

# ASIT C. MEHTA FINANCIAL SERVICES LTD.

Registered Office: 'Nucleus House', Saki Vihar Road, Andheri (East), Mumbai 400072. • Tel.: +91-22 61325757 / 28583333

Email id: [investorgrievance@acmfsl.co.in](mailto:investorgrievance@acmfsl.co.in) / [compliance@acm.co.in](mailto:compliance@acm.co.in) / [accounts@nucleusservices.com](mailto:accounts@nucleusservices.com)

Website: [www.acmfsl.com](http://www.acmfsl.com) • CIN: L65900MH1984PLC091326

August 22, 2022

To,  
BSE Limited;  
Listing Department  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai - 400001

Scrip Code - 530723

Dear Sir/Madam,

**Sub: Submission of 38<sup>th</sup> Annual Report along with Notice of Annual General Meeting (AGM) pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Pursuant to Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; we are pleased to submit the 38<sup>th</sup> Annual Report for the financial year 2021-22 of the Company containing the Balance Sheet as at 31<sup>st</sup> March, 2022, the Statement of Changes in Equity, the statement of the Profit and Loss, Cash Flow for the year ended 31<sup>st</sup> March, 2022 and the Boards' Report and the Auditors' Report and its annexures.

Kindly note that the 38<sup>th</sup> Annual General Meeting of **Asit C. Mehta Financial Services Limited** is scheduled to be held on Friday, 16<sup>th</sup> September, 2022 at 11.00 A.M. (Indian Standard Time) at Nucleus House, Saki-Vihar Road, Andheri (East), Mumbai: 400 072; through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM").

You are requested to please take on record the above said document of the Company for your reference and further needful.

Thanking you,

Yours faithfully

On Behalf of Board of Directors  
For Asit C. Mehta Financial Services Limited

  
Gauri Gokhale  
Company Secretary & Compliance Officer



Encl: a/a.



Asit C. Mehta  
FINANCIAL SERVICES LTD.

38<sup>th</sup>

# ANNUAL REPORT

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2021-22



**Financial Highlights****(Rs. in Lakh)**

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
Net Worth*	831.13	1,108	829	878	573
Borrowings	6741	4,081	3,495	3461	3755
Net fixed Assets (including revaluation)	19	22	24	27	28
Investments	4955	2,372	1572	1572	1568
Book Value per share (in rupees)	86.64	92.58	84.80	85.96	79.79
Gross Income	441	969	639	1092	652
Operating and Other expenses	707	631	689	730	709
Profit Before Tax	(266)	338	(50)	362	(58)
Profit After Tax	(277)	279	(49)	306	(59)
Equity Dividend Per share – (in rupees)	-	-	-	-	-

\* Excluding revaluation reserve

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**Company Details****ASIT C. MEHTA FINANCIAL SERVICES LIMITED****(CIN: L65900MH1984PLC091326)(ISIN: - INE041B01014)****Registered Office:** Nucleus House, Saki-Vihar Road,

Andheri (East), Mumbai: 400072. Tel: 022-28583333

Website: [www.acmfsl.com](http://www.acmfsl.com) Email id: [investorgrievance@acmfsl.co.in](mailto:investorgrievance@acmfsl.co.in)



## **Corporate Information**

### **Board of Directors**

#### **Mr. Asit C. Mehta**

*Chairman*

*DIN: 00169048*

#### **Mrs. Deena A. Mehta**

*Non-Executive Director*

*DIN:00168992*

#### **Mr. Kirit H.Vora**

*Non-Executive Director*

*DIN: 00168907*

#### **Mr. Manohar Lal Vij**

*Non-Executive Director*

*DIN:: 00755522*

*(w.e.f 14th February,2022)*

#### **Mr. Radha Krishna Murthy**

*Independent Director*

*DIN: 00221583*

#### **Mr. Pundarik Sanyal**

*Independent Director*

*DIN: 01773295*

### **Manager**

Mr. Pankaj Jeevanlal Parmar

### **Company Secretary & Compliance Officer**

Mr. Sumit R. Sharma

*(upto 16<sup>th</sup> May, 2022)*

Ms. Gauri Gokhale

*(w.e.f. 27<sup>th</sup> May, 2022)*

### **Statutory Auditors**

M/s Chandrakant & Sevantilal & J K Shah & Co.,  
Chartered Accountants, 4th Floor, Padmavati Complex,  
Near Jain Temple, Cow Circle, Akota, Vadodara-390020

### **Internal Auditors**

M/s.Mehta Chokshi & Shah LLP, Chartered Accountants,  
Maker Bhavan 3, 214, 2nd Floor, New Marine Lines,  
Mumbai-400020 (upto 31st March,2022)

M/s. Makk & Co; Chartered Accountants, 605, 6th floor,  
Manish Chambers, Commercial Complex, Sonawala  
Road, Goregaon (East), Mumbai-400063, Maharashtra  
(w.e.f 27th May,2022)

### **Secretarial Auditor**

M/S. Hemanshu Kapadia & Associates,  
Company Secretaries, Office No. 12, 14th Floor,  
Navjivan Society, Building No. 3 Lamington Road,  
Mumbai-400 008

Website: [www.hkacs.com](http://www.hkacs.com)

### **Registrar and Transfer Agent**

Link Intime India Private Limited,

C 101, 247 Park, L.B.S. Marg, Vikhroli (West),  
Mumbai - 400083.

Phone no: 022- 4918 6270 Fax no.:022-4918 6060

E-mail : [mumbai@linkintime.co.in](mailto:mumbai@linkintime.co.in)

Website: [www.linkintime.co.in](http://www.linkintime.co.in)

### **Bankers**

Bank of India

State Bank of India

IndusInd Bank Limited

### **Registered office Address**

Nucleus House, Saki-Vihar Road, Andheri (East),  
Mumbai: 400072 (Maharashtra, India)

Tel. No: 022- 28583333

E-mail: [investorgrievance@acmfsl.co.in](mailto:investorgrievance@acmfsl.co.in)

Website: [www.acmfsl.com](http://www.acmfsl.com)

CIN: L65900MH1984PLC091326



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### ASIT C. MEHTA FINANCIAL SERVICES LIMITED

(CIN: L65900MH1984PLC091326)

**Registered Office:** Nucleus House, Saki-Vihar Road, Andheri (East), Mumbai: 400072

**Tel:** 022-28570781/ 28583333

**Website:** [www.acmfsl.com](http://www.acmfsl.com) **Email id:** [investorgrievance@acmfsl.co.in](mailto:investorgrievance@acmfsl.co.in)

#### NOTICE

**Notice** is hereby given that the **Thirty Eighth Annual General Meeting (38<sup>th</sup> AGM)** of Asit C. Mehta Financial Services Limited will be held at the registered office of the Company situated at Nucleus House, Saki-Vihar Road, Andheri (East), Mumbai: 400 072; at 11.00 a.m. (Indian Standard Time), on Friday, 16<sup>th</sup> September, 2022; through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") to transact the following business:

#### **ORDINARY BUSINESS:**

1. **To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements containing the Balance Sheet as on 31<sup>st</sup> March, 2022 and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and Reports of the Board of Directors and Auditors thereon.**

To consider and pass, if thought fit with or without modification, the following resolution as an **Ordinary Resolutions:**

**"RESOLVED THAT** the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered as approved and adopted."

2. **To appoint Mr. Kirit Himatlal Vora (DIN: 00168907), as Director who retires by rotation and being eligible, offers himself for re-appointment.**

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

**"RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Kirit Himatlal Vora (DIN: 00168907), Non-Executive & Non-Independent Director, who retires by rotation at this Meeting, be and is hereby appointed as a Director of the Company."

3. **To Consider appointment of Statutory Auditor of the Company to fill the casual vacancy caused due to the Resignation of existing Auditor of the Company.**

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

**"RESOLVED THAT** pursuant to the provisions of Section 139(8), 142 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder or any other law for the time being in force (including any statutory modification or re-enactment thereof for the time being in force), consent of the Members of the Company be and are hereby accorded for appointment of M/s. M S K A & Associates, Chartered Accountants (Firm Reg. No. 105047W), Mumbai, as Statutory Auditors of the Company to fill the casual vacancy caused by resignation of M/s Chandrakant & Sevantilal & J K Shah & Co Chartered Accountants (FRN.: 101676W), Vadodara and that M/s. M S K A & Associates, shall hold the office of the Statutory Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the 43<sup>rd</sup> Annual General Meeting on such remuneration as may be fixed by the Board of Directors in consultation with them.

