

Dated: 16<sup>th</sup> August, 2022

To,

The Department of Corporate Services

**BSE Limited**

Phiroze, Jeejeebhoy Towers

Dalal Streets

Mumbai – 400001

**BSE Scrip Code- 539522**

**Sub: Submission of 37<sup>th</sup> Annual Report of the Company**

Dear Sir/Madam,

In reference to captioned subject and in pursuant to regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company **Grovy India Limited** (herein after referred as “the Company”) is hereby submitting the 37<sup>th</sup> annual report of the Company for the FY 2021-22.

Kindly take the above on record.

**For Grovy India Limited**



(Pooja Jain)  
Company Secretary

Place: Delhi

Encl:a/a



**GROVY INDIA LIMITED**

CIN: L74130DL1985PLC021532

Regd. Office: 122, 1<sup>st</sup> Floor, Vinoba Puri, Lajpat Nagar Part II, New Delhi-110024

Web: [www.grovyindia.com](http://www.grovyindia.com), Email: [grovyindia@gmail.com](mailto:grovyindia@gmail.com)

## **NOTICE OF 37<sup>TH</sup> ANNUAL GENERAL MEETING**

NOTICE is hereby given that the **37<sup>th</sup> (Thirty Seventh) Annual General Meeting (AGM)** of the members of **Grovy India Limited** (the Company) will be held on **Friday, the 09<sup>th</sup> Day of September, 2022 at 10:00 A.M through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")**, to transact the following businesses:

### **ORDINARY BUSINESS:**

**Item No. 1: To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon.**

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

**"RESOLVED THAT** the audited financial statements of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

**Item No. 2: To declare final dividend on Equity Shares @ 1% i.e. Rs. 0.1/- (Ten Paisa) per share for the Financial Year ended 31<sup>st</sup> March, 2022.**

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

**"RESOLVED THAT** in terms of the recommendation of the Board of Directors of the Company, the approval of the Members of the Company be and is hereby granted for payment of dividend @ 1% on 2,51,44,010 equity shares for the year ended March 31, 2022."

**Item No. 3: To appoint Mrs. Anita Jalan (DIN: 00475635) as director, liable to retire by rotation, and being eligible, offers herself for re-appointment.**

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

**"RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mrs. Anita Jalan (DIN: 00475635), who retires by rotation at this meeting and being eligible has offered herself for re-appointment, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

### **SPECIAL BUSINESS:**

**Item No. 4: Reappointment of Mr. Nishit Jalan as Whole-Time Director**



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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 203 of the Companies Act, 2013 (“Act”) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) and enactment(s) thereof for the time being in force), the consent of the members be and is hereby accorded for the re-appointment of Mr. Nishit Jalan (DIN 02964239) as a Whole Time Director designated as Chief Executed Officer of the Company for a period of 5 years, with effect from 01<sup>st</sup> August, 2022 with the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting and as recommended by Nomination and Remuneration Committee (“Committee”) and approved by the Board, with liberty to the Board of Directors (including Committee) to alter and vary the terms and conditions of the said re-appointment / remuneration in such manner as deemed fit necessary.

**RESOLVED FURTHER THAT** the remuneration payable to Mr. Nishit Jalan, shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 and Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

**RESOLVED FURTHER THAT** where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, the remuneration payable to Mr. Nishit Jalan, Whole Time Director by way of salary, perquisites and allowances shall not exceed the maximum remuneration payable in accordance with Section II of Part II of Schedule V of the Companies Act, 2013 with liberty to the Board / Committee to decide the breakup of the remuneration from time to time in consultation with the Whole Time Director.

**RESOLVED FURTHER THAT** Mr. Nishit Jalan, Whole Time Director be entrusted with such powers and perform such duties as may from time to time be delegated / entrusted to him subject to the supervision and control of the Board.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, usual or expedient, to give effect to the aforesaid resolution.”

**Item No. 5: To offer, issue and Allotment of equity shares on Preferential Basis**

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

**“RESOLVED THAT** pursuant to the provisions of section 23(1)(b), 42, 62(1)(c) of the Companies Act, 2013 (the “Act”), read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and any other applicable provisions if any of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-



enactment thereof, for the time being in force), and in accordance with the provisions of Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the “**SEBI ICDR Regulations**”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended up to date (the “**Listing Regulations**”), and subject to any other applicable rules, regulations, guidelines, notifications, circulars and clarifications issued thereunder from time to time by the Ministry of Corporate Affairs (“**MCA**”), the Securities and Exchange Board of India (“**SEBI**”) and/or any other competent authorities (hereinafter referred to as “**Applicable Regulatory Authorities**”) from time to time to the extent applicable and enabling provisions of the Memorandum of Association and Articles of Association of the Company, and subject to the requisite approvals, consents and permissions as may be necessary or required from regulatory or other appropriate authority including BSE Limited, and subject to any other alterations, modifications, conditions, corrections, changes and variations that may be decided by the Board of Director (the “**Board**”) in its absolute discretion, the consent of the members of the Company be and is hereby accorded to the Board to create, issue, offer and allot up to 8,19,667 (Eight Lakh Nineteen Thousand Six Hundred and Sixty Seven) fully paid up equity shares of the Company having face value of INR 10.00/- (Indian Rupees Ten Only) each at a price of INR 61.00/- (Indian Rupees Sixty One only) per equity shares {including a premium of INR 51.00/- (Indian Rupees Fifty One Only) per share} “**Issue Price**” which is not less than the price determined in accordance with Chapter V of SEBI ICDR Regulations, to the proposed allottee for a cash consideration basis (“**Preferential issue**”) and on such terms and conditions as may be determined by the Board in accordance with the SEBI ICDR Regulations and other applicable laws.

The details of the proposed allottees and the maximum number of Equity Shares of the Company to be allotted are set forth in the table below:

Sr. No.	Name of Proposed Allottees	Nature of Instruments	No. of Equity shares proposed to be issued	Ultimate Beneficial owner (UBO)
1	P. C. Jalan (HUF)	Equity Shares	1,96,721	Prakash Chand Jalan
2	Ankur Jalan	Equity Shares	2,13,114	Not Applicable
3	Nishit Jalan	Equity Shares	1,31,147	Not Applicable
4	Manisha Gupta	Equity Shares	49,180	Not Applicable
5	Deepak Malhotra	Equity Shares	16,393	Not Applicable
6	Vivadi Management Services Pvt. Ltd.	Equity Shares	32,786	Deepak Malhotra
7	Mehak Infracon Pvt. Ltd.	Equity Shares	40,983	Lalit Seth
8	Camco Commodities Pvt. Ltd.	Equity Shares	40,983	Sanjai Seth
9	Oceanic Auto Finlease Pvt. Ltd.	Equity Shares	98,360	Sumita Gupta

**RESOLVED FURTHER THAT** in accordance with the provision of Chapter V of the SEBI (ICDR) Regulations the “**Relevant Date**” for determination of minimum price for the issue of equity shares be and is hereby fixed as Wednesday, August 10, 2022 being the date 30 (Thirty) days prior to the date of shareholders meeting concerned for approving the Preferential Issue;

**RESOLVED FURTHER THAT** the Equity Shares being offered, issued and allotted to the proposed allottees by way of preferential issue shall inter-alia be subject to the following:





- a) The Equity Shares to be issued and allotted shall be fully paid up and rank *pari passu* with the existing equity shares of the Company in all respects (including with respect to dividend and voting rights);
- b) the equity shares so offered, issued and allotted the proposed allottees will be listed on the stock exchange where the existing equity shares of the Company are listed, subject to receipt of necessary regulatory permissions and approvals as the case may be;
- c) the equity shares so offered, issued and allotted shall not exceed the numbers of equity shares as approved herein above.
- d) the equity shares to be issued shall be subject to lock-in as per the SEBI ICDR Regulations;
- e) the equity shares being offered, issued and allotted to the proposed allottees, are being issued for a cash consideration;
- f) the equity shares shall be issued and allotted by the Company to proposed allottees in dematerialised form within a period of 15 (Fifteen) days from the date of passing of the special resolution, provided that where the issue and allotment of the said equity shares is pending on account of pendency of any approval for such issue and allotment by any regulatory authority (including but not limited to the in- principle approval of the BSE Limited for the issuance of the equity shares to the proposed allottees on a preferential basis, the issue and allotment of the equity shares shall be completed within a period of 15 (Fifteen) days from the date of such approvals or such other extended period as may be permitted under the applicable provision of SEBI ICDR Regulations as amended from time to time;

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deemed necessary, desirable or expedient for such purpose, including without limitation, issuing clarification on the offer, issue and allotment of the equity shares and listing of equity shares at the Stock Exchange as per the terms and conditions of Listing Regulations and other applicable guidelines, rules and regulations, to execute the necessary documents and enter into contracts, arrangements, agreements, documents (including appointment of agencies, intermediaries and advisor for the Preferential Issue), resolving all questions and doubt that may arise with respect to the offer, issued and allotment of equity shares, and to authorize all such person as may be deemed necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the Shareholders of the Company and that the decision of the Board shall be final and conclusive;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the power herein conferred, to any committee or to one or more Directors or executive of the Company including making necessary filings with the Stock Exchanges and Regulatory Authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint Consultants, Professional Advisors and Legal Advisors to give effect to the aforesaid resolution."

**By Order of the Board  
For Grovy India Limited  
Sd/-**

**Prakash Chand Jalan**

Chairman

DIN: 00475545

G-6, First Floor, South Extn-2,

New Delhi 110049

**Place: New Delhi**

**Dated: 12.08.2022**



**NOTE:**

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (the Act) with respect to Item Nos. 4 & 5 of the Notice is annexed hereto and forms part of this Notice.
2. The meeting shall be deemed to be conducted at the Registered Office of the Company situated at 122, 1st Floor, Vinoba Puri, Lajpat Nagar Part II, New Delhi-110024
3. The Ministry of Corporate Affairs, Government of India ("MCA") issued General Circular No. 20/2020 dated 05.05.2020, General Circular No. 02/2021, dated 13<sup>th</sup> January 2021, General Circular No. 19/2021, dated 08<sup>th</sup> December 2021, 21/2021 dated 14<sup>th</sup> December 2021 and 02/2022 dated 05<sup>th</sup> May, 2022, respectively, ("MCA Circulars") allowing, inter-alia, conduct of AGMs through Video Conferencing/Other Audio-Visual Means ("VC / OAVM") facility on or before 31<sup>st</sup> December 2022, in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular No. 20/2020. In compliance with these Circulars, provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 37<sup>th</sup> AGM of the Company is being conducted through VC / OAVM facility, which does not require physical presence of Members at a common venue. The deemed venue for the 37<sup>th</sup> AGM shall be the Registered Office of the Company.

Electronic copy of the Annual Report for the financial year 2022 is being sent to all the members whose e-mail addresses are registered with the Company/Depository Participant(s) for communication purposes. For members who have not registered their e-mail address, hard copies of the Annual Report for the financial year 2022 are being sent in the permitted mode.

In case any member is desirous of obtaining hard copy of the Annual Report for the financial year 2022 and Notice of the 37<sup>th</sup> AGM of the Company, may send request to the Company's e-mail address at [grovvyindia@gmail.com](mailto:grovvyindia@gmail.com) mentioning Foilo No./DP ID and Client ID

4. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of Listing Regulations read with MCA Circulars, the Company is providing remote e-Voting facility to its members in respect of the business to be transacted at the 37<sup>th</sup> AGM and facility for those members participating in the 37<sup>th</sup> AGM to cast vote through e-Voting system during the 37<sup>th</sup> AGM. For this purpose, CDSL will be providing facility for voting through remote e-Voting, for participation in the 37<sup>th</sup> AGM through VC / OAVM facility and e-Voting during the 37<sup>th</sup> AGM.
5. The Company will hold AGM through VC / OAVM facility without physical presence of the members. The necessary details for joining the meeting are given below in point no. 14.
6. The meeting will be conducted following the below process:
  - I. Since this meeting is being held through video conferencing, physical attendance of members has been dispensed with. Therefore, appointment of proxies is not applicable.



- II. Pursuant to Section 113 of the Act, corporate members are requested to send a duly certified copy of the Board Resolution authorising their representative to attend and vote at the AGM, before e-voting/attending AGM, to [grovvyindia@gmail.com](mailto:grovvyindia@gmail.com).

- III. Members who have questions or seeking clarifications on the Annual Report or on the proposals as contained in this Notice are requested to send e-mail to the Company on [grovvyindia@gmail.com](mailto:grovvyindia@gmail.com) on or before 5.00 p.m. on Monday, 05<sup>th</sup> September 2022. This would enable the Company to compile the information and provide the replies at the meeting.

The members who wish to speak at the meeting need to register themselves as a speaker by sending an e-mail from their registered e-mail ID mentioning their name, DP ID and Client ID/ Folio number and mobile number, on e-mail ID, [grovvyindia@gmail.com](mailto:grovvyindia@gmail.com) on or before 5.00 p.m. on Monday, 05<sup>th</sup> September 2022. Depending on the availability of time, the Company reserves the right to restrict the number of speakers at the meeting.

- IV. The voting on the proposals contained in the Notice of AGM will be conducted as under:

(a) The members who have registered their e-mail addresses with the Company/their depository can cast their vote through remote e-voting or through the e-voting during the AGM using the process mentioned below for e-voting through electronic system means.

(b) The members who are holding shares in physical form and who have not registered their e-mail ID with the Company, can write to [compliances@skylinerta.com](mailto:compliances@skylinerta.com) / [grovvyindia@gmail.com](mailto:grovvyindia@gmail.com) in by providing their name and folio number for the purpose of e-voting in CDSL portal and exercise their vote either through remote e-voting or vote electronically during the AGM. The credentials will be provided to the members after verification of all details. However, if you are already registered with CDSL for remote e-voting, then you can use your existing user ID and password for casting your vote. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Friday, 02<sup>nd</sup> September, 2022 may follow step 1 i.e. "Access to CDSL e-Voting system" as mentioned below. Detailed instructions for voting are contained in Point 14 below

- V. The Board of Directors of the Company has appointed Mr. Narender of M/s Narender & Associates, Company Secretaries (CP 16690) as Scrutinizer for conducting the voting process of remote e-voting and e-voting during AGM in a fair and transparent manner.
- VI. The Scrutinizer shall submit his report, to the Chairman or any person authorised by him, on the voting in favour or against, if any, within two working days from the conclusion of the Meeting.
- VII. The results declared along with the consolidated Scrutinizer's Report shall be placed on the website of the Company [www.grovvyindia.com](http://www.grovvyindia.com). The results shall simultaneously be communicated to the Stock Exchanges.

7. The Register of Directors and Key Managerial Personnel (KMP) and their shareholding maintained under Section 170 of the Act, and all other documents referred to in the Notice can be inspected in electronic mode by sending a request on e-mail to [grovvyindia@gmail.com](mailto:grovvyindia@gmail.com).

8. The Register of Members of the Company shall remain closed from 03<sup>rd</sup> September, 2022 to 09<sup>th</sup> September, 2022 (both days inclusive).

9. Payment of dividend as recommended by the Board of Directors, if approved at the meeting, will be made to those members whose names are on the Company's Register of Members on 02<sup>nd</sup>



September, 2022 and those whose names appear as Beneficial Owners as at the close of the business hours on 02<sup>nd</sup> September, 2022 as per the details to be furnished by the Depositories, viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.

10. In accordance with the provisions of the Income Tax Act, 1961 as amended by and read with the provisions of the Finance Act, 2020, with effect from 1st April 2020, dividend declared and paid by the Company is taxable in the hands of its members and the Company is required to deduct tax at source (TDS) from dividend paid to the members at the applicable rates. A separate e-mail will be sent at the registered e-mail ID of the members describing about the detailed process to submit the documents/declarations along with the formats in respect of deduction of tax at source on the dividend payout. Sufficient time will be provided for submitting the documents/declarations by the members who are desiring to claim beneficial tax treatment. The intimation will also be uploaded on the website of the Company [www.grovyindia.com](http://www.grovyindia.com).
11. Members holding shares in electronic form are advised to keep the bank details updated with the respective Depositories, viz. NSDL and CDSL. Member holding shares in certificate form are requested to update bank details with the Company's Registrar and Transfer Agents.
12. Non-resident shareholders can avail beneficial rates under the Tax Treaty between India and their country of residence, subject to providing necessary documents, i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the Tax Treaty benefits, by sending an email to [compliances@skylinerta.com](mailto:compliances@skylinerta.com). The aforesaid declarations and documents should be submitted by the shareholders by 11:59 P.M. IST on 10<sup>th</sup> September, 2021.
13. Members who are holding shares in physical form are requested to avail dematerialisation facility. For further information, please refer to FAQs posted by National Securities Depository Limited on its website [www.nsdl.co.in](http://www.nsdl.co.in) and Central Depository Services (India) Limited on its website [www.cdslindia.com](http://www.cdslindia.com).
14. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations the Company is pleased to offer e-voting facility which will enable the members to cast their votes electronically on all the Resolutions set out in the Notice. Please refer the instructions given below relating to voting through electronic means.

**The remote e-voting would commence on Tuesday, the 06<sup>th</sup> September, 2022 (9:00 A.M.) and end on Thursday, the 08<sup>th</sup> September, 2022 (5:00 P.M.)**



## PROCEDURES / INSTRUCTIONS

### **CDSL e-Voting System – For Remote e-voting and e-voting during AGM/EGM**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide General Circular No. 20/2020 dated 05.05.2020, General Circular No. 02/2021, dated 13<sup>th</sup> January 2021, General Circular No. 19/2021, dated 08<sup>th</sup> December 2021, 21/2021 dated 14<sup>th</sup> December 2021 and 02/2022 dated 05<sup>th</sup> May, 2022, respectively, ("MCA Circulars") allowing, inter-alia, conduct of AGMs through Video Conferencing/Other Audio-Visual Means ("VC / OAVM") facility on or before 31<sup>st</sup> December 2022. The forthcoming AGM/EGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.grovyindia.com](http://www.grovyindia.com). The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).



7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

**A. Remote E-Voting**

- (i) The voting period begins on **Tuesday, the 06<sup>th</sup> September, 2022 (9:00 A.M.) and end on Thursday, the 08<sup>th</sup> September, 2022 (5:00 P.M.)**. During this period shareholder's of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 02.09.2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) 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.

- (iv) 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 <b>CDSL</b>	<ol style="list-style-type: none"> <li>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 are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>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: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on 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 &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS" "Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit</li> </ol>



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

(v) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://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](http://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:



	<b>For Shareholders holding shares in Demat Form other than individual and Physical Form</b>
PAN	Enter your 10digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the Folio number / Client ID in the PAN Field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field
Dividend Bank Details <b>OR</b> 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 (3).

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) 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.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) 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.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.



