cost reduction, product development or import substitution** – Not Applicable.
c) **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)** – Not Applicable.
   a. the details of technology imported;
   b. the year of import;
   c. whether the technology been fully absorbed;
   d. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof

iii. **The expenditure incurred on Research and Development** – Not Applicable.

32. PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES:

Particulars of loans given, investments made, guarantees given and securities provided are provided in the financial statements.

33. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. Thus Disclosure in form AOC-2 is not required. Further, during the year, the Company had not entered into any contract / arrangement /transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. All related party transactions are placed before the Audit Committee and Board for review and approval, if required. The details of the related party transactions as required under Indian Accounting Standard (Ind AS) 110 are set out in Note to the financial statements forming part of this Annual Report.

34. DEPOSITS:

Your Company did not accept / hold any deposits from public / shareholders during the year under review.

35. PREVENTION OF INSIDER TRADING

In compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has formulated and adopted the revised "Code of Conduct for Prevention of Insider Trading" ("the Insider Trading Code"). The object of the Insider Trading Code is to set framework, rules and procedures which all concerned persons should follow, while trading in listed or proposed to be listed securities of the Company. During the year, the Company has also adopted the Code of Practice and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("the Code") in line with the SEBI (Prohibition of Insider Trading) Amendment Regulations, 2018. The Code is available on the Company's website www.afsl.co.in

36. RELATED PARTY TRANSACTIONS

All transactions entered into with related parties as defined under the Act during the FY were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Act. There were no materially significant transactions with the related parties during the FY which were in conflict with the interest of the Company and hence, enclosing of Form AOC-2 is not required. Suitable disclosure as required by the Accounting Standard (AS 18) has been made in the notes to the Financial Statements.

37. SIGNIFICANT AND MATERIAL ORDERS:

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

38. FRAUD REPORTING

There have been no frauds reported by the Auditors of the Company to the Audit Committee or the Board of Directors under sub-section (12) of section 143 of the Companies Act, 2013 during the financial year.

39. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the Requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013and an Internal Complaints Committee has been

set up to redress complaints received regarding Sexual Harassment at workplace, with a mechanism of lodging & redress the complaints. All employees (permanent, contractual, temporary, trainees, etc.) are covered under this policy.

Your Directors further state that pursuant to the requirements of Section 22 of Sexual Harassment of Women at Work place (Prevention, Prohibition & Redressal) Act, 2013 read with Rules there under, the Company has not received any complaint of sexual harassment during the year under review.

40. HUMAN RESOURCES:

Your Company considers people as its biggest assets and 'Believing in People' is at the heart of its human resource strategy. It has put concerted efforts in talent management and succession planning practices, strong performance management and learning and training initiatives to ensure that your Company consistently develops inspiring, strong and credible leadership.

Your Company has established an organization structure that is agile and focused on delivering business results. With regular communication and sustained efforts it is ensuring that employees are aligned on common objectives and have the right information on business evolution. Your Company strongly believes in fostering a culture of trust and mutual respect in all its employees seek to ensure that business world values and principles are understood by all and are the reference point in all people matters.

Statement of Disclosure of Remuneration under Section 197 of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("Rules"), is annexed to this Annual Report.

The current workforce breakdown structure has a good mix of employees at all levels. Your Board confirms that the remuneration is as per the remuneration policy of the Company.

41. CORPORATE GOVERNANCE:

Pursuant to SEBI (LODR) Regulations, 2015, the report on Corporate Governance during the period under review with the Certificate issued by M/s JNG and Co., Practicing Company Secretaries, on compliance in this regards forms part of this Annual Report.

42. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

i. In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures.

ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.

iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv. They have prepared the annual accounts on a going concern basis.

v. They have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.

vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2020-21.

43. INTERNAL FINANCIAL CONTROLS:

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2020-21.

44. CAUTIONARY STATEMENTS:

Statements in this Annual Report, particularly those which relate to Management Discussion and Analysis as explained in the Corporate Governance Report, describing the Company's objectives, projections, estimates and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied in the statement depending on the circumstances.

45. ACKNOWLEDGEMENTS:

Your Directors would like to express deep sense of appreciation for the assistance and co-operation received from the Financial Institutions, Banks, Government Authorities and Shareholders and for the devoted service by the Executives, staff and workers of the Company. The Directors express their gratitude towards each one of them.

Registered Office:
102, Ganga Chambers,
6A/1, W.E.A., Karol Bagh,
New Delhi – 110 0051
Tel : 022 – 6216 6999
Fax: 022 – 2263 0434
CIN: L74899DL1994PLC059009
Website: http://www.afsl.co.in
Email: info@afsl.co.in

By Order Of The Board Of Directors
FOR ARYAMAN FINANCIAL SERVICES LIMITED

Sd/-
Shripal Shah
DIN: 01628855
(Chairman & Executive Director)
Mumbai, Thursday, August 26, 2021

Annexure's to Board's Report (Contd). ***Annexure – I***

Remuneration Policy

This Remuneration Policy relating to remuneration for the directors, key managerial personnel and other employees, has been formulated by the Nomination and Remuneration Committee (hereinafter "Committee") and approved by the Board of Directors.

Objectives:

The objectives of this policy are to stipulate criteria for:

- Appointment, reappointment, removal of Directors, KMPs and Senior Management
- Determining qualifications, positive attributes and independence of a director and recommend to the Board
- Retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage to run the operations of the Company successfully
- Consider and determine the remuneration, based on the fundamental principles of payment for performance, for potential, and for growth

Criteria for Appointment:

- Ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment
- Age, number of years of service, specialized expertise and period of employment or association with the Company
- Special achievements and operational efficiency which contributed to growth in business in the relevant functional area
- Constructive and active participation in the affairs of the Company
- Exercising the responsibilities in a bonafide manner in the interest of the Company
- Sufficient devotion of time to the assigned tasks
- Diversity of the Board
- Demonstrable leadership qualities and interpersonal communication skills, devote to the role, compliant with the rules, policies and values of the Company and does not have any conflicts of interest
- Transparent, unbiased and impartial and in accordance with appropriate levels of confidentiality.
- Appointment of Directors and KMPs in compliance with the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder or any other enactment for the time being in force

Criteria for Remuneration:

The Remuneration Policy reflects on certain guiding principles of the Company such as aligning remuneration with the longer term interests of the Company and its shareholders, promoting a culture of meritocracy and creating a linkage to corporate and individual performance, and emphasizing on line expertise and market competitiveness so as to attract the best talent. It also ensures the effective recognition of performance and encourages a focus on achieving superior operational results.

The level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate the directors, key managerial personnel and other employees of the quality required to run the Company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration to directors, key managerial personnel and senior management personnel should also involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The remuneration of the Non-Executive Directors shall be based on their contributions and current trends, subject to regulatory limits. Sitting fees is paid for attending each meeting(s) of the Board and Committees thereof. Additionally equal amount of commission may be paid to Non executive directors on a pro-rata basis, within limits approved by shareholders

Annexures to Board's Report (Contd). ***Annexure – II***

Form No. MR-3

Secretarial Audit Report *for the Financial Year ended March 2021*

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

To,
The Members,
Aryaman Financial Services Limited
102, Ganga Chambers,
6A/1, W.E.A., Karol Bagh,
New Delhi – 110055

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Aryaman Financial Services Limited (hereinafter called the company). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information, management representations provided by the Company, its officers, agents and authorized representatives and based on the draft independent auditors report during the conduct of the Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities Exchange Board of India warranted due to COVID 2020 pandemic, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021 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 as per Annexure I for the financial year ended on **March 31, 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;**(Not applicable to the Company during the Audit Period)**

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

i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; **(Not applicable to the Company during the Audit Period)**
iv. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit Period)**
v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**
vi. 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;
vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period)** and
viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**

(vi) Other laws as applicable specifically to the company as informed by the management that Securities and Exchange Board Of India (Merchant Bankers) Regulations, 1992

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.
(ii) The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015;

I further report that, based on the information provided and the representation made by the Company and also on the review of the compliance reports of Company Secretary / Chief Executive Officer taken on record by the Board of Directors / resolution professional of the Company, in my opinion, adequate systems and processes exist in the Company to monitor and ensure compliance with provisions of applicable general laws.

I further report that, the compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, mentioned hereinabove and there is adequate compliance management system for the purpose of other laws. We have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under other laws and regulations applicable to the Company.

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.

Adequate notice is given to all KMPs / 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.

Majority decisions of the Board and committee meetings are carried out unanimously as recorded in the minutes of the meeting of the board of directors or committees thereof as the case may be. There were no dissenting views of any member of the Board or committees thereof during the period under review.

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

I further report that during the audit period there were no specific events / actions having a major bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For JNG & Co.,

Sd/-
Jigarkumar Gandhi
FCS: 7569
C.P. No. 8108

Place: Mumbai

Date: August 26, 2021

UDIN : F007569C000838058

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

ANNEXURE - I

List of documents verified

1. Memorandum & Articles of Association of the Company.
2. Minutes of the meetings of the Board of Directors and various committees comprising of Audit Committee, Nomination & Remuneration Committee etc. held during the period under report.
3. Minutes of General Body Meetings held during the period under report.
4. Statutory Registers/Records under the Companies Act and rules made there under
5. Agenda papers submitted to all the directors / members for the Board Meetings and Committee Meetings.
6. Declarations received from the Directors of the Company pursuant to the provisions of 184 of the Companies Act, 2013.
7. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the period under report.
8. Intimations received from directors under the prohibition of Insider Trading and SEBI Takeover Code
9. Various policies framed by the company from time to time as required under the statutes applicable to the company.
10. Processes and procedure followed for Compliance Management System for applicable laws to the Company
11. Communications / Letters issued to and acknowledgements received from the Independent directors for their appointment
12. Various policies framed by the company from time to time as required under the Companies Act as well as listing agreement/SEBI LODR Regulations.

ANNEXURE - II

To,
The Members,
The Members,
ARYAMAN FINANCIAL SERVICES LIMITED
102, Ganga Chambers ,
6A/1,W.E.A. , Karol Bagh,New Delhi - 110055

Sub : Secretarial Audit Report for the Financial Year ended on 31st March, 2021

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. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records.
3. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, I followed provide a reasonable basis for our opinion.

4. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

5. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management and my examination was limited to the verification of procedures on test basis.

7. 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.

For JNG & Co.,

Sd/-
Jigarkumar Gandhi
FCS: 7569
C.P. No. 8108

Place: Mumbai

Date: August 26, 2021

UDIN : F007569C000838058

Annexures to Board's Report (Contd). ***Annexure – III***

Form AOC-1

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

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries:

(Rs. in Lacs)

Sr. No.	Name of the subsidiary	1 Aryaman Capital Markets Limited	2 Escorp Asset Management Limited
1.	The date since when subsidiary was acquired	22nd July 2008	31st May 2016
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.	N.A.
4.	Share capital	1,197.71	667.00
5.	Other Equity	563.41	1,798.87
6.	Total assets	4,655.26	2,600.60
7.	Total Liabilities	2,894.15	134.72
8.	Investments	425.37	2,550.62
9.	Turnover	13,509.69	17.43
10.	Profit before taxation	35.05	1.83
11.	Provision for taxation	9.64	1.55
12.	Profit after taxation	25.41	0.27
13.	Proposed Dividend	NIL	NIL
14.	Extent of shareholding (In percentage)	74.28%	52.47%

Part "B": Associates and Joint Ventures: - Not Applicable

Annexures to Board's Report (Contd). ***Annexure – IV***

Disclosure pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Name	Designation/ Nature of Duties	Remuneration For FY 2020-21 (Rs. in Lacs)	Qualification	Ratio of Remuneration of each Director/KMP to median remuneration of employees	Comparison of remuneration of the KMP against the performance of the company
1	Shripal Shah	Whole Time Director & CFO	18.00	BMS, CFA	6.82	The revenue of the Company increased by 54.35% and the profit of the Company decreased by 10.82%.
2	Shreyas Shah	Whole Time Director	9.00	BMS, Gen. L.L.B.	3.41	
3	Chaitali Pansari	Company Secretary	5.22	C.S.	1.98	

Notes;

- The median remuneration of employees of the Company during the financial year was Rs. 2.64 lacs.
- The revenue of the Company increased by 54.35% and the profit of the Company decreased by 10.82%.
- There is decrease in median remuneration of employees 45.00% to 0.00%; as compared to previous financial year.
- The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendation of the Human Resources, Nomination and Remuneration Committee as per remuneration policy for Directors, Key Managerial Personnel and other employees.
- The ratio of the remuneration of the highest paid director to that of the employees who are not directors and KMPs but receive remuneration in excess of the highest paid director during the year- Not applicable
- It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Company is SEBI registered Category I Merchant Banker. Company mainly participates into SME Segment of Primary market issues. SME Platform offers an entrepreneur and investor friendly environment, which enables the listing of SMEs from the unorganized sector scattered throughout India, into a regulated and organized sector. The platform provides opportunity to SME entrepreneurs to raise equity capital for growth and expansion. It also provides immense opportunity for investors to identify and invest in good SMEs at an early stage.

Aryaman Financial Services Limited is a merchant banker. The Company is engaged in the business of lead management and syndication of small and medium sized initial public offerings (IPO's), follow on public offer (FPO's), rights issues, composite issues, qualified institutional placement (QIP's), private investment in public equity (PIPE) deals, venture capital (VC) funding and other forms of fund raising. The Company's principal products/services include income from merchant banking fees. It also acts as lead manager to mergers and acquisitions (M&A) transactions, open offers, delisting offers and buybacks, among others. The Company provides valuation and advisory services for foreign investments, employee stock options plan (ESOP) certifications, fairness opinions of amalgamation schemes, mergers and spin-off transactions, among others. The Company, through its subsidiary and group companies, provides stock and commodity broking services.

The Global Economy

The global economic output is recovering from the downfall triggered by the COVID-19 pandemic, which engulfed the entire world in Q1 FY 2020-21 and led to curtailing of economic activities only to "essential". Aggressive and swift monetary and fiscal policies from the governments and central banks across the globe helped prevent worse outcomes. However, easing of lockdown restrictions, better-than-expected actual performance by key economies in the second half of the year and adoption of new ways of working reduced the extent of contraction to -3.3% in 2020.

FY 20-21 will go down in history as one of the most challenging years in recent history. The economic and social disruption faced by people across the world due to the COVID-19 pandemic was hitherto unfathomable. After the declaration of COVID-19 as a pandemic, the uncertainty, rapid spread and pressure on the health infrastructure caused many countries to impose varying degree of lockdowns and restrictions on public movement and gatherings. This brought about an abrupt halt to economic activities and triggered concerns in the real economy as well as financial markets. There were large scale layoffs, equities plummeted sharply, yields plunged and volatility engulfed the forex markets.

World Economies: Performance at a Glance

World Economic output growth in %				
	2019	**2020**	**2021P**	**2020P**
World Output	**2.8**	**-3.3**	**6**	**4.4**
Advanced Economies	**1.6**	**-4.7**	**5.1**	**3.6**
United States	2.2	-3.5	6.4	3.5
Euro Area	1.3	-6.6	4.4	3.8
Japan	0.3	-4.8	3.3	2.5
United Kingdom	1.4	-9.9	5.3	5.1
Canada	1.9	-5.4	5	4.7
Other Advanced Economies	1.8	-4.2	4.7	4
Emerging Market and Developing Economies	**3.6**	**-2.2**	**6.7**	**5**
Emerging and Developed Asia	**5.3**	**-1**	**8.6**	**6**
China	5.8	2.3	8.4	5.6
India	4	-8	12.5	6.9
ASEAN-5 (Indonesia, Malaysia, Philippines, Thailand, Vietnam)	**4.8**	**-3.4**	**4.9**	**6.1**

Source: IMF World Economy Outlook April 2021

Indian Economy

Indian economy also suffered the debilitating impact of the virus. The rapid spread of virus has not only led to a loss of livelihood, productivity but also a loss of over 4 lakh lives. Due to proactive measures taken by the Government and the RBI, the economy showed signs of recovery in the 2nd half of the year.

The Government and the RBI jointly took several bold measures to revive the economy. Under "Aatma Nirbhar Bharat Scheme", Government of India announced a Rs. 20 lac Crore economic revival package. These measures were holistically targeted towards policy reforms, support to MSME sector, providing liquidity to financial institutions to promote lending, migrant labours, agriculture and allied sectors, defence, energy, exports etc. These measures helped ease the credit availability in the market and avert some of the negative economic consequences on the broader economy.
However, due to bloated levels of liquidity globally and in India, the inflation inched up and CPI Inflation near the MPC upper limit of 6% in May-21. The commodity prices also hit multi-year high with metal prices soaring 25% between Jan21 to May-21 period alone. Crude Oil price also reached its pre-COVID levels.

As the economy is on its path to recovery, the fast-rising second wave of COVID-19 seems to have derailed the budding recovery. Certain sectors like transport, aviation and hospitality are expected to see some stress in the near term. However, the onset of mass vaccination drive by Government and a decentralised approach to lockdown is expected to moderate the economic impact of the pandemic. Learnings from the first wave and an adaption in the way of working has built resilience across different sectors. The RBI has projected the FY2022 GDP growth at 9.5% led by expected normal monsoon and strong rural demand. Moreover, vaccination drive across the country would increase mobility across multiple sectors which would propel the economic growth in this fiscal year.

Monetary support against COVID-19 second wave

With an aim to reduce financing constraints for stressed segments of the economy amidst the second wave, the RBI announced a slew of measures, primarily focussed on providing targeted liquidity support.

Some of the key measures include:

- Increase in the second auction amount under G-SAP 1.0 to Rs. 35,000 crore from Rs. 25,000 crore conducted in the first auction
- On-tap liquidity facility worth Rs. 50,000 crore for banks for on-lending, classified as Priority Sector Lending (PSL) to healthcare-related manufacturing and services
- A special three-year long-term repo operations (SLTRO) worth Rs.10,000 crore for Small Finance Banks (SFBs) to support on lending to MSMEs and small businesses
- Lending by SFBs to micro-finance institutions (MFIs) for on-lending to be classified as PSL
- Deduction of loans extended by banks to MSMEs from their NDTL for Cash Reserve Ratio (CRR) calculation until December 2021
- Resolution framework 2.0 to ease debt serviceability burden on MSMEs, small businesses and individuals
- Allowing banks to utilise 100% of floating provisions/ countercyclical provisioning buffer held by them as on December 31, 2020 for making specific provisions for non-performing assets and
- Relaxation with regard to availment of Overdraft (OD) facilities for state governments.