4. **To Consider and approve the appointment of Mr. Manohar Lal Vij (DIN: 00755522) as an Non –Executive & Non Independent Director of the Company who was appointed as an Additional Director by Board of Directors with effect from 14<sup>th</sup> February, 2022.**

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

**"RESOLVED THAT** in accordance with the provisions of Section 161 and other applicable provisions of the Companies Act, 2013, Mr. Manohar Lal Vij (DIN: 00755522) be and is hereby appointed as a Non-Executive & Non-Independent Director of the Company."

**For and on Behalf of Board of Directors  
Asit C Mehta Financial Services Limited**

**Asit C. Mehta  
chairman  
Din: 00169048**

**Date: -05<sup>th</sup> August, 2022  
Place: Mumbai**

#### **REGISTERED OFFICE:**

Nucleus House,  
Saki- Vihar Road, Andheri (East), Mumbai – 400 072  
CIN: L65900MH1984PLC091326



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Details of Director(s) seeking appointment / re-appointment at the forthcoming Annual General Meeting

#### Pursuant to Clause 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations

Particulars	<b>Mr. Kirit Himatlal Vora (DIN:- 00168907)</b>	
<b>Date of Birth</b>	26 <sup>th</sup> December, 1958	
<b>Date of Appointment</b>	4 <sup>th</sup> March, 1992	
<b>Age</b>	64	
<b>Qualifications</b>	B. Com., ACA, PG Diploma in Securities Law	
<b>Expertise in specific / functional areas</b>	Wide experience of more than 40 years in, Financial Services Sector	
<b>Remuneration last drawn</b>	Nil (Except sitting fees)	
<b>No. of Meetings of the Board attended during the year.</b>	<u>Held</u>	<u>Attended</u>
	6	6
<b>Directorships held in other Companies</b>	1. Asit C Mehta Investment Intermediates Limited.	
	2. Balmukund Investment Company Private Limited	
	3. Asit C. Mehta Forex Private Limited	
<b>Memberships/Chairmanships held in committees of the Board of other companies</b>	NA	
<b>Number of shares held in the Company</b>	49,720 equity shares of Rs. 10/- each.	
<b>Relationship with other Directors</b>	None	

### INFORMATION FOR MEMBERS NOTES:-

1. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
2. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form are requested to notify change of address, if any, to the Company/ Registrar and Share Transfer Agent.
3. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant dealing in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ Registrar and Share Transfer Agent.
4. Members are requested to inform the Company's Registrar and Share Transfer Agent i.e. **Link Intime India Private Limited, C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai-400083** about the changes, if any, in their registered address along with the Pin Code, quoting their Folio Number and DP ID. All correspondence relating to transfer of shares may be sent directly to the aforesaid Registrar and Share Transfer Agent of the Company.
5. SEBI vide its notification dated 8th June, 2018, as amended on 30th November, 2018, has stipulated that w.e.f. 1st April, 2019, the transfer of securities (except transmission or transposition of shares) shall not be processed, unless the securities are held in the dematerialized form. The Company has complied with the necessary requirements as applicable, including sending of letters to shareholders holding shares in physical form requesting them to demat their physical holdings.
6. To comply with the above mandate, members who still hold share certificates in physical form are advised to dematerialize their shareholding to avail numerous benefits of dematerialisation, which include easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
7. Relevant documents referred to in the accompanying Notice and in the Explanatory Statement, if any, are open for inspection by the Members at the Company's Registered Office on all working days of the Company during business hours up to the date of the Meeting.
8. Electronic copy of the Annual Report for the Financial Year 2021-22 and the Notice of 38<sup>th</sup> Annual General Meeting ("AGM") are being sent to all the Members whose e-mail addresses are registered with the Company's Registrar and Share Transfer Agents/ Depository Participant(s) for communication purposes, unless any Member has requested for a physical copy of the same. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with the Company's Registrar and Share Transfer Agents/ Depositories.



**CDSL e-Voting System – For Remote e-voting and e-voting during 38<sup>th</sup> AGM.**

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 Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. 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/EGM 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/EGM. 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 EGM/AGM will be provided by CDSL.
3. The Members can join the EGM/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 EGM/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 EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM/EGM 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/EGM. 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/EGM 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/EGM has been uploaded on the website of the Company at <https://www.acmfsl.com>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The AGM/EGM 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.
8. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021 and **MCA Circular No.2/2022 dated May 05, 2022.**

**The Instructions for Shareholders for remote E-Voting and E-Voting during AGM/EGM and joining General Meeting through VC/OAVM are as under:-**

- i. The e-voting period begins on Tuesday 13<sup>th</sup> September, 2022 at 9:00 A.M. and ends on Thursday 15<sup>th</sup> September, 2022 at 5:00 P.M., during this period, the shareholders of the Company holding shares either in physical form or in dematerialised form, as on the cutoff date (record date) of Friday, 9<sup>th</sup> September, 2022 may cast their vote electronically. The remote 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



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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 abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</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 or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> 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 Depository</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 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 &amp; voting during the meeting</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	<p>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 &amp; voting during the meeting.</p>



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### 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 toll free no. 1800 22 55 33
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 meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 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:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
<b>PAN</b>	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	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. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (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) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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- Non-Individual shareholders (i.e. other than Individuals, HUF, and 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 will be mapped automatically & can be delinking in case of any wrong mapping.
- It is Mandatory that, 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 mandatory 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; [Compliance@acm.co.in](mailto:Compliance@acm.co.in) (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

### INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for 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 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/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **2 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at ([investorgrievance@acmfsl.co.in](mailto:investorgrievance@acmfsl.co.in)). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **2 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at ([investorgrievance@acmfsl.co.in](mailto:investorgrievance@acmfsl.co.in)). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/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 may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

### PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/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 **Company/RTA email id**.
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.**

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 toll free no. 1800 22 55 33

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 toll free no. 1800 22 55 33.



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### DIRECTOR'S REPORT

Dear Members,

Your Directors present the Thirty Eighth Annual Report and the Company's Audited Financial Statement for the financial year ended March 31, 2022.

#### 1. FINANCIAL RESULTS

The Company's financial performance, for the year ended March 31, 2022 is summarised below:

Particulars	Standalone (Rs. In Lakh)		Consolidated (Rs. In Lakh)	
	2021-22	2020-21	2021-22	2020-21
Total Revenue	440.55	969.00	4154.08	3,909.90
<b>Profit before Interest, Depreciation &amp; Tax</b>	<b>313.85</b>	<b>846.92</b>	<b>1119.06</b>	<b>1,204.85</b>
Less: Interest	457.21	372.67	792.72	690.67
Less: Depreciation	123.09	136.61	167.49	205.68
<b>Profit/ (Loss) Before Tax</b>	<b>(266.46)</b>	<b>337.64</b>	<b>158.85</b>	<b>308.49</b>
Tax Expenses				
Current Tax	-	48w	-	48.00
Deferred Tax	0.04	0.03	71.86	5.44
MAT credit entitlement	10.39	10.73	10.39	28.31
Prior Period tax	0.17	-	(0.20)	1.05
Profit from discontinued operations	-	-	69.53	-
<b>Net Profit/ (Loss) after Tax</b>	<b>(277.06)</b>	<b>278.88</b>	<b>146.33</b>	<b>225.69</b>
<b>Other comprehensive</b>	<b>0.27</b>	<b>0.08</b>	<b>33.86</b>	<b>0.15</b>
<b>Total comprehensive income</b>	<b>(276.79)</b>	<b>278.96</b>	<b>180.19</b>	<b>225.84</b>
<b>Appropriations:</b>				
Proposed Dividend		-		-
Tax on Proposed Dividend		-		-
Transfer to General Reserve		-		-
<b>Balance carried to Balance Sheet</b>	<b>(276.79)</b>	<b>278.96</b>	<b>180.19</b>	<b>225.84</b>
Paid up Equity Share Capital	495.26	495.26	495.26	495.26
EPS (Equity Shares of Rs. 10/- each) Basic & Diluted (in Rs.)*	(5.73)	5.77	3.02	4.67

\* Basic and Diluted Earnings per Share is calculated excluding 13,802 treasury shares.

#### Notes

- The Company has adopted Indian Accounting Standard (Ind AS) with effect from 1<sup>st</sup> April 2017, and accordingly these financial results along with the comparatives have been prepared in accordance with the recognition and measurement principles stated therein.
- The consolidated figures include the figures of Nucleus IT Enabled Services Limited (NITES), Wholly Owned Subsidiary for entire year and Asit C. Mehta Investment Intermediates Limited (ACMIL) and Edgytal Fintech Investment Services Private Limited which has become subsidiary of the company as on 30<sup>th</sup> March, 2022 after your company acquired 30,00,000 (Thirty Lakh) Equity shares and total holding in Edgytal Fintech Investment Services Private Limited by your Company as on 31<sup>st</sup> March 2022 stand at 77.88%.