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

**Process for those shareholders whose email/mobile no. are not registered with the company/depositories:**

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 [grovyindia@gmail.com/compliances@skylinerta.com](mailto:grovyindia@gmail.com/compliances@skylinerta.com)
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING 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. **For speaking at the AGM** -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 **by 05<sup>th</sup> September, 2022 (5:00 P.M. IST)** mentioning their name, demat account number/folio number, email id, mobile number at grovyindia@gmail.com. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
8. **For raising queries by e-mail**-The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **by 05<sup>th</sup> September, 2022 (5:00 P.M. IST)** mentioning their name, demat account number/folio number, email id, mobile number at grovyindia@gmail.com. These queries will be replied to by the company suitably by email.
9. Only those shareholders, who are present in the AGM/EGM 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 EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/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.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto: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, Sr. 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](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

Since the AGM is proposed to be held through VC / OAVM, the Route Map of the venue has not been annexed to this Notice



## EXPLANATORY STATEMENT IN RESEPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

As required by Section 102 of the Companies Act, 2013 (the "Act"), and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "SEBI ICDR Regulations") the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 4 & 5 the accompanying Notice dated Friday, August 12, 2022:

### ITEM NO. 4.

At the Annual General Meeting of the Company held on 30th September, 2019, the Members of the Company had approved the appointment and terms of remuneration of Mr. Nishit Jalan (DIN 02964239), Whole Time Director designated as Chief Executed Officer of the Company for a period of 3 years w.e.f. 08<sup>th</sup> August, 2019.

Based on the recommendation of the Nomination and Remuneration Committee and keeping in view of his vast experience and exposure, the Board of Directors of the Company at its meeting held on 05<sup>th</sup> August, 2022, has re-appointment Mr. Nishit Jalan as a Whole Time Director designated as Chief Executed Officer for a period of 5 years w.e.f. 1st August, 2022, subject to approval of the members of the Company.

**Period:** For the period of 5 years w.e.f. August 1, 2022

**Remuneration:** The nomination and remuneration committee has approved and recommend the re-appointment of Mr. Nishit Jalan as Whole-Time Director & CEO of the Company at remuneration of Rs. 50,000/- (Rupees Fifty thousand only) per month, with such increment(s) as may be decided by the Nomination and Remuneration Committee from time to time in accordance with the HR policy of the Company;

The Committee also approved that the said remuneration shall be payable in case of inadequacy of profits or no profits, which is within minimum remuneration in accordance with Part II of Schedule V of the Companies Act, 2013. The Information as required under Section II of Part II of Schedule V of the Companies Act, 2013 is as under:

### 1. GENERAL INFORMATION

- a) **Nature of Industry:** Real Estate & Share Trading
- b) **Date or expected date of commencement of commercial Production:**  
Not Applicable (The Company is an existing company)
- c) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable (The Company is an existing company)
- d) **Financial performance based on given indicators:**  
**Standalone Financial Results:**

Fig. in INR Lakh

Particulars	2021-22	2020-21	2019-20
Total Revenue	2214.02	1455.38	1766.44
Profit/Loss for the Year	107.50	143.96	(134.34)
Paid up Capital	251.44	251.44	251.44
Reserves & Surplus	919.60	808.28	638.93





- e) Foreign investments or Collaborators, if any:** There is no foreign investment and Foreign Collaborations in the Company during the year.

## 2. INFORMATION ABOUT THE WHOLE-TIME DIRECTOR (FINANCE)

- a) Background details:** Mr. Nishit Jalan is an Engineer from BITS – Pilani by qualification, he heads the construction, architectural and purchase departments of Grovy India. He is also responsible for the company's strong public image, which is credited to his expertise in Impression Management. His relationship endeavour including long-term competitive advantages has allowed the company to gain high recognition in social environment. The re-appointment of Mr. Nishit Jalan as the Whole-time director shall be valid for a period of 5 years from 01<sup>st</sup> August, 2022.
- b) Past Remuneration (In lakhs):** 4.20
- c) Recognition and Awards:** NA
- d) Remuneration Proposed:** The nomination and remuneration committee has approved and recommend the re-appointment of Mr. Nishit Jalan as Whole-Time Director & CEO of the Company at remuneration of Rs. 50,000/- (Rupees Fifty thousand only) per month, with such increment(s) as may be decided by the Nomination and Remuneration Committee from time to time in accordance with the HR policy of the Company.
- e) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin).**  
The remuneration payable to the Whole-Time Director has been benchmarked with the remuneration being drawn by similar positions in industry and has been considered by the Nomination and Remuneration Committee of the Company as appropriate or rather on lower side as compared to industry.
- f) Pecuniary relationship directly or indirectly with the Company or relationship with managerial personnel, if any**  
The Whole-Time Director has no pecuniary relationship directly or indirectly with the Company except to the extent of their remuneration and shareholdings in the Company.

## 3. OTHER INFORMATION

- a) Reasons of loss or inadequate profits:**  
The performance of the Company in the last financial years has been impacted due to slowdown in real estate sector and Indian economies as the COVID prevails. The situation has aggravated further due to short-term downtrend in industry. However, the Company has been a profit earning entity continuously.
- b) Steps taken or proposed to be taken for improvement:**  
The Company will remains committed to generating superior returns for its stakeholders. The Company would continue to drive growth through asset light business models and release cash by exiting capital intensive business models and expects to receive better returns in future.
- c) Expected increase in productivity and profits in measurable terms.**  
Mr. Nishit Jalan has vast experience in senior management, the overall efficiency of the organization and the board as a whole is expected to increase manifold.

None of the Directors or Key Managerial Personnel or their relative(s) except Mr. Nishit Jalan, Mr. Prakash Chand, Mrs. Anita Jalan and Mr. Ankur Jalan or their relative(s) are in any way concerned or interested, in passing of the above-mentioned resolution.



The Board recommends the resolutions for the approval of the Members.

**ITEM NO. 5.**

**TO OFFER, ISSUE AND ALLOT OF EQUITY SHARES ON PREFERENTIAL BASIS**

In accordance with section 23(1)(b), 42, 62(1)(c) of the Companies Act, 2013 (the “Act”), read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and any other applicable provisions if any of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), and in accordance with the SEBI ICDR Regulations and the Listing Regulations, as amended from time to time, subject to the requisite approvals, consents and permissions as may be necessary or required from regulatory or other appropriate authority approval of shareholders of the Company by way of special resolution is required to issue equity shares by way of private placement on a preferential basis to the proposed allottees.

The information required in terms of Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 13(2)(d) of the Companies (Share Capital and Debentures) Rules, 2014 of Companies Act, 2013 and Chapter V of the SEBI ICDR Regulations, and other relevant details in respect of the proposed Preferential Issue of Equity Shares are as under:

**a) Particulars of the Preferential Issue including date of passing of Board resolution**

The Board of Directors of the Company, in its meeting held on Friday, August 12, 2022, subject to the approval of the members of the Company and such other necessary approvals as may be required, approved the proposal for raising funds by way of issuance and allotment of upto 8,19,667 (Eight Lakh Nineteen Thousand Six Hundred and Sixty-Seven) equity shares having face value of INR 10.00/- per Equity Share, at a price of INR 61.00/- per (Indian Rupees Sixty-One Only) Equity Share {at a premium of INR 51.00/- (Indian Rupees Fifty-One Only) per Equity Share}, aggregating upto INR 4,99,99,687/- (Indian Rupees Four Crore Ninety Nine Lakh Ninety Nine Thousand Six Hundred Eighty Seven Only) on preferential basis to the proposed allottees as mentioned in the resolution no. 5

**b) Kinds of securities offered and the price at which security is being offered, and the total/ maximum number of securities to be issued**

Up to 8,19,667 Equity Shares of the face value of INR 10.00/- only per Equity Share of the Company, at a price of INR 61.00/- (including a premium of INR 51.00/-) per Equity Share aggregating upto INR 4,99,99,687/- (Indian Rupees Four Crore Ninety Nine Lakh Ninety Nine Thousand Six Hundred Eighty Seven Only) such price being not less than the minimum price as on the Relevant Date (as set out below) determined in accordance with the provisions of Chapter V of the SEBI ICDR Regulations.

**c) Purpose/Object of the preferential issue**

The object of the preferential issue is to raise fund through issuance of equity shares on preferential basis is to meet out the working capital requirement, business expansion, and other general corporate purposes of the Company.

**d) Maximum number of securities to be issued and price at which securities being offered**

It is proposed to issue and allot in aggregate up to 8,19,667 fully paid-up equity shares having face value of INR 10.00/- each (Indian Rupees Ten only) to the proposed allottees on preferential basis.



The price for the allotment of shares to be issued is based on the minimum price determined accordance with Chapter V of SEBI ICDR Regulations is fixed at INR 61.00/- (Indian Rupees Sixty-One only) per equity share including a premium of INR 51.00/- (Indian Rupees Fifty-One only).

**e) Basis on which the price has been arrived at along with report of the registered valuer**

The price of equity shares to be issued is fixed at INR 61.00/- (Indian Rupees Sixty-One only) per equity share of INR 10.00/- (Face Value) each for preferential issue. The shares of the Company are infrequently traded on the BSE Limited, hence the price is determined in compliance with Regulation 165 of SEBI (ICDR) Regulations, 2018 for Preferential Issues taking into account valuation parameters including book value, comparable trading multiples and such other parameters as are customary for valuation of shares.

The Valuation was performed by Mr. Manish Manwani, a Registered Valuer (Reg. No. IBBI/RV/03/2021/14113) having his office at Unit No. 125, Tower B-3, Spaze Itech Park, Sohna Road, Sector 49, Gurugram Haryana 122018. Certificate of Independent Valuer confirming the minimum price for preferential issue as per preferential issue guidelines of SEBI (ICDR) Regulations, 2018 is available for inspection at the Registered Office of the Company.

**f) Relevant Date**

The relevant date as per the Regulation 161 of SEBI ICDR Regulations, for determination of minimum price for the issuance of equity shares of the Company shall be Wednesday, August 10, 2022 (i.e. the date 30 (Thirty) days prior to the date of proposed Annual General Meeting which to be held on Friday, September 09, 2022 to consider and approve the proposed Preferential Issue).

**g) The class or classes of persons to whom the allotment is proposed to be made**

The allotment is proposed to be made to the proposed allottees as mentioned at point no. (h) below.

**h) Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post preferential issues that may be held by them and change in control, if any, in the issuer consequent to the preferential issues**

Sr. No.	Name of the Proposed Allottees	Category	Ultimate Beneficial Owner	Pre- Issue Shareholding		Number of Equity Shares to be issued	Post Issue Share holding	% of holdings
				No. of Shares	% of holding			
1.	P.C. Jalan (HUF).	Promoter	Prakash Chand Jalan	1,04,752	4.17%	1,96,721	3,01,473	9.04%
2.	Ankur Jalan	Promoter	Not Applicable	2,52,222	10.03%	2,13,114	4,65,336	13.96%
3.	Nishit Jalan	Promoter	Not Applicable	3,38,450	13.46%	1,31,147	4,69,597	14.08%
4.	Manisha Gupta	Non-Promoter	Not Applicable	-	-	49,180	49,180	1.48%



5.	Deepak Malhotra	Non-Promoter	Not Applicable	-	-	16,393	16,393	0.49%
6.	Vivadi Management Services Pvt. Ltd.	Non-Promoter	Deepak Malhotra	-	-	32,786	32,786	0.98%
7.	Mehak Infracon Pvt. Ltd.	Non-Promoter	Lalit Seth	-	-	40,983	40,983	1.23%
8.	Camco Commodities Pvt. Ltd.	Non-Promoter	Sanjai Seth	-	-	40,983	40,983	1.23%
9.	Oceanic Auto Finlease Pvt. Ltd.	Non-Promoter	Sumita Gupta	-	-	98,360	98,360	2.95%

**i) Intention of the promoters/ directors/ or key managerial personnel to subscribe to the offer**

None of the promoter/directors/ key managerial personnel shall be subscribed to the preferential issue except stated as under:

Sr. No.	Name of the Proposed Allottees	Promoter/ Director/ KMP	Number of Equity Shares to be Subscribed
1.	P.C. Jalan (HUF)	Promoter	1,96,721
2.	Ankur Jalan	Promoter & CFO	2,13,114
3.	Nishit Jalan	Promoter, Whole Time Director & CEO	1,31,147

**j) Time frame within which the Preferential Issue shall be completed**

As required under Chapter V of SEBI ICDR Regulations, the equity shares shall be issued and allotted by the Company to proposed allottees in dematerialised form within a period of 15 (Fifteen) days from the date of passing of the special resolution, provided that where the issue and allotment of the said equity shares is pending on account of pendency of any approval for such issue and allotment by any regulatory authority (including but not limited to the in-principle approval of the BSE Limited for the issuance of the equity shares to the proposed allottees on a preferential basis, the issue and allotment of the equity shares shall be completed within a period of 15 (Fifteen) days from the date of such approvals or such other extended period as may be permitted under the applicable provision of SEBI ICDR Regulations as amended from time to time;

**k) Shareholding pattern pre and post preferential issue would be as follows**

Sr. No.	Category	Pre Issue Shareholding		Post Issue Shareholding	
		No. of equity shares held	% of Shares	No. of equity shares held	% of Shares
<b>A</b>	<b>Promoter &amp; Promoter Group Shareholding</b>				
(a)	Indian Promoter	18,78,847	74.72%	24,19,829	72.58%
(b)	Foreign Promoter	-	-		
	<b>Sub Total (A)</b>	<b>18,78,847</b>	<b>74.72%</b>	<b>24,19,829</b>	<b>72.58%</b>



	<b>Public Shareholding</b>				
(a)	<b>Institutional Investor</b>				
(b)	<b>Non-Institutions</b>				
(i)	1. Individual Shareholders holding Nominal Share Capital Up to 2 Lacs	1,20,029	4.77%	1,36,422	4.09%
(ii)	2. Individual Shareholders holding Nominal Share Capital Above 2 Lacs	4,37,924	17.42%	4,87,104	14.61%
(iii)	NBFCs Registered with RBI	-	-	-	-
(iv)	Bodies Corporate	1,285	0.05%	2,14,397	6.43%
(v)	Non-Resident Indians	414	0.02%	414	0.01%
(vi)	Resident Indian HUF	75,902	3.02%	75,902	2.28%
(vii)	Trusts	-	-	-	-
(viii)	Clearing Members/ House	-	-	-	-
(ix)	Foreign Companies	-	-	-	-
(x)	Others	-	-	-	-
	<b>Sub Total (B)</b>	<b>6,35,554</b>	<b>25.28%</b>	<b>9,14,239</b>	<b>27.42%</b>
	<b>Total Shareholding</b>	<b>25,14,401</b>	<b>100.00%</b>	<b>33,34,068</b>	<b>100.00%</b>

**l) Change in Control, if any, in the Company consequent to the preferential issue**

There will not be any change in the composition of the Board, the existing Promoters of the Company will continue to be in control of the Company and there will not be any change in the management or control of the Company as a result of the proposed preferential allotment. However, there will be corresponding changes in the shareholdings of the Promoter & Promoter Group consequent to preferential allotment.

**m) The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price**

The Company has not made any allotments on preferential basis from April 01, 2022 to till date.

**n) Principal terms of assets charged as securities**

Not applicable.

**o) Material terms of raising such securities**

The Equity Shares being issued shall be pari-passu with the existing Equity Shares of the Company in all respects, including dividend and voting rights.

**p) Lock-In Period & Transferability**

The Equity Shares shall be locked-in for such minimum period as specified under regulation 167 of the SEBI ICDR Regulations.



Further the entire pre-preferential allotment shareholding of the allottees if any shall be locked-in from the relevant date up to a period of 90 (Ninety) trading days from the date of trading approval.

**q) The current and proposed status of the allottee(s) post Preferential Issue namely, promoter or non-promoter**

Existing promoter will continue as promoter of the Company and Currently, the proposed allottees other than promoter does not hold any shares in the Company and pursuant to this allotment the proposed allottees other than promoter shall be covered under the head in non – promoter/public under shareholding pattern of the Company.

**r) the percentage of post preferential issue capital that may be held by the allottee(s) and change in control, if any, in the issuer consequent to the preferential issue**

Sr. No.	Name of proposed allottees	Percentage of post preferential issue
1.	P.C. Jalan (HUF)	9.04%
2.	Ankur Jalan	13.96%
3.	Nishit Jalan	14.08%
4.	Manisha Gupta	1.48%
5.	Deepak Malhotra	0.49%
6.	Vivadi Management Services Pvt. Ltd.	0.98%
7.	Mehak Infracon Pvt. Ltd.	1.23%
8.	Camco Commodities Pvt. Ltd.	1.23%
9.	Oceanic Auto Finlease Pvt. Ltd.	2.95%

**s) Amount which the company intends to raise by way of such securities**

Aggregating upto INR 4,99,99,687/- (Indian Rupees Four Crore Ninety Nine Lakh Ninety Nine Thousand Six Hundred Eighty Seven Only)

**t) Certificate of Practicing Company Secretary**

The copy of certificate from Narender & Associates, Practicing Company Secretaries, as required under regulation 163(2) of the SEBI (ICDR) Regulations, 2018, shall be placed before the Annual General Meeting of the shareholders through electronic means, to be held through Video Conferencing / Other Audio Visual Means. The said certificate shall be hosted on the Company's website and is accessible at link: [www.grovyindia.com](http://www.grovyindia.com)

**u) Undertaking**

- The Company, its Directors and none of our Promoters have been declared as wilful defaulter are categorized as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulter issued by the Reserve Bank of India and a fraudulent Borrower.
- The Company is eligible to make the Preferential Issue to its Investor under Chapter V of the SEBI ICDR Regulations.
- As the Equity Shares have been listed for a period of more than 90 trading days as on the Relevant Date, the provisions of Regulation 164(3) of SEBI ICDR Regulations governing re-computation of the price of shares shall not be applicable.





- iv. The company undertakes to re-compute the price of the Equity share in terms of the provisions of SEBI (ICDR) Regulations, 2018 where it is required to do so.
- v. that if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked- in till the time such amount is paid by the allottees.
- vi. The Company is in compliance with the conditions for continuous listing of Equity Shares as specified in the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended and circulars and notifications issued by the SEBI thereunder.

**v) Other Disclosures**

- i. The Proposed Allottees have confirmed that it has not sold any equity shares of the Company during the 90 trading days preceding the relevant date.
- ii. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer is not applicable as the allotment of Equity Shares under the Preferential Issue is for a cash consideration.

The Board of Directors of the Company believes that the proposed preferential issue is in the best interest of the Company and its members. The Board of Directors recommends the passing of the resolution as set out in Item No. 5 as Special Resolution for your approval.

Except, Mr. Ankur Jalan, Promoter & CFO and Mr. Nishit Jalan, Promoter, Whole Time Director & CEO and their relatives, none of the Directors, Key Managerial Personnel or their relatives thereof are in any way financially or otherwise concerned or interested in the passing of this Special Resolution as set out at Item No. 5 of this Notice except and to the extent of their shareholding in the Company.

Documents referred to in the notice/ explanatory statement will be available for inspection by the Members of the Company as per applicable law.