INDIAN EQUITY MARKET PERFORMANCE

Equity markets showed its strong resilience in FY 2020-21 and rewarded investors with high returns as the benchmark Sensex surged more than 68% and Nifty 50 increased by 70.9% despite COVID-led disruptions and concerns over its impact on the economy. The rally was fuelled by liquidity and strong buying interest from overseas investors.

The revenue from equity and equity-related Income grew by 49% at Rs. 320 crore in FY 2020-21 from Rs. 214 crore in FY 2019-20. Equity trading increased with the increased use of online trading platform 'SELFIE'. Online delivery volume grew by 109% YoY in FY 2020-21, Revenue from Mobile Trading increased to Rs. 120 crore in FY 2020-21 as against Rs. 64.50 crore in FY 2019-20, an increase of 86%. Similarly, income from total online broking, including mobile, stood at Rs. 156.20

crore during the year as against Rs. 86 crore in FY 2019-20. The Company earned Rs. 227 crore brokerage income from the cash market in FY 2020-21 as against Rs. 136 crore last year. The income from derivative segment, which includes futures and options stood at Rs. 48 crore in FY 2020-21 as against Rs. 42 crore in FY 2019-20.

❖ OPPURTUNITIES:

With continuous support by the Government towards entrepreneurship (e.g. ease of doing business), India sees an increasing number of startups and small businesses. With the advent of SME exchange, it has become easier for SMEs to get listed. Furthermore, the rising penetration of private equity and venture capital in Indian startups is expected to result in increased M&As and IPOs.

- Revival from Indian Equity market post lock down will revive the IPO deals and thereby push demand of merchant bankers.
- Growth in foreign direct investment and also funding by promoters in to companies will push demand of merchant bankers for valuation assignments.
- Various funding transactions push demand of merchant bankers for for valuation certifications.

❖ THREATS:

Despite opportunities, there are significant factors presenting threats to our business viz:

- Uncertainty and low business confidence due to pandemic Covid-19 will adversely impact the business.
- Capital Market gets affected by events such as interest rate hikes, monsoon performance, tax concerns, other global events & domestic political events such as interim & state elections.
- Continuous downward pressure on the fees and commissions caused by heightened competition and willingness of most players to deliver services at very lowfees.
- The effect of any of the adverse events on the capital market would pose a threat for the process of capital formation and resource raising

INDUSTRY OVERVIEW

Investment banking revenues in India were also negatively impacted by the lockdown as they declined by 33.6% YoY to USD 222 million in the first quarter of CY 2020 as compared to the same quarter last year. This was the lowest quarterly figure reported in investment banking, since the first quarter of FY16 when the segment clocked total fees of USD 122.9 million. However, the revenues soon picked up. Despite the volatility in the financial markets and uncertainty in the Indian economy arising from Covid-19 outbreak, Indian investment banking activities grew significantly during the year, hitting a three-year high, with revenues touching USD 1.03 billion in CY2020. This included the fee generated by activities such as Mergers and Acquisitions (M&A), Equity Capital Markets (ECM), and Debt Capital Markets (DCM). The equity capital markets underwriting fees reached a three-year high of USD 63.8 million during first quarter January-March of CY 2021, representing an increase by 7.2% over the corresponding period last year.

REVIEW OF OPERATIONS:

Standalone:
The Total Income of the Company stood at Rs. 282.06 Lacs for the year ended March 31, 2021 as against Rs 478.12 Lacs in the previous year. The Company made a Net Profit of Rs. 57.52 Lacs for the year ended March 31, 2021 as compared to the Net Profit of Rs. 83.50 Lacs in the previous year.

Consolidated:
The Consolidated Total Income is Rs. 13,809.18 Lacs for the financial year ended March 31, 2021 as against Rs. 8,946.17 Lacs during the previous financial year. Consolidated Net Profit is Rs. 83.20 Lacs for the year ended March 31, 2021 as compared to Rs. 93.29 Lacs in the previous year registering a decrease of 10.82%

Further there has been a similar lack of growth in financial performance of the subsidiary; Aryaman Capital Markets Limited and Escorp Asset Management Limited. However, considering extremely difficult market conditions it is commendable that these subsidiaries have not incurred any substantial losses.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company's internal control systems are adequate, operating effectively and commensurate with the size of business. These internal control systems are provided through competent management, implementation of standard policies and processes, maintenance of an appropriate audit programme with an internal control environment, effective risk monitoring and management information systems. Moreover, the Company continuously upgrades these systems in line with the best available practices.

The internal control systems are supplemented by extensive internal audits, regular reviews by the Management and standard policies and guidelines to ensure the reliability of financial and all other records to prepare financial statements and other data. The Management Information System (MIS) forms an integral part of the Company's control mechanism. The Company has regular checks and procedures through internal audits conducted by an independent audit firm, periodically. The reports are deliberated and an executive summary of the same along with Action Taken Reports (ATR) and steps taken by the Management to address the issues, are placed before the Audit Committee meeting/ Board meeting for their review. Reports of internal auditors are reviewed by the Audit Committee, and corrective measures, if any, are carried out towards further improvement in systems and procedures in compliance with Internal Control Systems. The Board also recognises the work of the auditors as an independent check on the information received from the Management on the operations and performance of the Company.

RISKS AND CONCERN:

Risks are integral to financial markets. However, it has been SEBI's continuous endeavor to reduce risks, even for service providers like your Company. As already mentioned, the company encounters risks posed by game changing technological, regulatory, taxation and competitive disruptions. Investments made by your company face market-related risks. Marked-to-market valuation of investments in compliance with accounting standards can have a meaningful impact on company's bottom line, beyond reasonable control of the management, as witnessed during FY20. Covid-19 Pandemic, posed a very different kind of risk for health of its employees and their families and business continuity.

Efforts are being continuously made to make the Company withstand all such risks and grow. It has a diversified bouquet of service offerings to a cross section of customer base. Superior risk management measures have been put in place to reduce risk in broking business. Prudent asset allocation and selection of investment products in line with time horizon, dilutes risks in proprietary investments. A comprehensive risk evaluation methodology and processes for early identification and mitigation of all kinds of risks are also in place. The Company has proactively encountered the challenges posed by Covid-19 Pandemic to ensure safety of its employees and business continuity.

Our implementation of risk management at the operational level embraces the identification, analysis and assessment of all possible risks as provided below:

Risk	Concern	Response
Economic and political risk	Arising from changes in the macro-economic conditions like political instability, foreign exchange fluctuations and crude oil prices.	The Company has a dynamic business set up that allows itself to restrategise and respond to the uncertainties.
Financial and market risk	Uncertainty in capital markets and negative investor sentiments may slow down the investments.	Diversified business offerings, strong research and experienced team ensure promptness and stable operations.
Competition risk	Loss of market share to existing players or new entrants.	Competition gets the best out of the Company. It makes all the efforts to offer undivided attention to its customers. Besides, strong digital infrastructure and risk management team further ensure steady flow of operations.
Regulatory and compliance risk	Regulatory risk arises due to dynamic changes in regulations that may	The Company has ensured transparent disclosures in meeting the regulatory norms.

	significantly affect the business. Compliance risk arises due to the negligence in complying statutes, internal policies and best practices related to the business.	The experienced team is further capable of handling and fulfilling all regulatory norms.
Human resources risk	This risk arises due to low motivation, dissatisfaction or attrition of employees.	Using the human capital risk approach, the Company efficiently manages the working culture, declaring performance-based incentives, conducting induction and training programmes at regular intervals.

RISK MANAGEMENT:

The Company has established a comprehensive system for risk management and internal controls for all its businesses to manage the risks that it is exposed to. The objective of its risk management framework is to ensure that various risks are identified, measured and mitigated and also that policies, procedures and standards are established to address these risks and ensure a systematic response in the case of crystallisation of such risks.

The Company has classified the key risks associated with its business into implied market risk, operational risk, information technology/cyber security risk, liquidity risk, credit risk and reputation risk. It has established various policies with respect to such risks which set forth limits, mitigation strategies and internal controls to be implemented by the three lines of defence approach provided below. These policies include a corporate risk and investment policy, a liquidity risk management policy, an operational risk management policy, an outsourcing policy, a fraud risk management policy, an information technology risk management policy, an information security management policy and a surveillance policy.

The Company is particularly sensitive to risks emanating from the introduction of new products and services. Before the launch of any new product or service, it is reviewed and approved by the corporate risk management group, compliance and operations groups and product and process approval committee that has been set up earlier. These groups and committee review the product/service through the lenses of regulatory compliance, risk management and integration with the existing risk management systems
The Board oversees the Company's risk management and has constituted a Risk Management Committee, which frames and reviews risk management processes and controls.

The risk management system features a 'three lines of defence' approach

The first line of defence comprises its operational departments, which assume primary responsibility for their own risks and operate within the limits stipulated in various policies approved by the Board or by committees constituted by the Board.
The second line of defence comprises specialised departments such as risk management and compliance. They employ specialised methods to identify and assess risks faced by the operational departments and provide them with specialised risk management tools and methods, facilitate and monitor the implementation of effective risk management practices, develop monitoring tools for risk management, internal control and compliance, report risk related information and promote the adoption of appropriate risk prevention measures.

HUMAN RESOURCES:

At Aryaman Financial Services Ltd, people are the key driving force behind the Company's success. They make us outperform. Respecting them, keeping them motivated and developing their skills and careers are essential if we are to be successful. We recognize and embrace the value that an engaged and motivated workforce can bring to an organisation. The Company stays committed to its principle of 'Your Success is our Success'. The work environment is not just supportive of high levels of performance, but also the one in which people can share and celebrate their success.

Intellectual capital is one of the key resources of the Company to ensure business sustainability and growth. The Company has an experienced and talented pool of employees who play a key role in enhancing business efficiency, devising strategies, setting-up systems and evolving business as per industry requirements. The Company provides regular skill and personnel development training to enhance employee productivity. As part of group processes, the Company follows a robust

leadership potential assessment and leadership development process. These processes identify and groom leaders for the future and also enable succession planning for critical positions in the Company.
Being a growth-oriented and progressive organisation, it recognises the importance of professionalism. The Company has embarked on several human resource initiatives to enhance the productivity of the organisation and each individual. The Company endeavours to provide a safe, conducive and productive work environment.

FUTURE OUTLOOK:

India is today one of the most vibrant global economies on the back of robust banking and insurance sectors. The relaxation of foreign investment rules has received a positive response from the insurance sector, with many companies announcing plans to increase their stakes in joint ventures with Indian companies. Over the coming quarters, there could be a series of joint venture deals between global insurance giants and local players.

The Indian equity market is expanding in terms of listed companies and market capitalization, widening the playing field for brokerage firms. Sophisticated products segment is growing rapidly, reflected in the steep rise in growth of derivatives trading.

With the increasing retail penetration, there is an immense potential to tap the untapped market. Growing financial awareness is expected to increase the fraction of population participating in this market. Total wealth held by individuals in unlisted equities is projected to grow at a CAGR of 19.54% to reach Rs. 17.64 lakh crore (US$ 273.69 billion) by FY22.

Total value of Private Equity (PE)/ Venture Capital (VC) investment grew 44% over the past three years in value terms to reach US$ 48 billion in 2019. VC investments grew to US$ 3.6 billion in July-September 2020 from US$ 1.5 billion in the previous quarter, powered by the mega deals, which included the US$ 1.3 billion raised by the online retailer—Flipkart.

SAFE HARBOUR:

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions .The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED ON 31st MARCH 2021

1. Company Philosophy:

Corporate Governance primarily involves transparency, full disclosure, independent monitoring of the state of affairs and being fair to all stakeholders. The Corporate Governance Code has also been incorporated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company endeavors not only to meet the statutory requirements in this regard but also to go well beyond them by instituting such systems and procedures as are in accordance with the latest global trends of making management completely transparent and institutionally sound.

Your Company believes in the concept of Good Corporate Governance involving transparency, empowerment, accountability and integrity with a view to enhance stakeholder's value. The Company has professionals on its Board of Directors who are actively involved in the deliberations of the Board on all important policy matters.

2. Board of Directors:

As on 31st March, 2021, the strength of the Board was Six Directors. The Board comprised of Two Executive Director and Four Non-Executive Directors. The Chairman of the Board is an Executive Director. The Board is primarily responsible for the overall management of the Company's business. The composition of the Board of Directors is in conformity with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the relevant provisions of the Companies Act, 2013.

None of the Directors of the Company is a member of more than ten Committees or Chairman of more than five Committees across all companies in which he/she is a Director.

Composition of Board of Directors as on 31st March, 2021 and other details are as under:

Name of Director	Category	Number of Board Meetings		No. of Directorship(s) held in Other Indian Public Limited Companies	Committee(s) position*		Attendance at the last AGM held on September 29, 2020
		Held	Attended		Member	Chairman	
Mr. Shripal Shah	Executive Director	6	6	3	5	-	Present
Mr. Shreyas Shah	Executive Director	6	6	5	0	-	Present
Mr. Ram Gaud	Independent Director	6	6	4	2	-	Present
Mr. Darshit Parikh	Independent Director	6	6	4	3	3	Present
Mr. Abhinav Anand	Independent Director	6	2	1	-	-	Present
Mrs. Meloni Shah	Non Executive Director	6	1	-	-	-	N.A.

* Only Audit Committee and Stakeholders' Relationship Committee, in other public limited companies, have been considered for the Committee position.

The Company held six meetings of its Board of Directors during the year on July 31, 2020, September 02, 2020, September 15, 2020, November 13, 2020, February 02, 2021, February 12, 2021

Mr. Shripal Shah, Mr. Shreyas Shah and Mrs. Meloni Shah are related to each other.

3. Independent Directors' Meeting:

During the year under review, a separate meeting of the Independent Directors was held on 23rd March 2021, without the attendance of Non-Independent Directors and members of Management. All the Independent Directors were present at the meeting. The following issues were discussed in detail:

i. Review the performance of non-independent directors and the Board as a whole;
ii. Review of chairman performance;
iii. Assessment of the quality, quantity and timeliness flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

4. No. Of Shares Held By The Non Executive Directors:

None of the Non Executive Directors of the Company held any shares of the Company.

5. Committees of the Board:

(a) Audit Committee

The Audit Committee, as per Section 177 of Companies Act, 2013, continued working under Chairmanship of Mr. Darshit Parikh. During the year, the committee met four times with full attendance of all the members. The composition of the Audit Committee as at March 31, 2021 and details of the Members participation at the Meetings of the Committee are as under

Name of Director	Category	Position in the committee	Attendance at the Audit Committee Meetings held on				
			22.06.2020	31.07.2020	15.09.2020	13.11.2020	12.02.2021
Mr. Darshit Parikh	Independent Director	Chairperson	Yes	Yes	Yes	Yes	Yes
Mr. Shripal Shah	Executive Director	Member	Yes	Yes	Yes	Yes	Yes
Mr. Ram Gaud	Independent Director	Member	Yes	Yes	Yes	Yes	Yes

The Committee is governed by a Charter, which is in line with the regulatory requirements mandated by the Companies Act, 2013. Some of the important functions performed by the Committee are:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible to be submitted to the Stock Exchanges, regulatory authorities or the public.
- Recommendation for appointment, remuneration and terms of appointment of statutory auditors of the Company;
- Review and monitor the auditor's independence and performance and effectiveness of audit process;
- Approval for all payments to the statutory auditors for any other services rendered by them;
- Reviewing with the Management, the Quarterly Unaudited Financial Statements and the Auditor's Limited Review Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies and reasons for the same, major accounting estimates based on exercise of judgement by the Management, significant adjustments made in the Financial Statements and / or recommendation, if any, made by the Statutory Auditors in this regard.
- Reviewing, with the management, the audit annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to:
    a. Matters required to be included in the Directors' Responsibility Statement forming part of the Board's report in terms of clause (c) of sub-section 3 of section134 of the Act;
    b. Changes, if any, in accounting policies and practices and reasons for the same;

c. Major accounting entries involving estimates based on the exercise of judgment by management;
d. Significant adjustments, if any, made in the financial statements arising out of audit findings;
e. Compliance with listing and other legal requirements relating to financial statements;
f. Disclosure of all related party transactions
g. Qualifications, if any, in the draft audit report

- Approval or any subsequent modification of transactions of the Company with its related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, stating and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up thereon;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors as is applicable;
- Review the Management Discussion & Analysis of financial and operational performance.
- Discuss with the Statutory Auditors its judgement about the quality and appropriateness of the Company's accounting principles with reference to the IND AS.
- Review the investments made by the Company.
- Reviewing the functioning of whistle blower mechanism of the Company.

All the Members on the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

The Auditors, Internal Auditors, Chief Financial Officer are invited to attend the meetings of the Committee. The Company Secretary acts as the Secretary to the Committee. Mr. Darshit Parikh, the Chairman of the Committee, was present at the last Annual General Meeting (AGM) held on September 29, 2020.

(b) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee, as per Section 178 of Companies Act, 2013, continued working under Chairmanship of Mr. Darshit Parikh. During the year, the committee met two times with full attendance of all the members. The composition of the Nomination and Remuneration Committee as at March 31, 2021 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Position in the committee	Attendance at the Remuneration Committee held on 31.07.2020
Mr. Darshit Parikh	Independent Director	Chairperson	Yes
Mr. Ram Gaud	Independent Director	Member	Yes
Mr. Abhinav Anand	Independent Director	Member	Yes

The terms of reference of the Committee inter alia, include the following:

- Succession planning of the Board of Directors and Senior Management Employees;
- Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;

- Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration;
- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board.

The Company has formulated a Remuneration Policy which is annexed to the Board's Report.

Board Evaluation:

The Board carried out formal annual evaluation of its own performance and that of its Committees viz., the Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee (NRC). The Board also carried out the performance evaluation of all the individual directors including the Chairman of the Company. Additionally, NRC also carried out the evaluation of the performance of all the individual directors and Chairman of the Company. The performance evaluation was carried out by way of obtaining feedback from the Directors through a structured questionnaire prepared in accordance with the policy adopted by the Board and after taking into consideration the Guidance Note on Board Evaluation issued by Securities and Exchange Board of India.