#### 2. DIVIDEND

Your Directors do not recommend any dividend for the financial year 2021-22 to conserve resources.

#### 3. OPERATIONAL REVIEW/COMPANY'S PERFORMANCE

On a Standalone basis, the gross earnings has decreased to Rs. 440.55 lakh from Rs 969.00 lakh as compared to previous year. The Year ended with a loss after tax of Rs 277.06 lakh as compared to Profit after tax of Rs. 278.88 lakh in the previous year.

The Company has let out part of the Office premises on Lease/ Leave and License basis to external companies. The Company offered advisory and consultancy services to certain clients and earned the fees aggregating to Rs.36.54 lakh from Advisory and Consultancy Division.

On a consolidated basis, the gross revenues increased to Rs. 4154.08 lakhs as compared to Rs. 3909.90 lakhs in the previous year and profit after tax was at Rs. 146.33 lakhs as against profit after tax of Rs 225.69 lakhs in the previous year.



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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Income from operations from Nucleus IT Enabled Services Ltd., a wholly-owned subsidiary of the company – engaged in to ITeS services, was reduced to Rs. 8.25 Lakh as compared to Rs. 60.50 Lakh in the previous year and the loss before depreciation and finance cost was Rs.25.09 Lakh as compared to loss before depreciation and finance cost of Rs. 85.87 Lakh in the previous year. The overall loss stood at Rs.161.65 Lakh as against Rs.256.47 Lakh in the previous year.

Income from operations from Asit C Mehta Investment Intermediates Ltd, Material subsidiary of the company – engaged in to broking services have increased to Rs.3569.26 Lakh as compared to Rs. 3058.66 Lakh in the previous year and the profit before depreciation and finance cost is Rs. 958.11 lakh as compared to Rs. 729.29 Lakh in the previous year. The overall profit stood at Rs. 626.09 Lakh as against Rs. 411.6 Lakh in the previous year.

Edgytal Fintech Investment Services Private Limited has become Subsidiary of the company as your company has subscribed to 30,00,000 (Thirty Lakh) Equity Shares as on 30<sup>th</sup> March, 2022 by way of which total holding now stands at 77.88% in Edgytal Fintech Investment Services Private Limited as 31<sup>st</sup> March,2022.

### 4. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company has three subsidiaries as on March 31, 2022. There are no associate companies within the meaning of Section 2(6) of the Companies Act, 2013 ("the Act"). There has been no change in the nature of the business of the subsidiary.

The Company has a wholly owned subsidiary viz. Nucleus IT Enabled Services Limited pursuant to section 2(87) of the Companies Act 2013; and material Subsidiary viz. Asit C Mehta Investment Intermediates Limited in which it holds 93.08% total paid- up share capital of the company as per section 2(87) of the Companies Act 2013 as well as Subsidiary viz. Edgytal Fintech Investment Services Private Limited in which it holds 77.88% total paid- up share capital of the company as per section 2(87) of the Companies Act 2013

The Company has initiated merger of its Wholly-Owned Subsidiary (WOS) M/s. Nucleus IT Enabled Services Limited into holding company i.e M/s. Asit C Mehta Financial Services Limited in the financial year 2020-21 and thus has received an Interim Order from National Company Law Tribunal (NCLT), Mumbai bench dated 17th August, 2021 on Merger.

Pursuant to provisions of Section 129 (3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC-1 is attached to the financial statements of the Company.

Your Company has formulated and adopted a "Policy for determining Material Subsidiaries" so that your company could identify such subsidiaries and formulate governance framework for them. The same is also available on the website of the Company [www.acmfsl.com](http://www.acmfsl.com)

Pursuant to the provisions of section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries, are available on the website of the Company.

### 5. SHARE CAPITAL

The paid up Equity Share Capital as on 31<sup>st</sup> March, 2022 was Rs. 4,95,25,600/- divided into 49,52,560 equity shares of Rs. 10/- each. There is no change in Equity Share Capital of the Company during the year.

### 6. DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### a. Directors

As on the date of this report, Company's Board comprises of 6 (Six) Directors, out of which, 2 (Two) independent directors representing the Board and remaining 4 (Four) are Non-Executive Directors (NEDs) represent more than 50% of the total strength including 1 (one) Woman Director.

Further, as per the Regulation 15 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, produced as it is herein read as "*The compliance with the corporate governance provisions as specified in regulations 17, 12[17A,] 18, 19, 20, 21, 22, 23, 24, 13[24A,] 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V shall not apply, in respect of –*

- (a) *the listed entity having paid up equity share capital not exceeding rupees ten crore and net worth not exceeding rupees twenty five crore, as on the last day of the previous financial year:*

*Provided that where at a later date, such listed entity shall comply with the requirements those regulations within the provisions of the regulations specified in this regulation becomes applicable to a listed entity six months from the date on which the provisions became applicable to the listed entity."*

Therefore to have minimum Six Directors along with 50% of Independent directors representing on the board of the listed entity is not applicable to your company as our paid-up Capital is less than Rs. 10 Crore and also Net Worth of the company is less than Rs. 25 Crore.



**b. Retirement by Rotation**

In accordance with the provisions of the Act, Mr. Kirit Himatlal Vora (DIN: 00168907), Non-Executive Director of the Company, retires by rotation and being eligible has, offered himself for re-appointment.

**c. Independent Directors**

Pursuant to the provisions of Section 149 of the Companies Act 2013, Dr. Radha Krishna Murthy and Mr. Pundarik Sanyal were re-appointed as Independent Directors at the 35<sup>th</sup> Annual General Meeting of the Company held on Friday, September 27, 2019 to hold the term of another 5 years. The terms and conditions of appointment of Independent Directors were as per Schedule IV of the Act.

They have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and there has been no change in the circumstances, which may affect their status as Independent Director during the year.

Further our company is not in top 2000 listed companies as per market Capitalisation data of BSE as on 31<sup>st</sup> March, 2022.

Pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013, Dr. Radha Krishna Murthy (DIN: 00221583) and Mr. Pundarik Sanyal (DIN: 01773295), are eligible to be re-appointed as Independent Directors of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years after the expiry of their present term of office i.e. with effect from the 35<sup>th</sup> AGM (2019) till the date of the 40<sup>th</sup> AGM (2024) of the Company (both dates inclusive).

**d. Board Effectiveness**

i. Familiarisation Programme for the Independent Directors: In compliance with the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has put in place a familiarisation programme for the Independent Directors to familiarise them with their role, rights and responsibility as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. The details of the familiarisation programme are available on the website of the Company [www.acmfsl.com](http://www.acmfsl.com).

ii. Evaluation of the performance of the Board, its Committees and the Directors:

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The evaluation framework for assessing the performance of Directors comprises of the following key areas:

- a. Expertise;
- b. Objectivity and Independence;
- c. Guidance and support in context of life stage of the Company;
- d. Understanding of the Company's business;
- e. Understanding and commitment to duties and responsibilities;
- f. Willingness to devote the time needed for effective contribution to Company;
- g. Participation in discussions in effective and constructive manner;
- h. Responsiveness in approach;
- i. Ability to encourage and motivate the Management for continued performance and success;

The evaluation involves Self-Evaluation by the Board Member and subsequently assessment by the Board of Directors. A member of the Board will not participate in the discussion of his / her evaluation. Accordingly a process of evaluation was followed by the Board for its own performance and that of its Committees and individual Directors and also the necessary evaluation was carried out by Nomination and Remuneration Committee and Independent Directors at their respective meetings held for the purpose.

**Outcome of the Evaluation:** The Board of your Company was satisfied with the functioning of the Board and its Committees. The Committees are functioning well and besides the terms of reference of the Committees, as mandated by law, important issues are brought up and discussed in the Committee Meetings. The Board was also satisfied with the contribution of Directors, in their respective capacities, which reflects the overall engagement of the Individual Directors.



### e. Key Managerial Personnel

The following persons have been designated as Key Managerial Personnel of the Company pursuant to Section 2(51) and Section 203 of the Companies Act 2013, read with the Rules framed thereunder for the period ended 31<sup>st</sup> March, 2022;

- a. Mr. Ashok Suresh Prasad Gupta, Chief Financial Officer (CFO) (Resigned with effect from 28<sup>th</sup> October, 2021).
- b. Mr. Pankaj Jeevanlal Parmar, Manager.
- c. Mr. Sumit R. Sharma, Company Secretary (Resigned with effect from 16<sup>th</sup> May, 2022).
- d. Ms. Gauri H. Gokhale, Company Secretary (Appointed with effect from 27<sup>th</sup> May, 2022)
- e. Mr. Binoy Dharod, Chief Financial Officer (Appointed with effect from 05<sup>th</sup> August, 2022)

**Criteria for selection of candidates for appointment as Directors, Key Managerial Personnel and Senior Leadership Positions:** Your Company has laid down a well-defined criterion for the selection of candidates for appointment as Directors, Key Managerial Personnel and Senior Leadership Positions. Directors' Remuneration Policy & Criteria for matters under Section 178 Information regarding Directors' Remuneration Policy & Criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of Section 178 of the Act.