**By Order of the Board  
For Grovy India Limited**

**Sd/-  
Prakash Chand Jalan**

Chairman  
DIN: 00475545

G-6, First Floor, South Extn-2,  
New Delhi 110049

**Place: New Delhi  
Dated: 12.08.2022**



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

<b>Name of Director</b>	<b>Date of Birth &amp; No. of Equity Shares Held</b>	<b>Qualification (Relationship with other Directors)</b>	<b>Nature of Expertise</b>	<b>Name of listed Companies in which he/she holds Directorship</b>	<b>Name of Committees of the Companies of which he/she holds Membership</b>
Nishit Jalan	29.03.1987  (3,38,450 Equity Shares of Rs.10 each)	B. Tech, Mechanical Engineering from BITS Pilani University (Mrs. Anita Jalan: Mother Mr. Prakash Chand Jalan- Father)	Analytical, reasoning, and budgetary skills related to construction activities.  Mr. Nishit Jalan heads the construction, architectural and purchase departments of Grovy India. He is also responsible for the company's strong public image, which is credited to his expertise in Impression Management.	NIL	Member in Stakeholder relationship Committee
Anita Jalan	19.01.1962  (62,000 Equity Shares of Rs.10 each)	Graduate  (Mr. Prakash Chand Jalan: Husband Mr. Nishit Jalan-Son)	Excellent administrative skills	NIL	NIL

\* Committee positions of only Audit, Shareholders'/Investors' Grievance and Remuneration and Nomination Committee included.

**By Order of the Board  
For Grovy India Limited**

**Sd/-  
Prakash Chand Jalan**

Chairman

DIN: 00475545

G-6, First Floor, South Extn-2,  
New Delhi 110049

**Place: New Delhi  
Dated: 12.08.2022**

**We take pride in  
everything we create**

**Annual Report 2022**

## Grovy India Ltd



Flats, Apartments,  
Farm houses & Bungalows



Commercial complexes,  
warehouses and offices



Retail shopping malls  
and community centres



Staff quarters  
and hostels





# Contents

## Corporate Overview

About Grovy India Limited.....	3
Chairman's Message.....	4
Vision & Mission.....	5
Corporate Information.....	6
Financial Highlights.....	7-8

## Management Reports

Board's Report.....	9
- Annexure A-Secretarial Auditors' Report.....	21
- Annexure B-Particular of Remuneration.....	24
- Annexure C-CEO/CFO Certificate .....	26
- Annexure D-Management discussion & Analysis Report.....	27

## Standalone Financial statements

Auditors' Report.....	34
Balance Sheet.....	45
Statement of Profit & Loss.....	46
Cash Flow Statement.....	47
Notes to Financial Statements.....	62

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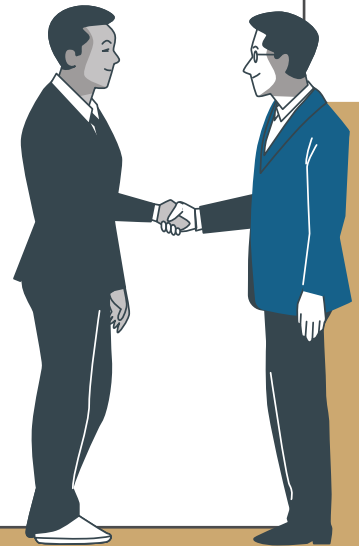


## Overview

**Grovy India Ltd** is a Real Estate & Infrastructure Development and Consultancy Company established the year 1985. Grovy has completed more than 80 projects, satisfied over 500 Customers and has footprint in 4 Northern States of India.

Our services in the real estate sector are

-  **Rescaling of existing space**
-  **Redevelopment of space on turnkey, joint venture and outright purchase.**
-  **Land purchase for development**
-  **Cost consultancy**
-  **Planning and designing**
-  **Property short listing**
-  **Design & material consultancy**



We are equipped with teams of skilled and experienced engineers, architects, planners and designers, 40 years of experienced and young graduates from top universities.

We have established ourself as creators of 'Boutique Properties' which are truly one of its kind.

## Company's Business Models



### Outright Model

This is where Grovy purchases the entire property and constructs the building to sell.



### Collaboration Model

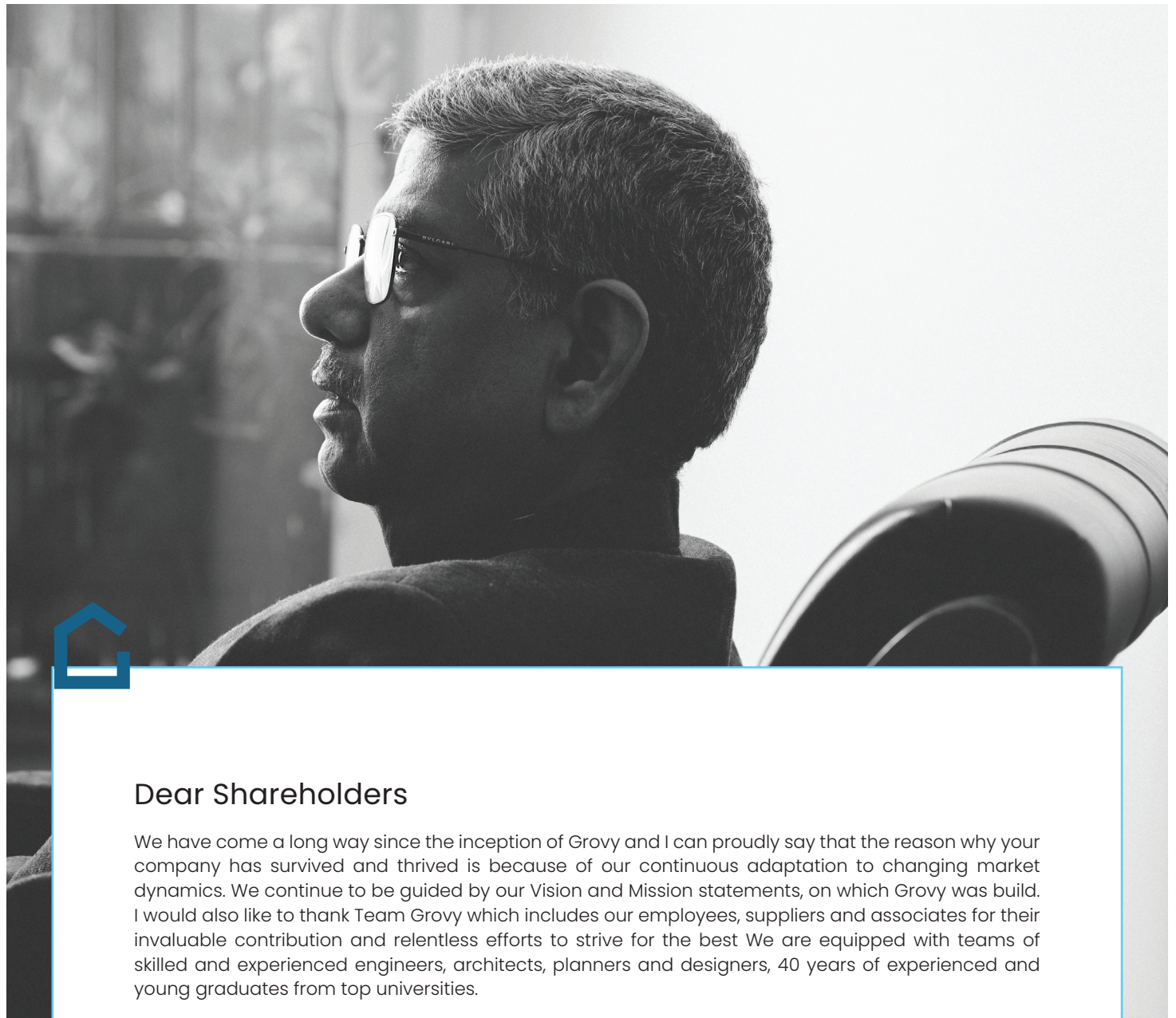
This is a joint venture where Grovy purchases a portion of the land in exchange for constructing the property.



### Turnkey Model

This is end to end construction by Grovy, where the property owner appoints Grovy to design and build as per the client's needs.





## Dear Shareholders

We have come a long way since the inception of Grovy and I can proudly say that the reason why your company has survived and thrived is because of our continuous adaptation to changing market dynamics. We continue to be guided by our Vision and Mission statements, on which Grovy was build. I would also like to thank Team Grovy which includes our employees, suppliers and associates for their invaluable contribution and relentless efforts to strive for the best. We are equipped with teams of skilled and experienced engineers, architects, planners and designers, 40 years of experienced and young graduates from top universities.

During our journey since inception, we have never compromised on the key principles of transparency, quality and timely delivery. Driven by these cherished principles, we have kept our flag flying high with pride and sense of purpose at all times.

Grovvy has completed more than 80 projects, satisfied over 500 Customers and has footprint in 4 Northern States of India.

Once again I would like to extend my warm wishes and thanks to our investors, bankers, partners, suppliers, employees and customers for their trust and support. I look forward to renewed engagement from all our stakeholders as we move ahead to achieve our ambitious dreams in the future, together.

On behalf of the board, I thank all our stakeholders for their faith and trust.

Sd/-

Best regards,  
**Prakash Chand Jalan**  
Chairman and Director





## Our Mission

**We aim to be a development expert and leader in the field of retail, commercial and residential spaces to fulfil all our customer's needs. We strive to create quality properties which offer long-term benefits to the community.**



**40+**

Years of Experience



**22+**

Crores of Turnover  
in FY 2022

## Our Vision

We envisage the following:



**Customer service:** We visualise our customers to be our greatest assets hence their satisfaction is our biggest aim. We make all our efforts in the direction of offering valued services to each of our customers in a value-added manner.



**Employees satisfaction:** Our company believes in fostering an employee-friendly environment that permits the employees to show entrepreneurship and leadership behaviour among them.



**Training and Development:** We believe that constant learning and training helps in business development hence we encourage training of our employees at various stages and try to build a highly updated organisation.



## Corporate Information

### KEY MANAGERIAL PERSONNEL

Mr. Nishit Jalan, Whole-Time Director & CEO  
Mr. Ankur Jalan, Chief Financial Officer  
Ms. Pooja Jain, Company Secretary

### NON-EXECUTIVE & INDEPENDENT DIRECTOR

Mr. Nawal Kishore Choudhury  
Mr. Jay Nandan Jha

### NON-EXECUTIVE DIRECTOR

Mr. Prakash Chand Jalan, Chairman  
Mrs. Anita Jalan, Women Director

### STATUTORY AUDITOR

M/s Doogar & Associates  
13, Community Centre  
East of Kailash  
New Delhi-110065

### INTERNAL AUDITOR

Mr. Murari Kumar Jha  
Plot No 12 Kh No 49/14, Gali No 37a/3  
Block - B Ground Floor, Kaushik Enclave  
Salem Pur Majra Burari-110084

### SECRETARIAL AUDITORS

M/s Narender & Associates  
Plot No. 4A, Ranaji Enclave  
Near Metro Pillar No. 48, Delhi-110043

### BOARD COMMITTEES & ITS COMPOSITION

#### AUDIT COMMITTEE

Mr. Nawal Kishore Choudhury	Chairman
Mr. Prakash Chand Jalan	Member
Mr. Jay Nandan Jha	Member

#### STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Nawal Kishore Choudhury	Chairman
Mr. Prakash Chand Jalan	Member
Mr. Nishit Jalan	Member

#### NOMINATION & REMUNERATION COMMITTEE

Mr. Nawal Kishore Choudhury	Chairman
Mr. Prakash Chand Jalan	Member
Mr. Jay Nandan Jha	Member

### REGISTERED OFFICE

122, 1st Floor, Vinobapuri, Lajpat  
Nagar Part II, New Delhi-110024

Email: grovyindia@gmail.com  
Website: www.grovyindia.com

### REGISTRAR AND SHARE TRANSFER AGENTS

M/s Skyline Financial Services Private Limited  
1st Floor, D-153A, Okhla Industrial Area  
Phase I, New Delhi Pin Code 110 020

Phone: +91-11-41044923  
Fax: +91-11-26812682  
E-mail: viren@skylinerta.com

### BANKERS OF THE COMPANY



State Bank of India (SBI)

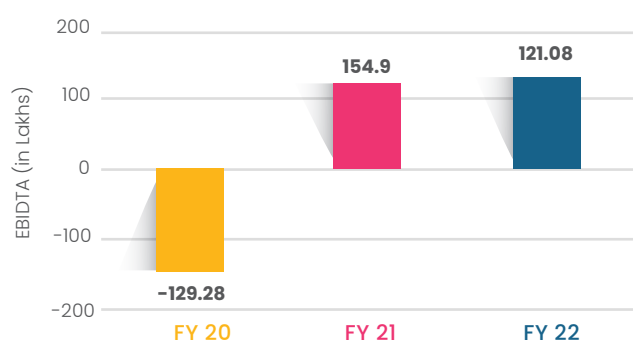


Axis Bank

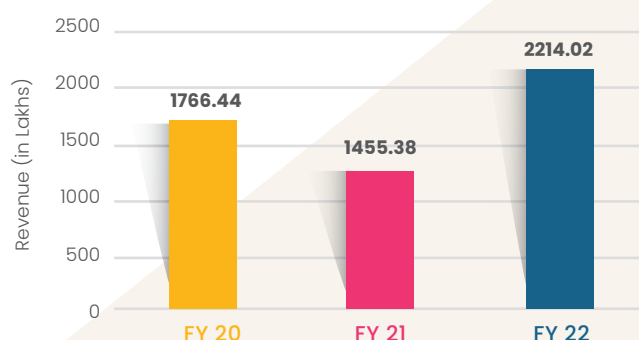


## Financial Highlights

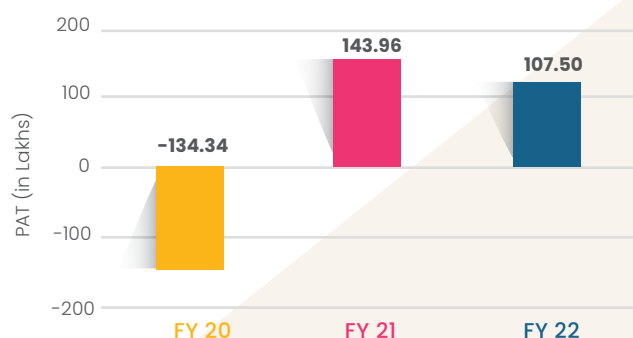
Particulars	FY 2021-22	FY 2020-21	FY 2019-20
Total Revenue	2214.02	1455.38	1766.44
EBIDTA	121.08	154.9	(129.28)
Profit Before Tax (PBT)	112.05	145.76	(134.34)
Profit After Tax (PAT)	107.50	143.96	(134.34)
PAT Margin (%)	4.99%	10.83%	(7.52%)
Networth	1171.04	1059.72	890.37
Consolidated Debt	668.13	615.31	1029.81
Gross Debt Equity Ratio	0.57	0.58	1.57
Dividend Declared	1%	1%	-



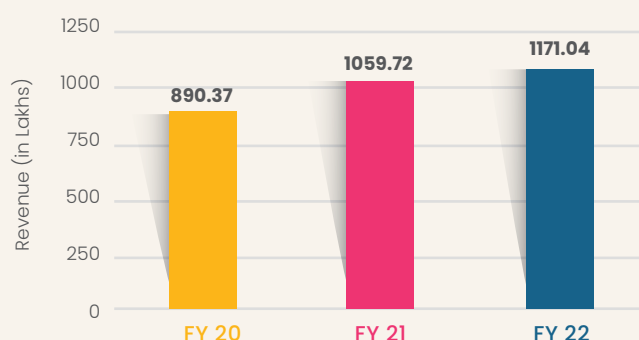
EBIDTA is at 121.08 Lakhs for FY 2022



Total Revenue stood at Rs. 2214.02 Lakhs, reflecting a Y-O-Y growth of 52.13%



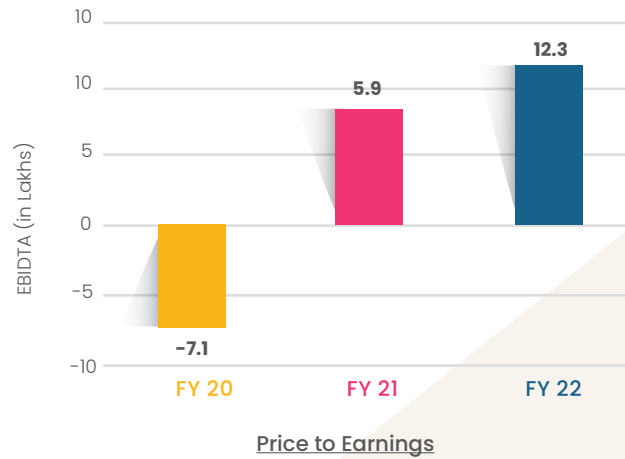
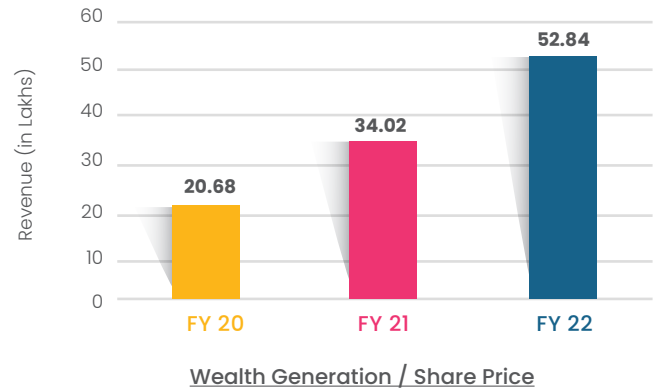
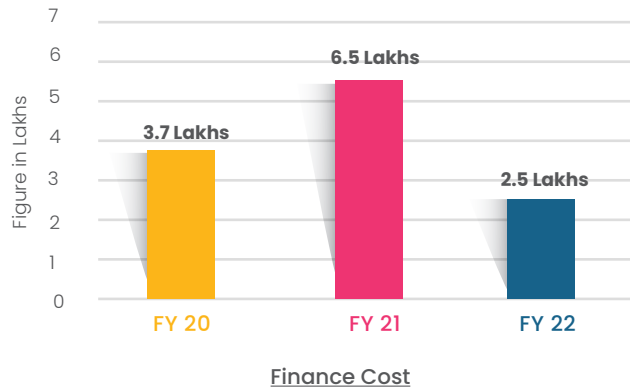
PAT at 112.05 Lakhs for FY 2022



Net worth is increased by 10.50% Y-O-Y



## Financial Highlights





# BOARD'S REPORT

The Members,

Your Directors have pleasure in presenting the Thirty Seventh (37th) Annual Report together with the Standalone Financial Statements of the Company for the Financial Year ended March 31, 2022

## FINANCIAL HIGHLIGHTS

The standalone financial statements for the financial year ended March 31, 2022, forming part of this Annual Report, have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs.