The structured questionnaire prepared to evaluate the performance of individual directors and the Chairman, inter alia, contained parameters such as professional conduct, roles and functions, discharge of duties and their contribution to Board/ Committees/Senior Management. The questionnaire prepared for evaluation of the Board and its Committees, inter alia, covered various aspects such as structure and composition, effectiveness of board process, information and roles, responsibilities and functioning of the Board and its Committees, establishment and determination of responsibilities of Committees, the quality of relationship between the board and the management and professional development.

The feedback received from the Directors through the above questionnaire was reviewed by the Chairman of the Board and the Chairman of the NRC and then discussed the same at the meetings of the Board and NRC respectively. The performance evaluation of the Chairman, Managing Director and the Board as a whole was carried out by the Independent Directors at their separate meeting, who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

The details of such familiarisation programmes for Independent Directors are put up on the Company's website and can be accessed at https://www.afsl.co.in/investor-relation.php.

Remuneration of Directors:

Non-Executive Directors:

Non-Executive Director receive remuneration by way of sitting fees only. The details of sitting fees paid during FY 2020-2021 are given in MGT-9.Criteria of making payments to non-executive directors is available on https://www.afsl.co.in/investor-relation.php.

Executive Directors:

Details of remuneration paid to Executive Director during FY 2020-21 is provided in MGT-9.

Following is remuneration package details for Executive Directors:

Mr. Shripal Shah:

1. **Basic Salary:** Not exceeding ₹ 18,00,000/- (Rupees Eighteen Lacs only) per annum as may be decided by the Remuneration Committee and the Board of Directors from time to time.

2. **Perquisites:** shall be entitled for the following perquisites in addition of the salary mentioned herein above.

i. Housing: The Company shall provide unfurnished accommodation to Mr. Shah. If no accommodation is provided, House Rent Allowance not exceeding 50% of monthly basic salary or as per Rules of the company, whichever is more, shall be payable to him and he shall also be eligible for reimbursement of expenses / allowances for utilization of gas, electricity, water & the same shall be valued as per Income Tax Rule, 1962.
ii. Medical Allowances including reimbursement, as per rules of the company, subject to a maximum of ₹ 15,000/- (Rupees Fifteen Thousand) per annum.
iii. Free Telephone Facility at residence and use of Mobile phone for the business of the company.

3. Other Benefits

Mr. Shripal Shah shall also be eligible to the following benefits in addition to the above perquisites, which shall not be included in the computation of the ceiling on remuneration as specified hereinabove:

i. Leave Encashment: Encashment of leave at the end of tenure will be permitted in accordance with the rules of the Company.

Mr. Shreyas Shah:

Salary:
a) Fixed Pay not exceeding ₹ 9,00,000/-
b) Variable Pay up to ₹ 18,00,000/-

(a) Remuneration to Mr. Shreyas Shah shall be subject to leave and other personal policies of the Company from time to time.

(b) **Re-imbursement of Expenses:** the Company shall pay or reimburse to Mr. Shreyas Shah, reasonable and necessary business expenses as incurred by him, which are directly related to the performance of his duties of employment including travel, professional membership and professional development subject to documents submitted by Mr. Shreyas Shah.

4. All payments of remunerations to be made by the Company subject to this resolution shall be gross of tax and shall be subject to deduction of tax payable in accordance with the applicable law as may be from time to time.

Shareholding of Directors:

As at March 31, 2021, following is the shareholding of directors;

Sr. No.	Name of Director	No of Shares	% of Total Shares of the Company
1.	Mr. Shripal Shah	90,000	0.77
2.	Mr. Shreyas Shah	90,000	0.77

(c) Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee, as per Section 178 (5) of Companies Act, 2013, continued working under Chairmanship of Mr. Darshit Parikh. During the year, the committee met two times with full attendance of all the members. The composition of the Stakeholders' Relationship Committee as at March 31, 2021 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Position in the committee	Attendance at the Stakeholders' Relationship Committee held on	
			31.07.2020	03.12.2020

Mr. Darshit Parikh	Independent Director	Chairperson	Yes	Yes
Mr. Shripal Shah	Executive Director	Member	Yes	Yes
Mr Abhinav Anand	Independent Director	Member	Yes	Yes

The terms of reference of the Committee are:

- transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- to grant Employee Stock Options pursuant to approved Employees' Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- monitoring expeditious redressal of investors / stakeholders grievances;
- all other matters incidental or related to shares, debenture

During the year, Two Complaint was received from shareholder on SCORES and was resolved successfully. There are no balance complaints. The Company had no share transfers pending as on March 31, 2021.

Ms. Chaitali Pansari, Company Secretary of the Company is Compliance Officer.

6. General Body Meetings:

Annual general meetings:

The date, time and venue of the last three Annual General Meetings are given below:

AGM	Year ended as on	Venue	Date	Time	Whether any Special Resolution passed or not
24th	31.03.2018	Vihara Innovation Campus, D – 57, Chattarpur Enclave, 100ft. Road, new Delhi – 110074	25.09.2018	11.00 A.M.	Yes
25th	31.03.2019	Vihara Innovation Campus, D – 57, Chattarpur Enclave, 100ft. Road, new Delhi – 110074	25.09.2019	10.00 A.M.	Yes
26th	31.03.2020	AGM conducted through VC	29.09.2020	01.00 P.M.	No

Extraordinary General Meeting or Postal Ballot:

The Company did not hold any EGM/Postal Ballot during the F.Y. 2020-21.

7. Means of Communication:

The Quarterly / Annual financial results sent to the Stock Exchanges and published in The Financial Express (English) and Jansatta (Hindi) in accordance with the Listing Regulations. The Quarterly / Annual results are also uploaded on the website

of the Company https://www.afsl.co.in/investor-relation.php. Communication to Shareholders via Newspaper is published in The Financial Express (English) and Jansatta (Hindi).

8. General shareholder information:

AGM – Date and Time	Wednesday, September 29, 2021, 02.00 P.M., through Video Conference (VC) / Other Audio-Visual Means (OAVM)
Financial Year:	1st April to 31st March of following year
Book Closure Date:	Thursday, September 23, 2021 to Wednesday, September 29, 2021
ISIN:	INE032E01017
Listing of Equity Shares on stock exchanges:	BSE Limited, P. J. Towers, Fort, Mumbai – 400 001
Listing fees payment status:	The Company has paid the listing fees, to the Stock Exchanges for the financial year 2021-22
Stock code:	530245
Share Transfer System:	The Company's shares are compulsorily traded in Demat mode on the BSE Limited. The transfer of Physical shares, if any, are processed and returned to the shareholders within a period of 15 days by the Registrar & Share Transfer Agent.
Registrar & transfer agents:	**Adroit Corporate Services Private Limited** 19/20, Jafferboy Industrial Estate 1st Floor, Makwana Road, Marol Naka, Andheri (E), Mumbai – 400 059 Tel. No. : 022 – 4227 0423 E-Mail id: sandeeps@adroitcorporate.com

Market Price Data (Monthly):

Month	High Price	Low Price	No. of Shares Traded
Apr-20	47.50	45.20	3,20,318
May-20	45.30	45.30	15,407
Jun-20	52.00	51.00	91,080
Jul-20	51.00	47.55	36
Aug-20	55.00	42.50	5,28,219
Sep-20	55.00	47.20	63,279
Oct-20	47.00	44.00	929
Nov-20	47.00	42.00	91,159
Dec-20	45.00	41.00	818
Jan-21	44.90	41.50	848
Feb-21	44.90	40.70	395
Mar-21	45.00	38.85	4,216

Distribution of Shareholding:

Shareholding of Nominal Value of ₹10/- each	No. of shareholders	% of shareholders	Share Amount	% of shareholding

	Up to 5000	1991	91.92	1472990	1.26
	5001 to 10000	59	2.72	472410	0.40
	10001 to 20,000	28	1.29	43380	0.37
	20,001 to 30,000	15	0.69	34600	0.30
	30,001 to 40,000	6	0.28	22121	0.19
	40,001 to 50,000	6	0.28	27120	0.23
	50,001 to 1,00,000	7	0.32	52272	0.45
	1,00,001 & above	54	2.49	11307967	96.80
	Total	**2166**	**100.00**	**11,68,20,000**	**100.00**

Dematerialization of Shares and Liquidity:

Particulars	No. of Shares	Percentage
Physical Segment	3,27,391	2.80
Demat Segment		
NSDL	15,67,001	13.41
CDSL	97,87,608	83.78
Total	**1,16,82,000**	**100.00**

Shareholding Pattern as March 31, 2021:

Particulars	No. of shares held	%
Promoters		
Individual	1,80,000	1.54
Body Corporate(s)	70,83,030	60.63
Non Promoters		
Individual / HUF	22,65,995	19.40
Body Corporate(s)	21,50,141	18.40
Bank / Financial Institutions	800	0.01
NRIs/Foreign Nationals	2,034	0.02
Clearing Member	-	-
Total	**1,16,82,000**	**100.00**

Details of shares lying in the suspense account:

Sr. No.	Particulars	No. of Shareholders	No. of Shares
1.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	Nil	Nil
2.	Number of shareholders who approached the Company for transfer of shares from the suspense account during the year	Nil	Nil
3.	Number of shareholders to whom shares were transferred from the suspense account during the year	Nil	Nil
4.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	Nil	Nil

Address for correspondence:

Aryaman Financial Services Limited
Ms. Chaitali Pansari (Company Secretary)
60, Khatau Building, Ground. Floor,
Alkesh Dinesh Modi Marg,
Fort, Mumbai – 400 001
Tel : 022 – 6216 6999
Fax: 022 – 2263 0434

9. Chart of Matrix core Skill of Directors

Sr. No.	Skill area	Shripal Shah	Shreyas Shah	Ram Gaud	Darshit Parekh	Abhinav Anand	Meloni Shah
1.	Strategy Planning	✓	✓	-	-	-	✓
2.	Risk Management	✓	-	✓	✓	✓	✓
3.	Governance and Compliance	✓	-	✓	✓	✓	✓
4.	Expertise/Experience in Finance & Accounts /Audit	✓	✓	✓	✓	-	-
5.	Member and stakeholder engagement	✓	-	-	✓	✓	-
6.	Industry Knowledge & Experience	✓	✓	✓	-	✓	✓
7.	Policy Development	-	✓	-	✓	✓	-
8.	Corporate Leadership	✓	-	✓	-	-	✓
9.	Legal & Regulatory	-	✓	✓	✓	✓	-
10.	Human Resource Management	-	✓	-	-	-	-

10. Disclosures:

i. The Company did not have any material significant related party transactions having a potential conflict with the interest of the Company at large. Transactions with the related parties are disclosed in the audited financial statements.

ii. The financial statements have been prepared in accordance with the Indian Accounting Standards (IND-AS).

iii. There were no instances of non-compliance by the Company on any matter related to the capital markets, resulting in disciplinary action against the Company by the Stock Exchanges or Securities and Exchange Board of India (SEBI) or any other statutory authority, during the last three years.

iv. The Company has a vigil mechanism for employees to report concerns about unethical behavior, actual or suspected fraud or violation of our code of conduct and confirms that no personnel have been denied access to the Audit Committee

v. The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances.

vi. Policy for determining 'material' subsidiaries and Policy on dealing with related party transactions is available on https://www.afsl.co.in/investor-relation.php.

vii. The Company has complied with mandatory requirements specified from Regulations 17 to 27 and clauses (b) to (i) of sub –regulation (2) of Regulation 46 of the SEBI (LODR) Regulations, 2015.

viii. The CFO have issued certificate pursuant to the provisions of Regulation 17(8) of the SEBI (LODR) Regulations, 2015 certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

ix. Pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a certificate from JNG & Co., Company Secretaries, certifying the compliance by the Company with the provisions of the Corporate Governance of the Listing Regulations forms part of this Report.

x. Pursuant to SEBI (LODR) Regulations, 2015, that none of the Directors on the Board of the Company have been debarred or disqualified as Directors of Companies by SEBI or Ministry of Corporate Affairs or any such other Authority is issued by M/s JNG and Co., Practicing Company Secretaries, annexed to this report and forms part of this Report.

Declaration as required under Regulation 26 of SEBI (LODR) Regulations, 2015

In accordance with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, I hereby confirm that for the financial year ended March 31, 2020, the Directors and Senior Management Personnel of the Company have affirmed compliance with the "AFSL - Code Of Conduct" for Directors and Senior Management Personnel.

For Aryaman Financial Services Limited

Sd/-
Shripal Shah
(Executive Director)
DIN: 01628855
Mumbai, Thursday, August 26, 2021

CERTIFICATION BY CFO UNDER REGULATION 17 (8) OF THE LISTING REGULATION

To
The Board of Directors,
Aryaman Financial Services Limited.

a) We have reviewed the financial statements and the cash flow statement of Aryaman Financial Services Ltd. for the year ended March 31, 2021 and to the best of our knowledge and belief:

   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

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

d) We have indicated to the Auditors and the Audit Committee:

   (i) Significant changes in internal control over financial reporting during the year;

   (ii) Significant changes in accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and

   (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Aryaman Financial Services Limited

Sd/-
Shripal Shah
(Chief Financial Officer)

Place: - Mumbai
Date: - August 26, 2021

CERTIFICATE ON CORPORATE GOVERNANCE

We have examined the compliance of conditions of Corporate Governance by Aryaman Financial Services Limited for the year ended 31st March, 2021 as stipulated in Regulation 17 of the Listing Regulation of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (LODR) Regulations, 2015.

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

For JNG & Co.,

Sd/-
Jigarkumar Gandhi
FCS: 7569
C.P. No. 8108

Place: Mumbai
Date: August 26, 2021
UDIN: F007569C000837904

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Aryaman Financial Services Limited** having CIN: L74899DL1994PLC059009 hereinafter referred to as the "Company") produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No	Board of Directors	DIN	Date of Appointment
1	Shripal Shah	01628855	24/10/2008
2	Shreyas Shah	01835575	29/05/2013
3	Ram Motilal Gaud	02759052	18/06/2009
4	Abhinav Anand	07732241	14/11/2018
5	Darshit Prakash Parekh	03492803	25/04/2011
6	Meloni Shripal Shah	03342248	04/02/2019

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

For JNG & Co.,

Sd/-
Jigarkumar Gandhi
FCS: 7569
C.P. No. 8108

Place: Mumbai
Date: August 26, 2021
UDIN: F007569C000837981

Independent Auditor's Report

To
The members of
ARYAMAN FINANCIAL SERVICES LIMITED

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **ARYAMAN FINANCIAL SERVICES LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2021, the statement of profit and loss (including other comprehensive income), statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2021, and the **net profit** (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with 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 ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidences we have obtained are 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 hereunder to be key audit matters to be communicated in our report.

Key audit matters	Auditor's response
Measurement of Revenue As per Ind AS 115, measurement of revenue to be made on transaction price.	Our audit procedure inter- alia included the following- • We used assessment of overall control environment relevant for measurement of revenue. • We performed testing of journal entries, with particular focus on manual adjustment to revenue account, to mitigate the risk of manipulation of revenue and profit figures.

Information other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and the auditor's report thereon.

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

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

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

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

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

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

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

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

Our objectives are to obtain a reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our 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 due to fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

(ii) Obtain an understanding of the internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our

opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

(iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto 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 statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statement, individually or in aggregate, makes it probable that the economic decision of reasonable knowledgeable user of the financial statement may be influenced.

We consider quantitative materiality and qualitative factors in (i) Planning the scope of our audit work and in evaluating the results of our work; and, (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls 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 reasonable be thought to bear on our independence, and where applicable, relevant safeguards.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   c) the Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
   d) In our opinion, the aforesaid financial statements comply with the India Accounting Standards specified under Section 133 of the Act;
   e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record

by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

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

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, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact, if any of pending litigations on its financial position, in its standalone financial statements. (Note No. 31).

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

iii. The Company is not required to transfer any amount to the Investor Education and Protection Fund.

FOR V. N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

Sd/-
O. P. Pareek
Partner
Membership No. 014238
UDIN: - 21014238AAAAIY4983

New Delhi, the 29th day of June, 2021

ANNEXURE –A TO THE AUDITOR'S REPORT

The Annexure referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date to the members of **ARYAMAN FINANCIAL SERVICES LIMITED** for the year ended on 31st March 2021.

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we state that:

(i)

a) As per information and explanation given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b) As per information and explanation given to us, all the fixed assets have been physically verified by the Management at the year end. In our opinion, the frequency of verification is reasonable, considering the size of the Company and nature of its fixed assets. There were no material discrepancies were noticed on such verification.

c) As per information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) As per information and explanation given to us, Company does not hold any physical inventory, hence the provision of sub- clause (ii) of the clause 3 of the order not applicable;

(iii) As per information and explanation given to us, The Company has not granted any loans, secured or unsecured, to companies, firms, and limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii) of the Order are not applicable to the Company.

(iv) As per information and explanation given to us, in our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and I86 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security so given;

(v) As per information and explanation given to us, there were no deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed there under have been accepted by the Company;

(vi) As per information and explanation given to us, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 148 of the Act in respect of Company's products/services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable to the Company;

(vii)

a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is generally regular in depositing undisputed statutory dues including income- tax, goods & service tax, sales-tax, service tax, duty of customs, duty of excise, value added tax and other statutory dues applicable to the Company with appropriate authorities. No undisputed amounts in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no dues of income tax, goods & service tax, sales tax, service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.

(viii) As per information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to banks or financial institutions during the year. The Company has not taken any loans or borrowings from government and debenture holders during the year.

(ix) As per information and explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) or term loan during the year. Accordingly, the provisions of sub-clause (ix) of Paragraph 3 of the Order are not applicable to the Company. Further, the money raised by way of term loans were applied for the purpose for which obtained;

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.

(xi) According to the information and explanations given to us and based on examination of records of the Company, managerial remuneration has been paid or provided for during the year is in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.

(xii) As per information and explanation given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.

(xiii) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, all transactions with the related party are in compliance with Section 177 and 188 of the Act and the details have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) As per information and explanation given to us, the Company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year covered by this report and hence, sub-clause (xiv) of Paragraph 2 of the order is not applicable;

(xv) As per information and explanation given to us, the Company has not entered into any non-cash transactions prescribed under Section 192 of the Act with directors or persons connected with them during the year. Therefore, the provisions of clause 3(xv) of the Order are not applicable to the Company.