### f. Policy on Directors' Appointment and Remuneration and Other Details

The Company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed on the website of the company.

## 7. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors states that:

- a. in the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation and there are no material departures from the same;
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2022 and of the profit and loss of the Company for that period;
- c. they 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. they have prepared the annual accounts on a 'going concern' basis;
- e. there were no frauds reported in the company, during the year under review;
- f. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- g. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## 8. MEETINGS

### a. Board Meetings

Six meetings of the Board of Directors were held during the year on 16.04.2021, 17.05.2021, 06.08.2021, 06.10.2021, 28.10.2021 and 14.02.2022.

### b. Audit Committee

The Audit Committee comprises three members. The Chairman of the Committee is an Independent Director. The Committee met Five times during the year on 17.05.2021, 06.08.2021, 06.10.2021, 28.10.2021, and 14.02.2022

### c. Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of three members. The chairperson of the committee is an Independent Director. There were one meeting of the committee held during the year on 14.02.2022.

### d. Stakeholders and relationship Committee

The Stakeholders and relationship committee comprises of two members. The chairperson of the committee is Non-Executive Director as per compliance with section 178(5) of the Companies Act, 2013.



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### 9. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such Controls were tested and no reportable material weakness in the design or operation was observed.

### 10. AUDITORS

#### a. Statutory Auditors

M/s. M S K A & Associates, Chartered Accountants (Firm Reg. No. 105047W ), Mumbai, as Statutory Auditors of the Company is appointed to fill the casual vacancy caused by resignation of M/s Chandrakant & Sevantilal & J K Shah & Co Chartered Accountants (FRN.:101676W), Vadodara and that M/s. M S K A & Associates, shall hold the office of the Statutory Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the 43<sup>rd</sup> Annual General Meeting on such remuneration as may be fixed by the Board of Directors in consultation with them.

#### b. Secretarial Audit

The Company has appointed M/s.Hemanshu Kapadia, Company Secretaries, to undertake the Secretarial Audit for the year under review, of the Company pursuant to the provisions of Section 204 of the Companies Act 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

### 11. AUDITORS' REPORT AND SECRETARIAL AUDITORS' REPORT

The Auditors' Report does not contain any qualifications, reservations or adverse remarks.

The Secretarial Audit Report for the Financial Year 2021-22 in Form **MR -3** given by M/s. Hemanshu Kapadia, Company Secretaries in Practice is attached as **Annexure I** with this report. The Secretarial Audit Report (MR-3) does not contain any qualifications, reservations or adverse remarks.

### 12. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Amounts outstanding as at 31<sup>st</sup> March, 2022.

(Rs. in Lakh)

<u>Particulars</u>	<u>Amount</u>
Loans given	1079.487
Guarantees given	130.00
Investments made	4754.54

<u>Name of Entity</u>	<u>Relation</u>	<u>Amount (in Lakh)</u>	<u>Particulars of Loan/Guarantee/ Investments</u>	<u>Purpose</u>
Asit C Mehta Investment Intermediates Limited (ACMIL)	Subsidiary of the Company as per section 2(87) of the Companies Act, 2013	4072.83	Investments	Investment in Equity Shares of the company
Omniscience Capital Advisors Private Limited	None	6.71	Investments	Investments in preference Shares of the company
Nucleus IT Enabled Services Limited (NITES)	Wholly Owned Subsidiary	300.00	Investments	Investment in Equity Shares of the company
Chargein Kiosk Private Limited	None	44.74	Loan	Financial Support
Ladder 2 Rise Private Limited	None	5.99	Loan	Financial Support
Edgytal Fintech Investment Services Private Limited	Subsidiary of the Company as per section 2(87) of the Companies Act, 2013	323.78	Loan	Financial Support
Nucleus IT Enabled Services Limited (NITES)	Wholly Owned Subsidiary	704.98	Loan	Financial Support
Edgytal Fintech Investment Services Private Limited	Subsidiary of the Company as per section 2(87) of the Companies Act, 2013	300.00	Investments	Investment in Equity Shares of the company
Edgytal Fintech Investment Services Private Limited	Subsidiary of the Company as per section 2(87) of the Companies Act, 2013	75.00	Investments	Investment in Share Warrants of the company
Asit C Mehta Investment Intermediates Limited (ACMIL)	Subsidiary of the Company as per section 2(87) of the Companies Act, 2013	130.00	Security / Guarantee	Financial Support



### 13. TRANSACTIONS WITH RELATED PARTIES

The Company has entered into any material contracts, with the related parties during the year 2021-22. It has done other contracts or arrangements and the same are in the ordinary course of business and on an arm's length basis and the same were approved by the Audit Committee and the Board from time to time. However we are disclosing in AOC-2 in which company has sold its Unit No. 7B, 7th Floor, Nucleus House, Saki Vihar Road, Andheri East, Mumbai-400072 to its Director Mr. Asit C. Mehta at ready reckoner rate on arm's length basis.

### 14. CORPORATE SOCIAL RESPONSIBILITY

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Act, and hence it is not required to formulate policy on Corporate Social Responsibility.

### 15. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with requirements, inter-alia, of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Compliance Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary and trainee) are covered under this policy. The following is a summary of sexual harassment complaints received and disposed off during the Financial Year 2021-22:

- No. of complaints received: NIL
- No. of complaints disposed off: NIL

### 16. INDIAN ACCOUNTING STANDARDS (IND AS)

The annexed financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013, Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Companies Act, 2013.

### 17. ANNUAL RETURN

As provided under Section 92(3) of the Act, the Annual Return (MGT-7) has been uploaded on the website of the company and can be accessed in Investor Relation Tab link is [https://www.acmfsl.com/pdf/Annual\\_Return/Annual%20Return%202020-2021.pdf](https://www.acmfsl.com/pdf/Annual_Return/Annual%20Return%202020-2021.pdf) We also attach the Extract of Annual Return as Annexure II in the prescribed Form MGT-9, which forms part of this report.

### 18. PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

**i. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:**

The Directors of the Company are not paid any remuneration except the sitting fees. Hence, the ratio of the remuneration of each director to the median remuneration of the employees is **NIL**.

**ii. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:**

The Board of the Company consists of Non-executive Directors. The non-executive directors are paid no remuneration except the sitting fees plus reimbursement of actual travel expenses, if any.

There is no increase in the remuneration of Company Secretary, Manager and Chief Financial Officer of the Company during the financial year.

**iii. The percentage increase in the median remuneration of employees in the financial year:**

The Company has 2 (Two) permanent Employees on the rolls of Company during the Financial Year 2021-22 and One employee has left during the year, therefore it is not possible to ascertain the increase in the median remuneration of employees in the financial year.

**iv. The number of permanent employees on the rolls of company:**

The Company has one 1 Employee on the rolls of Company as on 31<sup>st</sup> March, 2022.

**v. The explanation on the relationship between average increase in remuneration and company performance:**

Employees have not received any annual increase based on individual performance as there were only 2 employees during the year out of whom one has resigned during the year and other was upto 31st March, 2022.



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

vi. **Comparison of the remuneration of the Key Managerial Personnel against the performance of the company:**

(Rs. in Lakh)

Particulars	Amount
Aggregate remuneration of Key Managerial Personal	14.05
Revenue	440.55
Remunerations of KMP (as % of above)	3.19
Profit / Loss before tax	(266.46)
Remunerations of KMP (as % of Profit before tax)	5.27

vii. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Not Applicable

**Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company:**

(Rs. in Lakh)

Particulars	Chief Financial Officer	Manager	Company Secretary
Remuneration in FY 2021-22	13.14	Nil	0.91
Remuneration as % of revenue	3.19	Nil	0.21
Profit / Loss before tax (PBT)	(266.46)	Nil	(266.46)
Remuneration as % of PBT	4.93	Nil	0.34

viii. **The key parameters for any variable component of remuneration availed by the directors:**

No remuneration is paid to the Directors except for the sitting fees. Therefore, there are no variable components availed by any of the Directors of the Company.

ix. **The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:**

The Directors of the Company are not paid any remuneration except the sitting fees; therefore there is no highest paid director in the Company.

x. **Affirmation that the remuneration is as per the remuneration policy of the company.**

The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

xi. **The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

Sr. No.	Name	Designation of the employee	Remuneration received in ₹	Nature of employment whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment;	Age	The last employment held by such employee before joining the company	Percentage of equity shares held by the employee in the company	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or Manager.
1	Ashok Suresh Prasad Gupta	Chief Financial Officer	13,14,000 (upto 28 <sup>th</sup> October,2021)	Permanent	CA, 15 Yrs.	13 <sup>th</sup> February, 2021	37 Yrs.	Deputy Vice President	NIL	NA
2	Sumit Rishi Narayan Sharma	Company Secretary & Compliance Officer	91,000	Permanent	CS, 5 Yrs.	31 <sup>st</sup> July, 2020	34 Yrs.	Company Secretary & Compliance Officer	NIL	NA



There are no employees who were employed for a part of the financial year or throughout the financial year and are in:

- receipt of remuneration which was not less than sixty lakh per annum ;
- five lakh rupees per month;
- in receipt of remuneration which is in excess of that drawn by Managing Director/Whole-time Director/ Manager and holds by himself or along with his spouse and dependent children two percent or more of the equity shares of the company.