The Company's financial performance, for the year ended 31st March, 2022 and the corresponding figures for the last year are summarized below:-

(Amount in Rupees)

Particulars	(Standalone)	
	2021-22	2020-21
Revenue from operations	21,53,77,669	13,28,81,087
Other Income	60,24,774	1,26,56,733
<b>Total Income</b>	<b>22,14,02,442</b>	<b>14,55,37,820</b>
Gross Expenditure	20,92,93,666	13,00,48,492
Less Finance Cost	2,53,220	6,54,625
<b>Profit before Depreciation</b>	<b>1,18,55,557</b>	<b>1,48,34,703</b>
Less Depreciation	6,50,439	2,58,753
<b>Profit after depreciation and Interest/Net Profit Before Tax</b>	<b>1,12,05,118</b>	<b>1,45,75,950</b>
Less Exceptional items	-	-
<b>Profit before extraordinary items and tax</b>	<b>1,12,05,118</b>	<b>1,45,75,950</b>
<b>Tax Expense</b>	<b>4,55,399</b>	<b>1,79,524</b>
<b>Net Profit/Loss after Tax</b>	<b>1,07,49,719</b>	<b>1,43,96,426</b>
<b>Other Comprehensive income for the year, net of tax</b>	<b>6,34,023</b>	<b>25,37,928</b>
<b>Total Comprehensive income/(loss) for the year</b>	<b>1,13,83,742</b>	<b>1,69,34,354</b>
<b>Earnings per Share (Basic)</b>	<b>4.28</b>	<b>5.73</b>
<b>Earnings per Share (Diluted)</b>	<b>4.28</b>	<b>5.73</b>



During the year under review, your Company has achieved a Total Revenue of Rs 2214.02 lakhs which is reflecting 52.13% growth over the corresponding previous financial year's total revenue of Rs. 1455.37 Lakhs. The Company's EBITDA stands at Rs. 121.08 lakhs. The Profit after Tax worked out to Rs.107.49 lakhs as compared to profit in the previous year of Rs. 143.96 lakhs.

## **DIVIDEND**

Your directors are pleased to recommend a dividend @ 1% i.e. Rs. 0.10 (Ten Paisa) per share on 25,144,01 (Twenty-Five Lakhs Fourteen Thousand Four Hundred and One) Equity Shares of Rs. 10/- each for the current financial year. The dividend if approved and declared in the ensuing Annual General meeting to be held on 09th September, 2022.

The dividend would be payable to all the Shareholders whose names appear in the Register of Members as on the Cut-off date i.e. 02.09.2022. The Register of Members and Share Transfer books shall remain closed from Saturday, September 03, 2022 to Friday, September 09, 2022 (both days inclusive).

## **TRANSFER TO RESERVES**

During the year under review, the Board of Directors of your Company, have decided not to transfer any amount to the General Reserves of the Company.

## **FINANCIAL STATEMENTS**

The Financial Statements of your Company have been prepared in accordance with Indian Accounting Standards (IND-AS) issued by the Institute of Chartered Accountants of India and Regulation 48 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI Listing Regulations, 2015) for the financial year 2021-22 as applicable to the Company. The estimates and judgments relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profit and cash flow for the year ended 31st March, 2022.

## **SHARE CAPITAL**

During the year under review, the Authorized Share Capital of the Company stands at Rs. 5,40,00,000/- (Five Crore Forty Lakhs) divided into 54,00,000 (Fifty-Four Lakh) Equity Shares of Rs. 10/- each. The Issued, Subscribed and Paid up Capital stands at 25,14,401 (Twenty-Five Lakh Fourteen Thousand Four Hundred and One) Equity Shares of Rs.10/- each aggregating to Rs.2,51,44,010/- (Two Crore, Fifty-One Lakhs, Forty-Four Thousand and Ten rupees only).

## **RESERVES AND SURPLUS**

Reserves and Surplus of the Company for the financial year 2021-22 stands at Rs. 919.60 Lakhs as against the Reserve and Surplus of Rs. 808.28 Lakhs in the previous financial year 2020-21.





## DEPOSITS

Your Company has not accepted any Deposits during the year in terms of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. No deposits remained unpaid or unclaimed as at the end of the year and there was no default in repayment of deposits or payment of interest thereon during the year.

## HUMAN RESOURCES

Your Company envisages its “human resources” as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement. Your Company has continuously adopted structures that help attract best external talent and provide internal talent to higher roles and responsibilities. Your Company has an adequate pool of trained and competent human resources which is highly capable to meet the challenges of growing quality perspective and complex logistics requirement of the customers. In view of increased competition, the human resources of the company are able and proved to deliver specialized services of desired quality meet the competition and to satisfy customer requirements.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

### i) Retirement by Rotation:

Pursuant to the provisions of Section 152(6) and other applicable provisions, of the Companies Act, 2013 and Articles of Association of the Company, Mrs. Anita Jalan (DIN: 00475635), Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible has offered for her re-appointment.

### ii) Appointment & Resignation of Directors:

During the year under review, the shareholders at the Annual General Meeting of the Company held on 20th September, 2021 had regularized Mr. Jay Nandan Jha (DIN: 00531064)) as Independent Director of the Company, for a period of 5 (Five) years w.e.f. 18th December, 2020 to 17th December, 2025. Your Board currently comprises of 5 Directors including 2 Independent Directors.

Name	Appointment Date	Cessation Date	Remarks
<b>Prakash Chand Jalan</b>	08.06.1990	–	Director
<b>Nishit Jalan</b>	19.12.2013	–	Whole-Time Director
<b>Anita Jalan</b>	01.09.1995	–	Director
<b>Nawal Kishore Choudhury</b>	02.03.2020	–	Director (Independent)
<b>Jay Nandan Jha</b>	18.12.2020	–	Director (Independent)
<b>Nishit Jalan</b>	18.06.2015	–	Chief Executive Officer
<b>Ankur Jalan</b>	18.06.2015	–	Chief Executive Officer
<b>Pooja Jain</b>	11.01.2019	–	Company Secretary

None of the Directors of the Company are disqualified as per section 164(2) of the Companies Act, 2013 and Rules made thereunder or any other provisions of the Companies Act, 2013. The Directors have also made necessary disclosures to the extent as required under provisions of section 184(1) of the Companies Act, 2013. All members of the Board of Directors and senior management personnel affirmed compliance with the Company’s Code of Conduct policy for the FY 2021-22.



### **iii) Declaration by Independent Directors:**

The Company has received declarations from all the Independent Directors of the Company confirming that:

- a) they meet the criteria of independence as prescribed under section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015; and
  - b) they have registered their names in the Independent Directors' Data bank pursuant to Sub-rule (1) and (2) of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and amendments thereto.
- 

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of section 134(3) (c) & 134 (5) of the Companies Act, 2013, your Directors to the best of their knowledge and ability hereby confirm that:

1. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. the directors had 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 and loss of the Company for that period;
3. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the directors had prepared the annual accounts on a going concern basis;
5. the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
6. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the internal financial control framework, audit procedure and compliance system as established and maintained by the Company, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2021-22

## **AUDITORS AND THEIR REPORTS**

### **1. Statutory Auditors**

At the Annual General Meeting held on 30<sup>th</sup> July, 2020, M/s. Doogar & Associates., Chartered Accountants, (Firm Registration Number: 000561N), New Delhi were appointed as Statutory Auditors of the Company to hold the office till the conclusion of 40<sup>th</sup> Annual General Meeting of the Company. In terms of the amended provisions of Section 139(1) of the Companies Act, 2013, the appointment of statutory auditors need not to be ratified at every Annual General Meeting.

The observations, if any, made by the Statutory Auditors in their Auditors Report together with Notes to Accounts, as append thereto are self-explanatory and hence does not call for any further explanation.



The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

## **2. Cost Auditor or Cost Records**

The provisions of Section 148 are not applicable on the Company. Consequently, the company is not liable to maintain such cost records and appoint Cost Auditor.

## **3. Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with corresponding Rules framed thereunder, M/s Narender & Associates, Company Secretaries; continued to be Secretarial Auditors of the Company, to carry out the Secretarial Audit for the year ended March 31, 2022. The Secretarial Audit Report given by the Secretarial Auditors in Form No. MR-3 which is annexed with this Report as **"Annexure A"**.

## **4. Internal Auditors:**

Mr. Murari Kumar Jha continued to be the Internal Auditors of the Company under the provision of Section 138 of the Companies Act, 2013 for conducting the internal audit of the Company for the financial year 2021-22.

## **DETAILS RELATING TO REMUNERATION TO DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES**

The particulars and information of the Directors/employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 of your Company is attached as **"Annexure-B"** to this report.

None of the employees of the Company were in receipt of the remuneration exceeding limits pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## **CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There was no change in the nature of business of the Company during the financial year ended March 31, 2022.

## **FRAUD REPORTING**

No such fraud was reported by the statutory auditors of the Company.

## **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Pursuant to the provisions of Section 135(1) of the Companies Act, 2013, Corporate Social Responsibility is not applicable on your Company.



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

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are as follows:

### A. CONSERVATION OF ENERGY

- i. The steps taken or impact on conservation of energy: **NIL**
- ii. The steps taken by the Company for utilizing alternate sources of energy: **NIL**
- iii. The capital investment on energy conservation equipment: **NIL**

### B. TECHNOLOGY ABSORPTION

- I. Efforts made in technology absorption & Benefits derived: **NIL**
- II. Benefits derived like product improvement, cost reduction, product development or import substitution: **NIL**
- III. In case of Imported Technology (imported during last 3 years reckoned from beginning of the financial year): **NIL**
- IV. The expenditure incurred on Research and Development: **NIL**

## FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, details of foreign exchange earnings and outgo are as follows:

Earnings: **NIL**

Outgo : **NIL**

## INTERNAL AUDIT & CONTROLS

During the year under review, the Company continues to engage Internal Auditors and had implemented their suggestions and recommendations to improve the control environment. The Internal Auditors scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas.

## ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has in place adequate internal financial controls as required under section 134(5)(e) of the Companies Act, 2013. During the year under review, such controls were tested with reference to financial statements and no reportable material weakness in the formulation or operations were observed.

## CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING



In terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015, your Company has already adopted the Code of Conduct to regulate. Monitor and report trading by designated persons towards prevention of Insider Trading. Further, in accordance with the provisions of Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of the Company has duly approved and adopted the code of practices and procedure for fair disclosure of Unpublished Price Sensitive Information and formulated the code of conduct of the Company.

The code is applicable to Directors, Employees, Designated Person and other connected persons of the Company. The aforesaid code of conduct for prevention of Insider Trading is duly placed on the website of the Company at [www.grovvyindia.com](http://www.grovvyindia.com). Pursuant to the Internal Code of Conduct for Prevention of Insider Trading as framed by the Company under SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended), the trading window closure(s) are intimated in advance to all the designated person and during the said period, the Board of Directors and concerned persons are not permitted to trade in the securities of the Company.

## **DISCLOSURE AS PER APPLICABLE ACT, LISTING AGREEMENT/ SEBI (LODR) REGULATIONS, 2015**

### **a) Related Party Transactions:**

All transactions entered with related parties during the FY 2021-22 were on arm's length basis and were in the ordinary course of business and hence not falling under the provisions of Section 188 of the Companies Act, 2013. There have been no materially significant related party transactions with the Company's Promoters, Directors and others as defined in section 2(76) of the Companies Act, 2013, and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which may have potential conflict with the interest of the Company at large. Accordingly, disclosure in Form AOC-2 is not required.

### **b) Number of Board Meetings:**

During the financial year under review, 4 (Four) Board Meetings were held. The details of Board Meetings are as below:

<b>Date</b>	<b>Board Strength</b>	<b>No. of Director present</b>
<b>03<sup>rd</sup> June, 2021</b>	5	4
<b>04<sup>th</sup> August, 2021</b>	5	5
<b>02<sup>nd</sup> November, 2021</b>	5	4
<b>02<sup>nd</sup> February, 2022</b>	5	5

### **c) Audit Committee:**

The Board has constituted the Audit Committee under the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Recommendation by Audit Committee: There were no such instances where the recommendation of Audit Committee has not been accepted by the Board during the financial year under review.

During the financial year under review, 4 (Four) Audit Committee Meetings were held. The details of Meetings are as below:



Date	Members Strength	No. of Members present
03 <sup>rd</sup> June, 2021	3	3
04 <sup>th</sup> August, 2021	3	3
02 <sup>nd</sup> November, 2021	3	3
02 <sup>nd</sup> February, 2022	3	3

**d) Nomination & Remuneration Committee:**

The Board has constituted the Nomination & Remuneration Committee under the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**e) Stakeholders & Relationship Committee:**

The Board has constituted the Stakeholders & Relationship Committee under the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**f) Extract of the Annual Return**

Pursuant to Section 92(3) read with Rule 12 of the Companies (Management and Administration) Rules, 2014 and Section 134(3)(a) of the Companies Act, 2013, the copy of Annual Report in form MGT-7 is available at the official website of the Company [www.grovyindia.com](http://www.grovyindia.com)

**g) Risk Analysis**

The Company has in place a mechanism comprising of regular audits and checks to inform the Board members about the Risk assessment and mitigation plans and periodical reviews to ensure that the critical risks are controlled by the executive management. Major risks identified are systematically addressed through risk mitigation actions on a continuing basis.

**h) Loan, Guarantees & Investments**

During the year under review, your Company has invested and deployed its surplus funds in securities which were within the overall limit of the amount and within the powers of the Board as applicable to the Company in terms of Section 179 and 186 of the Companies Act, 2013. The details of loans, guarantees and investments made under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are given in the notes to Financial Statements.

**i) Material changes and commitments, if any, affecting the financial position between the end of the financial year and date of the report:**



The financials of the Company may be affected to the extent of ongoing COVID pandemic 2nd wave in the 1st quarter of financial year 2021-22 and as may occur in the rest of the quarters. However, business activities is being normalised and not much of financial impact is envisaged.

**j) Subsidiaries, Associates or Joint Ventures:**

Your Company does not have any subsidiaries, associates or joint ventures.

**k) Vigil Mechanism (Whistle Blower Policy):**

The Company strongly follows the conduct of its affairs in a fair and transparent manner by adoption of high standards of professionalism, honesty, integrity and ethical behavior and accordingly as per the requirement of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, your Company has framed its Whistle Blower Policy to enable all the employees and the directors to report any violation of the Code of Ethics as stipulated in the said policy. By virtue of Whistle Blower Policy, the directors and employees of the Company are encouraged to escalate to the level of the Audit Committee any issue of concerns impacting and compromising with the interest of the Company and its stakeholders in any way. The Company is committed to adhere to highest possible standards of ethical, moral and legal business conduct and to open communication and to provide necessary safeguards for protection of Directors or employees or any other person who avails the mechanism from reprisals or victimization, for whistle blowing in good faith.

**l) Formal Annual Evaluation of the Performance of the Board, Its Committees and of Individual Directors**

In line with the statutory requirements enshrined under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board carried out a performance evaluation of itself, its Committees, the Chairman and each of the other Directors. As in previous year, this was carried out on the basis of framework approved by the Nomination and Remuneration Committee. The Committee had unanimously consented for an 'in-house' review built on suggestive parameters. Based on the suggestive parameters approved by the Nomination and Remuneration Committee, the following evaluations were carried out:

- Review of Board as a whole by all the Members of the Board.
- Review of all Board Committees by all the Members of the Board.
- Review of Individual Directors by rest of the Board Members except the Director being evaluated.

**m) Cost Records:**

The provisions of Section 148 are not applicable on the Company. Consequently, the company is not liable to maintain such cost records.





**n) Internal Complaint Committee:**

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

**o) Disclosure relating to Material Variation:**

As per Regulation 32(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, there is no significant material variances noted in the Company.

**SECRETARIAL STANDARDS**

Secretarial Standards, i.e. SS-I, SS-II and SS-III relating to 'Meetings of the Board of Directors', 'General Meetings' and 'Dividend' respectively to the extent as applicable have been duly followed by the Company.

**INDUSTRIAL RELATIONS**

The Industrial relation during the year 2021-22 had been cordial. The Directors take on record the dedicated services and Significant efforts made by the officers and Staff towards overall progress of the Company

**DISCLOSURES UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION, AND REDRESSAL) ACT, 2013**

The Company has zero tolerance for sexual harassment at workplace and has formulated and adopted an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. The Policy is gender neutral. During the year under review, no complaints with allegations of sexual harassment were received by the Company

**COMPANY'S WEBSITE**

The website of your Company, [www.grovyindia.com](http://www.grovyindia.com) has been designed to present the Company's businesses upfront on the home page. The site carries a comprehensive database of information of all the services rendered including the Financial Results of your Company, Shareholding pattern, Corporate profile, details of Board Committees, Corporate Policies and business activities of your Company. All the mandatory information and disclosures as per the requirements of the Companies Act, 2013, Companies Rules 2014 and as per Regulation 46 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 has been displayed.



## **CORPORATE GOVERNANCE REPORT**

The Company's philosophy of Corporate Governance aims at establishing and practicing a system of good corporate governance which helps in achieving the goal of maximizing value of Company's stakeholders in a sustainable manner.

Your Company's Governance structure is built on transparency, integrity, ethics, honesty and accountability as core values, and the management believes that practicing each of these creates the right corporate culture attaining the purpose of Corporate Governance. Your Company strives to undertake best Corporate Governance practices for enhancing and meeting stakeholders' expectations while continuing to comply with the mandatory provisions of Corporate Governance under the applicable framework of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, as per regulation 15(2) of SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENT) REGULATION 2015, certain Companies are exempted from mandatory compliance of the provisions of Regulation 17 to 27 of SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENT) REGULATION 2015. In terms of the said regulation, every listed Company which has paid up equity share capital not exceeding Rs. 10 Crores and Net worth not exceeding Rs. 25 Crores, as on the last day of the previous financial year, are exempted from complying with the provisions of Corporate Governance regulations of listing agreement entered with the stock exchange.

The certification by CEO i.e. Whole-Time Director of the Company & CFO as per regulation 15(2)(b) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is attached and marked as **Annexure – 'C'**.

## **MANAGEMENT DISCUSSIONS & ANALYSIS REPORT**

Pursuant to Regulation 34(2)(e) read with Schedule V of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion & Analysis Report for the year under review forms the part of this report and is marked as **"Annexure D"**.

## **TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND**

During the year under review, the Company has not transferred any amount in investor Education and Protection Fund.

## **LISTING OF SECURITIES IN STOCK EXCHANGE**

The shares of the Company are presently listed at BSE Ltd. w.e.f. 30th December 2015 with Scrip Code 539522 in the list of XT Group Securities. The Company is registered with both NSDL & CDSL for holding the shares in dematerialized form and open for trading. The Company has paid the Annual Listing Fees to BSE and Custodian fees to the depositories.

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

There has been no significant & material order passed by the Regulators/ Courts/ Tribunals impacting the going concern status and Company's operations in future.



### **CAUTIONARY NOTE**

The statements forming part of the Directors' Report may contain certain forward looking statements within the meaning of applicable securities laws and regulations. Many factors could cause the actual results, performances or achievements of the Company to be materially different from any future results, performances or achievements that may be expressed or implied by such forward looking statements.