(xvi) As per information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

Signed for the purpose of identification

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

Sd/-
O.P. Pareek
Partner
Membership No. 014238
UDIN: 21014238AAAAIY4983

New Delhi, the 29th day of June, 2021

ANNEXURE- B TO THE AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **ARYAMAN FINANCIAL SERVICES LIMITED** as on 31st March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for the 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 controls stated in the Guidance Note on Audit of Internal Financial Control 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 fraud and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the Guidance Note) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the 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 aspects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control 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 risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidences 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 the receipt and expenditures of the Company are being only in accordance with authorizations of management and directors of the Company; and

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and could not be detected. Also, projections of any evaluation of the internal financial control over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may became 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 aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2021, based on "the internal financial controls over financial reporting criteria 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 V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

Sd/-
O.P. Pareek
Partner
Membership No. 014238
UDIN: 21014238AAAAIY4983

New Delhi, the 29th day of June, 2021

STANDALONE BALANCE SHEET

As at March 31, 2021

Particulars	Note	As at March 31, 2021 INR Lacs	As at March 31, 2020 INR Lacs
ASSETS			
Financial Assets			
Cash and cash equivalents	2	20.21	7.21
Bank balances other than above	3	659.92	555.43
Receivables			
Trade receivables	4	5.81	10.95
Investments	5	1,347.03	1,347.03
Other financial assets	6	256.76	257.38
Non-Financial Assets			
Current tax assets(net)		26.45	48.01
Property, Plant and equipment	7	112.35	119.05
Other non financial Assets	8	3.04	6.66
TOTAL ASSETS			
LIABILITIES AND EQUITY			
Financial Liabilities			
Payables			
(I)Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises			
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	9	9.61	11.32
Borrowings (other than debt security)	10	17.52	24.13
Other Financial liabilities	11	22.48	13.28
Non-financial Liabilities			
Deferred tax liabilities (net)	12	1.04	7.68
Other non-financial liabilities	13	61.21	33.12
Equity			
Equity Share Capital	14	1,168.20	1,168.20
Other equity	15	1,151.52	1093.99
TOTAL LIABILITIES AND EQUITY			
Notes to the standalone financial statements		**1-35**	

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

For and on behalf of the Aryaman Financial Services Limited

Sd/-
O.P.Pareek
Partner
Membership No. 014238
UDIN: 21014238AAAAIY4983
Date: 29th June, 2021
Place: Mumbai

Sd/-
Shripal Shah
(Executive Director)
DIN: 01628855
Place : Mumbai
Date: 29th June, 2021

Sd/-
Shreyas Shah
(Executive Director)
DIN: 01835575

Sd/-
Chaitali Pansari
(Company Secretary)
PAN: BKHPP6512N

STANDALONE STATEMENT OF PROFIT AND LOSS

For the year ended March 31, 2021

Particulars	Note	For the year ended March 31, 2021 INR Lacs	For the year ended March 31, 2020 INR Lacs
I. Revenue From Operations			
-Fees and Commission income		246.31	441.54
II. Other Income	16	35.75	36.58
III. **Total Income (I+II)**		**282.06**	**478.12**
IV. **EXPENSES**			
Finance Cost	17	2.81	3.25
Fees and Commission expenses	18	34.80	154.86
Employee benefits expense	19	130.63	149.40
Depreciation	20	8.12	7.38
Other expenses	21	36.17	43.16
Total expenses (IV)		**212.52**	**358.04**
V. **Profit before tax (III-IV)**		**69.54**	**120.08**
VI. **Tax expense:**			
(1) Current tax		18.67	30.10
(2) Deferred tax		(6.65)	6.48
Total tax expenses (VI)		**12.02**	**36.58**
VII. **Profit for the year (V-VI)**		**57.52**	**83.50**
VIII. Other Comprehensive Income		-	-
IX. Total other comprehensive income		-	-
X. **Total comprehensive income for the year (VII+VIII)**		**57.52**	**83.50**
XI. Earnings per equity share:			
Basic & Diluted (Face value Rs.10 per equity share)		0.49	0.71

Notes to the Standalone financial statements **1-35**

For V.N. PUROHIT & CO.
Chartered Accountants
Firm Registration No. 304040E

For and on behalf of the Aryaman Financial Services Limited

Sd/-
O.P.Pareek
Partner
Membership No. 014238
UDIN: 21014238AAAAIY4983

Date: 29th June, 2021
Place: Mumbai

Sd/-
Shripal Shah
(Executive Director)
DIN: 01628855
Place : Mumbai
Date: June 29, 2021

Sd/-
Shreyas Shah
(Executive Director)
DIN: 01835575

Sd/-
Chaitali Pansari
(Company Secretary)
PAN: BKHPP6512N

STANDALONE STATEMENT OF CASH FLOW

For the year ended March 31, 2021

S.No.	Particulars	For the year ended March 31, 2021 INR Lacs	For the year ended March 31, 2020 INR Lacs
A.	**Cash flow from operating activities**		
	Profit for the year	69.54	120.08
	Adjustments for:		
	Finance cost	2.81	3.25
	Depreciation and amortisation expense	8.12	7.38
	Interest income	(35.75)	(36.58)
	Operating profit before working capital changes	**44.71**	**94.13**
	Working capital adjustments :-		
	(Increase)/decrease in trade receivables	5.14	(1.18)
	(Increase)/decrease in other assets	25.81	29.33
	(Increase)/decrease in trade payables	(1.72)	(178.99)
	(Increase)/decrease in other liabilities	37.29	(36.59)
	Cash generated from operations	**111.23**	**(93.30)**
	Direct taxes paid (net)	18.67	30.10
	Net cash used in operating activities (A)	**92.56**	(123.40)
B.	**Cash flows from investing activities**		
	Payment for property, plant and equipment (PPE)	(1.42)	(1.51)
	(Purchase)/ Sale of investments		
	Interest Income	35.75	36.58
	Net cash flow from investing activities (B)	**34.34**	**35.07**
C.	**Cash flow from financing activities**		
	Repayment of borrowings	(6.61)	(1.02)
	Interest paid	(2.81)	(3.25)
	Net cash from/(used in) financing activities (C)	**(9.42)**	**(4.27)**
	Net Cash Flow During the Year [A+B+C]	**117.48**	**(92.60)**
	Opening cash & cash equivalent	562.66	655.26
	Closing cash & cash equivalent	**680.14**	**562.66**
	Components of Cash and Cash Equivalents		
	Cash in hand	0.06	0.59
	Balance with bank in Current and Fixed Deposits accounts	680.08	562.08
	Total cash and Cash Equivalents	**680.14**	**562.66**

STANDALONE STATEMENT OF CASH FLOW

For the year ended March 31, 2021

Note:

Opening Borrowings	**24.13**	**25.14**
Cash flows during the year	(6.61)	(1.02)
Closing Borrowings	**17.52**	**24.13**

In terms of our report attached

For V.N. PUROHIT & CO.
Chartered Accountants
Firm Registration No. 304040E

Sd/-
O.P.Pareek
Partner
Membership No. 014238
UDIN: 21014238AAAAIY4983

Date: 29th June, 2021
Place: Mumbai

For and on behalf of the Aryaman Financial Services Limited

Sd/-
Shripal Shah
(Executive Director)
DIN: 01628855

Sd/-
Shreyas Shah
(Executive Director)
DIN: 01835575

Place : Mumbai
Date: June 29, 2021

Sd/-
Chaitali Pansari
(Company Secretary)
PAN: BKHPP6512N

STANDALONE STATEMENT OF CHANGES IN EQUITY

For the year ended March 31, 2021

A. Equity Share Capital:

Particulars	Amount INR Lacs
Balance as at 1st April, 2019	**1168.20**
Changes in equity share capital during the year 2019-20	-
Balance as at 31st March, 2020	**1,168.20**
Changes in equity share capital during the year 2020-21	-
Balance as at 31st March, 2021	**1,168.20**

B. Other Equity:

Particulars	Reserves and Surplus				Other Equity
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	
	INR Lacs	INR Lacs	INR Lacs	INR Lacs	INR Lacs
Balance as at 1st April, 2019	**6.52**	**317.68**	**260.75**	**425.54**	**1,010.49**
Profit for the year 2019-20	-	-	-	83.50	83.50
As at 31st March, 2020	**6.52**	**317.68**	**260.75**	**509.04**	**1,093.99**
Balance as at 1st April, 2020	**6.52**	**317.68**	**26.075**	**509.04**	**1,093.99**
Profit for the year 2020-21	-	-	-	57.52	57.52
As at 31st March, 2021	**6.52**	**317.68**	**260.75**	**566.55**	**1,151.51**

In terms of our report attached

For V.N. PUROHIT & CO.
Chartered Accountants
Firm Registration No. 304040E

Sd/-
O.P.Pareek
Partner
Membership No. 014238
UDIN: 21014238AAAAIY4983

Date: 29th June, 2021
Place: Mumbai

For and on behalf of the Aryaman Financial Services Limited

Sd/-
Shripal Shah
(Executive Director)
DIN: 01628855
Place : Mumbai
Date: June 29, 2021

Sd/-
Shreyas Shah
(Executive Director)
DIN: 01835575

Sd/-
Chaitali Pansari
(Company Secretary)
PAN: BKHPP6512N

Note – 1

A. CORPORATE INFORMATION:

Aryaman Financial Services Limited is a public limited company domiciled in India with its registered office located at 102, Ganga Chambers, 6A/1, W.E.A., Karol Bagh, New Delhi-110005. The Company is listed on BSE Limited (BSE). The Company is enagaged in the business of Merchant Banking.

B. SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of Preparation of the Standalone Financial Statements:

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting standards) Rules as amended from time to time and other related provisions of the Act.

The financial statements of the Company are prepared on the accrual basis of accounting and Historical cost convention except for the following material items that have been measured at fair value as required by the relevant Ind AS:

i. Certain financial assets and liabilities are measured at Fair value (Refer note no. 6)
ii. Defined benefit employee plan (Refer note no. 13)
iii. Derivative Financial instruments (Refer note no. XX)

The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

The financial statements are presented in INR, the functional currency of the Company.

b) Use of Estimates and judgements:

The preparation of the financial statements requires the Management to make, judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates. The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the management and are based on historical experience and various other assumptions and factors (including expectations of future events) that the management believes to be reasonable under the existing circumstances. Actual results may differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

Critical accounting judgments and key source of estimation uncertainty:

The Company is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an on-going basis.

1. Recognition and measurement of defined benefit obligations, key actuarial assumptions - Note no. – XX

2. Estimation of current tax expenses and payable - Refer note no. – 14

c) Property, plant and equipment (PPE):

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Company and that the cost of the item can be reliably measured.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital workin-progress".

d) Intangible assets:

Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

e) Depreciation and Amortization:

1. Property plant and equipment (PPE):

Depreciation is provided on a pro-rata basis on the straight line method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

Estimated useful life is as below:
Computer - 3 Years
Furniture and fixtures - 10 years
Office equipments - 5 years
Motor Vehicles - 8 years

2. Intangible assets:

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives.

The amortization period and the amortization method for finite life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate. For indefinite life intangible assets, the assessment of indefinite life is reviewed annually to determine whether it continues, if not, it is impaired or changed prospectively basis revised estimates.

f) Investment Properties:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment if any.

Depreciation on building is provided based on straight line method using the useful life as specified in schedule II of the Companies Act, 2013 .

g) Financial Instruments:

Financial assets-Initial recognition:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. On initial recognition, a financial asset is recognised at fair value, in case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Subsequent measurement

Financial assets are subsequently classified as measured at:
- amortised cost
- fair value through profit & loss (FVTPL)
- fair value through other comprehensive income (FVTOCI)

The above classification is being determined considering the:
(a) the entity's business model for managing the financial assets and
(b) the contractual cash flow characteristics of the financial asset.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the group changes its business model for managing financial assets.

(i) Measured at amortised cost:

Financial assets are subsequently measured at amortised cost, if these financial assets are held within a business module whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Measured at fair value through other comprehensive income (FVTOCI):

Financial assets are measured at FVTOCI, if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

(iii) Measured at fair value through profit or loss (FVTPL):

Financial assets other than equity instrument are measured at FVTPL unless it is measured at amortised cost or at FVTOCI on initial recognition. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Statement of Profit and Loss.

Equity Instruments:

On initial recognition, the Company can make an irrevocable election (on an instrument-byinstrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments.

Dividends on these investments in equity instruments are recognised in Statement of Profit and Loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in Statement of Profit and Loss are included in the 'Other income' line item.

Impairment

The Company recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward looking.

The Company's trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade eceivables is measured at an amount equal to life ime expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Company does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Company recognises 12–months expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 months ECL. The impairment losses and reversals are recognised in Statement of Profit and Loss. For equity instruments and financial assets measured at FVTPL, there is no requirement of impairment testing.

Derecognition:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement.

In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial Liabilities:

Initial Recognition and measurement:
Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

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

Subsequent measurement:
Financial liabilities measured at amortised cost are subsequently measured at using EIR method. Financial liabilities carried at fair value through profit or losse are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Loans & Borrowings:
After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization process.

Financial Guarantee Contracts:
Financial guarantee contracts issued by the Company are those contracts that requires a payment to be made or to reimburse the holder for a loss it incurs because the specified debtors fails to make payment when due in accordance with the term of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

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

Derivative financial instruments
The Company uses derivative financial instruments, such as forward foreign exchange contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value, with changes in fair value recognised in Statement of Profit and Loss.

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

h) Fair Value Measurement:

The Company measures financial instruments, such as, derivatives, investments at fair value at each balance sheet date. 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

a) In the principal market for the asset or liability, or
b) 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, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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:

(i) **Level 1** - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
(ii) **Level 2** -Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
(iii) **Level 3**-Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

i) Inventory:

Inventories are valued at the lower of cost and net realisable value. Cost is computed on a weighted average basis. Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

j) Cash and Cash Equivalents:

Cash and Cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

k) Foreign Currency Transactions:

1. Initial Recognition:

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss of the year.

2. Measurement of Foreign Currency Items at the Balance Sheet Date:

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

l) Revenue Recognition:

Rendering of Services
Income from services rendered is recognised based on agreements/ arrangements with the customers as the service is performed in proportion to the stage of completion of the transaction at the reporting date and the amount of revenue can be measured reliably.
Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as sales tax, value added tax, etc.

Interest
Revenue is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable and based on Effective interest rate method.

Dividend
Dividend Income is recognized when right to receive the same is established.

m) Employee Benefits:

The Company provides following post-employment plans:
(a) Defined benefit plans such a gratuity and
(b) Defined contribution plans such as Provident fund & Superannuation fund

a) Defined-benefit plan:
The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of defined benefit obligations at the end of the reporting period less fair value of plan assets. The defined benefit obligations is calculated annually by actuaries through actuarial valuation using the projected unit credit method.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

(a) Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements; and

(b) Net interest expense or income

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expenses in the statement of the profit & loss.

Re-measurement comprising of actuarial gains and losses arising from
(a) Re-measurement of Actuarial(gains)/losses
(b) Return on plan assets, excluding amount recognized in effect of asset ceiling
(c) Re-measurement arising because of change in effect of asset ceiling

are recognised in the period in which they occur directly in Other comprehensive income. Re-measurement are not reclassified to profit or loss in subsequent periods.

Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Company determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

b) Defined-contribution plan:
Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund with the government, superannuation fund and certain state plans like Employees' State Insurance and Employees' Pension Scheme. The Company's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.

c) Other employee benefits:
(a) Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the obligation as at the Balance sheet date determined based on an actuarial valuation.

(b) Undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period when the employee renders the related services.

n) Taxes on Income:

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

Current tax is based on taxable profit for the year. Taxable profit is different from accounting profit due to temporary differences between accounting and tax treatments, and due to items that are never taxable or tax deductible. Tax provisions are included in current liabilities. Interest and penalties on tax liabilities are provided for in the tax charge. The Company offsets, the current tax assets and liabilities (on a year on year basis) where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis or to realise the assets and liabilities on net basis.

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements. Deferred income tax asset 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. Deferred tax assets are not recognised where it is more likely than not that the assets will not be realised in the future.

The carrying amount of deferred income 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 income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

o) Borrowing Cost:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of Cost of those assets, during the period till all the activities necessary to prepare the Qualifying assets for its intended use or sale are complete during the period of time that is required to

complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

p) Earnings Per Share:

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

q) Leases:

Where the Company is Lessee
Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on accrual basis as per the terms of agreements entered with the counter parties.

Where the Company is Lessor
Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in property, plant and equipment. The Company recognizes lease rentals from the property leased out, on accrual basis as per the terms of agreements entered with the counter parties. Costs, including depreciation, are recognized as an expense in the Statement of Profit and Loss.

r) Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognised if, as a result of a past event, the group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized nor disclosed in financial statements.

2. Cash & Cash Equivalents:

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Balance with Banks		
(i) in current accounts	20.16	6.65
Cash on hand	0.06	0.57
Total	**20.21**	**7.21**

3. Bank Balances other than Cash & Cash Equivalents:

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Balance with Banks-Fixed Deposits	659.92	555.43
Total	**659.92**	**555.43**

4. Trade Receivables:

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Considered good – unsecured	5.81	10.95
Total	**5.81**	**10.95**

Footnotes: No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person.

5. Investments:

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Investments in Equity Shares (In India), (Quoted)		
- **In Subsidiaries measured at cost (fully paid)**		
Quoted : (refer footnote no. (i))		
88,97,120 (31st March, 2020: 88,97,120) Equity shares of Rs. 10 each of Aryaman Capital Markets Ltd.	937.03	937.03
35,00,000 (31st March, 2020: 35,00,000) Equity shares of Rs. 10 each of Escorp Asset Management Ltd	410.00	410.00
Total	**1,347.04**	**1,347.04**

Footnotes:

(i) The market value of Investment in Aryaman Capital Markets Ltd is Rs. 3,412.05 Lacs as on 31.03.2021 and Rs. 2,936.05 Lacs as on 31.03.2020.

(ii) The Market value of Investments in Escorp Asset Management Ltd is Rs. 568.75 lac as on 31.03.2021 and Rs. 568.75 lacs as on 31.03.2020.