Therefore, the statement containing particulars of employees is not required to be attached.

## 19. DISCLOSURE REQUIREMENTS

- As per Regulation 15 (2) read with Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. And explanation provided above para 6 (a), **Corporate Governance Report is not applicable to the company.**
- However, **Management Discussion and Analysis** is attached, which form part of the Annual Report.  
Details of the Familiarization Programme of the independent directors are available on the website of the Company. (URL: [http://www.acmfsl.com/pdf/Policies/Familiarisation\\_programme\\_for\\_Independent\\_Directors.pdf](http://www.acmfsl.com/pdf/Policies/Familiarisation_programme_for_Independent_Directors.pdf))  
Policy for determining Material Subsidiaries of the Company is available on the website of the Company. (URL: [http://www.acmfsl.com/pdf/Policies/Policy\\_for\\_determination\\_of\\_material\\_subsidary.pdf](http://www.acmfsl.com/pdf/Policies/Policy_for_determination_of_material_subsidary.pdf))
- Policy on **Dealing with Related Party Transactions** is available on the website of the Company. (URL: [http://www.acmfsl.com/pdf/Policies/Related\\_Party\\_Transactions\\_Policy.pdf](http://www.acmfsl.com/pdf/Policies/Related_Party_Transactions_Policy.pdf))  
The Company has formulated and published a **Whistle Blower Policy to provide Vigil Mechanism** for employees including directors of the Company to report genuine concerns. The provisions of this policy are in line with the provisions of the Section 177(9) of the Act. (URL: [http://www.acmfsl.com/pdf/Policies/Whistle\\_Blower\\_Policy.pdf](http://www.acmfsl.com/pdf/Policies/Whistle_Blower_Policy.pdf))

## 20. DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

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

### Conservation of Energy

The operations of your company involved low energy consumption. Energy conservation efforts are being pursued on a Continuous basis. Close monitoring of power is maintained to minimise wastage and facilitate optimum utilisation of energy. Your Company has installed Roof-Top Solar PV system at the registered office of the Company in March, 2017. Installation of 25kw capacity of system will result in energy saving of 37,500 kwh.

### Technology Absorption

During the year under review, there is no technology absorption. The company has neither imported any technology nor incurred any expenditure on research and development of technology.

### Foreign Exchange Earnings and Outgo

Foreign Exchange Outgo: Nil

Foreign Exchange Earnings is as follows:

(Rs. in Lakh)

Particulars	Amount
Advisory charges - Export	Nil

## 22. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of this report.

The First half of the financial year 2021-22 and in fact the whole pandemic period has witnessed unprecedented time due to spread of global pandemic Covid-19. The business has come to a standstill. The problem is likely to continue the few quarters



more. Covid-19 has direct impact on demand for rental properties. Our company is witnessing substantial number of vacant premises and lower revenue during the current year.

### **23. ORDER PASSED BY REGULATOR OR COURTS OR TRIBUNALS**

There are no Material orders passed by the regulator or courts or tribunals against the company impacting its status as going concern and on its operations.

### **24. COMPLIANCE WITH SECRETARIAL STANDARDS**

The Board of Directors affirms that the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (SS1 and SS2) respectively relating to Meetings of the Board, its Committees and members of the Company which have mandatory application during the year under review.

### **25. ACKNOWLEDGEMENT**

The Directors thank the Company's employees, customers, vendors, investors and academic institutions for their continuous support.

The Directors also thank the Government of India, the Governments of various states in India and concerned Government Departments/ Agencies for their co-operation.

The Directors appreciate and value the contributions made by every member of the team of Asit C. Mehta Financial Services Ltd.

**For and on Behalf of Board of Directors  
Asit C Mehta Financial Services Limited.**

**Date: - 05<sup>th</sup> August, 2022  
Place: - Mumbai**

**Asit C. Mehta  
Chairman  
(DIN: - 00169048)**



**FORM MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> 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,

**ASIT C MEHTA FINANCIAL SERVICES LIMITED,**

Nucleus House, Saki - Vihar Road,

Andheri (East), Mumbai – 400072.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Asit C Mehta Financial Services Limited** (hereinafter called “the Company”). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct / statutory compliance and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022, complied with the statutory provisions listed here under 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 March 31, 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 there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(during the period under review not applicable to the company);**
- (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, 2018 **(during the period under review not applicable to the company);**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(during the period under review not applicable to the Company);**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(during the period under review not applicable to the company);**
  - (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 **(during the period under review not applicable to the Company);**
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(during the period under review not applicable to the Company);**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(during the period under review not applicable to the Company);**

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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



**We further report that:**

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

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

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**We 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.

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

*Note: Due to the prevailing pandemic, Certification on this MR-3 is done on the basis of documents made available to us in electronic form (i.e., scanned copy shared on e-mail) by the Secretarial Team of the Company which may be physically verified thereafter.*

**For Hemanshu Kapadia & Associates  
Practicing Company Secretaries**

**Hemanshu Kapadia  
Proprietor  
FCS No: 3477  
CP No: 2285**

**Peer Review Certificate No.: 1620/2021  
UDIN: F003477D000401369**

**Place: New York**

**Date: May 27, 2022**

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



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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### Annexure A

To,  
The Members,  
**ASIT C MEHTA FINANCIAL SERVICES LIMITED,**  
Nucleus House, Saki- Vihar Road,  
Andheri (East), Mumbai – 400072.

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

- 1) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5) The compliance of the provisions of corporate laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- 6) As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred in Secretarial Audit Report in Form MR-3, the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.
- 7) The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Hemanshu Kapadia & Associates  
Practicing Company Secretaries**

**Hemanshu Kapadia  
Proprietor  
FCS No: 3477  
CP No: 2285**

**Peer Review Certificate No.: 1620/2021  
UDIN: F003477D000401369**

**Place: New York**

**Date: May 27, 2022**



**MANAGEMENT DISCUSSION AND ANALYSIS**

The Company earns revenues from letting out of properties to external, group and other concerns and also earns income from dividends / interest. The thrust of the business is to hold strategic control / investment in group companies. The Company also provides Advisory and Consultancy Services and earned gross income of Rs 36.54 Lakh from Advisory and Consultancy Services during the year under review.

Nucleus IT Enabled Services Ltd. (NITES), the wholly owned subsidiary was engaged into ITeS / BPO services and an application has been filed with NCLT Mumbai bench for merging in the holding company. Another company Asit C. Mehta Investment Intermediates Limited (ACMIIL), a Subsidiary Company, is engaged into stock broking, depository and allied services. ACMIIL had ceased to be a subsidiary of the Company with effect from October 04, 2018 and became the subsidiary again on 31st March, 2021 as Company (ACMFSL) has subscribed to 40,00,000 (Fourty Lakh) Equity Shares by way of rights issue and thereafter again (ACMFSL) has acquired 59,01,650 (Fifty Nine Lakh One Thousand Six Hundred Fifty) Equity Shares as on 14th February, 2022 which has resulted in total holding in the company increasing to 1,54,62,761 (One Crore Fifty Four Lakh Sixty Two Thousand Seven Hundred Sixty One) Equity Shares in ACMIIL i.e. 93.08% of total paid-up share capital as on 31st March, 2022. Further Edgytal Fintech Investment Services Private Limited has also become Subsidiary of the company as Asit C Mehta Financial Services Limited has subscribed to 30,00,000 (Thirty Lakh) Equity Shares as on 30th March, 2022 by way of which total holding now stands at 77.88% in Edgytal Fintech Investment Services Private Limited as on 31st March, 2022.

The top line performance of NITES for the year 2021-22 includes gross income of Rs 30.50 Lakhs as against 66.74 Lakhs in the previous year. The Company reported a loss after tax of Rs 161.65 Lakh as against Rs. 256.47 Lakh in the previous year. The Company operates into BFSI (banking, financial services & insurance) segment – mainly into Banking and insurance industry services.