### **ACKNOWLEDGEMENTS**

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from the Financial Institutions, Banks, Government Authorities and Shareholders during the year under review. Your Directors wish to place on record their deep sense of appreciation to all the employees for their commendable teamwork, exemplary professionalism and enthusiastic contribution during the year.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**Date: 12.08.2022**

**Place: New Delhi**

**SD/-**

**(Prakash Chand Jalan)**

**Director**

**DIN: 00475545**

**SD/-**

**(Nishit Jalan)**

**Whole-Time Director & CEO**

**DIN: 002964239**



## Annexure "A"

### Form MR-3

### SECRETARIAL AUDIT REPORT

### FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2022

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

To,  
The Members,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by (herein after called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by ("the Company") for the financial year ended on 31st, March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **[Not Applicable]**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **[Not Applicable]**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not Applicable]**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;



- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **[Not Applicable as the Company has not delisted/ proposed to delist its equity shares from any stock exchange during the financial year under review;]**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **[Not Applicable as the Company has not bought back/ proposed to buy back any of its securities during the financial year under review;]**
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

I 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 Listing Agreement entered into by the Company with the stock Exchange.

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

I further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. Majority decision is carried through and recorded in the minutes of the Meetings. Further as informed, no dissent was given by any director in respect of resolutions passed in the board and committee meetings.

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 the company has:*

1. Mr. Murari Kumar Jha appointed as an Internal Auditor of the Company for the FY 2021-22 in compliance with the provisions of the Companies Act, 2013.
2. During the Reporting period Mr. Jay Nandan Jha regularize as Director in the Independent Director capacity w.e.f 18<sup>th</sup> December, 2020 to 17<sup>th</sup> December, 2025.

**For Narender & Associates  
Company Secretaries**

CS Narender Thakur  
Proprietor  
ACS No. 43952  
CP No. 16690

**Date: 16/07/2022**  
**Place: New Delhi**  
**UDIN: A043952D000637094**



## **Annexure I**

To,

The Members,

**Grovvy India Limited**

**122, 1st Floor, Vinobapuri Lajpat Nagar Part II, New Delhi-110024**

**CIN:- L74130DL1985PLC021532**

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 provided to us.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. The compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by statutory Auditors and other designated professionals
5. Where ever required, we have obtained the Management representation about the applicability and 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 their responsibility of management. Our examination was limited to the verification of procedures on test basis.
3. 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 Narender & Associates  
Company Secretaries**

CS Narender Thakur  
Proprietor  
ACS No. 43952  
CP No. 16690

**Date: 16/07/2022**

**Place: New Delhi**

**UDIN: A043952D000637094**

**Annexure "B"****DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22 and the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22 are as under :

S. no.	Name of Director/ KMP and Designation	Remuneration of Director / KMP for financial year 2021-22 (Rs. in lakhs)	% decrease/increase in Remuneration in the financial year 2021-22	Ratio of remuneration of each Director/ to median remuneration of employees
1	Mr. Nishit Jalan, WTD & CEO	4.2	-	2.3:1
2	Mr. Ankur Jalan, CFO	3.0	-	-
3	Ms. Pooja Jain, Company Secretary	4.95	1.44	-

**No sitting fee was paid to any of the Directors for attending Board Meeting/Committee Meetings.**

Note:

- No other Director other than the Whole-Time Director received any remuneration for the financial year 2021-22.
- The median remuneration of employees of the Company during the financial year was Rs. 1,86,000/-.
- In the financial year, there was no change in the median remuneration of employees;
- There were 5 permanent employees on the rolls of Company as on March 31, 2022.
- Average percentage increase made in the salaries of the employees other than the managerial personnel in the financial year 2021-22 was 3% where as there is no increase in the managerial remuneration for the same
- The Key Parameters for any variable component of remuneration availed by the Directors – As per remuneration policy
- It is hereby affirmed that the remuneration paid during the year ended 31st March, 2022 is as per the Remuneration Policy of the Company.

**A. STATEMENT PURSUANT TO RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:****LIST OF TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN:**

Only 5 permanent employees on roll during the year



**B. LIST OF EMPLOYEES DRAWING REMUNERATION NOT LESS THAN RS. 102.00 LAKH PER ANNUM OR 8.50 LAKH PER MONTH, IF EMPLOYED FOR PART OF THE YEAR:**

No employee in the Company has drawn remuneration falling under this category.

There was no employee in employment throughout the financial year or part thereof, who was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole-time Director or Manager and do not holds by themselves or along with their spouse and dependent children, any equity shares in excess of two per cent of the paid up capital of the Company.





## Annexure "C"

### CEO / CFO CERTIFICATE

To,

Date: 30.05.2022

The Board of Directors

Grovvy India Limited

122, Vinobapuri, Lajpat Nagar-II, New Delhi-110024

Dear Sir,

We hereby certify the following that:

- a) We have reviewed financial results for the quarter and year ended March 31, 2022 and that to the best of our knowledge and belief:
  - I. these results 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 and 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.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the quarter and year ended March 31, 2022, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) That we have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed, from time to time, to the Auditors and the Audit Committee, operation of such internal controls and that such further improvement in design & structure are being made to meet the growing requirements of business.
- e) We have indicated to the auditors and the Audit committee:
  - i. significant changes in internal control including internal Financial controls over financial reporting during the quarter and year ended March 31, 2022, if any;
  - ii. significant changes in accounting policies during the quarter and year ended March 31, 2022 and that the same have been disclosed in the notes to the financial results, if any; and
  - iii. instances, if any, 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 Grovy India Ltd.**

**Sd/-**

**Nishit Jalan**

**CEO & Whole-time Director**

**For Grovy India Ltd.**

**Sd/-**

**Ankur Jalan**

**Chief Financial Officer**



## Annexure "D"

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### MANAGEMENT DISCUSSION & ANALYSIS REPORT

We submit herewith our Management Discussion & Analysis Report on the Company's Business for the year ended 31st March, 2022. We have attempted to include on all specified matters to the extent relevant or within limits that in our opinion are imposed by the Company's competitive position.

#### OVERVIEW OF GLOBAL ECONOMY

The Global Commercial Real Estate industry has experienced solid expansion over much of the five years to 2022. The industry is massive, incorporating more than half a dozen subindustries that develop, manage, appraise, buy, lease, sell and invest in properties across the multifamily residential, retail, office, accommodation and hospitality and industrial markets. With such a range of activities spanning the real estate spectrum, industry performance is largely based on business activity and tends to follow the performance of the global economy. As a result, the level of investment is a sound measure of business activity and expansion.

#### OVERVIEW OF INDIAN ECONOMY

The real estate sector is one of the most recognized sectors across the world and a significant contributor to the Indian economy. India's real estate sector has witnessed immense growth over the years due to infrastructure development in the form of residential, office spaces, commercial real estate, retail growth and factory spaces.

It is not only pent-up demand that will push growth but the country is going through a structural transformation in housing demand. This is because of a combination of first-time homebuyers, and customers moving up the property ladder to shift to larger homes or acquiring a second home in another location, that is at play.

There was a time when cheap money flowed into the real estate sector which led to poor quality of projects. Since those stocks were not sold, inventories piled up, leading to a situation of excess supply. The situation corrected following the NBFC crisis of 2018 as the cheap money flow was restricted. NBFCs started facing liquidity crunch after commercial banks stopped lending to them. The NBFC crisis led to reduction in supply of homes, consolidation among developers and a marked change in consumer preferences in favour of properties from A grade developer because of quality and certainty of timely delivery.

Basis the sales momentum in the second half of fiscal 2021, experts believe that real estate sector is set to register robust growth in the current financial year. With demand gaining pace – both from first time home buyers as well as those looking to upgrade their property or scouting for a second home, prices will soon start to head north, if not already started in certain pockets.



### STATE OF AFFAIRS OF THE COMPANY

The Company has been expanding its operations both in terms of product base and customer base. We have been trying to capture new market for our products. The operations of the Company are growing steadily and constant raise in performance of the Company is evident from its promising financial prospects.

### FUTURE OUTLOOK

As a move forward and with the help of information technology, your Company is planning to explore new market. Our outlook is very positive and we expect to continue doing well in near future. Your Company is also planning for Foreign Collaboration and Overseas Direct Investment in form of JV/WOS abroad.

### OPERATION REVIEW

Your Company is engaged in to the Business of development of property and trading of shares and commodities. During the year under review, your Company has shown commendable performance and managed to generate a net profit of Rs 1,07,49,719/- (Rupees One Crore, Seven Lakhs, Forty Nine Thousand, Seven Hundred and Nineteen Only). Your Directors are confident of improved performance by the Company in financial year 2022-23

Except, as disclosed elsewhere in the Report, there have been no material changes and commitments, which can affect the financial position of the Company between the end of the Financial Year and the date of this Report.

### BUSINESS SEGMENTS:

Your Company is engaged into the Businesses listed as under:

- a) Construction Business:

#### Residential & Commercial Segment:

Your company, Grovy India Limited has completed their projects and sustains credibility among its customers by providing possession on time and quality of work to all of them.

Project Location	Constructed Area	Project Status	Project Type
South Delhi	15,000 Sq. Ft.	Completed	Residential Project
Noida	20,000 Sq. Ft.	Fit-out Completed	Commercial Project
South Delhi	10,000 Sq. Ft.	On-going	Residential Project
South Delhi	20,000 Sq. Ft.	On-going	Residential Project
South Delhi	15,000 Sq. Ft.	Project in pipeline	Residential Project
South Delhi	10,000 Sq. Ft.	Completed	Residential Project
South Delhi	10,000 Sq. Ft.	Completed	Residential Project
South Delhi	15,000 Sq. Ft.	On-going	Residential Project
South Delhi	15,000 Sq. Ft.	Project in pipeline	Residential Project



## Commercial Project

An eco-friendly, creative, high on energy workplace at a great location, Grovy Optiva is here to present huge benefits for any business.

**Area Constructed** - 1,10,000 Sq. Ft.

**Site** - Noida





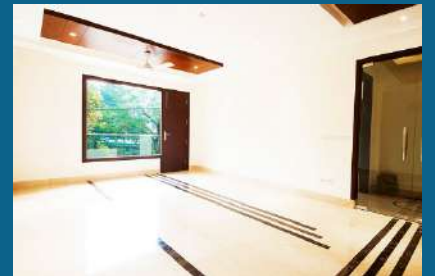


## *Residential Projects*

All posh colonies of South Delhi.

**Area Constructed** - More than 50,000 Sq. Ft.





**b) Shares Trading:**

Your Company is also engaged in trading of Shares, commodities, Currencies, and other financial instruments. This segment is also very important in the view of present situation of the Indian Capital Market.

During the year under review, the Company had a revenue of Rs. 15,42,20,807/- (Rupees Fifteen Crore, Forty-Two Lakh, Twenty Thousand and Eight Hundred and Seven Only) from the shares trading business.

**Key Financial ratios**

Pursuant to Schedule V (B) to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

S. No.	Ratio	2021-22	2020-21
1.	Current ratio	2.83	2.62
2.	Debt Equity ratio	0.57	0.52
3.	Debt Service Coverage Ratio	16.16	23.39
4.	Return on equity	9.64%	13.59%
5.	Inventory Turnover ratio	1.56	1.02
6.	Trade Receivable turnover ratio	272.22	149.30
7.	Net capital turnover ratio	1.89	1.36
8.	Net profit ratio	4.99%	10.83%
9.	Return on Capital Employed	6.23%	9.17%
10.	Return on investment	6.52%	8.47%

**ENVIRONMENT & SAFETY**

We are conscious of the need of the environmentally clean and safe operations. Our policy requires all operations to be conducted in way so as to ensure safety of all concerned, compliance of statutory and industrial requirement for environment protection and conservation of natural resources.

**HUMAN RESOURCES AND INDUSTRIAL RELATION**

Management recognizes that employees represent our greatest assets and are strong pillars of organization and it is only because of motivated, creative and committed employees, We have achieved our aims. Hence, the Company attempts to take good care of welfare and betterment of employees. The Company takes initiative like training and development for its people to increase the performance. The Company has taken various steps to improve and enhance skill of its people. The industrial relations remained cordial during the year.

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has appropriate systems for Internal Control. The systems are improved and modified continuously to meet with changes in business conditions, statutory and accounting requirements.

The Company has strong Management Information System, which is an integral part of control mechanism. The Audit Committee of Board of Directors reviews the efficiency and effectiveness of internal control systems and suggests the solution to improve and strengthen. The Internal control system were tested during the year and no material weakness in design or operation were observed.



## **RISK AND CONCERNS**

The Company believes that an effective, consistent and sustainable risk management framework is an essential part of the work culture. Risk management must be fully integrated into the organisation's governance policies. It is vital to identify, assess and act to minimise various risks. Some of the key risks identified include: Uncertainty about demand conditions given sluggish global economic recovery and its likely contagion effects, regulatory issues regarding environment clearance and land acquisitions as well as sector specific issues like high cost of capital have stagnated the growth in the economy of our country.

## **CAUTIONARY STATEMENT**

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factors.

## **FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Date: 12.08.2022**  
**Place: New Delhi**

**SD/-**  
**(Prakash Chand Jalan)**  
**Director**  
**DIN: 00475545**

**SD/-**  
**(Nishit Jalan)**  
**Whole-Time**  
**Director & CEO**  
**DIN: 002964239**





## INDEPENDENT AUDITOR'S REPORT

To,

**The Members of Grovy India Limited**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of **Grovy India Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Principles under section 133 of the companies Act, 2013, generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **Key Audit Matters**

Key audit matters ('KAM') 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 that there are no key audit matters to be communicated in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the financial statements and our auditor's report thereon.

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



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

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

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

In preparing the financial statements, 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 are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Financial Statements**

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

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

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



- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government 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 Statement of Cash Flow dealt with by this report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act;
- e. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". 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 other matters to be included in the auditor's report in accordance with the requirements of Section 197(16) of the Act, as amended. In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations as at March 31, 2022 which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There was no amount which was required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner



whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The dividend declared or paid during the year is in compliance with Section 123 of the Companies Act, 2013.

*For* **Doogar & Associates**

Chartered Accountants

Firm Registration No. 000561N

**Vardhman Doogar**

Partner

Membership No. 517347

**UDIN: 22517347AKBXGR4184**

**Date:** May 30, 2022

**Place:** New Delhi

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**Annexure “A” to the Independent Auditor’s Report**

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Grovy India Limited of even date)

- i. In respect of the Company’s Property, Plant and Equipment: -
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, Plant and Equipment.
  - b. The Company has a program of physical verification of Property, Plant and Equipment to cover all the assets once every three year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c. Based on our examination, title deeds of all immovable properties disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
  - d. The Company has not revalued any of its Property, Plant and Equipment during the year.
  - e. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (A) The inventory (excluding materials in transit and stock lying with third parties) has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.

(B) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- iii. (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to [companies, firms, Limited Liability Partnerships or any other parties]. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(b) During the year the investments made by the company are not prejudicial to the Company’s interest. Further no guarantees provided, security given during the year by the Company.

(c) The Company has not granted loans and advances in the nature of loans to [companies, firms, Limited Liability Partnerships or any other parties]. Accordingly, the requirement to report on clause 3(iii)(c), (d), (e) and (f) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.



- v. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under Clause 3(v) of the Order are not applicable.
- vi. The Central Government has not prescribed the maintenance of cost records under Section 148 of the Act for any of the services rendered by the Company. Accordingly, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income-tax, sales tax, service tax, customs duty, excise duty, value added tax, goods and service tax, cess and other material statutory dues applicable to it with the appropriate authorities.
- There are no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, service tax, customs duty, excise duty, value added tax, goods and service tax, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
- (b) According to records and information & explanation given to us, there is no dues in respect of income tax, service tax, goods and service tax, and value added tax that have not been deposited with the appropriate authorities on account of any dispute and the forum where the dispute is pending.
- viii. According to the information and explanation given to us and the records of the Company examined by us, there is no income surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender as at the balance sheet date.
- (b) According to the information and explanation given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanation given to us, the term loans have been applied for the purpose for which they were obtained.
- (d) According to the information and explanation given to us, and the procedures performed by us, and on the overall examination of the financial statements of the Company, we report that no funds raised on the short-term basis have been used for long-term purposes by the Company.
- (e) There is no subsidiary of the Company. Accordingly, the reporting under Clause 3(ix)(e) of the Order are not applicable to the Company.
- (f) There is no subsidiary, joint venture or associate of the company. Accordingly, the reporting under Clause 3(ix)(f) of the Order are not applicable to the Company.



- x. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order are not applicable to the Company.
- xi. (a) During the course of the 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 material fraud by the Company or on the Company noticed or reported during the year, nor have been informed of any such case by the Management.  
  
(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.  
  
(c) During the course of the 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 and as represented to us by the management, no whistle blower complaints have been received during the year by the Company. Accordingly, the reporting under Clause 3(xi)(c) of the Order are not applicable to the Company.
- xii. The Company is not a Nidhi Company. Accordingly, the reporting under Clause 3(xii) of the Order are not applicable.
- xiii. According to the information and explanation and records made available by the company, the Company has complied with the provision of Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) The Company has implemented internal audit system on a voluntary basis which is commensurate with the size of the Company and nature of its business though it is not required to have an internal audit system under Section 138 of the Companies Act, 2013.  
  
(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- xv. Our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, reporting under Clause 3(xv) of the Order are not applicable.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under Clause 3(xvi) (a), (b), (c) of the Order are not applicable.  
  
(b) There are no other Companies part of the Group, hence, the requirement to report on clause 3(xvi) (d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.





- xviii. There has been no resignation of the statutory auditors of the Company during the year. Accordingly, reporting under Clause 3(xviii) of the Order are not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The company is not required to spend CSR Expenditure as required by section 135 of the Companies Act, 2013, hence reporting under paragraph 3(xx) of the Order is not applicable.