6. Other Financial assets:

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Interest accrued but not due on fixed deposits	0.28	0.23
Security deposits for properties	250.00	250.50
Other Advances & Deposits	6.49	6.65
Total	**256.76**	**257.38**

7. Property, Plant and Equipment:

Cost or deemed cost	Freehold land	Furniture & Fixtures	Office Equip ments	Computer	Motor Vehicle	Total
	INR Lacs	INR Lacs	INR Lacs	INR Lacs	INR Lacs	INR Lacs
Balance as at 31st March, 2019	**83.43**	**3.87**	**1.03**	**16.65**	**54.86**	**159.84**
Additions	-		1.05	0.45	-	1.51
Disposals	-	-	-	-	-	-
Balance as at 31st March, 2020	**83.43**	**3.87**	**2.08**	**17.11**	**54.86**	**161.35**
Additions	-	-	0.26	1.15	-	1.42
Disposals	-	-	-	-	-	-
Balance as at 31st March, 2021	**83.43**	**3.87**	**2.34**	**18.26**	**54.86**	**162.77**

Accumulated depreciation:

Particulars	Freehold land	Furniture & Fixtures	Office Equip ments	Computer	Motor Vehicle	Total
	INR Lacs	INR Lacs	INR Lacs	INR Lacs	INR Lacs	INR Lacs
Balance as at 31st March, 2019	-	**0.54**	**0.55**	**15.72**	**18.12**	**34.93**
Depreciation expense	-	0.37	0.29	0.18	6.53	7.38
Eliminated on disposals of assets	-	-	-	-	-	-
Balance as at 31st March, 2020	**-**	**0.91**	**0.84**	**15.90**	**24.65**	**42.30**
Depreciation expense	-	0.34	0.35	0.91	6.52	8.12
Eliminated on disposals of assets	-	-	-	-	-	-
Balance as at 31st March, 2021	**-**	**0.34**	**0.35**	**0.91**	**6.52**	**50.42**
Carrying Value						
Balance as at March 31, 2020	**83.43**	**2.96**	**1.24**	**1.20**	**30.22**	**119.05**
Balance as at March 31, 2021	**83.43**	**3.53**	**2.00**	**17.35**	**48.35**	**112.35**

8. Other non-financial assets:

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Prepaid Expenses	3.04	6.66
Total	**3.04**	**6.66**

9. Trade Payables:

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Due to Micro and Small Enterprises	-	-
Due to others	9.61	11.32
Total	**9.61**	**11.32**

Note: There are no dues to Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 which are outstanding for a period more than 45 days as on the balance sheet date.

The above information regarding Micro and Small Enterprises has been determined on the basis of information available with the Company and has been relied upon by the auditors of the Company.

10. Borrowings:

Particulars	As at March 31, 2021 INR Lacs	As at March 31, 2020 INR Lacs
In India-Secured		
At Amortised cost		
Finance Lease obligation (Refer note (i) below)	6.85	24.13
In India-Unsecured		
From Others (Refer note (ii) below)	10.67	-
Total	**17.52**	**24.13**

Security and other details

i. Loan from Financial Institutions represents a car loan taken from Daimler Financial Services India Pvt Ltd of Rs. 36,00,000 for a tenure of 5 years, repayable in monthly instalments of Rs. 59,436/- and a car loan taken from HDFC bank of Rs. 10,07,761 for a tenure of 5 years, repayable in monthly installments of Rs. 20,968/-. The said loans are secured against hypothecation of respective vehicles.

ii. The borrowings obtained from Corporates carry interest rate @ 9% p.a

11. Other financial liabilities:

Particulars	As at March 31, 2021 INR Lacs	As at March 31, 2020 INR Lacs
Salary payable	7.10	8.00
Managerial remuneration payables	1.86	1.94
Audit fees payable	1.23	1.08
Directors Sitting Fees payable	0.40	0.46
Other payables	2.24	1.79
Current maturities of long term debt	9.65	-
Total	**22.48**	**13.28**

12. Deferred Tax Liability:

Particulars	As at March 31, 2021 INR Lacs	As at March 31, 2020 INR Lacs
Deferred Tax Liabilities		
- on account of timing difference between WDV of PPE as per Companies Act with that of under Income Tax Act	1.04	7.68

Total	**1.04**	**7.68**

13. Other non-financial liabilities:

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Revenue received in advance	48.80	29.43
TDS payable	1.26	2.27
GST Payable	11.14	1.42
Total	**61.21**	**33.12**

14. Equity share capital:

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Authorised: 1,17,00,000 (31.03.2019: 1,17,00,000) Equity Shares of R 10 each	**1,170.00**	**1,170.00**
Issued, Subscribed and Paid up : 1,16,82,000 (31.03.2019: 1,16,82,000) Equity Shares of R 10 each	1,168.20	1,168.20
Total	**1,168.20**	**1,168.20**

Notes:

14.1 Reconciliation of number of shares outstanding at the beginning and end of the year:

Authorised share capital:	No. of shares In Lacs	Amount INR Lacs
Balance as at March 31, 2020	**117.00**	**1,170.00**
Add / (Less): Changes during the year	-	-
Balance as at March 31, 2021	**117.00**	**1,170.00**

Issued, Subscribed and Paid up share capital:	No. of shares In Lacs	Amount INR Lacs
Balance as at March 31, 2020	**116.82**	**1,168.20**
Add / (Less): Changes during the year	-	-
Balance as at March 31, 2021	**116.82**	**1,168.20**

14.2. Terms / rights attached to Equity Shares:

The Company has only one class of equity shares having a par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends if any, in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the Shareholders at the ensuing Annual General Meeting, except in case of interim dividend.

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

14.3. Details of shares held by each shareholder holding more than 5% shares in the Company:

Equity share of Rs. 10 each fully paid up with voting rights	Number of fully paid equity shares In Lacs	Holding (%)
Mahshri Enterprises Private Limited		
As at March 31, 2020	70.83	60.63%
As at March 31, 2021	70.83	60.63%

14.4. Shares held by Holding Company:

Mahshri Enterprises Private Limited	Number of fully paid equity shares In Lacs	Holding (%)
As at March 31, 2020	70.83	60.63%
As at March 31, 2021	70.83	60.63%

15. Other Equity:

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Capital reserve	6.52	6.52
General reserve	260.75	260.75
Securities premium	317.68	317.68
Retained earnings	566.56	509.04
Total	**1,151.52**	**1,093.99**

15.1 Capital reserve:

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Balance as at beginning of the year	6.52	6.52
Add/(Less): Movement during the year	-	-
Balance as at end of the year	**6.52**	**6.52**

15.2 Securities Premium:

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Balance as at beginning of the year	317.68	317.68
Add/(Less): Movement during the year	-	-
Balance as at end of the year	**317.68**	**317.68**

15.3 General reserve:

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Balance as at beginning of the year	260.75	260.75
Add/(Less): Movement during the year	-	-
Balance as at end of the year	**260.75**	**260.75**

15.4 Retained earnings:

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Balance as at beginning of the year	509.04	425.54
Profit for the year	57.52	83.50
Balance as at end of the year	**566.56**	**509.04**

16. Other Income

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Interest income on Fixed deposit	34.02	35.56
Miscellaneous income (IT Refund)	1.73	1.01
Total	**35.75**	**36.58**

17. Finance Costs:

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Interest Expenses on:		
Borrowings measured at amortised cost	1.89	2.73
Other borrowing costs (includes fees charged by banks for renewal of sanctioned limits, lead bank charges, etc)	0.91	0.52
Total	**2.81**	**3.25**

18. Fee & Commission Expenses:

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Commision & Brokerages	5.63	6.36
Legal & Professional Charges	22.46	94.55
Advertisement & Publicity Fees	2.41	45.45
Fees to Stock Exchanges etc	3.40	6.10
Other Fees Payable	0.90	2.40

	Total	**34.80**	**154.86**

19. Employee Benefit Expense:

Particulars	As at March 31, 2021 INR Lacs	As at March 31, 2020 INR Lacs
Salaries, wages and bonus	99.82	118.74
Managerial Remuneration	27.00	27.00
Director Sitting fees	1.44	1.64
Staff welfare expenses	2.36	2.01
Total	**130.63**	**149.40**

20. Depreciation and amortisation expense:

Particulars	As at March 31, 2021 INR Lacs	As at March 31, 2020 INR Lacs
Depreciation of property, plant and equipment	8.12	7.38
Total	**8.12**	**7.38**

21. Other Expenses:

Particulars	As at March 31, 2021 INR Lacs	As at March 31, 2020 INR Lacs
Rent Rates and Taxes	4.74	4.36
Telephone Expenses	1.72	1.59
Membership fees and subscription	3.00	3.00
Electricity Charges	1.19	1.60
Office Administration Expenses	23.88	28.80
Director Sitting fees	-	1.64
Interest on delayed payment of statutory dues	0.21	2.12
Penalty paid	-	0.31
Payment to auditors:-		
Audit fees	1.20	1.00
For Taxation matters	-	0.20
For Limited Review	0.23	0.18
Total	**36.17**	**43.16**

22. Income taxes:

a) Tax expense recognised in the Statement of profit and loss:

Particulars	As at March 31, 2021 INR Lacs	As at March 31, 2020 INR Lacs
Current tax		

Current year	18.67	30.10
Total current tax	**18.67**	**30.10**
Deferred tax		
Relating to origination and reversal of temporary difference	(6.65)	6.48
Total deferred income tax expense/(credit)	**(6.65)**	**6.48**
Short/(Excess) provision for tax- Previous years		
Total income tax expense/(credit)	**12.02**	**36.58**

Reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows:

b) Reconciliation of effective tax rate:

Particulars	As at March 31, 2021 INR Lacs	As at March 31, 2020 INR Lacs
Profit /(loss) before taxation	69.54	120.08
Enacted income tax rate in India	26.00%	29.12%
Tax at the enacted income tax rate	18.08	34.97
Reconciliation line items:		
Other items not taxable	6.06	(1.62)
Tax expense/ (credit)	**12.02**	**36.59**

c) The movement in deferred tax assets and liabilities during the year ended March 31, 2021 and March 31, 2020:

Particulars	As at March 31, 2018 INR Lacs	Credit/ (charge) in Statement of profit and loss INR Lacs	As at March 31, 2020 INR Lacs
Deferred tax assets/(liabilities)			
On Account of Depreciation	1.21	6.48	7.69
TOTAL	**1.21**	**6.48**	**7.69**

Particulars	As at March 31, 2020 INR Lacs	Credit/ (charge) in Statement of profit and loss INR Lacs	As at March 31, 2021 INR Lacs
Deferred tax assets/(liabilities)			
On Account of Depreciation	7.68	(6.65)	1.03
TOTAL	**7.68**	**(6.65)**	**1.03**

23. Contingent liabilities & Commitments:

The company does not have any contingent liabilities and Commitments (Including Capital Commitments) as at March 31, 2021 (As at March 31, 2020 - Nil).

24. Earnings Per share:

Particulars	As at March 31, 2021	As at March 31, 2020
Profit after tax available for equity shareholders	57.52	83.50
Weighted average number of equity shares	116.82	116.82
Nominal value of equity shares	10.00	10.00
Basic and diluted Earning Per Share	0.49	0.71

25. Segment Reporting:

The Company's Board of Directors have been identified as the Chief Operating Decision Maker (CODM) as defined under Ind AS 108 "Operating Segments". The CODM evaluates the Company's performance and allocated the resources based on an analysis of various performance indicators . The Company is primarily engaged in the business of financial services related to investments. The same has been considered as business segment and the management considers these as a single reportable segment. Accordingly, disclosure of segment information has not been furnished.

26. Related party disclosures:

Category	Name of the Related Party/ Relationship
Holding Company	Mahshri Enterprises Pvt Ltd
Subsidiary Company	Aryaman Capital Markets Ltd
	Escorp Asset Management Ltd
Key Managerial Personnel	Mr. Shripal Shah, Director & CFO
	Mr. Shreyas Shah, Director
	Ms. Chaitali Pansari, Company Secretary
Entities in which KMP have significant influence	Vardhaman Investment (Proprietor - Mrs. Roopa Shah)

2. Transactions carried out with related parties referred in 1 above, in ordinary course of business:

Name of the Related Party	Nature of Transaction	As at March 31, 2021	As at March 31, 2020
		INR Lacs	INR Lacs
Mr. Shripal Shah - Salary Paid	Salary	18.00	18.00
Mr. Shreyas Shah - Salary Paid	Salary	9.00	9.00
Escorp Asset Management Limited	Legal & Professional fees	-	10.80
Ms. Gunjan Kataruka	Salary		5.26
Ms. Chaitali Pansari	Salary	5.22	1.31

3. Balances outstanding:

Name of the Related Party	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Office Deposit - Vardhaman Investment (Proprietor - Mrs. Roopa Shah)	250.00	250.00
Salary Payable to:		
Mr. Shripal Shah	1.19	1.20
Mr. Shreyas Shah	0.68	0.75

Ms. Gunjan Kataruka		0.53
Ms. Chaitali Pansari	0.44	-
Payables		
Escorp Asset Management Limited	-	10.80

27. Financial instruments:

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

1. The following methods and assumptions were used to estimate the fair values:

   Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- **Level 1:** Quoted (unadjusted) prices in active markets for identical assets or liabilities.
- **Level 2:** Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
- **Level 3:** Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The carrying amounts and fair values of financial instruments by category are as follows:

For March 31, 2021:

Particulars	FVOCI	FVTPL	Amortised cost	Total fair value	Carrying Amount
	INR Lacs	INR Lacs	INR Lacs	INR Lacs	INR Lacs
Financial assets					
Investments in subsidiaries	-	-	1,347.03	1,347.03	1,347.03
Trade receivables	-	-	5.81	5.81	5.8
Cash and cash equivalents	-	-	20.21	20.21	20.21
Other bank balances	-	-	659.92	659.92	659.92
Other financial assets	-	-	256.76	256.76	256.76
Total Financial assets	**-**	**-**	**2,289.74**	**2,289.74**	**2,289.74**
Financial liabilities					
Borrowings	-	-	17.52	17.52	17.52
Trade payables	-	-	9.61	9.61	9.61
Others	-	-	22.48	22.48	22.48
Total financial liabilities	**-**	**-**	**49.61**	**49.61**	**49.61**

For March 31, 2020:

Particulars	FVOCI	FVTPL	Amortised cost	Total fair value	Carrying Amount
	INR Lacs	INR Lacs	INR Lacs	INR Lacs	INR Lacs
Financial assets					
Investments in subsidiaries	-	-	1347.03	1347.03	1347.03
Trade receivables	-	-	10.95	10.95	10.95
Cash and cash equivalents	-	-	7.21	7.21	7.21
Other bank balances	-	-	555.43	555.43	555.43
Other financial assets	-	-	257.38	257.38	257.38
Total Financial assets	-	-	**2,178.01**	**2,178.01**	**2,178.01**
Financial liabilities					
Borrowings	-	-	24.13	24.13	24.13
Trade payables	-	-	11.32	11.32	11.32
Others	-	-	13.28	13.28	13.28
Total financial liabilities	**-**	**-**	**48.73**	**48.73**	**48.73**

There were no significant changes in classification and no significant movements between the fair value hierarchy classifications of financial assets and financial liabilities during the period.

28. Financial risk factors:

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

The Company's activities exposes it to Liquidity Risk, Market Risk and Credit risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised as below.

a) Liquidity risk:

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk management implies maintenance sufficient cash including availability of funding through an adequate amount of committed credit facilities to meet the obligations as and when due.

The Company manages its liquidity risk by ensuring as far as possible that it will have sufficient liquidity to meet its short term and long term liabilities as and when due. Anticipated future cash flows are expected to be sufficient to meet the liquidity requirements of the Company. The Company does not have any undrawn borrowing facilities with the Banks/Financial institutions.

i. **The following is the contractual maturities of the financial liabilities:**

As at March 31, 2021:

Particulars	Carrying amount	Payable on demand	1-12 months	More than 12 months
	INR Lacs	INR Lacs	INR Lacs	INR Lacs
Borrowings	17.52	-	5.00	12.52
Trade payables	9.61	-	9.61	-
Other financial liabilities	22.48	-	22.48	-
Total	**49.61**	**-**	**37.09**	**12.52**

As at March 31, 2020:

Particulars	Carrying Amount	Payable on demand	1-12 months	More than 12 months
	INR Lacs	INR Lacs	INR Lacs	INR Lacs
Borrowings	24.13	-	6.92	17.21
Trade payables	11.32	-	11.32	-
Other financial liabilities	13.28	-	13.28	-
Total	**48.73**	**-**	**31.52**	**17.21**

b) Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include investment, deposits, foreign currency receivables and payables. The Company's treasury team manages the Market risk, which evaluates and exercises independent control over the entire process of market risk management.

i. Foreign currency risk:

Foreign currency risk can only arise on financial instruments that are denominated in a currency other than the functional currency in which they are measured. The Company's functional and presentation currency is INR. The Company does not have any foreign currency transactions and hence is not exposed to the Foreign Currency Risks.

ii. Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company's does not have any long term borrowings. Hence, the Company is not exposed to the interest rate risk.

c) Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. The Company is exposed to credit risks from its operating activities, primarily trade receivables, cash and cash equivalents, deposits with banks and other financial instruments.
Credit risk is managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.

Exposure to the Credit risks:

Particulars	As at March 31, 2021	As at March 31, 2020
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)	262.57	268.33

Exposure to the Credit risks:

Particulars	As at March 31, 2021	As at March 31, 2020
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL) -Trade Receivables	5.81	10.95

Trade and other receivables:
The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risks on an ongoing basis throughout each reporting period.

To assess whether there is a significant change increase in credit risk the Company compares the risks of default occurring on the assets as at the reporting date with the risk of default as at the date of initial recognition. It considers the reasonable and supportive forward looking information such as:

i. Actual or expected significant adverse changes in business.
ii. Actual or expected significant changes in the operating results of the counterparty
iii. Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations
iv. Significant increase in credit risk on other financial instruments of same counterparty

Ageing of the accounts receivables:

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
< six months	1.49	8.78
> six months	4.31	2.17
	5.81	**10.95**

Movement in provisions of doubtful debts and advances - There were no Provision of doubtful debts as on March 31, 2021 and March 31, 2020.