The top line performance of ACMIIL for the year 2021-22 includes gross income of Rs. 3967.07 Lakh as against the Rs. 3371.14 Lakh in previous year. The company has reported Profit after tax of Rs. 649.66 Lakh as against profit after tax of Rs. 399.66 Lakh in the previous year. The company provides investment related services over various asset classes and by various channels. The company has provided certain write off of constituent balances towards depository charges.

The top line performance of Edgytal Fintech Investment Services Private Limited for the year 2021-22 includes gross income of Rs. 15.19 Lakh as against the Rs. 56.09 Lakh in previous year. The company has reported loss after tax of Rs.23.46 Lakh as against loss after tax of Rs.10.85 Lakh in the previous year. The company provides social media marketing and online identity management.

**Financial Performance:**

- A) Consolidated Financial Results for the year ended 31st March 2022 as shown in Table below is of the Company, its wholly-owned subsidiary (NITES).  
Summarised Consolidated financials**

(Rs. in Lakh)

Segment Revenue			Segment Results Profit/(Loss) after depreciation and interest		
Particulars	2021-22	2020-21	Particulars	2021-22	2020-21
ITeS	8.18	59.19	ITeS	(19.73)	(42.67)
Investments Activities	78.02	69.18	Investments Activities	(150.93)	(180.74)
Advisory and Consultancy	36.54	34.00	Advisory and Consultancy	15.77	25.22
Stock Broking and allied services	3330.19	2,803.37	Stock Broking and allied services	406.01	253.19
Unallocable	700.46	944.16	Unallocable	-	-

- B) Standalone Financial Results:**

The following table gives an overview of the Standalone Financials of the Company (Unconsolidated):

(Rs. in Lakh)

Particulars	2021-22	2020-21
Revenues from Operations	239.59	299.62
Other Income	200.94	669.38
Total Revenue	440.55	969.00
Total Expenditure	707	631.36
Profit or (loss) Before Tax	(266.45)	337.64
Profit or (loss) After Tax	(277.05)	278.88



The Share Capital remained unchanged. The Networth of the Company reflected as Rs. 831.13 Lakhs from Rs. 1,108 Lakhs in previous year. The Bank term loans borrowing stood at Rs. 2856.83 Lakhs as at March 31, 2022 from Rs. 3,135.12 Lakhs as at March 31, 2021.

### **Opportunities, Threats, risks and concerns**

The Company's income mainly comprises of rents and advisory charges. The company will be affected as per the impact on the Investee companies that are held by it as investments. Demand for rental properties and supply of the same in and around its properties will impact its revenues accordingly. Also, slowdown in the growth of Indian economy and /or volatility in the financial market could adversely affect the performance.

The Company is actively pursuing its efforts to generate more income from Advisory and Consultancy Services. Demand for the Company's services emanate from entities seeking growth money or structuring of new projects etc. Risks associated with the Advisory and Consultancy Services includes competition from small unorganized advisors as well as large national and multinational level advisory firms, employees' attrition, incorrect project assessments etc.

The performance of its wholly owned subsidiary – Nucleus IT Enabled Services Ltd (formerly Nucleus GIS And ITES Ltd) got severally impacted due to its core business of assisting banks and NBFCs in debt collection services was brought to a complete halt due to COVID related directives by RBI. The data processing business also got impacted as larger part of the physical documentation is getting replaced by digital processing with minimal involvement of papers. The clients are preferring to do end to end paperless and digital document processing based on Aadhar verification. We do not see any competitive advantage in putting efforts and resources in the business. As mentioned earlier, we have initiated merger of NITES with ACMFSL.

The outlook of the Subsidiary ACMIL would largely depend on the status of markets, economy, investment habits and preferences of the investing population, company's own offerings and competitive position in the industry. The Subsidiary extensively operates in the Capital Market and is subject to extensive regulation. Besides, it continues to witness intense competition, fall in the brokerage rates and technological obsolescence.

Current developments in the country on economic and political fronts coupled with those in the international market downturn are likely to positively impact the performance of the industry in India.

### **Internal Control systems and their adequacy**

The Company continues to have in place adequate and proper systems of internal control commensurate with the nature and size of its operations. The Company also continues to avail the services of external firm for conducting internal audits at periodic intervals. The Audit Committee meets at regular intervals and reviews inter alia the internal checks and their accuracy.

### **Human Resources**

The relations with the employees (including that of its subsidiary) remained cordial.

### **Cautionary Statement**

Certain statements made in the Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations whether expressed or implied. Several factors could make significant difference to the Company's operations. These include climatic and economic conditions affecting demand and supply, government regulations and taxation, natural calamities over which the Company does not have any direct control.



### INDEPENDENT AUDITOR'S REPORT

To the Members of  
**ASIT C. MEHTA FINANCIAL SERVICES LIMITED**  
Report on the Audit of Standalone Ind AS Financial Statements

#### 1. Opinion

We have audited the standalone Ind AS financial statements of **ASIT C. MEHTA FINANCIAL SERVICES LIMITED** ("the Company"), which comprise the Balance Sheet as at **31<sup>st</sup> March 2022** and the Statement of Profit and Loss (including other comprehensive income), Statement of changes in Equity and Statement of cash flows for the year then ended and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act and read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at **31<sup>st</sup> March, 2022** and its net **Loss** (including other comprehensive income), changes in Equity and its cash flows for the year ended on that date.

#### 2. Basis for Opinion

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

#### 3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. We, based on our professional judgement, have determined that there are no key audit matters to communicate in our report.

#### 4. Other information

The Company's management and Board of Directors are responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including annexures thereto, Business Responsibility Report, Corporate Governance Report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS 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.

#### 5. Responsibility of Management and those charged with governance for the Standalone Ind AS Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with



respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, the 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 and those charged with governance are also responsible for overseeing the Company's financial reporting process.

#### **6. Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 standalone Ind AS financial statements.

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

- identify and assess the risks of material misstatement of the standalone Ind AS 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 controls;
- obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone Ind AS financial statements in place and the operating effectiveness of such controls;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management;
- conclude on the appropriateness of the 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 standalone Ind AS 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; and



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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended **31<sup>st</sup> March, 2022** and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### 7. Report on Other Legal and Regulatory Requirements

**7.1** As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), as amended, issued by the Central Government of India in terms of section 143(11) of the Act, and on the basis of the information and explanations given to us and on the basis of such checks as we considered appropriate, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

**7.2** 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), the Statement of changes in Equity and the Cash Flows Statement dealt with by this Report are in agreement with the books of account;
- (d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Ind AS specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) on the basis of the written representations received from the directors as on **31<sup>st</sup> March, 2022** taken on record by the Board of Directors, none of the directors is disqualified as on **31<sup>st</sup> March, 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 with reference to these standalone Ind AS financial statements 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;
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:



As per the records and based on the further information and explanations, the Company's Board consists of non-executive directors and independent directors only. These directors are paid only sitting fees for attending the Board meetings and Committees meetings plus reimbursement for travel expenses incurred to attend the said meetings. In our opinion, such payments by the Company to the said directors during the year are in accordance with the provisions of section 197 of the Act;

- (h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- (i) the Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 38 to the standalone Ind AS financial statements;
- (ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as required under the applicable law or accounting standards;
- (iii) there were no amounts which were 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, other than as disclosed in note to the accounts, (Note 41) no funds, of material in nature and substance, 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(s) or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company 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, other than as disclosed in note to the accounts, (Note 42) no funds, of material in nature and substance, have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) based on such audit procedures that we 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) herein above contain any material misstatement.
- (v) based on the records and further information and explanations given to us, Company has not declared or paid any dividend during the year, hence the question of reporting thereon in compliance with section 123 of the Act does not arise.

For CHANDRAKANT & SEVANTILAL & J. K. SHAH & Co.  
Chartered Accountants  
Firm Registration No. 101676 W

Mumbai  
Dated: 27th May, 2022

(Kiran C. Shah), Partner  
Membership No. 032187  
UDIN: 22032187AJSURH4220



**ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 7.1 under “Report on Other Legal and Regulatory Requirements” section of our report of even date)

1. (a) (A) In respect of the Company’s Property, Plant and Equipment

The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment (“PPE”).

(B) As explained, the Company does not have intangible assets.

(b) The Company has a program of physical verification to cover all the items of PPE in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its PPE. Pursuant to the program, items of PPE 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) According to the information and explanations given to us (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company as the lessee) and basis examination of the title deeds of the immovable properties, the said immovable properties are held in the name of the Company as at the balance sheet date.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including right of use assets) during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988, as amended [formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)] and rules made thereunder and therefore, reporting thereon is not required.