**For Doogar & Associates**

Chartered Accountants

Firm Registration No. 000561N

**Vardhman Doogar**

Partner

Membership No. 517347

**UDIN: 22517347AKBXGR4184**

**Date:** May 30, 2022

**Place:** New Delhi

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### **Annexure “B” to the Independent Auditor’s Report**

(Referred to in paragraph 2 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the members of Grovy India Limited of even date)

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

We have audited the internal financial controls over financial reporting of Grovy India Limited (“the Company”) as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

#### **Auditor’s Responsibility**

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

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

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



### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Doogar & Associates**

Chartered Accountants

Firm Registration No. 000561N

**Vardhman Doogar**

Partner

Membership No. 517347

**UDIN: 22517347AKBXGR4184**

**Date:** May 30, 2022

**Place:** New Delhi

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**GROVY INDIA LIMITED**  
**Balance Sheet as at March 31, 2022**  
**CIN NO :-L74130DL1985PLC021532**

(Amount in Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
<b>I. ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, plant and equipment	3	14.20	20.70
(b) Other intangible assets		-	-
(c) Investment property	4	1.30	1.30
(d) Financial assets			
(i) Investments	5	62.87	66.76
(e) Deferred tax assets (net)		-	-
<b>Total Non-Current Assets</b>		<b>78.37</b>	<b>88.76</b>
<b>Current assets</b>			
(a) Inventories	6	1,469.05	1,299.05
(b) Financial assets			
(i) Trade receivables	7	1.02	14.80
(ii) Cash and cash equivalents	8	53.18	50.28
(c) Current tax assets (net)	9	23.59	16.99
(d) Other current assets	10	213.95	205.15
<b>Total Current Assets</b>		<b>1,760.79</b>	<b>1,586.26</b>
<b>Total Assets</b>		<b>1,839.16</b>	<b>1,675.03</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	11	251.44	251.44
(b) Other equity	12	919.60	808.28
<b>Total Equity</b>		<b>1,171.04</b>	<b>1,059.72</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	13	44.85	9.58
(b) Provisions		-	-
(c) Deferred tax liabilities (Net)		-	-
<b>Total Non Current Liabilities</b>		<b>44.85</b>	<b>9.58</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	14	622.15	592.15
(ii) Trade payables		-	-
- Due to micro enterprises and small enterprises		-	-
- Due to creditors other than micro enterprises and small enterprises	15	-	12.63
(iii) Other Financial Liabilities		-	-
(b) Other current liabilities	16	1.13	0.96
<b>Total Current Liabilities</b>		<b>623.28</b>	<b>605.73</b>
<b>Total Equity &amp; liabilities</b>		<b>1,839.16</b>	<b>1,675.03</b>

See accompanying notes to the financial statements

As per our report of even date attached

For **Doogar & Associates**  
Chartered Accountants  
Firm's registration No. 000561N

Sd/-

**Vardhman Doogar**  
Partner  
M. No 517347

**Place:** New Delhi  
**Date:** May 30, 2022

1 to 47

For and on behalf of the Board of Directors

Sd/-

**Nishit Jalan**  
Whole Time Director & CEO  
DIN NO :02964239

Sd/-  
**Ankur Jalan**  
Chief Financial Officer

Sd/-

**Prakash Chand Jalan**  
Director  
DIN NO :00475545

Sd/-  
**Pooja Jain**  
Company Secretary



**GROVY INDIA LIMITED**  
**Statement of Profit and Loss for the period ended March 31, 2022**  
**CIN NO :-L74130DL1985PLC021532**

		(Amount in Lakhs)	
Particulars	Note No.	For the Year Ended March 31,2022	For the Year Ended March 31,2021
I. Revenue from Operations	17	2,153.78	1,328.81
II. Other Income (net)	18	60.25	126.57
III. <b>Total Revenue (I+II)</b>		<b>2,214.02</b>	<b>1,455.38</b>
IV. <b>Expenses:-</b>			
(a) Cost of Material Consumed and other related project cost	19	1,106.78	246.97
(b) Purchase of Stock in Trade		1,120.65	694.00
(c) Change in Inventory of finished goods and Projects in Progress	20	(169.99)	325.25
(d) Employee Benefits Expense	21	15.49	15.74
(e) Finance Cost	22	2.53	6.55
(f) Depreciation		6.50	2.59
(g) Other Expenses	23	20.01	18.52
<b>Total Expenses (IV)</b>		<b>2,101.97</b>	<b>1,309.62</b>
V <b>Profit / (Loss) before tax (III-IV)</b>		112.05	145.76
VI <b>Tax Expense:</b>			
(1) Current Tax	26	4.55	1.80
(2) Deferred Tax		-	-
<b>Total tax expense (VI)</b>		<b>4.55</b>	<b>1.80</b>
VII <b>Profit/(Loss) for the year (V-VI)</b>		<b>107.50</b>	<b>143.96</b>
VIII <b>Other Comprehensive Income</b>			
(i) Equity instruments through other comprehensive income	12	6.34	25.38
(ii) Income tax (expense)/credit relating to above items		-	-
<b>Total Other Comprehensive Profit/(Loss) (IX)</b>		<b>6.34</b>	<b>25.38</b>
IX <b>Total Comprehensive Income for the year (IX+X)</b>		<b>113.84</b>	<b>169.34</b>
X <b>Earning Per Equity Share(Nominal Value Per Share Rs 10)</b>			
(a) Basic	24	4.28	5.73
(b) Diluted		4.28	5.73

See accompanying notes to the financial statements

1 to 47

As per our report of even date attached

**For Doogar & Associates**  
Chartered Accountants  
Firm's registration No. 000561N

Sd/-  
**Vardhman Doogar**  
Partner  
M. No 517347

**Place:** New Delhi  
**Dated:** May 30, 2022

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

Sd/-  
**Nishit Jalan**  
Whole Time Director & CEO  
DIN NO :02964239

Sd/-  
**Ankur Jalan**  
Chief Financial Officer

Sd/-  
**Prakash Chand Jalan**  
Director  
DIN NO :00475545

Sd/-  
**Pooja Jain**  
Company Secretary



## GROVY INDIA LIMITED

## Statement of Cash flows for the year ended March 31, 2022

CIN NO :-L74130DL1985PLC021532

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	For the year ended Mar 31, 2022	For the year ended March 31, 2021
<b>A. Cash flows from operating activities</b>		
Net profit before tax, extraordinary items	112.05	145.76
<b>Adjustment for:</b>		
Depreciation and Amortisation	6.50	2.59
Profit on sale of Fixed Assets	-	(1.26)
Rent Received	-	-
Profit from sale of Investment	(0.18)	(13.46)
Misc Receipt (Dividend)	(0.17)	(0.25)
Interest income	(1.20)	(2.56)
Finance charges	2.53	6.55
Other Income Received	-	-
<b>Operating Profit before changes in working capital</b>	<b>119.54</b>	<b>138.36</b>
<b>Adjustments for increase/decrease:</b>		
Trade & Other Receivables	13.78	(11.80)
Inventories	(169.99)	325.25
Trade Payable	(12.63)	(1.53)
Loans & advances - Other Assets	(8.81)	44.87
Other Liabilities	30.17	(422.55)
<b>Cash generated from operations</b>	<b>(27.94)</b>	<b>71.59</b>
Income tax refund/(paid)	(11.15)	-
<b>Cash inflow/(outflow) from operating activities</b>	<b>(39.09)</b>	<b>71.59</b>
<b>B. Cash flows from investing activities</b>		
Purchase of fixed Assets	-	(20.98)
(Purchase)/Sale of non-current investments	-	(67.46)
Sale of Investments	10.40	55.21
Sale of fixed assets	-	2.00
Other Income(rent)	-	-
Misc received (dividend)	0.17	0.25
Interest received	1.20	2.56
<b>Net cash inflow / (outflow) from investing activities</b>	<b>11.77</b>	<b>(28.41)</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from issue of share capital	-	-
Interest paid	(2.53)	(6.55)
Proceeds from borrowings	35.27	9.58
Repayment of borrowings	-	-
Dividend paid including tax	(2.51)	-
<b>Cash inflow/(outflow) from investing activities</b>	<b>30.22</b>	<b>3.03</b>
<b>Net cash inflow/(outflow) during the year ( a+b+c)</b>	<b>2.90</b>	<b>46.22</b>
<b>Opening Cash &amp; Cash equivalents</b>	<b>50.28</b>	<b>4.06</b>
<b>Closing Cash &amp; Cash equivalents</b>	<b>53.18</b>	<b>50.28</b>

Notes: -

(i) Statement of cash flows has been prepared using Indirect method in accordance with Ind AS-7

(ii) Refer note no. 8 for components of cash and cash equivalents

See accompanying notes to the financial statements

1 to 47

As per our report of even date attached

For and on behalf of the Board of Directors

For Doogar &amp; Associates

Chartered Accountants

Firm's registration No. 000561N

Sd/-

Vardhman Doogar

Partner

M. No 517347

Sd/-

Nishit Jalan

Whole Time Director &amp; CEO

DIN NO :02964239

Sd/-

Ankur Jalan

Chief Financial Officer

Sd/-

Prakash Chand Jalan

Director

DIN NO :00475545

Sd/-

Pooja Jain

Company Secretary

Place: New Delhi

Date: May 30, 2022





**Grovy India Limited**  
**Statement of changes in equity for the year ended March 31, 2022**  
 CIN NO :-L74130DL1985PLC021532  
 (All amounts in INR Lakhs, unless otherwise stated)

**A. Equity Share Capital**

Balance as at April 01, 2020	Movement During the Year	Balance at 01 April, 2021	Movement during the Year	Balance as at March 31, 2022
251.44	-	251.44	-	251.44

**B. Other Equity**

Particulars	Reserves and Surplus			Other Comprehensive Income	Total
	Capital reserve	General reserve	Securities premium	Equity instruments through OCI	
Balance as at April 1, 2020	278.56	118.71	234.56	0.72	638.93
Profit/Loss for the period March 31st, 2021	-	-	-	-	143.96
Other comprehensive income for the year (net of tax)	-	-	-	25.38	25.38
Trf from OCI to retained earnings	-	-	-	2.34	-
Balance as at March 31, 2021	278.56	118.71	234.56	28.43	808.28
Profit/Loss for the period March 31, 2022	-	-	-	6.34	107.50
Other comprehensive income for the year (net of tax)	-	-	-	(1.74)	6.34
Trf from OCI to retained earnings	-	-	-	(2.51)	-
Dividend Paid	-	-	-	-	(2.51)
Balance as at March 31, 2022	278.56	118.71	234.56	33.04	919.60

See accompanying notes to the financial statements

1 to 47

As per our report of even date

For Doogar & Associates

Chartered Accountants

Firm's registration No. 000561N

Sd/-

**Vardhman Doogar**

Partner

M. No 517347

For and on behalf of the Board of Directors

Sd/-

**NISHIT JALAN**  
 Whole Time Director & CEO  
 DIN: 02964239

Sd/-

**Ankur Jalan**  
 Chief Financial Officer

Sd/-

**PRAKASH CHAND JALAN**  
 Director  
 DIN: 00475545

Sd/-

**Pooja Jain**  
 Company Secretary

Place: New Delhi

Dated: May 30, 2022



**GROVY INDIA LIMITED**

Notes forming part of financial statements for the period ended March 31, 2022

(All amounts in INR Lakhs, unless otherwise stated)

**3 Property, plant and equipment**

Particulars	Vehicles	Office Equipment	Total
<b>Gross carrying amount</b>			
As at April 1, 2020	17.87	-	17.87
Additions	20.38	0.60	20.98
Disposal/Adjustments	(10.58)	-	(10.58)
<b>As at March 31, 2021</b>	<b>27.67</b>	<b>0.60</b>	<b>28.26</b>
Additions	-	-	-
Disposal/Adjustments	-	-	-
<b>As at March 31, 2022</b>	<b>27.67</b>	<b>0.60</b>	<b>28.26</b>
<b>Accumulated Depreciation</b>			
As at April 1, 2020	14.82	-	14.82
Depreciation for the year	2.42	0.17	2.59
Disposal/reversal	(9.85)	-	(9.85)
<b>As at March 31, 2021</b>	<b>7.39</b>	<b>0.17</b>	<b>7.56</b>
Depreciation for the year	6.31	0.19	6.50
Disposal/reversal	-	-	-
<b>As at March 31, 2022</b>	<b>13.70</b>	<b>0.36</b>	<b>14.06</b>
<b>Net Carrying amount</b>			
As at April 1, 2020	3.05	-	3.05
As at March 31, 2021	20.27	0.43	20.70
As at March 31, 2022	13.96	0.24	14.20

**4 Investment property**

Particulars	Investment Property
<b>Carrying Amount</b>	
As at 1st April 2021	1.30
Additions	-
Disposals/Adjustments	-
<b>Net block as at 31st March 2022</b>	<b>1.30</b>

**5 Non-Current Investments**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Investment in Equity Instruments at fair value through OCI</b>		
P & G (CY and PY - 100 Shares)	14.42	12.46
UPL(CY and PY - 2550 Shares)	19.63	16.38
IDBI(CY and PY - 63050 shares)	26.99	24.31
Tata Coffee(CY - 0 shares, PY - 300 shares)	-	0.36
Yes Bank (CY - 15000 shares, PY - 85000 shares)	1.84	13.26
<b>Total</b>	<b>62.87</b>	<b>66.76</b>





**Grovy India Limited**  
**Notes forming part of financial statements for the period ended March 31, 2022**  
 (All amounts in INR Lakhs, unless otherwise stated)

**6 Inventories**

Particulars	As at March 31, 2022	As at March 31, 2021
Stock in Mutual Funds	-	381.16
Stock in hand for Project in Progress at Cost	1,469.05	917.89
<b>Total</b>	<b>1,469.05</b>	<b>1,299.05</b>

**7 Trade receivables**

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, Considered Good	1.02	14.80
<b>Total</b>	<b>1.02</b>	<b>14.80</b>

Particulars	Not Due	Less than 6 months	6 months to 1 year	1 - 2 years	2-3 years	More than 3 years	Total
<b>As at 31 March 2022</b>							
Undisputed trade receivable- considered good	-	1.02	-	-	-	-	1.02
Undisputed trade receivable -Credit impaired	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-
<b>Total</b>	-	<b>1.02</b>	-	-	-	-	<b>1.02</b>
Less: Allowance for credit loss	-	-	-	-	-	-	-
<b>Net</b>	-	<b>1.02</b>	-	-	-	-	<b>1.02</b>

Particulars	Not Due	Less than 6 months	6 months to 1 year	1 - 2 years	2-3 years	More than 3 years	Total
<b>As at 31 March 2021</b>							
Undisputed trade receivable- considered good	-	11.80	-	3.00	-	-	14.80
Undisputed trade receivable -Credit impaired	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-
<b>Total</b>	-	<b>11.80</b>	-	<b>3.00</b>	-	-	<b>14.80</b>
Less: Allowance for credit loss	-	-	-	-	-	-	-
<b>Net</b>	-	<b>11.80</b>	-	<b>3.00</b>	-	-	<b>14.80</b>

**8 Cash & Cash Equivalents**

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Cash in hand	1.45	1.80
(b) Balances with banks		
- In Current Accounts	27.64	48.48
(c) Other bank balances		
- Fixed Deposit with Banks including Interest Accrued*	24.09	-
<b>Total</b>	<b>53.18</b>	<b>50.28</b>

\* Fixed deposit of Rs. 23 lakhs are Pledged against overdraft facility of Rs. 20.70 lakhs for working capital

**9 Current Tax Assets**

Particulars	As at March 31, 2022	As at March 31, 2021
Advance tax including TDS receivable (net of provision)	23.59	16.99
<b>Total</b>	<b>23.59</b>	<b>16.99</b>

**10 Other Current Assets**

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Balances with government authorities	10.82	6.30
(b) Unsecured considered good		
-Advance to supplier	200.50	193.27
-Advance against Property	2.59	2.59
- Prepaid Exp.	-	0.63
-Advance salary	0.05	0.36
- Other Advances	-	2.00
<b>Total</b>	<b>213.95</b>	<b>205.15</b>



**Grovy India Limited**  
**Notes forming part of financial statements for the period ended March 31, 2022**  
 (All amounts in INR Lakhs, unless otherwise stated)

**11 Equity share capital**

Particulars	As at March 31, 2022	As at 31st March, 2021
<b>Authorised Share Capital</b>		
54,00,000 Equity Shares of Rs.10/-each with voting rights	540.00	540.00
<b>Issued,Subscribed &amp; Paid Up Share Capital</b>		
2,51,44,01 Equity Shares of Rs.10/-each with voting rights	251.44	251.44
<b>Total</b>	<b>251.44</b>	<b>251.44</b>

The Company has only one class of shares referred to as equity shares having a par value of Rs 10/-. Each holder of equity shares is entitled to one vote per share.

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.

**(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :**

Particulars	As at March 31, 2022	As at March 31, 2021
Shares at the beginning of the year	2,514,401	2,514,401
Add: shares issued during the year	-	-
Less: buy back of shares during the year	-	-
<b>Shares outstanding at the end of the year</b>	<b>2,514,401</b>	<b>2,514,401</b>

**(b) Detail of shareholders holding more than 5% shares in the Company**

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	%	No. of shares	%
Ankur Jalan	252,222	10.03	209,499	8.33
Anita Jalan	428,057	17.02	428,057	17.02
Prakash Chand Jalan	755,366	30.04	755,366	30.04
Nishit Jalan	338,450	13.46	338,450	13.46
Vinod Aggarwal	200,000	7.95	200,000	7.95

**(c) Details of Shareholding of Promoters**

Particulars	As at March 31, 2022		As at March 31, 2021		Change during the year (%)
	No. of shares	% of total shares	No. of shares	% of total shares	
<b>Promoter's Name</b>					
Prakash Chand Jalan	755,366	30.04	755,366	30.04	0%
Anita Jalan	428,057	17.02	428,057	17.02	0%
Nishit Jalan	338,450	13.46	338,450	13.46	0%
Ankur Jalan	252,222	10.03	209,499	8.33	20%
P.C. JALAN(HUF)	104,752	4.17	104,752	4.17	0%
Abhishek Jalan	-	-	42,723	1.70	-100%
<b>Total</b>	<b>1,878,847</b>	<b>74.72</b>	<b>1,878,847</b>	<b>74.72</b>	<b>0%</b>

**Grovy India Limited****Notes forming part of financial statements for the period ended March 31, 2022**

(All amounts in INR Lakhs, unless otherwise stated)

**13 Long Term Borrowings**

Particulars	As at March 31, 2022	As at March 31, 2021
Secured Loan from Banks	9.58	14.26
Less : Current maturities of long-term debt	(5.06)	(4.68)
Unsecured Loan from other Parties	40.32	-
<b>Total</b>	<b>44.85</b>	<b>9.58</b>

**14 Current Borrowings**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured</b>		
a) Loan from related parties	514.43	587.47
<b>Secured</b>		
b) From Banks		
i) Bank Overdraft	102.66	-
c) Current maturities of long-term debt	5.06	4.68
<b>Total</b>	<b>622.15</b>	<b>592.15</b>

Bank overdraft are secured against all Current assets of the Company (both of present and future) and Immovable properties registered in the name of Mr. Prakash Chand Jalan (Director) and Smt. Anita Jalan (Director) situated at Vinobhapuri Lajpat Nagar-II, Delhi and also against Personal Guarantee of Both the directors Mentioned.

**15 Trade Payables**

Particulars	As at March 31, 2022	As at March 31, 2021
Due to micro, small and medium enterprises *		-
Due to others	-	12.63
<b>Total</b>	<b>-</b>	<b>12.63</b>

The Company has not received any memorandum from 'suppliers' (as required to be filed by the 'Supplier' with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming the status as on 31st March, 2021 as Micro, Small or medium enterprises. Consequently, the interest paid/ payable by the company to such Suppliers during the year is Nil (Previous year : Nil).

**16 Other Current Liabilities**

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory dues payable	-	0.03
Other Liabilities	1.13	0.93
<b>Total</b>	<b>1.13</b>	<b>0.96</b>



**Grovy India Limited**  
**Notes forming part of financial statements for the period ended March 31, 2022**  
 (All amounts in INR Lakhs, unless otherwise stated)  
**12 Other Equity**

Particulars	Reserves and Surplus			Other Comprehensive Income		Total
	Capital reserve	General reserve	Securities premium	Retained earnings	Equity instruments through OCI	
Balance as at 1st April, 2020	278.56	118.71	234.56	6.38	0.72	638.93
Profit/Loss for the period March 31st, 2021	-	-	-	143.96	-	143.96
Other comprehensive income for the year	-	-	-	-	25.38	25.38
Trf from OCI to retained earnings	-	-	-	(2.34)	2.34	-
Balance as at March 31, 2021	278.56	118.71	234.56	148.01	28.43	808.28
Profit/Loss for the period March 31st, 2022	-	-	-	107.50	-	107.50
Other comprehensive income for the year	-	-	-	6.34	6.34	6.34
Trf from OCI to retained earnings	-	-	-	1.74	(1.74)	-
Dividend Paid	-	-	-	(2.51)	-	(2.51)
Balance as at March 31, 2022	278.56	118.71	234.56	254.73	33.04	919.60

**(i) General reserve**

General Reserve represents the statutory reserve in accordance with Indian Corporate law wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a company can declare dividend. However, under Companies Act, 2013 transfer of any amount to General reserve is at the discretion of the Company.