29. a) Financial risk factors
Capital risk management:

The Company's objectives when managing capital are to

(i) safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
(ii) maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Company may issue new shares, adjust the amount of dividends paid to shareholders etc. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

30. The outbreak of COVID-19 pandemic is causing significant disturbance and slowdown of economic activities globally. The nationwide lockdown ordered by the Government of India has resulted in significant reduction in economic activities and also the business operations of the Company in terms of sales and production. The management has considered the possible effects that may result from the pandemic on the recoverability / carrying value of the assets. Based on the current indicators of future economic conditions, the management expects to recover the carrying amount of the assets, however the management will continue to closely monitor any material changes to future economic conditions. Given the uncertainties, the final impact on Company's assets in future may differ from that estimated as at the date of approval of these financial results.

31. There are no litigations pending by or against the Company.

32. Recent accounting prouncements:

Ind AS 116 - Leases:

On March 30, 2019, Ministry of Corporate affairs have notified Ind AS 116 – "Leases". Ind AS 116 will replace the existing leases standards Ind AS 17 – "Leases" and related interpretations. The new standard sets out the principles for the recognition, measurement, presentation and disclosures of lease for both lessees and lessors. Ind AS 116 introduces a single lease accounting model and requires a lessee to recognise the assets and liabilities for all leases with a term of more than 12 months, unless the underlying assets are of low value. Ind AS 116 substantially carried forward the accounting treatment prescribed for lessor. The effective date for adoption of Ind AS 116 is annual period beginning on or after April 01, 2019. The Company is evaluating the impact of the issued Ind AS 116 on its financial statements.

Ind AS 12 –"Income taxes" - Appendix C – Uncertainty over income tax treatments :

On March 30, 2019, Ministry of Corporate affairs have notified Appendix C to Ind AS 12, uncertainty over the income tax treatments which is to be applied while performing the determination of taxable profits/(loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, the company needs to determine the probability of the relevant tax authorities accepting the each tax treatments that the companies have used or plan to use in their income tax filings which has to be considered to compute the most likely amount or expected value of the tax treatments, when determining the taxable profits/(loss), tax bases, unused tax losses, unused tax credits and tax rates. ".

33. The financial statements were approved for issue by the Board of Directors on June 29, 2021.

34. The figures of the previous year's have been regrouped or reclassified wherever necessary to make them comparable.

35. Figures have been rounded off to the nearest lacs of rupees.

The accompanying notes (Note No. 1 to 32) are integral part of the financial statements
In terms of our attached report of even date

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

Sd/-
O.P.Pareek
Partner
Membership No. 014238
UDIN: 21014238AAAAIY4983

Date: 29th June, 2021
Place: Mumbai

For and on behalf of the Aryaman Financial Services Limited

Sd/-
Shripal Shah
(Executive Director)
DIN: 01628855
Place : Mumbai
Date: 29th June, 2021

Sd/-
Shreyas Shah
(Executive Director)
DIN: 01835575

Sd/-
Chaitali Pansari
(Company Secretary)
PAN: BKHPP6512N

Independent Auditor's Report

To
The members of
ARYAMAN FINANCIAL SERVICES LIMITED

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **ARYAMAN FINANCIAL SERVICES LIMITED** hereby referred to as the 'Holding Company') and its subsidiaries (Holding Company its subsidiaries together referred to as 'the Group'), which comprise the consolidated balance sheet as at 31st March 2021, the consolidated statement of profit and loss (including other comprehensive income) and the consolidated cash flows statement for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereby referred as 'the consolidated financial statement').

In our opinion and to the best of our information and explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India of the consolidated state of affairs of the Company as at 31st March, 2021, and the consolidated **net profit** (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidences we have obtained are 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described hereunder to be key audit matters to be communicated in our report.

Key audit matters	Auditor's response
Measurement of Revenue	Our audit procedure inter- alia included the following-

As per Ind AS 115, measurement of revenue to be made on transaction price.	• We used assessment of overall control environment relevant for measurement of revenue. • We performed testing of journal entries, with particular focus on manual adjustment to revenue account, to mitigate the risk of manipulation of revenue and profit figures.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that true and fair value of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including the Indian Accounting Standards specified in the section 133 of the Act, the respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of assets of the Group and for preventing and detecting frauds and other irregularities; selection and application 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 consolidated 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 consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statement, the respective Board of Directors of the companies including in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operation, or has no realistic alternative but to do so.

The respective Board of Directors the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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

Our objectives are to obtain a reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our 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 due to fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

(vi) Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from

fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

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

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

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

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

Materiality is the magnitude of misstatements in the consolidated financial statement, individually or in aggregate, makes it probable that the economic decision of reasonable knowledgeable user of the consolidated financial statement may be influenced.

We consider quantitative materiality and qualitative factors in (i) Planning the scope of our audit work and in evaluating the results of our work; and, (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls 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 reasonable be thought to bear on our independence, and where applicable, relevant safeguards.

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

Report on Other Legal and Regulatory Requirements

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relation to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

(c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income) and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries, none of the directors of the Group companies is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in **Annexure-A**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group internal financial controls over financial reporting.

(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, in our opinion and to the best of our information and according to the explanations given to us:

i. There were no pending litigations would impact the consolidated financial position of the Group (Refer to note no. 33 of the consolidated financial statements).

ii. The group 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 Group.

iv. The Group is not required to transfer any amount to the Investor Education and Protection Fund.

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

Sd/-
O.P. Pareek
Partner
Membership No. 014238
UDIN: 21014238AAAAJA9456

New Delhi, the 29th day of June, 2021

ANNEXURE- A TO THE AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

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

In conjunction with our audit of the consolidated financial statement of the Company as of and for the year ended 31st March 2021, we have audited the internal financial controls over financial reporting of **ARYAMAN FINANCIAL SERVICES LIMITED** (hereinafter referred to as "Holding Company") along with its subsidiaries, as of that date.

Management's Responsibility for the Internal Financial Controls

The respective management of the Company, its subsidiaries, are 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 controls stated in the Guidance Note on Audit of Internal Financial Control 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 fraud and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the Guidance Note) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the 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 aspects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control 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 risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidences 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 the receipt and expenditures of the Company are being only in accordance with authorizations of management and directors of the Company; and

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 could not be detected. Also, projections of any evaluation of the internal financial control over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may became 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 and its subsidiaries company, have, in all material aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2021, based on "the internal financial controls over financial reporting criteria 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 V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

Sd/-
O.P. Pareek
Partner
Membership No. 014238
UDIN: 21014238AAAAJA9456

New Delhi, the 29th day of June, 2021

CONSOLIDATED BALANCE SHEET

As at March 31, 2021

Particulars	Note	As at March 31, 2021	As at March 31, 2020
		INR Lacs	INR Lacs
ASSETS			
Financial Assets			
Cash and cash equivalents	2	361.60	37.13
Bank balances other than above	3	1,612.66	1,140.67
Securities for Trade (Inventories)	4	2,788.14	3,656.21
Trade receivables	5	18.52	27.21
Investments	6	2,976.00	2,084.93
Other financial assets	7	305.29	391.99
Non-Financial Assets			
Current tax assets(net)	8	30.49	87.62
Property, Plant and equipment	9	226.50	237.02
Other Intangible Assets		0.27	1.46
Other non financial Assets	10	20.92	11.61
TOTAL ASSETS		**8,340.40**	**7,675.87**
LIABILITIES AND EQUITY			
Financial Liabilities			
Payables			
(I)Trade Payables	11		
(i) total outstanding dues of micro enterprises and small enterprises			-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		49.43	1.38
Borrowings	12	2,818.72	3,304.31
Other Financial liabilities	13	29.83	16.35
Non-financial Liabilities			
Current Tax Liabilities (net)			
Deferred tax liabilities (net)	14	164.79	72.13
Other non-financial liabilities	15	77.96	66.32
Total Equity		**3,140.72**	**3,460.49**
Equity			
Equity Share Capital	16	1,168.20	1,168.20
Other equity	17	2,374.34	1,831.99
Equity attributable to owners of the company		**3,542.54**	**3,000.19**
Non-controlling interest		**1,657.13**	**1,215.17**
Total equity		**5,199.67**	**4,215.36**
TOTAL EQUITY AND LIABILITIES		**8,340.40**	**7,675.87**

Notes to the consolidated financial statements **1-40**
The accompanying notes are integral part of the consolidated financial statements

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

Sd/-
O.P.Pareek
Partner
Membership No. 014238
UDIN: - 21014238AAAAJA9456

Date: 29th June, 2021
Place: Mumbai

For and on behalf of the Aryaman Financial Services Limited

Sd/-
Shripal Shah
(Executive Director)
DIN: 01628855
Place : Mumbai
Date: June 29, 2021

Sd/-
Shreyas Shah
(Executive Director)
DIN: 01835575

Sd/-
Chaitali Pansari
(Company Secretary)
PAN: BKHPP6512N

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

For the year ended March 31, 2021

Particulars	Note	For the year ended March 31, 2021	For the year ended March 31, 2020
		INR Lacs	INR Lacs
I. Revenue From Operations			
- Fees & Commission Income		326.48	547.44
-Sale of stock in trade		13,349.49	8,315.76
-Investment & Dividend Income		14.78	6.91
Total Revenue from operations	18A	13,735.75	8,870.10
II. Other Income	18B	73.43	76.07
III. Total Income (I+II)		**13,809.18**	**8,946.16**
IV. EXPENSES			
Finance costs	19	280.00	281.14
Fees & Commission expenses	20	94.57	155.93
Purchase of Stock-in-trade		12,169.15	8,687.88
Changes in Inventories (Stock-in Trade)		868.08	(577.01)
Employee benefits expense	21	155.81	165.92
Depreciation and amortization expense	22	13.78	14.04
Other expenses	23	121.37	87.25
Total expenses (IV)		**13,702.76**	**8,815.15**
V. Profit before tax (III-IV)		**106.41**	**131.02**
VI. Tax expense:	24		
(1) Current tax		27.25	30.51
(2) Short/(Excess) provision for tax- Previous years		1.38	-
(3) Deferred tax		(5.41)	7.22
Total Tax Expenses		**23.21**	**37.73**
VII. Profit for the year (V-VI)		**83.20**	**93.29**
VIII. Other Comprehensive Income		**901.10**	**(209.07)**
IX. Total comprehensive income for the year (VII+IX)		**984.30**	**(115.78)**
Total Profit/(Loss) for the year attributable to:			
- Owners of the Company		76.54	90.71
- Non - Controlling Company		6.66	2.59
Other comprehensive income/(loss) for the year attributable to:			
- Owners of the Company		465.81	(153.48)
- Non - Controlling Company		435.29	(55.59)
Total Comprehensive income/(loss) for the year attributable to:			
- Owners of the Company		542.35	(62.78)
- Non - Controlling Company		441.96	(53.00)
X. Earnings per equity share:			
Basic & Diluted (Face value Rs.10 per equity share)		0.71	0.80

The accompanying notes (Note No. 1 to 39) are integral part of the financial statements
In terms of our attached report of even date

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

Sd/-
O.P.Pareek
Partner
Membership No. 014238
UDIN: - 21014238AAAAJA9456

Date: 29th June, 2021
Place: Mumbai

For and on behalf of the Aryaman Financial Services Limited

Sd/-
Shripal Shah
(Executive Director)
DIN: 01628855
Place : Mumbai
Date: June 29, 2021

Sd/-
Shreyas Shah
(Executive Director)
DIN: 01835575

Sd/-
Chaitali Pansari
(Company Secretary)
PAN: BKHPP6512N

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended March 31, 2021

a) Equity Share Capital:

Particulars	Amount INR Lacs
Balance as at 31st March, 2019	**1,168.20**
Changes in equity share capital during the year	-
Balance as at 31st March, 2020	**1,168.20**
Changes in equity share capital during the year	-
Balance as at 31st March, 2021	**1,168.20**

b) Other Equity:

Particulars	Reserves and Surplus				Other comprehensive income (OCI)	Equity attributable to owners of the parent	Equity attributable to non contolling interest	Total Other Equity
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	FVOCI - Equity Instrument			
	INR Lacs	INR Lacs	INR Lacs	INR Lacs	INR Lacs			INR Lacs
As at 1st April, 2019	**6.52**	**317.67**	**260.75**	**629.15**	**680.68**	**1,894.78**	**1,268.17**	**3,162.95**
Profit for the year 2019-20	-	-	-	90.71	(153.47)	90.71	2.59	93.29
Other comprehensive income for the year	-	-	-	-	-	(153.47)	(55.59)	(209.06)
As at 31st March, 2020	**6.52**	**317.67**	**260.75**	**719.86**	**527.21**	**1,831.99**	**1,215.16**	**3,047.15**
Profit for the year 2020-21	-	-	-	76.54	-	76.54	6.66	2.59
Other comprehensive income for the year	-	-	-	-	465.81	465.81	435.29	(55.59)
As at 31st March, 2021	**6.52**	**317.67**	**260.75**	**796.40**	**993.02**	**2,374.34**	**1,657.12**	**2,994.15)**

The accompanying notes are integral part of the consolidated financial statements
In terms of our report attached

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

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O.P.Pareek
Partner
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Sd/-
Chaitali Pansari
(Company Secretary)
PAN- BKHPP6512N

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended March 31, 2021

Particulars	For the year ended March 31, 2021 INR Lacs	For the year ended March 31, 2020 INR Lacs
A. Cash flow from operating activities		
Profit for the year before tax	106.41	131.02
Adjustments for:		
Finance costs	280.00	281.14
Depreciation and amortization expense	13.78	14.04
Interest income	(73.43)	(76.07)
Operating profit before working capital changes	**326.76**	**350.13**
Movements in working capital:		
(Increase)/decrease in trade receivables	8.68	1.41
(Increase)/decrease in other assets	945.46	(615.61)
Increase /(decrease) in trade payables	48.05	(190.09)
Increase /(decrease) in other liabilities	25.12	(42.55)
Cash generated from operations	**1,354.08**	**(496.71)**
Direct taxes paid (net)	28.51	(39.00)
Net cash from operating activities (A)	**1,382.58**	**(535.71)**
B. Cash flows from investing activities		
Purchase/Sale of property, plant and equipment (PPE)	(2.08)	(18.96)
Purchase of Investments (net)	108.11	499.82
Interest Income	73.43	76.07
Net cash (used in) investing activities (B)	**179.46**	**556.91**
C. Cash flow from financing activities		
Interest paid	(280.00)	(281.14)
Proceeds from Short term Borrowings (net)	(485.60)	98.52
Net cash (used in) financing activities (C)	**(765.60)**	**(182.63)**
NET INCREASE IN CASH AND CASH EQUIVALENTS [(A) + (B) + (C)]	**796.44**	**(161.43)**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	1,177.80	1,339.23
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**1,974.26**	**1,177.80**
Components of Cash & Cash Equivalents		
Cash on hand	1.43	5.08
Balance with Bank in Current & Fixed Deposit Accounts	1,972.83	1,172.72
Balance with Bank in Current & Fixed Deposit Accounts	**1,974.26**	**1,177.80**

In terms of our report attached

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

Sd/-
O.P.Pareek
Partner
Membership No. 014238
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Date: 29th June, 2021
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DIN: 01835575

Sd/-
Chaitali Pansari
(Company Secretary)
PAN- BKHPP6512N

1. **Note 1:**

A. CORPORATE INFORMATION:

The consolidated financial statements comprises financial statements of Aryaman Financial Services limited (Parent Company) and its 2 subsidiaries (hereinafter to be referredd as the Group) for the year ended March 31, 2021.

Aryaman Financial Services Limited is a public limited Group domiciled in India with its registered office located at 102, Ganga Chambers, 6A/1, W.E.A., Karol Bagh, New Delhi-110005. The Group is listed on BSE Limited (BSE). The group is is enagaged in the business of Financial services viz. Merchant Banking, Investments (Strategic & Non Strategic)"

B. SIGNIFICANT ACCOUNTING POLICIES:

1. Basis of Preparation of Financial Statements:

These Consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting standards) Rules as amended from time to time and other related provisions of the Act.

The financial statements of the Group are prepared on the accrual basis of accounting and Historical cost convention except for the following material items that have been measured at fair value as required by the relevant Ind AS:

(i) Certain financial assets and liabilities are measured at Fair value (Refer note no. 7)

The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or noncurrent as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

The Consolidated financial statements are presented in INR, the functional currency of the Company. Rounding of amounts All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lacs as per the requirement of Schedule III, unless otherwise stated.

Basis of Consolidatation:

The consolidated financial statements comprise the financial statements of the Parent Group and its subsidiaries as at March 31, 2020.

Subsidiaries:

(a) Combine, on line by line basis like items of assets, liabilities, equity, income, expenses and cash flows of the Parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities
recognised in the consolidated financia statements at the acquisition date.
(b) Offset (eliminate) the carrying amount of the Parent's investment in each subsidiary and the Parent's portion of equity of each
subsidiary. Business combinations policy explains how to account for any related goodwill.
(c) Eliminate in full intra-group assets and liabilities, equity, income, expenses and Cash flows relating to transactions between

entities of the group (profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory
and property, plant and equipment (PPE), are eliminated in full). Intra-group losses may indicate an impairment that requires
recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the
elimination of profits and losses resulting from intra-group transactions.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Group and to the noncontrolling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Parent Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group
member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies

Changes in the Group's ownership interest in existing subsidiaries:

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling
interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the group.

When the Group loses control of a subsidiary, a gain or loss is recognised in consolidated statement of profit and loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any noncontrolling interests.

2. Use of Estimates and judgments:

The preparation of the financial statements requires the Management to make, judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates. The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the management and are based on historical experience and various other assumptions and factors (including expectations of future events) that the management believes to be reasonable under the existing circumstances. Actual results may differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

Critical accounting judgments and key source of estimation uncertainty:
The Group is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an on-going basis.

(a) Estimation of current tax expenses and payable - Refer note no. – 14

3. Property, plant and equipment (PPE):

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, land and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the item and restoring the site on which it is located.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

4. Intangible assets:

Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

5. Depreciation and Amortization:

a) Property Plant and Equipment (PPE):
Depreciation is provided on a pro-rata basis on the straight line method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013. Freehold Land is not being depreciated.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate. "

Estimated useful life is as below:
Computer - 3 Years
Furniture and fixtures - 10 years
Office equipments - 5 years
Motor Vehicles - 8 years
Leasehold premises - 30 years

b) Intangible Assets:
The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives.