2. (a) The Company is in the business of providing services and does not have inventories. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of Rupees five crores, in aggregate, from banks or financial institution on the basis of the security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

3. According to the information and explanations given to us and based on the audit procedures carried out by us and on the basis of our examination of the records of the Company, during the year, the Company has made investments, provided guarantees and securities and granted unsecured loans or advances in the nature of loans to subsidiaries and other parties as under:

**(a) (A) Particulars of Investments, Loans or advances in nature of loans, stood Guarantee, provided Securities to subsidiaries & Others during the year:-**

(₹ In’000)

Sr. No.	Particulars	Investments	Guarantees	Securities	Loans
<b>1</b>	<b>AGGREGATE AMOUNTS OF INVESTMENTS, LOANS GRANTED, GUARANTEE, SECURITY PROVIDED:</b>				
1.1	Investments in /Loans to subsidiaries	₹ 2,53,156.06	-	-	₹ 4,43,615.00
1.2	Guarantees/Securities to subsidiaries		₹ 13,000.00	Mortgage of office unit no. 101 A wing and unit No. 103 A wing situated at Nucleus House, Saki Vihar Road, Andheri (E), Mumbai – 400072.	Not Applicable
1.3	Securities to others-NBFC for Term loan			₹90000.00 Equitable mortgage created in immovable properties being Unit 3 <sup>rd</sup> to 7 <sup>th</sup> floor, A wing, situated at Nucleus House, Saki Vihar Road, Andheri (E), Mumbai – 400072.	Not Applicable
1.4	Loan to KMP	-	-	-	₹ 25.00



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

2	<b>BALANCES OUTSTANDING AS AT BALANCE SHEET:</b>				
2.1	Investments in /Loans to subsidiaries	₹ 2,53,156.06	-	-	₹ 1,02,876.72
2.2	Guarantees/Securities to subsidiaries	-	₹ 12,946.86	As per 1.2 above	-
2.3	Securities to others-NBFC for Term loan	-	₹ 86,843.83	As per 1.3 above	-
2.4	Loan to KMP	-	-	-	₹ 25.00

(B) According to the information and explanations given to us and based on the audit procedures conducted by us, during the year, the Company has not granted any loans or advances in the nature of loans or stood guarantee or provided any security to any other entity than above.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, the terms and conditions of granting loans or advances in the nature of loans and providing guarantee and securities, during the year, are *prima facie* not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us, with regard to the unsecured loans granted to the subsidiaries, the said loans are on short term basis and on current accounts and accordingly, no terms are stipulated for the repayments of principal amounts and interest thereon. Based on the verification of the records of the Company, the interest on these loans, including brought forward balance of interest, remained outstanding at the end of the financial year.

With regard to the unsecured loans granted to the other companies, the Company has stipulated terms and conditions with regard to their repayments of principal amounts and interest.

(d) As per the records of the Company, interest receivable from a wholly owned subsidiary amounting ₹ 2,976.80/- thousands represents outstanding from the preceding financial year. With regard to the unsecured loans granted to the other companies and interest thereon, principal amounts aggregating to ₹ 4,000.00/- thousands and interest aggregating to ₹ 534.28/- thousands represent outstanding from the preceding financial year(s). As explained, the Company has stipulated terms and conditions with respect to such outstanding dues.

(e) According to the information and explanations given to us, unsecured loans granted to the subsidiaries are on current accounts and on short-term basis and therefore, no specific terms and conditions are stipulated for their repayment. With regard to the unsecured loans to other companies, no fresh loans have been granted during the current financial year.

(f) As reported in above sub-clause, unsecured loans granted during the year to the subsidiaries aggregating to ₹ 4,43,615.00/- thousands are without specifying any terms or period of their repayments. The said amount constitutes 100% of the total unsecured loans granted during the year. Excepting this, no material amounts are granted during the current financial year to any of the Promoters and/or to the other related parties as defined in clause (76) of Section 2 of the Companies Act, 2013. The aggregate balance remained outstanding from subsidiaries, including interest, as of 31<sup>st</sup> March 2022 is ₹ 1,02,876.72/- thousands.

4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and securities.

5. As per the information and explanation given to us, during the year, the Company has neither accepted any deposits nor accepted any amounts within the meaning of Sections 73 to 76 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014, as amended and no Order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

6. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act for the business activities carried out by the Company. Thus, reporting under clause 3(vi) of the Order is not applicable to the Company.

7. According to the information and explanations given to us, in respect of statutory dues, as applicable to the Company:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Goods & Services tax and Provident Fund as applicable to it; except dues outstanding as on last date of financial year payable to local municipal



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

authorities of ₹ 2,783.95/- thousands , which remained unpaid for a period of more than six months from the date it became payable.

Excepting above, there were no other undisputed statutory dues payable in respect of Employees' State Insurance, Customs Duty, 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 the information and explanation given to us, following statutory dues have not been deposited as at **March 31, 2022** on account of the dispute:

Name of statute	Nature of dues	Amount (₹ In'000)	Period to which it relates	Forum where dispute is pending
Foreign Exchange Regulation Act, 1973	Contravention of FERA regulations	₹13,500.00 and ₹2,686.00 (aggregating to ₹16,186.00)	1994-95	Appellate Tribunal Foreign Exchange and Bombay High Court, respectively
Finance Act, 1994, Chapter V- Service tax	Service tax & penalties on certain income	₹ 10,197.58	1996-2000	Customs, Excise & Service tax Appellate Tribunal, Mumbai
The Income tax Act, 1961	Tax demand	₹ 19.91	A.Y. 2010-2011	Rectification u/s 154 pending with Assessing Officer
The Income tax Act, 1961	Tax demand	₹ 589.87*	A.Y. 2016-2017	Commissioner of Income-tax (Appeals)
The Income tax Act, 1961	Tax demand	₹ 11,676.02	A.Y. 2017-2018	Commissioner of Income-tax (Appeals)

\* Tax Authorities have adjusted this demand entirely against Tax refund due to the Company.

8. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the assessments under the provisions of the Income tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
9. (a) During the year, the Company has not defaulted in repayment of loans and other borrowings and in payment of interest thereon.
- (b) According to the information and explanations given to us and based on the examination of the records, the Company is not declared as a willful defaulter by any of the financial institutions or other lender.
- (c) According to the information and explanations given to us and based on the examination of the records, the term loans were applied for the purpose for which the said loans were obtained by the Company during the year.
- (d) According to the information and explanations given to us and based on the overall examination of the financial statements, we report that no funds raised on short term basis have been used for long term purposes by the Company.
- (e) According to the information and explanations given to us and based on the overall examination of the records and the financial statements, we report that the Company has taken funds from the Company's directors and other entities to meet the obligations of its subsidiaries as per the details given herein below:

(₹ In'000)

Aggregate amount granted/provided during the year	Subsidiaries	Others
₹ 2,38,275.00	₹ 2,26,475.00	₹ 11,800.00

- (f) According to the information and explanations given to us and based on the overall examination of the records, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries and accordingly, reporting on defaults in repayment of such loans does not arise.



10. (a) During the year, the Company has not raised moneys by way of initial public offer (including debt instruments) and accordingly, reporting on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and accordingly, reporting on clause 3(x)(b) of the Order is not applicable to the Company.
11. (a) To the best of our knowledge and according to the information and explanations given to us and considering the materiality, no fraud by or on the Company has been noticed or reported during the year.
- (b) During the year, no report under section 143(12) of the Act has been filed by us, as the statutory auditors of the Company, in prescribed Form No. ADT- 4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014, with the Central Government.
- (c) To the best of our knowledge and belief and based on the further information and explanations given to us, we have to report that, no whistle-blower complaint has been received by the Company during the year, and accordingly, reporting on clause 3(xi)(c) of the Order is not applicable to the Company.
12. The Company is not a Nidhi Company and accordingly, reporting on clause 3(xii) of the Order is not applicable to the Company.
13. In our opinion and according to the further information and explanations given to us and based on the records of the Company, the transactions with related parties are in compliance with Section 177 and Section 188 of the Act, where applicable and the details thereof have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
14. (a) Based on the information and explanations given to us, the internal audit system, in our opinion, is commensurate with the size and nature of the Company's business activities.
- (b) We have considered the internal audit reports issued till date which are addressed by the internal auditors to the Management.
15. In 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 to its directors and persons connected with them and hence, the provisions of Section 192 of the Act are not applicable.
16. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting on the clauses 3(xvi)(a) and 3(xvi)(b) of the Order are not applicable to the Company.
- (b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India Act. Accordingly, reporting on the clause 3(xvi)(c) of the Order is not applicable to the Company.
- (c) According to the information and explanations given to us, during the course of our audit, the Group does not have any CICs. Accordingly, reporting on the clause 3(xvi)(d) of the Order is not applicable to the Company.
17. The Company has incurred cash loss of ₹ 14,336.44/- thousands during the current financial year and it has not incurred such cash loss during the immediately financial year.
18. During the year, no resignation has been given by the statutory auditors and accordingly, reporting on the clause 3(xviii) of the Order is not applicable to the Company.
19. According to the information and explanations given to us and on the basis of the financial ratios, aging and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone Ind AS financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the 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.