**(ii) Securities Premium**

Securities premium represents the amount received in excess of par value of securities. Premium on redemption of securities is accounted in security premium available. Section 52 of Companies Act, 2013 specify restriction and utilisation of security premium.

**(iii) Retained earnings**

Retained earnings represents amount that can be distributed by the Company to its equity shareholders is determined based on the financial statements of the Company and also considering the requirements of the Companies Act 2013.

**(iv) Capital Reserve**

Capital Redemption reserve is a statutory, non-distributable reserve created on account of redemption of redeemable preference shares as per the provisions of Companies Act, 2013 which can be utilised for issue of bonus shares.

**(v) Equity Instruments Through Other Comprehensive Income**

Reserve for equity instruments through other comprehensive income represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income.





**Grovvy India Limited**  
**Notes forming part of financial statements for the period ended March 31, 2022**  
 (All amounts in INR Lakhs, unless otherwise stated)

**17 Revenue from Operations**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Sales and Service Income	649.69	1,009.95
Sales of Mutual Funds	1,504.08	318.86
<b>Total</b>	<b>2,153.78</b>	<b>1,328.81</b>

**18 Other Income**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Income from Trading in Currencies/Shares	38.13	122.49
Profit on sale of Fixed Assets	-	1.26
Interest Income	1.20	2.56
Other Income	20.92	0.25
<b>Total</b>	<b>60.25</b>	<b>126.57</b>

**19 Cost of Material Consumed and other related project cost**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Cost of Material Consumed for Project in Progress	1,106.78	246.97
<b>Total</b>	<b>1,106.78</b>	<b>246.97</b>

**20 Change in Inventory of finished goods and Projects in Progress**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<u>Stock In hand Including Properties</u>		
Opening Stock	917.89	1,624.30
Less: Closing Stock including Property under Construction	(1,469.0)	(917.9)
<u>Stock in Mutual Funds</u>		
Opening Stock	381.2	-
Less: Closing Stock	-	(381.2)
<b>Total</b>	<b>(170.0)</b>	<b>325.3</b>

**21 Employee Benefits Expense**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries & wages including bonus	14.05	15.10
Staff welfare expenses	1.44	0.65
<b>Total</b>	<b>15.49</b>	<b>15.74</b>

**22 Finance Cost**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Bank Charges	0.13	0.27
Interest on Loan	2.41	6.28
<b>Total</b>	<b>2.53</b>	<b>6.55</b>

**23 Other Expenses**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on advances	-	3.39
Legal & Professional Fees*	3.34	2.50
General Expenses	0.08	0.09
Printing & Stationery	0.14	0.35
Postage & Telegrams	0.07	0.04
Depository Charges	0.16	0.53
Vehicles Expenses	2.02	1.88
Business Promotion	4.02	0.92
Insurance Expenses	0.81	-
Miscellaneous Expenses	0.94	0.07
Listing Fees(BSE)	3.00	3.00
Advertisement	0.65	2.24
RTA Charges/transfer Agent Fees	0.24	0.36
Property Tax	0.01	0.01
Telephone Expenses	0.27	0.30
Membership & Subscription and others	0.83	0.15
IT refund written off	-	0.10
ROC fees	0.05	0.08
Conveyance/Traveling Expenses	2.60	1.03
CTT and STT paid on Transactions	0.38	1.48
Electricity Expenses	0.39	-
<b>Total</b>	<b>20.01</b>	<b>18.52</b>

\* Legal and Professional expenses includes payment to auditors (excluding applicable taxes)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>(I) Auditors' remuneration</b>		
a) Audit fee	1.25	1.00
<b>Total payment to auditors</b>	<b>1.25</b>	<b>1.00</b>



**Grovy India Limited**

**Notes forming part of financial statements for the period ended March 31, 2022**

(All amounts in INR Lakhs, unless otherwise stated)

**24 Earnings per share**

The calculation of Earning Per Share (EPS) as disclosed in the statement of profit and loss has been made in accordance with Indian Accounting Standard (Ind AS)-33 on "Earning Per Share" given as under: -

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit/(Loss) attributable to equity shareholders (₹) [A]	10,749,719	14,396,429
Weighted average number of outstanding equity shares (B)	2,514,401	2,514,401
Weighted average number of outstanding equity shares for calculating Diluted EPS (C)	2,514,401	2,514,401
Nominal value per equity share (₹)	10.00	10.00
Basic EPS (A/B)	4.28	5.73
Diluted EPS (A/C)	4.28	5.73

**25 Contingent liabilities and commitments**

As per the Management the Company do not have any Contingent liability and Commitment for the Current year 2021-22 (previous year : Nil)

**26 a) Income tax expense**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax	4.55	1.80
Deferred tax*	-	-
Income tax earlier years	-	-
<b>Total tax expenses</b>	<b>4.55</b>	<b>1.80</b>

\*Management reviewed the deferred tax assets/liabilities on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date and in view of virtual uncertainty of taxable profits in near future, the deferred tax (net assets) on temporary differences, for the reporting financial year i.e. 01.04.2021 to 31.03.2022 has not been considered.

**b) Reconciliation of estimated income tax to income tax expense**

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Accounting profit before tax (A)	112.05	145.76
Enacted tax rate in India (B)	25.17%	25.17%
Expected income tax expense at statutory tax rate (A*B)	28.20	36.68
<b>Tax effect of the amount not deductible for computing taxable income</b>		
Effect of expenses that are not deductible in determining taxable profit	0.13	(2.25)
Tax Adjustments on Brought forward Loss	(23.89)	(32.64)
Differential tax on capital Gain	0.10	-
<b>Tax expense reported</b>	<b>4.55</b>	<b>1.80</b>



**GROVY INDIA LIMITED**

**Notes forming part of financial statements for the period ended March 31, 2022**

(All amounts in INR Lakhs, unless otherwise stated)

**27 Related party disclosures**

The related party disclosures in accordance with the requirements of Ind AS - 24 "Related Party Disclosures" has been given below: -

**(a) Name and nature of related party relationships**

**(i) Enterprises over which Key Management personnel are able to exercise significant influence**

Ganesh Stockinvest Pvt Ltd  
Pinnacle Futures Private Limited  
Gauri Infotech Private Limited  
P C Jalan (HUF)

**(ii) Key Managerial Personnel (KMP)**

Smt. Anita Jalan, Director & Promoter  
Shri Ankur Jalan, Promoter & CFO  
Shri Nishit Jalan, Director, Promoter & CEO  
Shri Prakash Chand Jalan, Director & Promoter  
Smt. Pooja Jain, Company Secretary

**(a) Description of the nature of transactions with the related parties**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Loan taken (net)</b>		
Anita Jalan	57.50	6.00
Ankur Jalan	3.50	1.50
Nishit Jalan	607.05	79.75
Prakash Chand Jalan	1,547.90	68.80
<b>Loan repaid (net)</b>		
Anita Jalan	30.00	15.80
Ankur Jalan	81.54	60.35
Nishit Jalan	460.05	77.75
Prakash Chand Jalan	1,717.40	115.70
<b>Brokerage Paid</b>		
Ganesh Stockinvest Pvt Ltd	0.17	0.42

**(b) Compensation to key management personnel and their relative**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Short-term employee benefits	12.15	11.60
<b>Total Compensation to key management personnel</b>	<b>12.15</b>	<b>11.60</b>

**(c) Amount due to/ from related parties**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured loan payable</b>		
Anita Jalan	64.20	36.70
Ankur Jalan	-	78.04
Nishit Jalan	168.95	21.95
Prakash Chand Jalan	281.28	450.78



## 28 Segment reporting

The Company is in the business of construction and trading having similar economic characteristics, operating in India and regularly reviewed for assessment of Company's performance and resource allocation. The Segment information as required by Ind AS-108 'Operating Segments' on segment reporting has compiled on the basis of the financial statements is disclosed below:-

Particulars	Year ended March 31, 2022			Total	Year ended March 31, 2021			Total
	Construction	Trading	Others		Construction	Trading	Others	
Revenue	649.69	1,504.08	60.25	2,214.02	1,009.95	318.86	126.57	1,455.38
Results								
Segment results	94.07	2.27	18.24	114.58	56.57	6.02	89.71	152.31
Finance costs	-	-	2.53	2.53	-	-	6.55	6.55
Profit/(loss) before tax	94.07	2.27	15.71	112.05	56.57	6.02	83.17	145.76
Less: tax expenses	-	-	-	(4.55)	-	-	-	(1.80)
Profit/(loss) after tax	94.07	2.27	15.71	107.50	56.57	6.02	83.17	143.96
Other information								
Segment assets								
Allocable	1,484.46	354.70	-	1,839.16	937.58	737.45	-	1,675.03
Unallocable	-	-	-	-	-	-	-	-
Segment liabilities								
Allocable	113	666.99	-	668.12	12.63	602.68	-	615.31
Unallocable	-	-	-	-	-	-	-	-
Capital employed	1,483.33	(312.29)		1,171.04	924.95	134.77	-	1,059.72

## 29 Impairment of assets

In accordance with Ind AS-36 on "Impairment of Assets" the Company has assessed as on the balance sheet date, whether there are any indications with regard to the impairment of any of the assets. Based on such assessment it has been ascertained that no potential loss is present and therefore, formal estimate of recoverable amount has not been made. Accordingly no impairment loss has been provided in the books of account.

### 30 Expenditure towards Corporate Social Responsibility

In accordance with the provisions of Section 135 of the Companies Act, 2013, the company was neither required nor has incurred any expenditure towards the activities specified under Schedule VII of the Companies Act, 2013 during the year ended March 31, 2022 and March 31, 2021 respectively.





**GROVY INDIA LIMITED**

**Notes forming part of financial statements for the year ended March 31, 2022**

(All amounts in INR Lakhs, unless otherwise stated)

**31 Financial instruments**

**A Capital management**

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through efficient allocation of capital towards expansion of business, optimisation of working capital requirements and deployment of surplus funds into various investment options.

The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from borrowings from banks, financial institutions and Others, etc.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents while equity includes all capital and reserves of the Company.

Particulars	As at March 31, 2022	As at March 31, 2021
Long term borrowings	44.85	9.58
Short term borrowings	622.15	592.15
Less: Cash and cash equivalent	(53.18)	(50.28)
<b>Net debt</b>	<b>613.82</b>	<b>551.45</b>
<b>Total equity</b>	<b>1,171.04</b>	<b>1,059.72</b>
<b>Gearing ratio</b>	<b>52.42%</b>	<b>52.04%</b>

**B Fair value measurement**

**(a) Financial assets**

Particulars	As at March 31, 2022		As at March 31, 2021	
	Carrying value	Fair value	Carrying value	Fair value
<b>(i) Measured at amortised cost</b>				
Trade receivables	1.02	1.02	14.80	14.80
Cash and cash equivalents	53.18	53.18	50.28	50.28
Investment in Property	1.30	1.30	1.30	1.30
<b>Total financial assets at amortised costs (A)</b>	<b>55.50</b>	<b>55.50</b>	<b>66.38</b>	<b>66.38</b>
<b>(ii) Measured at fair value through OCI</b>				
Non-current Investments	62.87	62.87	66.76	66.76
<b>Total financial assets at FVTOCI (B)</b>	<b>62.87</b>	<b>62.87</b>	<b>66.76</b>	<b>66.76</b>
<b>Total financial assets</b>	<b>118.57</b>	<b>118.57</b>	<b>133.14</b>	<b>133.14</b>

**(b) Financial liabilities**

Particulars	As at March 31, 2022		As at March 31, 2021	
	Carrying value	Fair value	Carrying value	Fair value
<b>(i) Measured at amortised cost</b>				
Long term borrowings	44.85	44.85	9.58	9.58
Short term borrowings	622.15	622.15	592.15	592.15
Trade payables	-	-	12.63	12.63
<b>Total financial liabilities</b>	<b>666.99</b>	<b>666.99</b>	<b>614.35</b>	<b>614.35</b>

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

**Fair value hierarchy**

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

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

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)



**GROVY INDIA LIMITED**

**Notes forming part of financial statements for the year ended March 31, 2022**

(All amounts in INR Lakhs, unless otherwise stated)

**C Financial risk management**

The Company's corporate treasury functions provides services to the business, coordinates access to the financial markets, monitors and manages the financial risks relating to operations of the Company through internal risk reports which analyse exposure by degree and magnitude of risk. These risks include market risk (including currency risk, interest rate risk and other price risks, credit risk and liquidity risk).

The principal financial assets of the Company include Investments, trade and other receivables, and cash and bank balances that derive directly from its operations. The principal financial liabilities of the Company, include loans and borrowings, trade and other payables and the main purpose of these financial liabilities is to finance the day to day operations of the Company.

The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors and Audit Committee. This process provides assurance to Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective.

This

**(i) 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 prices comprise two types of risks: foreign currency risk, interest rate risk.

**Foreign currency risk management**

The Company operates Domestically and is not exposed to foreign exchange risk arising from foreign currency transactions

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed fixed interest rates. The borrowings of the Company are principally denominated in rupees with a fixed rates of interest. Exposure to the risk of changes in market interest rates relates primarily to the debt obligations with floating interest rates, which are included in interest bearing loans and borrowings. The Company's has only fixed rate borrowings which are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The following table provides a break-up of the Company's fixed and floating rate borrowings: -

Particulars	As at March 31, 2022	As at March 31, 2021
Floating rate borrowings	102.66	-
Fixed rate borrowings	49.90	14.26
<b>Total borrowings</b>	<b>152.56</b>	<b>14.26</b>



**GROVY INDIA LIMITED**

**Notes forming part of financial statements for the year ended March 31, 2022**

(All amounts in INR Lakhs, unless otherwise stated)

**(ii) Liquidity risk management**

Liquidity risk refers to the risk of financial distress or high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company relies on a mix of borrowings, capital infusion and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

**Financial liabilities:**

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date

As at March 31, 2022	Upto 1 year	1-2 years	> 2 years	Total
<b>Financial liabilities</b>				
Long term borrowings	5.06	4.52	40.32	<b>49.90</b>
Short term borrowings	617.09	-	-	<b>617.09</b>
Trade payables	-	-	-	<b>-</b>
<b>Total financial liabilities</b>	<b>622.15</b>	<b>4.52</b>	<b>40.32</b>	<b>666.99</b>

**Financial assets:**

As at March 31, 2022	Upto 1 year	1-2 years	> 2 years	Total
<b>Financial assets</b>				
Investments	-	-	62.87	<b>62.87</b>
Trade receivables	1.02	-	-	<b>1.02</b>
Cash and cash equivalents	53.18	-	-	<b>53.18</b>
<b>Total financial assets</b>	<b>54.20</b>	<b>-</b>	<b>62.87</b>	<b>117.27</b>

**Financial liabilities:**

As at March 31, 2021	Upto 1 year	1-2 years	> 2 years	Total
<b>Financial liabilities</b>				
Long term borrowings	4.68	5.06	4.52	<b>14.26</b>
Short term borrowings	587.47	-	-	<b>587.47</b>
Trade payables	12.63	-	-	<b>12.63</b>
<b>Total financial liabilities</b>	<b>604.77</b>	<b>5.06</b>	<b>4.52</b>	<b>614.35</b>

As at March 31, 2021	Upto 1 year	1-2 years	> 2 years	Total
<b>Financial assets</b>				
Investments	-	-	66.76	<b>66.76</b>
Trade receivables	14.80	-	-	<b>14.80</b>
Cash and cash equivalents	50.28	-	-	<b>50.28</b>
<b>Total financial assets</b>	<b>65.08</b>	<b>-</b>	<b>66.76</b>	<b>131.84</b>

**(iii) Credit risk management**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Customer credit risk is managed centrally by the Company and subject to established policy, procedures and control relating to customer credit risk management. The company also assesses the creditworthiness of the customers internally to whom goods are sold on credit terms in the normal course of business. The credit limit of each customer is defined in accordance with this assessment.

The impairment analysis is performed on client to client basis for the debtors that are past due at the end of each reporting date. The company has not considered an allowance for doubtful debts in case of trade receivables that are past due but there has not been a significant change in the credit quality and the amounts are still considered recoverable.

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables	1.02	14.80
Less: - Loss allowances	-	-
<b>Trade receivables</b>	<b>1.02</b>	<b>14.80</b>

- 32 (i) In the opinion of the Board of Directors, the realizable values of Short Term Loans & Advances in the ordinary course of business is at least equal to the amount stated in the Balance Sheet.
- (ii) Management is continuously following up for one of the property included in closing inventory of Rs. 7,15,000/- and it believes that the Same is recoverable during the year.
- (iii) In the opinion of Board of Directors, the amount equal Rs. 1,90,00,000 was given to supplier by the Merged companies but contract was cancelled. The amount is still receivable.
- (iv) Advance against Property includes a sum of Rs 2,58,500/- (Previous year Rs 2,58,500/-) for which the management believes that same will be received during the year.




**GROVY INDIA LIMITED**
**Notes forming part of financial statements for the year ended March 31, 2022**

(All amounts in INR Lakhs, unless otherwise stated)

**33 Ratios**

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021:-

Particulars	Numerator	Denominator	For the year ended March 31, 2022	For the year ended March 31, 2021	Variance
Current Ratio	Current assets	Current liabilities	2.83	2.62	7.89%
Debt- Equity Ratio	Total debt	Shareholder's equity	0.57	0.57	0.31%
Debt Service Coverage Ratio*	Earnings available for debt service	Debt service	16.16	23.39	-30.92%
Return on Equity*	Net Profit after taxes	Avg. shareholder's equity	9.64%	13.59%	-29.06%
Inventory Turnover Ratio*	Revenue	Avg. Inventory	1.56	1.02	52.13%
Trade receivable Turnover Ratio**	Revenue	Avg. Trade receivables	272.22	149.30	82.32%
Trade payable Turnover Ratio	Purchases	Avg. Trade payables	NA	94.53	NA
Net Capital Turnover ratio*	Revenue	Avg. Working capital	1.89	1.35	39.72%
Net Profit Ratio*	Net profit	Revenue	4.99%	10.83%	-53.93%
Return on Capital employed*	Earnings before interest and taxes	Capital employed	6.23%	9.17%	-32.00%
Return on Investment	Earnings before interest and taxes	Avg. Total assets	6.52%	8.47%	-23.03%

\*The Variance in ratios is mainly due to decline in current year profitability on account of lower revenue in Construction segment (which is higher profit margin segment) as compare to previous year.

\*\* The positive variance in trade receivable is primarily due to increment in revenue of trading segment which do not facilitates any credit period.