The amortisation period and the amortisation method for finite life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate. For indefinite life intangible assets, the assessment of indefinite life is reviewed annually to determine whether it continues, if not, it is impaired or changed prospectively basis revised estimates. Useful life of intangible Asset is 10 years.

6. Investment Properties:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment if any.Depreciation on building is provided based on straight line method using the useful life as specified in schedule II of the Companies Act, 2013 .

7. Financial Instruments:

Financial Assets:
Financial assets are recognised when the Group becomes a party to the contractual provisions of the instruments. On initial recognition, a financial asset is recognised at fair value, in case of Financial assets which are recognised at fair

value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Subsequent measurement:
Financial assets are subsequently classified as measured at:
- amortised cost
- fair value through profit & loss (FVTPL)
- fair value through other comprehensive income (FVTOCI)

The above classification is being determined considering the: (a) the entity's business model for managing the financial assets and (b) the contractual cash flow characteristics of the financial asset.

(i) Measured at amortised cost:
Financial assets are subsequently measured at amortised cost, if these financial assets are held within a business module whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Measured at fair value through other comprehensive income (FVTOCI):
Financial assets are measured at FVTOCI, if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss.

(iii) Measured at fair value through profit or loss (FVTPL):
Financial assets other than equity instrument are measured at FVTPL unless it is measured at amortised cost or at FVTOCI on initial recognition. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Statement of Profit and Loss.

Equity Instruments:
On initial recognition, the Group can make an irrevocable election (on an instrument-byinstrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'.

Dividends on these investments in equity instruments are recognised in Statement of Profit and Loss when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in Statement of Profit and Loss are included in the 'Other income' line item.

Impairment:
The Group recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward looking.

The Group's trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life ime expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Group does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. For financial assets other than trade receivables, the Group recognises 12–months expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Group reverts to recognizing impairment loss allowance based on 12 months ECL. The impairment losses and reversals are recognised in Statement of Profit and Loss. For equity instruments and financial assets measured at FVTPL, there is no requirement of impairment testing.

De-recognition:
The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, 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 Group continues to recognise the transferred asset to the extent of the Group's continuing involvement.

In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Financial Liabilities:
Initial Recognition and measurement:
Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

The Group's financial liabilities includes trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement:
Financial liabilities measured at amortised cost are subsequently measured at using EIR method. Financial liabilities carried at fair value through profit or losses are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Loans & Borrowings:
After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization process.

Financial Guarantee Contracts:
Financial guarantee contracts issued by the Company are those contracts that requires a payment to be made or to reimburse the holder for a loss it incurs because the specified debtors fails to make payment when due in accordance with the term of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

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

Derivative financial instruments:
The Group uses derivative financial instruments, such as forward foreign exchange contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value, with changes in fair value recognised in Statement of Profit and Loss.

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

8. Fair Value Measurement:

The Group measures financial instruments, such as, derivatives, investments at fair value at each balance sheet date. 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:

a) In the principal market for the asset or liability, or
b) In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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:

(i) Level 1-Quoted (unadjusted) market prices in active markets for identical assets or liabilities
(ii) Level 2-Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
(iii) Level 3-Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

9. Inventories/Securities for trade:

Inventories are valued at the lower of cost and net realisable value. Cost is computed on a weighted average basis.

10. Cash and Cash Equivalents:

Cash and Cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

11. Foreign Currency Transactions:

a) Initial Recognition:
Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss of the year.

b) Measurement of Foreign Currency Items at the Balance Sheet Date:
Foreign currency monetary items of the Group are restated at the closing exchange rates. Non monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

12. Revenue Recognition:

Rendering of Services
Income from services rendered is recognised based on invoices raised for service provided on an accrual basis.
Revenue is measured at fair value of the consideration received or receivable, after deduction of any discounts and any taxes or duties collected on behalf of the government which are levied on sales such as sales tax, value added tax, GST etc.

Interest
Revenue is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable and based on Effective interest rate method.

Dividend
Dividend Income is recognized when right to receive the same is established and the same is shown as Investment and dividend income.

13. Employee Benefits:

Employee Benefits: - The Group does not falls within the applicability of Employee Benefit plans.

14. Taxes on Income:

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

Current tax is based on taxable profit for the year. Taxable profit is different from accounting profit due to temporary differences between accounting and tax treatments, and due to items that are never taxable or tax deductible. Tax provisions are included in current liabilities. Interest and penalties on tax liabilities are provided for in the tax charge. The Group offsets, the current tax assets and liabilities (on a year on year basis) where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis or to realise the assets and liabilities on net basis.

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements. Deferred income tax asset 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. Deferred tax assets are not recognised where it is more likely than not that the assets will not be realised in the future.

The carrying amount of deferred income 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 income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the

period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income-tax during the specified period. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Group will pay normal income-tax during the specified period.

15. Borrowing Cost:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of Cost of that assets, during the period till all the activities necessary to prepare the Qualifying assets for its intended use or sale are complete during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

16. Earnings Per Share:

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

17. Leases:

Where the Group is Lessee
Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on accrual basis as per the terms of agreements entered with the counter parties.

Where the Group is Lessor
Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in property, plant and equipment. The Group recognizes lease rentals from the property leased out, on accrual basis as per the terms of agreements entered with the counter parties. Costs, including depreciation, are recognized as an expense in the Statement of Profit and Loss.

18. Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognised if, as a result of a past event, the group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized nor disclosed in financial statements.

2. Cash & cash equivalents:

Particulars	As at March 31, 2021 INR Lacs	As at March 31, 2020 INR Lacs
Balances with banks		
i) in current accounts	360.17	32.05
Cash on Hand	1.43	5.08
Total	**361.60**	**37.13**

3. Bank balances other than cash and cash equivalents:

Particulars	As at March 31, 2021 INR Lacs	As at March 31, 2020 INR Lacs
Balances with banks - Fixed deposits	1,612.66	1,140.67
Total	**1,612.66**	**1,140.67**

4. Inventories:

Particulars	As at March 31, 2021 INR Lacs	As at March 31, 2020 INR Lacs
Stock in trade of shares and securities (Quoted) (In India	2,788.14	3,656.21
Total	**2,788.14**	**3,656.21**

5. Trade **receivables:**

Particulars	As at March 31, 2021 INR Lacs	As at March 31, 2020 INR Lacs
Unsecured, considered good	18.52	38.01
Outstanding for a period exceeding six months from the date they become due for payment	11.08	2.42
Outstanding for a period less than six months	7.44	35.59
	18.52	**38.01**

Footnotes:
i) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person.

6. Investments:

Particulars	As at March 31, 2021 INR Lacs	As at March 31, 2020 INR Lacs
Investments measured at Fair Value through Other Comprehensive Income		
Quoted, Fully paid up :		

8,812 (31st March 2020: 1,715) Equity Shares of Rs 10 each of AGI Infra Ltd	7.34	0.98
2,34,900 (31st March 2020: 2,36,100) Equity shares of Rs.10 each of Bajaj Health Care Ltd.	1,107.79	485.54
192,000 (31st March 2020: 1,92,000) Equity shares of Rs.10 each of SRG Securities Finance Ltd.	67.58	76.61
4,69,500 (31st March 2020: 4,68,000) Equity shares of Rs.10 each of Diksat Transworld Ltd	322.31	624.38
5,000 (31st March 2020: 1,78,000) Equity shares of Rs.10 each of SKS Textiles	1.26	62.48
20,250 (31st March 2020: 20,250) Equity shares of Rs.10 each of Suyog Telematics	83.79	67.69
32,200 (31st March 2020: 3,95,525) Equity shares of Rs.10 each of Maximus International Ltd.	37.46	278.65
2,37,600 (31st March 2020: 2,37,600) Equity shares of Rs. 10 each of Bajaj Healthcare Ltd.	1,120.52	488.65
1,94,400 (31st March 2020: NIL) Equity shares of Rs.10 each of Giriraj Civil Developers Ltd	172.43	-
33,600 (31st March 2020: NIL) Equity shares of Rs.10 each of Pavna Industries	55.49	-
Aggregate amount of investments	**2,976.00**	**2,084.93**
Market Value of Quoted Investments	**2,976.00**	**2,084.93**
Aggregate Value of Quoted Investments (at cost)	**1,014.53**	**1,122.64**

7. Other financial assets:

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Unsecured, Considered good		
Security Deposit	292.26	301.76
Other Recoverables	2.20	80.00
Other Advances & Deposits	6.49	6.65
Interest accrued but not due on fixed deposits	4.34	3.58
Total	**305.29**	**391.99**

8. Current tax assets(net):

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Current Tax Assets (Net)	30.49	87.63
Total	**30.49**	**87.63**

9. A. Property, plant and equipment:

Gross Carrying Amount:

Particulars	Freehold land	Leasehold Premises	Furniture & Fixtures	Office Equipment	Computer	Motor Vehicle	Total
	INR Lacs	INR Lacs	INR Lacs	INR Lacs	INR Lacs	INR Lacs	INR Lacs
Balance as at 1st April, 2019	**83.43**	**102.34**	**9.09**	**1.94**	**22.72**	**54.78**	**274.29**
Additions	-	-	16.61	1.90	0.45	-	18.96

Disposals	-	-	-	-	-	-	-
Balance as at March 31, 2020	**83.43**	**102.34**	**25.69**	**3.85**	**23.17**	**54.78**	**293.25**
Additions		-	0.21	0.71	1.15	-	2.08
Disposals		-	-	-	-	-	-
Balance as at March 31, 2021	**83.43**	**102.34**	**25.89**	**4.57**	**24.33**	**54.78**	**295.33**

Accumulated depreciation:

Particulars	Freehold land	Leasehold Premises	Furniture & Fixtures	Office Equipment	Computer	Motor Vehicle	Total
	INR Lacs	INR Lacs	INR Lacs	INR Lacs	INR Lacs	INR Lacs	INR Lacs
Balance as at 1st April, 2019	-	**4.84**	**0.63**	**1.00**	**19.03**	**18.12**	**43.62**
Depreciation expense	-	1.60	2.03	1.03	1.43	6.53	12.62
Eliminated on disposals of assets	-	-	-	-	-	-	-
Balance as at 31st March, 2020	-	**6.44**	**2.66**	**2.03**	**20.46**	**24.65**	**56.24**
Depreciation expense	-	1.60	2.41	0.70	1.38	6.52	12.60
Eliminated on disposals of assets	-	-	-	-	-	-	-
Balance as at March 31, 2021	**-**	**8.04**	**5.07**	**2.73**	**21.83**	**31.16**	**68.84**
Net carrying amount as at March 31, 2021	**83.43**	**94.30**	**20.82**	**1.84**	**2.49**	**23.62**	**226.50**
Net carrying amount as at March 31, 2020	**83.43**	**95.89**	**23.03**	**1.81**	**2.71**	**30.14**	**237.02**

9. B Intangible assets:

Gross Carrying Amount:

Particulars	Software	Total
	INR Lacs	INR Lacs
Balance as at 1st April, 2019	**4.40**	**4.40**
Additions	-	-
Disposals	-	-
Balance as at March 31, 2020	**4.40**	**4.40**
Additions	-	-
Disposals	-	-
Balance as at March 31, 2021	**4.40**	**4.40**

Accumulated Amortization / Impairment:

Particulars	Software INR Lacs	Total INR Lacs
Balance as at 1st April, 2019	1.54	1.54
Amortisation expense	1.40	1.40
Balance as at 31st March, 2020	**2.95**	**2.95**
Amortisation expense	1.18	1.18
Balance as at 31st March, 2021	**4.12**	**4.12**

Net carrying amount as at March 31, 2020	**1.45**	**1.45**
Net carrying amount as at March 31, 2021	**0.27**	**0.27**

10. Other Non-Financial assets:

Particulars	As at March 31, 2021 INR Lacs	As at March 31, 2020 INR Lacs
Advance to suppliers	0.47	1.40
GST Input Tax	7.10	-
Prepaid expenses	6.37	6.66
Other Current assets	6.45	1.00
Unamortized Expenses-Initial Public Offer	0.52	2.55
Total	**20.92**	**11.61**

11. Trade payables:

Particulars	As at March 31, 2021 INR Lacs	As at March 31, 2020 INR Lacs
Dues to Micro and Small enterprises		-
Dues to Others	49.43	1.38
Total	**49.43**	**1.38**

Note: There are no dues to Micro and Small Enterprises as defined under Micro, Small & Medium Enterprises Development Act, 2006 which are outstanding for a period more than 45 days as on the balance sheet date.

12. Borrowings:

Particulars	As at March 31, 2021 INR Lacs	As at March 31, 2020 INR Lacs
Secured		
Finance Lease Institutions (Refer note (i), below)	6.85	24.13
	6.85	**24.13**
Unsecured		
Loans repayable on demand (Refer note (i), below)	2,811.87	3,280.18

TOTAL	**2,818.72**	**3,304.31**

Footnotes:
Security and other details:

(i) Finance Loan from Financial Institutions represents Car Loan taken from Daimler Financial Services India Pvt Ltd of Rs. 36,00,000 for a tenure of 5 years, repayable in monthly instalments of Rs. 59,436/- . & Loan from HDFC Bank (Car Loan) Rs 10,07,761/- for a tenure of 5 years, repayable in monthly instalments of Rs 20,968/-

13. Other Financial Liabilities:

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Employee related payables	11.05	9.30
Managerial remuneration payable	1.86	1.94
Director sitting fees Payable	2.76	1.38
Audit Fees Payable	2.26	1.94
Other payable	2.24	1.79
Current Maturities of Long term Debt (Refer note 12)	9.65	-
Total	**29.83**	**16.35**

14. Deferred Tax Liability:

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Deferred Tax Liabilities		
- on account of depreciation	9.96	15.36
- on Other Comprehensive Income	154.84	56.76
Total	**164.79**	**72.13**

15. Other non financial liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Advances received from Customers	59.90	51.96
TDS payable	6.66	10.08
GST Payable	11.24	4.27
Professional Tax payable	0.15	0.01
Other advances	-	1.63
Total	**77.96**	**66.32**

16. Equity share capital:

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Authorised:	1,170.00	1,170.00

1,17,00,000 (31.03.2020: 1,17,00,000) Equity Shares of R 10 each		
Issued, Subscribed and Paid up: 1,16,82,000 (31.03.2020: 1,16,82,000) Equity Shares of Rs. 10 each	1,168.20	1,168.20
Total	**1,168.20**	**1,168.20**

16.1 Reconciliation of number of shares outstanding at the beginning and end of the year:

Authorized share capital:

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Balance as at 1st April, 2019	117.00	117.00
Add / (Less): Changes during the year	-	-
Balance as at 31st March, 2020	117.00	117.00
Add / (Less): Changes during the year	-	-
Balance as at 31st March, 2021	117.00	117.00

Issued, Subscribed and Paid up share capital:

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Balance as at 1st April, 2019	116.82	116.82
Add / (Less): Changes during the year	-	-
Balance as at 31st March, 2020	116.82	116.82
Add / (Less): Changes during the year	-	-
Balance as at 31st March, 2021	116.82	116.82

16.2 Terms / rights attached to Equity Shares:

The Company has only one class of equity shares having a par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends if any, in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the Shareholders at the ensuing Annual General Meeting, except in case of interim dividend.

16.3 Details of shares held by each shareholder holding more than 5% shares in the Company:

Equity share of Rs. 10 each fully paid up with voting rights	Number of fully paid equity shares	Holding
	INR Lacs	(%)
Mahshri Enterprises Private Limited		
As at 31st March, 2020	70.83	60.63%
As at 31st March, 2021	70.73	60.63%

16.4 Details of shares held by holding company

Equity share of Rs. 10 each fully paid up with voting rights	Number of fully paid equity shares	Holding

	INR Lacs	(%)
Mahshri Enterprises Private Limited		
As at 31st March, 2020	70.83	60.63%
As at 31st March, 2021	70.73	60.63%

17. Other equity:

Particulars	As at March 31, 2021 INR Lacs	As at March 31, 2020 INR Lacs
Capital reserve	6.52	6.52
General reserve	260.75	260.75
Securities premium	317.68	317.68
Retained earnings	796.44	719.90
Other Comprehensive Income	992.97	527.16
TOTAL	**2,374.36**	**1,832.01**

17.1 Capital reserve:

Particulars	As at March 31, 2021 INR Lacs	As at March 31, 2020 INR Lacs
Balance as at beginning of the year	6.52	6.52
Add/(Less): Movement during the year	-	-
Balance as at end of the year	**6.52**	**6.52**

17.2 Securities premium:

Particulars	As at March 31, 2021 INR Lacs	As at March 31, 2020 INR Lacs
Balance as at beginning of the year	317.68	317.68
Add/(Less): Movement during the year	-	-
Balance as at end of the year	**317.68**	**317.68**

17.3 General reserve:

Particulars	As at March 31, 2021 INR Lacs	As at March 31, 2020 INR Lacs
Balance as at beginning of the year	260.75	260.75
Add/(Less): Movement during the year	-	-
Balance as at end of the year	**260.75**	**260.75**

Note:
The general reserve is used from time to time to transfer profits from retained earnings for appropriations purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

17.4 Retained Earnings:

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Balance as at beginning of the year	719.90	629.19
Add/(Less): Profit/(loss) for the year	76.54	90.71
Balance as at end of the year	**796.44**	**719.90**

17.5 Other Comprehensive Income:

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Balance as at beginning of the year	527.16	680.63
Add/(Less):Profit for the year	465.81	(153.47)
Total	**992.97**	**527.16**

18. A. Revenue From Operations

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Income from fees earned	326.48	547.44
- Investment and Dividend income	14.78	6.90
Sale of shares and securities	13,394.49	8,315.76
Total	13,735.75	**8,870.10**

18 B. Other Income:

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Interest Income on Fixed Deposits	71.54	74.57
Miscellaneous Income & I T Refund	1.89	1.50
Total	**73.43**	**76.07**

19. Finance Costs:

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Interest Expenses on:		
-Borrowings	279.06	280.34
-Other borrowing costs	0.95	0.81
Total	**280.00**	**281.14**

20. Fees & Commission expenses :

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Commission and Brokerages	10.63	6.36
Legal & Professional fees	72.23	89.71
Advertisement & Publicity fees	2.41	45.45
Listing Fees & Processing Fees	4.02	6.69
Processing Fees/Application fees	3.03	1.83
Custodial Fees	2.25	3.71
Total	**94.57**	**153.75**

21. Employee Benefit Expense:

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Salaries, wages and bonus (including managerial remuneration)	122.01	135.23
Managerial remuneration	27.00	28.68
Staff welfare expenses	2.89	2.01
Director Sitting fees	3.92	3.82
Total	**155.81**	**169.74**

22. Depreciation and amortisation expense:

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Depreciation of property, plant and equipment (Refer note 9)	12.60	12.64
Amortisation of intangible assets (Refer note 9)	1.18	1.40
IPO Expenses amortised		-
Total	**13.78**	**14.04**

23. Other Expenses:

Particulars	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Rent Rates and Taxes	4.74	4.36
Telephone Expenses	2.29	2.17
Membership fees and subscription	12.17	6.06
Business Promotion Expenses	7.91	
IPO Expenses	2.02	2.02
Electricity Charges	1.19	1.60
Payment to Auditors		
-Audit fees	1.95	1.83
-For Taxation Matter		0.20
-For Limited Review	0.43	0.30
Office Administration Expenses	32.03	40.71

Miscellaneous expenses	35.83	4.26
Penalty paid		0.31
Interest on delayed payment of statutory dues	0.21	2.12
RTA Expenses (Demat charges)	0.34	0.36
Security Transaction Tax	19.03	14.74
Repairs & Maintainence – Others	1.23	4.57
Total	**121.37**	**85.61**

24. Contingent liabilities & Commitments:

The Group does not have any contingent liabilities and Commitments (Including Capital Commitments as on March 31, 2021 (As at March 31, 2020 - Nil).