**34 Valuation of Property, Plant & Equipment, Intangible Asset**

The company has not revalued its property, plant &amp; machinery and Intangible Assets or both during the current or previous year

**35 Loans or advances to specified persons**

No loans or advances in the nature of loan are granted to promoters, directors, KMPS, and the related parties (as defined under Companies Act, 2013) either severally or jointly with other person, that are repayable on demand or without specifying any terms or period of repayments.

**36 Details of Benami property held**

No proceedings have been initiated on or pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

**37 Borrowing secured against current assets**

The Company has borrowings from banks on the basis of security of current assets, No quarterly returns or statements of current assets are required to be filed by the Company with banks.

**38 Willful Defaulter**

The company has not been declared willful defaulter by any bank or financial institution or other lender.

**39 Relationship with struck off companies**

The company has no transactions with the companies struck off under section 248 of the companies Act, 2013 or section 560 of the companies act, 1956.

**40 Registration of charges or satisfaction with registration of Companies (ROC)**

Although Company have applied for Correction of open charges on 16.10.2020 against Bank of Baroda to Registrar of Companies which is pending for satisfaction since 22.09.1997, it is yet to be satisfied.

**41 Compliance with number of layers of companies**

The companies has complied with number of layers prescribed under the section 2(87) of the Companies Act, 2013 read with companies (Restriction on number of Layers) Rules, 2017

**42 Compliance with approved scheme(s) of Amalgamation**

The company has not entered into any schemes of arrangement which has an accounting impact on current or Previous financial year.

**43 Utilisation of borrowed funds and Share premium**

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**44 Undisclosed Income**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the income Tax Act, 1961, that has not been recorded previously in the books of Account.

**45 Details of crypto currency or virtual currency**

The company has not traded or invested in crypto currency or virtual currency during the current or previous year.

**46 Utilisation of Borrowings availed from banks and financial institutions**

The borrowings obtained by the company from the banks and financial institutions have been applied for the purposes for which such loans were taken.

**47 Previous year figures have been regrouped/rearranged, wherever considered necessary to conform to current year's classification.**

See accompanying notes to the financial statements 1 to 47

As per our report of even date

 For Doogar & Associates  
Chartered Accountants  
Firm's registration No. 000561N

Sd/-

 Vardhman Doogar  
Partner  
M. No 517347

For and on behalf of the Board of Directors

Sd/-

 Nishit Jalan  
Whole Time Director & CEO  
DIN NO :02964239

 Sd/-  
Ankur Jalan  
Chief Financial Officer

Sd/-

 Prakash Chand Jalan  
Director  
DIN NO :00475545

 Sd/-  
Pooja Jain  
Company Secretary

 Place: New Delhi  
Dated: May 30, 2022



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

### 1. Corporate information

Grovvy India Limited ('the Company') is a Delhi based professionally managed Company incorporated on 23rd July, 1985 under the Companies Act, 1956, having its registered office at 122, 1st Floor, Vinobapuri, Lajpat Nagar-II, New Delhi - 110024, India and is listed on Bombay Stock Exchange (BSE). The main business of the Company is Development/Consultancy in Real Estate and Dealing/trading in financial market.

### 2. Significant accounting policies

The significant accounting policies applied by The Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements.

#### 2.1 Basis of preparation

##### a) Statement of compliance with Ind AS:

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.

##### b) Basis of measurement:

These financial statements are prepared under the historical cost convention except for the following material items that have been measured at fair value as required by relevant Ind AS:

- certain financial assets (including derivative financial instruments) that are measured at fair value;
- share based payments;
- defined benefit plans - plan assets measured at fair value;
- certain property, plant and equipment measured at fair value (viz leasehold land and freehold land) which has been considered as deemed cost.

The fair values of financial instruments measured at amortized cost are required to be disclosed in the said financial statements. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

##### Fair value measurement:

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (that is, an exit price). It is a market-based measurement, not an entity-specific measurement. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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



The principal or the most advantageous market must be accessible to 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 best economic 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 is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

#### **Where required/appropriate, external valuers are involved**

All financial assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy established by Ind AS 113, that categories into three levels, the inputs to valuation techniques used to measure fair value. These are based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

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

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

**Level 3** inputs are unobservable inputs for the asset or liability.

The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amount approximates fair value due to the short maturity of these instruments.

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

#### **c) Current non-current classification:**

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

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



**All other assets are classified as non-current.**

A liability is current when:

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

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. Based on the nature of products / services and time between acquisition of assets for processing / rendering of services and their realization in cash and cash equivalents, operating cycle is less than 12 months. However, for the purpose of current/non-current classification of assets & liabilities period of 12 months has been considered as normal operating cycle.

**d) Functional and presentation currency:**

Items included in the financial statements of The Company are measured using the currency of the primary economic environment in which The Company operates (i.e., the "functional currency"). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of The Company.

**e) Rounding of amounts:**

All amounts disclosed in the financial statements and notes are in Lakhs rounded off to zero decimal places as permitted by Schedule III to the Companies Act, 2013, unless otherwise stated.

**2.2 Use of estimates**

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

**2.3 Revenue recognition**

**Sale of goods**

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, which is mainly upon delivery and the amount of revenue can be measured reliably. The Company retains no effective control of





the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. 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 goods and services tax, value added tax, etc.

### **Revenue (other than sale)**

Revenue (other than sale) is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Claim on insurance company and others, where quantum of accrual cannot be ascertained with reasonable certainty, are accounted for on "acceptance basis".

Export benefits/incentives constituting Duty Draw back, incentives under FPS/FMS/MEIS and duty-free advance license scheme are accounted for on accrual basis where there is reasonable assurance that The Company will comply with the conditions attached to them and the export benefits will be received.

### **Interest Income**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of a financial liability or a financial asset to their gross carrying amount.

### **Dividend**

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

## **2.4 Property, plant and equipment (PPE)**

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to The Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Cost of an item of property, plant and equipment comprises –

- i. its purchase price, including import duties and non –refundable purchase taxes (net of duty/ tax credit availed), after deducting trade discounts and rebates.
- ii. any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- iii. borrowing cost directly attributable to the qualifying asset in accordance with accounting policy on borrowing cost.
- iv. the costs of dismantling, removing the item and restoring the site on which it is located.

PPE in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes direct costs, related pre-operational expenses



and for qualifying assets applicable borrowing costs to be capitalized in accordance with The Company's accounting policy. Administrative, general overheads and other indirect expenditure (including borrowing costs) incurred during the project period which are not directly related to the project nor are incidental thereto, are expensed.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress". They are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other items of PPE, commences when the assets are ready for their intended use.

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

The Company identifies and determines cost of each component/part of the plant and equipment separately, if the component/part has a cost which is significant to the total cost of the plant and equipment and has useful life that is materially different from that of the remaining plant and equipment.

Machinery spares which meet the criteria of PPE is capitalized and depreciated over the useful life of the respective asset.

#### **Depreciation:**

Depreciation on Property, Plant & Equipment (other than freehold land and capital work in progress) is provided on the written down value method, based on their respective estimate of useful lives, as given below. Estimated useful lives of assets are determined based on internal assessment estimated by the management of The Company and supported by technical advice wherever so required. The management believes that useful lives currently used, which is as prescribed under Schedule II to the Companies Act, 2013, fairly reflect its estimate of the useful lives and residual values of Property, Plant & Equipment (considered at 5% of the original cost), though these lives in certain cases are different from lives prescribed under Schedule II.

Type of assets	Useful life in years
Plant and Machinery *	5 – 25 years
Furniture and Fixtures	10 years
Office Equipment	5 years
Vehicles	8 – 10 years
Computers	3 years

\*Based on internal technical evaluation and external advice received, the management believes that the useful lives as considered for arriving at the depreciation rates, best represent the period over which management expect to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.



Assets individually costing Rs. 30000 or less are fully depreciated in the year of acquisition.

Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is retired from active use and is held for disposal and the date that the asset is derecognized.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, were shorter, the term of the relevant lease.

Depreciation methods, useful lives and residual values are reviewed periodically including at the end of each financial year. Any changes in depreciation method, useful lives and residual values are treated as a change in accounting estimate and applied/adjusted prospectively, if appropriate.

## **2.5 Intangible assets**

Identifiable intangible assets are recognised when The Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to The Company and the cost of the asset can be reliably measured.

At initial recognition, the separately acquired intangible assets with finite useful lives are recognised at cost of acquisition. Following initial recognition, the intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets not ready for the intended use on the date of the balance sheet are disclosed as 'intangible assets under development. This comprises expenditure on ERP software license fee and its configuration and customization.

Intangible assets are derecognized (eliminated from the balance sheet) on disposal or when no future economic benefits are expected from its use and subsequent disposal.

Gains or losses arising from the retirement or disposal of intangible assets are determined as the difference between the net disposal proceeds and the carrying amount of the asset are recognized as income or expense in the statement of profit and loss.

## **2.6 Financial instruments**

### **Financial Assets:**

#### **Initial recognition and measurement:**

Financial assets are recognized when The Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognized at fair value, except for trade receivables which are initially measured at transaction price. In case of financial assets which are recognized at fair value through profit and loss (FVTPL), its transaction costs are recognized in the statement of profit



and loss. In other cases, the transaction costs are added to or deducted from the fair value of the financial assets.

Financial assets are subsequently classified and measured at

- amortized cost (if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding)
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

### **Equity Instruments:**

Investment in subsidiaries is measured at cost less impairment losses, if any.

All investments in equity instruments in scope of Ind AS 109 classified under financial assets are initially measured at fair value.

If the equity investment is not held for trading, The Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Equity Instruments which are held for trading are classified as measured at FVTPL.

Fair value changes on an equity instrument are recognized as other income in the Statement of Profit and Loss unless The Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognized in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognized as 'other income' in the Statement of Profit and Loss.

### **Derivative financial instruments:**

The Company uses derivative financial instruments, such as forward currency contracts to mitigate its foreign currency risks and interest rate risks. Such derivative financial instruments are recorded at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognized in the statement of profit and loss. Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit or loss.

### **Derecognition:**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

### **Impairment of Financial Asset:**

In accordance with Ind AS 109, The Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. Simplified approach does not require The Company to track



changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. This involves use of provision matrix constructed on the basis of historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and the rates used in the provision matrix.

For recognition of impairment loss on other financial assets and risk exposure, The Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the group 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 EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of Profit and Loss.

## **Financial Liabilities and equity instruments:**

### **Classification as debt or equity**

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

### **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a company entity are recognized at the proceeds received, net of direct issue costs.

### **Financial liabilities**

#### **Initial recognition and measurement:**

Financial liabilities are recognized when The Company becomes a party to the contractual provisions of the instrument. Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair



value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The fair value of a financial instrument at initial recognition is normally the transaction price. If the Company determines that the fair value at initial recognition differs from the transaction price, difference between the fair value at initial recognition and the transaction price shall be recognized as gain or loss unless it qualifies for recognition as an asset or liability. This normally depends on the relationship between the lender and borrower or the reason for providing the loan.

In accordance with Ind AS 113, the fair value of a financial liability with a demand feature is not less than the amount payable on demand, discounted from the first date that the amount could be required to be paid.

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

### **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

#### **Loans and borrowings**

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

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss, unless and to the extent capitalized as part of costs of an asset.

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

#### **Trade and other payables**

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

### **Derecognition**

A financial liability is derecognized 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.

### **Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognized amount and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

### **2.7 Impairment of Non-financial assets**

The carrying amounts of non-financial assets other than inventories are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised, as an expense in the Statement of Profit and Loss, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects the current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels into cash generating units for which there are separately identifiable cash flows.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

### **2.8 Borrowing costs**

Borrowing costs comprises interest expense on borrowings calculated using the effective interest method and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period.

The effective interest rate (EIR) is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. EIR calculation does not include exchange differences.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are included in the cost of those assets. Such borrowing costs are capitalised as part of the cost of the asset when it is probable that they will result in future economic benefits to the entity and the costs can be measured reliably. Other borrowing costs are recognised as an expense in the period in which they are incurred.





The capitalization of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalization of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

## **2.9 Foreign currency transactions**

The financial statements are presented in Indian Rupees (INR), the functional currency of The Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which The Company operates (the 'functional currency').

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions, and from translation of monetary assets and liabilities at the reporting date exchange rates are recognised in the Statement of Profit and Loss.

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

## **2.10 Leases**

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

### **Company as a lessee**

A lease is classified at the inception date as a finance lease or an operating lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

#### **Finance lease:**

Assets held under finance leases are initially recognised as assets of The Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with The Company's policy on



borrowing cost. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that The Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

#### **Operating lease:**

In respect of assets taken on operating lease, lease rentals are recognized as an expense in the Statement of Profit and Loss on straight line basis over the lease term unless another systematic basis is more representative of the time pattern in which the benefit is derived from the leased asset or the payments to the lessor are structured to increase in the line with expected general inflation to compensate for the lessor's expected inflationary cost increases

### **2.11 Inventories**

Inventories are valued at Cost or realizable value whichever is less.

Costs incurred in bringing each product to its present location and condition, are accounted for as follows:

- Raw materials, stores and spares: cost includes cost of purchase (viz. the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities), and transport, handling and other costs directly attributable to the acquisition and is net of trade discounts, rebates and other similar items) and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on Moving Weighted Average Method.
- Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.
- Spare parts, which do not meet the definition of property, plant and equipment are classified as inventory.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.

### **2.12 Employee benefits**

#### **Short- term employee benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, social security contributions, short term compensated absences (paid annual leaves) etc. are measured on an undiscounted basis at the amounts expected to be paid when the liabilities are settled and are expensed in the period in which the employee renders the related service.



Post-employment benefits:

**i) Defined contribution plan**

The defined contribution plan is post-employment benefit plan under which The Company contributes fixed contribution to a government administered fund and will have no obligation to pay further contribution. The Company's defined contribution plan comprises of Provident Fund, Employee State Insurance Scheme and Labour Welfare Fund. The Company's contribution to defined contribution plans are recognized in the Statement of Profit and Loss in the period in which employee renders the related service.

**ii) Defined benefit plan**

The Company's obligation towards gratuity liability is a "defined benefit" obligation. The present value of the defined benefit obligations is determined on the basis of actuarial valuation using the projected unit credit method. The rate used to discount "defined benefit obligation" is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

The amount recognised as 'Employee benefit expenses' in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the current year and the costs of individual events such as past/future service benefit changes and settlements (such events are recognised immediately in the Statement of Profit and Loss).

The amount of net interest expense, calculated by applying the liability discount rate to the net defined benefit liability or asset, is charged or credited to 'Finance costs' in the Statement of Profit and Loss.

Re-measurement of net defined benefit liability/ asset pertaining to gratuity comprise of actuarial gains/ losses (i.e. changes in the present value of the defined benefit obligation resulting from experience adjustments and effects of changes in actuarial assumptions), the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest) and is recognised immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss account in subsequent periods.

**Other long-term employee benefit obligations:**

The liabilities for earned leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss. Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit.

**2.13 Share-Based Payments:**

None of the employees of the Company received remuneration in the form of share based payments in consideration of the services rendered (equity settled transactions).

Under the equity settled share based payment, the fair value on the grant date of the awards given to employees is recognised as 'employee benefit expense' with a corresponding increase in equity over the vesting period. The fair value of the options on the grant date is calculated by an independent valuer on the basis of Black Scholes model.



The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share. When the options are exercised, The Company issues fresh equity shares.

#### **2.14 Government Grant:**

The company has not received any government grants.

Government grants are recognised only when there is reasonable assurance that The Company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which The Company recognises as expenses the related costs for which the grants are intended to compensate.

Accordingly, government grants:

a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income in profit or loss on a systematic basis over the useful life of the assets.

b) related to an expense item is recognised in the statement of profit and loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed and presented as deduction from the related/relevant expense.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

Export benefits available under prevalent schemes are accrued in the year in which the goods are exported and there is no uncertainty in receiving the same.

#### **2.15 Non-current assets held for sale and discontinued operations**

The company does not have discontinued operations

Non-current assets (or disposal group) are classified as "held for sale" if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. The criteria for "held for sale" is regarded as met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sale of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned.

Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

If the criteria for held for sale is no longer met, the asset ceases to be classified as held for sale and the asset shall be measured at the lower of:

(a) its carrying amount before the asset was classified as held for sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset not been classified as held for sale, and



**(b) its recoverable amount at the date of the subsequent decision not to sell.**

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increase in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Property, plant and equipment and intangible assets once classified as "held for sale" are not depreciated or amortised.

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations,
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

Discontinued operations are excluded from the results of continuing operations and are presented as profit or loss before / after tax from discontinued operations in the statement of profit and loss.

## **2.16 Taxation**

Tax expense comprises of current and deferred tax and includes any adjustments related to past periods in current and/or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period.

### **Current income tax:**

Tax on income for the current period is determined on the basis of taxable income (or on the basis of book profits wherever minimum alternate tax is applicable) and tax credits computed in accordance with the provisions of the Income Tax Act 1961, and based on the expected outcome of assessments/appeals.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised, either in other comprehensive income or directly in equity, is also recognized in other comprehensive income or in equity, as appropriate and not in the Statement of Profit and Loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.



### **Deferred tax:**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses unabsorbed tax depreciation. Deferred tax assets are recognised 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 utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred Tax Assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax assets in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.



## 2.17 Provisions and Contingencies

### Provisions:

Provisions are recognised when The Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

### Contingencies:

Contingent liabilities

#### A contingent liability is:

- a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of The Company, or
- a present obligation that arises from past events but is not recognised because:
  - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or"
  - the amount of the obligation cannot be measured with sufficient reliability.
  - Contingent liabilities are not recognized but disclosed unless the contingency is remote.

### Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of The Company.

Contingent assets are not recognised but are disclosed when the inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognized.

## 2.18 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand and short-term deposits/investments with an original maturity of three months or less from the date of acquisition, which are subject to an insignificant risk of changes in value. These exclude bank balances





(including deposits) held as margin money or security against borrowings, guarantees etc. being not readily available for use by The Company.

For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and short-term deposits and exclude items which are not available for general use as on the date of Balance Sheet, as defined above, net of bank overdrafts which are repayable on demand where they form an integral part of an entity's cash management.

## **2.19 Cash Flow Statement**

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method as set out in Ind AS 7 'Statement of Cash Flows', adjusting the net profit for the effects of:

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

## **2.20 Earnings per share**

The Basic Earnings per equity share ('EPS') is computed by dividing the net profit or loss after tax before other comprehensive income for the year attributable to the equity shareholders of The Company by weighted average number of equity shares outstanding during the year. Ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date the contract is entered into. Contingently issuable shares are treated as outstanding and are included in the calculation of basic earnings per share only from the date when all necessary conditions are satisfied (i.e the events have occurred).

Diluted earnings per equity share are computed by dividing the net profit or loss before OCI attributable to equity holders of The Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares (including options and warrants). The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date. Anti-dilutive effects are ignored.

## **2.21 Events after Reporting date**

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Where the events are indicative of conditions that arose after the reporting period, the amounts are not adjusted, but are disclosed if those non-adjusting events are material.

## **2.22 Exceptional Items**

An item of Income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of The Company is treated as an exceptional item and the same is disclosed in the financial statements.



If undelivered, please return to:

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