25. Earning Per share:

Particulars	As at March 31, 2021	As at March 31, 2020
Profit after tax available for equity shareholders (INR Lacs)	76.54	90.71
Weighted average number of equity shares (Nos.)	116.82	116.82
Nominal value of equity shares of Rs. 10 each	10.00	10.00
Basic and diluted Earning Per Share – INR	0.66	0.78

26. Segment Reporting:

The Group's Board of Directors has been identified as the Chief Operating Decision Maker (CODM) as defined under Ind AS 108 "Operating Segments". The CODM evaluates the Company's performance and allocated the resources based on an analysis of various performance indicators . The Group is primarily engaged in the business of financial services The same has been considered as business segment and the management considers these as a single reportable segment. Accordingly, disclosure of segment information has not been furnished.

27. Related party disclosures:

As per IND AS 24, the disclosures of transactions with the related parties are given below:

Category	Name of the Related Party/ Relationship
Holding Company	Mahshri Enterprises Pvt Ltd
Key Managerial Personnel	Mr. Shripal Shah, Director
	Mr. Shreyas Shah, Director & CFO
	Ms. Chaitali Pansari, Company Secretary
Entities in which KMP have significant influence	Vardhaman Investment (Proprietor - Mrs. Roopa Shah)
Relative of KMP	Mrs. Meloni Shah (Wife of Shripal Shah & Employee)

2. Transactions carried out with related parties referred in 1 above, in ordinary course of business:

Name of the Related Party	As at March 31, 2021	As at March 31, 2020
	INR Lacs	INR Lacs
Key Manangerial Personnel		
Salary Paid		
Mr. Shripal Shah	18.00	18.00
Mr. Shreyas Shah	9.00	9.00

Ms. Gunjan Kataruka	-	5.26
Ms. Chaitali Pansari	5.22	1.31
Sales		
Mr. Shripal Shah	0.01	0.00
Mr. Shreyas Shah	0.01	0.01
Relative of KMP		
Salary Paid		
Mrs. Meloni Shah	1.80	1.80
Sales		
Mrs. Meloni Shah	0.01	0.00.

2. **Balances outstanding:**

Name of the Related Party	As at March 31, 2021 INR Lacs	As at March 31, 2020 INR Lacs
Entities in which KMP have significant influence		
Office Deposit - Vardhaman Investment (Proprietor - Mrs. Roopa Shah)	250.00	250.00
Key Managerial Prsonnel		
Salary Payable to:		
Mr. Shripal Shah	1.19	1.20
Mr. Shreyas Shah	0.68	0.75
Ms. Gunjan Kataruka	-	0.53
Ms. Chaitali Pansari	0.44	-
Recievables Outstanding		
Mr. Shripal Shah	0.03	0.02
Mr. Shreyas Shah	0.03	0.02
Relative of KMP		
Salary Payable to:		
Mrs. Meloni Shah	0.15	0.15
Recievables Outstanding		
Mrs. Meloni Shripal Shah	0.03	0.02

28. Income taxes:

a) Tax expense recognized in the Statement of profit and loss:

Particulars	As at March 31, 2021 INR Lacs	As at March 31, 2020 INR Lacs
Current tax		
Current year	27.25	30.51
Total current tax	**27.25**	**30.51**
Deferred tax		

Relating to origination and reversal of temporary difference	(5.41)	7.22
Total deferred income tax expense/(credit)	**(5.41)**	**7.22**
Short/(Excess) provision for tax- Previous Years	1.38	-
Mat Credit availes/ (Utilised)	-	-
Total income tax expense/(credit)	**23.21**	**37.73**

A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows:

b) Reconciliation of effective tax rate:

Particulars	As at March 31, 2021 INR Lacs	As at March 31, 2020 INR Lacs
Profit /(loss) before taxation	106.41	131.02
Enacted income tax rate in India	27.82%	27.82%
Tax at the enacted income tax rate	29.60	36.45
Reconciliation line items:		
Earlier years tax	1.38	
Other item	5.01	(1.28)
Tax expense/ (credit)	**23.21**	**37.73**

c) The movement in deferred tax assets and liabilities during the year ended March 31, 2021 and March 31, 2020:

Particulars	As at March 31, 2019 INR Lacs	Credit/ (charge) in Statement of profit and loss INR Lacs	As at March 31, 2020 INR Lacs
Deferred tax assets/(liabilities)			
-On Account of Depreciation	8.15	7.22	15.36
-On fair Valuation of Investments in Equity Instruments	47.70	9.06	56.76
Total	**55.85**	**16.28**	**72.13**

Particulars	As at March 31, 2020 INR Lacs	Credit/ (charge) in Statement of profit and loss INR Lacs	As at March 31, 2021 INR Lacs
Deferred tax assets/(liabilities)			
- On Account of Depreciation	15.36	(5.41)	9.95
- On fair Valuation of Investments in Equity Instruments	56.76	98.08	154.84
-MAT credit entitlement	-		
Total	**72.12**	**92.66**	**164.78**

29. Financial instruments:

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

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

   The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

   - Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
   - Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
   - Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

   The carrying amounts and fair values of financial instruments by category are as follows:

For March 31, 2021:

Particulars	FVOCI	FVTPL	Amortized cost	Total fair value	Carrying amount
	INR Lacs	INR Lacs	INR Lacs	INR Lacs	INR Lacs
Financial assets					
Investments	2,976.00	-	-	2,976.00	2,976.00
Trade receivables	-	-	18.52	18.52	18.52
Cash and cash equivalents	-	-	361.60	361.60	361.60
Other bank balances	-	-	1,612.66	1,612.66	1,612.66
Other financial assets	-	-	305.29	305.29	305.29
Total Financial assets	**2,976.00**	**-**	**2,298.08**	**5,274.07**	**5,274.07**
Financial liabilities					
Borrowings	-	-	2,818.72	2,818.72	2,818.72
Trade payables	-	-	49.43	49.43	49.43
Others	-	-	29.83	-	-
Total financial liabilities	**-**	**-**	**2,897.98**	**2,868.15**	**2,868.15**

For March 31, 2020:

Particulars	FVOCI	FVTPL	Amortized cost	Total fair value	Carrying amount
	INR Lacs	INR Lacs	INR Lacs	INR Lacs	INR Lacs
Financial assets					
Investments	2,084.94	-	-	2,084.94	2,084.94
Trade receivables	-	-	27.21	27.21	27.21
Cash and cash equivalents	-	-	37.13	37.13	37.13
Other bank balances	-		1,140.67	1,140.67	1,140.67
Other financial assets	-	-	391.99	391.99	391.99
Total Financial assets	**2,084.94**	**-**	**1,597.00**	**3,681.94**	**3,681.94**
Financial liabilities					

Borrowings	-	-	3,304.31	3,304.31	3,304.31
Trade payables	-	-	1.38	1.38	1.38
Others	-	-	16.35	16.35	16.35
Total financial liabilities	**-**	**-**	**3,322.04**	**3,322.04**	**3,322.04**

Fair value estimation:
'For financial instruments measured at fair value in the Balance Sheet, a three level fair value hierarchy is used that reflects the significance of inputs used in the measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

- Level 1: quoted prices for identical instruments
- Level 2: directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: inputs which are not based on observable market data.

For assets and liabilities which are carried at fair value, the classification of fair value calculations by category is summarized below:

For March 31, 2021:

Particulars	Level 1 INR Lacs	Level 2 INR Lacs	Level 3 INR Lacs
Assets at fair value - Investments	2,976.00	-	-

For March 31, 2020:

Particulars	Level 1 INR Lacs	Level 2 INR Lacs	Level 3 INR Lacs
Assets at fair value - Investments	2,084.94	-	-

There were no significant changes in classification and no significant movements between the fair value hierarchy classifications of financial assets and financial liabilities during the period.

30. Financial risk factors:

The Group's principal financial liabilities comprise loans and borrowings, advances and trade and other payables. The purpose of these financial liabilities is to finance the Group's operations and to provide to support its operations. The Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.
The Group's activities expose it to Liquidity Risk, Market Risk and Credit risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized as below.

a) Liquidity Risk:

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk management implies maintenance sufficient cash including availability of funding through an adequate amount of committed credit facilities to meet the obligations as and when due.

The Group manages its liquidity risk by ensuring as far as possible that it will have sufficient liquidity to meet its short term and long term liabilities as and when due. Anticipated future cash flows are expected to be sufficient to meet the liquidity requirements of the Group. The Group does not have any undrawn borrowing facilities with the Banks/Financial institutions.

i. The following is the contractual maturities of the financial liabilities:

As at March 31, 2021:

Particulars	Carrying amount	Payable on demand	1-12 months	More than 12 months
	INR Lacs	INR Lacs	INR Lacs	INR Lacs
Borrowings	3,304.31	-	3,304.31	-
Trade payables	1.38	-	1.38	-
Other financial liabilities	16.35	-	16.35	-
TOTAL	**3,322.04**	-	**3,322.04**	-

As at March 31, 2020:

Particulars	Carrying amount	Payable on demand	1-12 months	More than 12 months
	INR Lacs	INR Lacs	INR Lacs	INR Lacs
Borrowings	3,304.31	-	3,304.31	-
Trade payables	2.76	-	2.76	-
Other financial liabilities	14.97	-	14.97	-
TOTAL	**3,322.04**	**-**	**3,322.04**	**-**

b) Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include investment, deposits, foreign currency receivables and payables. The Group's treasury team manages the Market risk, which evaluates and exercises independent control over the entire process of market risk management.

i. Foreign currency risk:
Foreign currency risk can only arise on financial instruments that are denominated in a currency other than the functional currency in which they are measured. The Group's functional and presentation currency is INR. The Group does not have any foreign currency transactions and hence is not exposed to the Foreign Currency Risks

ii. Interest rate risk:
Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Group's does not have any long term borrowings. Hence, the Group is not exposed to the interest rate risk.

iii. Price risk:
The Company's exposure to equity securities price risk arises from investments held by the Group and classified in the balance sheet either at fair value through OCI or at fair value through profit and loss. To manage its price risk arising from investments in equity securities, the Company offsets its risk through strong research policies practice followed

Sensitivity:
The table below summarizes the impact of increases/(decreases) of the BSE index on the Company's equity and Gain/ (Loss) for the period. The analysis is based on the assumption that the index has increased by 5 % or decreased by 5 % with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

Impact on Profit before tax:

Particulars	For the year ended	For the year ended

	March 31, 2021 INR Lacs	March 31, 2020 INR Lacs
BSE Sensex - Increase 5 %	148.80	104.25
BSE Sensex - Decrease 5%	(148.80)	(104.25)

iv. Underwriting Risk:
The Group undertakes underwriting of various public issues of Securities in the Capital Market. This risk includes market making for new securities. This includes compulsion to provide two way quotes to a client s on a Stock exchange. The Company carries cash flow risk in case it is required to compensate Underwriter for not able to provide the quoted. The Company manages this risk by underwriting issues only after strong research conducted by it

c) Credit risk:

Credit risk is the risk of financial loss to the Group if a customer or counter-party fails to meet its contractual obligations. The Group is exposed to credit risks from its operating activities, primarily trade receivables, cash and cash equivalents, deposits with banks and other financial instruments.
The Group is not significantly exposed to the credit risk toward trade receivables considering the nature of services provided by the Company.

Trade receivables that have exposure to the Credit risks:

Particulars	As at March 31, 2021 INR Lacs	As at March 31, 2020 INR Lacs
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)	-	-
- Trade Receivables	27.21	28.63

Trade and other receivables:
The Group considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risks on an ongoing basis throughout each reporting period.

To assess whether there is a significant change increase in credit risk the Group compares the risks of default occurring on the assets as at the reporting date with the risk of default as at the date of initial recognition. It considers the reasonable and supportive forward looking information such as:

i. Actual or expected significant adverse changes in business.
ii. Actual or expected significant changes in the operating results of the counterparty.
iii. Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations
iv. Significant increase in credit risk on other financial instruments of same counterparty

Ageing of the accounts receivables

Particulars	As at March 31, 2021 INR Lacs	As at March 31, 2020 INR Lacs
< six months	7.44	35.59
> six months	11.08	2.42
	18.52	**38.01**

Movement in provisions of doubtful debts and advances - There were no Provision of doubtful debts as on March 31, 2021 and March 31, 2020.

31. Capital risk management:

The Group's objectives when managing capital are to:

i. safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
ii. maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the parent Company may issue new shares, adjust the amount of dividends paid to shareholders etc. The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

32. As per the current reports, the second wave of Covid 19 pandemic has peaked in most states in India. The company is closely monitoring the impact due to Covid-19 on various aspects of its business including its customers / vendors / employees and other business partners. The company will continue to monitor for any material changes to to future economic conditions and as of March 31, 2021 based on the facts and circumstances existing as of that date, the company does not anticipate any material circumstances which affects its liquidity position and also ability to continue as a going concern. In management view, the company's capital and liquidity stands strong as on reporting date.

33. There are no litigations pending by or against the Company.

34. The financial statements were approved for issue by the Board of Directors on 31st July, 2021.

35. Recent Accounting prouncements

Ind AS 116 - Leases:
On March 30, 2019, Ministry of Corporate affairs have notified Ind AS 116 – "Leases". Ind AS 116 will replace the existing leases standards Ind AS 17 – "Leases" and related interpretations. The new standard sets out the principles for the recognition, measurement, presentation and disclosures of lease for both lease and lessor. Ind AS 116 introduces a single lease accounting model and requires a leassee to recognise the assets and liabilities for all leases with a term of more than 12 months, unless the underlying assets are of low value. Ind AS 116 substantially carried forward the accounting treatment prescribed for lessor. The effective date for adoption of Ind AS 116 is annual period beginning on or after April 01, 2019. The Company is evaluating the impact of the issued Ind AS 116 on its financial statements.

Ind AS 12 –"Income taxes" - Appendix C – Uncertainty over income tax treatments:
On March 30, 2019, Ministry of Corporate affairs have notified Appendix C to Ind AS 12, uncertainty over the income tax treatments which is to be applied while performing the determination of taxable profits/(loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, the company needs to determine the probability of the relevant tax authorities accepting the each tax treatments that the companies have used or plan to use in their income tax filings which has to be considered to compute the most likely amount or expected value of the tax treatments, when determining the taxable profits/(loss), tax bases, unused tax losses, unused tax credits and tax rates. The effective date for adoption of Ind AS 116 is annual period beginning on or after April 01, 2019. The Company is evaluating the impact of the issued appendix C on its financial statements."

36. Following subsidiary is considered in the consolidated financial statements:

Sr. No.	Name of Entity	Country of Incorporation	% holding either directly or through Subsidiaries	
			31/03/2021	31/03/2020
Direct Subsidiaries				

1.	Aryaman Capital Markets Limited	India	74.28%	74.28%
2.	Escorp Asset Management Limited	India	52.47%	52.47%

37. Disclosure of Additional information required by Division II of Schedule III of the Companies Act, 2013:

Sr. No	Name of Entity	Net assets		Share in Profits and losses		Share in other Comprehensive income		Share in total Comprehensive income	
		As % of consolidated net assets	Rs. In Lakhs	As % of consolidated net assets	Rs. In Lakhs	As % of consolidated net assets	Rs. In Lakhs	As % of consolidated net assets	Rs. In Lakhs
1	Aryaman Financial Services Limited, Parent	18.71%	972.69	61.66%	57.52	0.00%	-	5.84%	57.52
2	Aryaman Capital Markets Limited, Subsidiary	33.87%	1761.12	27.23%	25.41	(3.56%)	(32.09)	(0.68%)	(6.68)
3	Escorp Assets Management Limited, Subsidiary	47.42%	2645.87	0.29%	0.27	103.56%	933.19	94.84%	933.47
	Total	100.00%	**5199.68**	**100.00%**	**83.20**	**100.00%**	**901.10**	**100.00%**	**984.30**

38. The figures of the previous years have been regrouped or reclassified wherever necessary to make them comparable.

39. Figures have been rounded off to the nearest lacs of rupees.

40. Figures in brackets indicate negative figures.

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

Sd/-
O.P.Pareek
Partner
Membership No. 014238
UDIN: - 21014238AAAAJA9456

Date: 29th June, 2021
Place: Mumbai

For and on behalf of the Aryaman Financial Services Limited

Sd/-
Shripal Shah
(Executive Director)
DIN: 01628855

Sd/-
Shreyas Shah
(Executive Director)
DIN: 01835575

Sd/-
Chaitali Pansari
(Company Secretary)
PAN: BKHPP6512N

Place : Mumbai
Date: June 29, 2021