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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20. In our opinion and according to the information and explanations given to us, the provisions of Section 135 of the Act are not applicable to the Company. In view of this, the requirements under the clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable to the Company.
21. This being the standalone Ind AS financial statements of the Holding Company, the requirements of reporting on the clause 3(xxi) (which is applicable to reporting on Consolidated Financial Statements) of the Order is not applicable to the Company.

For CHANDRAKANT & SEVANTILAL & J. K. SHAH & Co.  
Chartered Accountants  
Firm Registration No. 101676W

Mumbai  
Dated: 27th May, 2022

(Kiran C. Shah), Partner  
Membership No. 032187  
UDIN: 22032187AJSURH4220



### ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF ASIT C. MEHTA FINANCIAL SERVICES LIMITED

[Referred to in clause (f) of paragraph 7.2 under “Report on Other Legal and Regulatory Requirements” section of our report of even date]

#### Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

1. We have audited the internal financial controls with reference to the Standalone Ind AS Financial Statements of **ASIT C. MEHTA FINANCIAL SERVICES LIMITED** (“the Company”) as of **31<sup>st</sup> March, 2022** in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

2. **Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements 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 (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

3. **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to the Standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Standalone Ind AS financial statements. 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 with reference to the Standalone Ind AS financial statements were 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 with reference to the Standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the Standalone Ind AS financial statements included obtaining an understanding of internal financial controls with reference to the Standalone Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors’ judgement, including the assessment of the risks of material misstatement of the Standalone Ind AS 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 with reference to the Standalone Ind AS financial statements.

4. **Meaning of Internal Financial Controls with reference to Financial Statements**

A company’s internal financial control with reference to the financial statements 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 controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of



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

### **5. Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial reporting to future periods are subject to the risk that the internal financial controls with reference to financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **6. Opinion**

In our opinion, considering nature of activities, size of operation and organizational structure of the Company and exercise of controls through personal supervision by the management, to the best of our information and according to the explanations given to us, the Company has maintained, in all material respects, internal financial controls with reference to the Standalone Ind AS Financial Statements and such internal financial controls with reference to Standalone Ind AS Financial Statements were operating effectively as at **31<sup>st</sup> March, 2022**, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For CHANDRAKANT & SEVANTILAL & J. K. SHAH & Co.  
Chartered Accountants  
Firm Registration No. 101676W

(Kiran C. Shah), Partner  
Membership No. 032187  
UDIN: 22032187AJSURH4220

Mumbai  
Dated: 27th May, 2022



# ASIT C. MEHTA FINANCIAL SERVICES LIMITED

## Balance Sheet as at March 31, 2022

(₹ in '000)

Particulars	Note No.	As on March 31, 2022	As on March 31, 2021
<b>I. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	3A	1,931.23	2,166.34
(b) Investment Property & Right of use Assets	3B	470,996.33	521,610.27
(c) Financial Assets			
(i) Investments	4	495,457.14	237,247.30
(ii) Trade receivables	5	1,637.18	1,608.39
(iii) Loans	6	5,074.28	4,534.28
(iv) Others	7	1,260.24	1,260.24
(d) Non-Current Tax Assets	8	4,771.73	9,006.87
(e) Other non-current assets	9	1,770.24	1,828.70
<b>Total Non Current Assets</b>		<b>982,898.35</b>	<b>779,262.39</b>
<b>(2) Current assets</b>			
(a) Financial Assets			
(i) Trade receivables	10	3,510.01	3,075.15
(ii) Cash and cash equivalents	11	2,970.63	284.07
(iii) Bank balance other than (ii) above	12	8,093.00	8,862.81
(iv) Loans	13	102,901.72	107,107.93
(v) Others Financial Assets	14	1,094.64	1,020.37
(b) Current Tax Assets	15	2,521.88	-
(c) Other current assets	16	2,986.46	767.17
<b>Total Current Assets</b>		<b>124,078.34</b>	<b>121,117.49</b>
<b>Total Assets</b>		<b>1,106,976.69</b>	<b>900,379.88</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	17	48,473.77	48,335.75
(b) Other Equity	18	371,486.09	399,165.34
<b>Total Equity</b>		<b>419,959.86</b>	<b>447,501.09</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	19	537,751.37	316,557.45
(ii) Lease Liabilities	20	225.43	-
(b) Provisions	21	6.92	35.85
(c) Deferred Tax Liabilities (net)	22	314.35	301.47
(d) Other non-current liabilities	23	40.67	166.67
<b>Total Non- Current Liabilities</b>		<b>538,338.74</b>	<b>317,061.44</b>
<b>(2) Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	24	136,011.91	120,406.82
(ii) Lease Liabilities	25	143.14	-
(ii) Trade Payables	26	-	-
- dues to micro enterprises and small enterprises; and		-	-
- dues to creditors other than micro enterprises and small enterprises		8,347.91	11,730.15
(iii) Other financial liabilities	27	1,231.94	2,246.09
(b) Other current liabilities	28	2,943.19	1,433.86
(c) Provisions	29	-	0.44
(d) Current Tax Liability (net)	30	-	-
<b>Total Current Liabilities</b>		<b>148,678.09</b>	<b>135,817.35</b>
<b>Total Liabilities</b>		<b>687,016.83</b>	<b>452,878.80</b>
<b>Total Equity and Liabilities</b>		<b>1,106,976.69</b>	<b>900,379.88</b>

Notes (Including Significant Accounting Policies)  
Forming Part of the Financial Statements

1 to 51

The above Balance Sheet should be read in conjunction with the accompanying notes.

Forming Part of the Financial Statements

As per our report of even date attached

For Chandrakant & Sevantilal & J. K. Shah & Co.

Chartered Accountants

Firm Reg. No: 101676W

(Kiran C. Shah) Partner

Membership No. 032187

Place : Mumbai

Date :- 27.05.2022

For and on behalf of the Board of Directors

Asit C Mehta  
Chairman  
DIN: 00169048

Kirit H.Vora  
Director  
DIN: 00168907

Gauri Gokhale  
Company Secretary



**Statement of Profit and Loss for the Year ended March 31, 2022**

(₹ in '000)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>INCOME</b>			
Revenue from operations	31	23,959.59	29,961.99
Other Income	32	20,094.97	66,938.28
<b>Total income</b>		<b>44,054.56</b>	<b>96,900.27</b>
<b>EXPENSES</b>			
Employee benefits expense	33	1,530.93	563.54
Finance costs	34	45,720.94	37,266.53
Depreciation and amortisation expense	3A & 3B	12,309.20	13,661.04
Other expenses	35	11,139.13	11,645.11
<b>Total expenses</b>		<b>70,700.20</b>	<b>63,136.22</b>
<b>Profit / (Loss) before tax</b>		<b>(26,645.65)</b>	<b>33,764.06</b>
Tax expense:			
- Current tax		-	4,800.00
- Deferred tax (Assets) / Liability		3.53	2.88
- MAT Credit Entitlement written off/utilised		1,039.32	1,073.32
- Prior year tax adjustment		17.37	-
<b>Total Tax Expense</b>		<b>1,060.22</b>	<b>5,876.19</b>
<b>Profit / (Loss) for the year after tax</b>		<b>(27,705.86)</b>	<b>27,887.86</b>
<b>Other comprehensive income</b>			
i) Items that will not be reclassified to profit or loss:			
a) Re-measurement gains / (losses) on defined benefit plans		35.97	10.46
b) Effect of measuring Equity Instruments on Fair Value		-	-
c) Income Tax on (a) and (b)		(9.35)	(2.72)
<b>Other comprehensive income for the year, net of tax</b>		<b>26.61</b>	<b>7.74</b>
<b>Total comprehensive income for the year after tax</b>		<b>(27,679.25)</b>	<b>27,895.61</b>
<b>Earnings per equity share:</b>			
Basic and Diluted (in ₹)	43	<b>(5.73)</b>	<b>5.77</b>

**Notes (Including Significant Accounting Policies)**
**1 to 51**
**Forming Part of the Financial Statements**
**The above statement of Profit and Loss should be read in conjunction with the accompanying notes.**

As per our report of even date attached

For and on behalf of the Board of Directors

For Chandrakant &amp; Sevantilal &amp; J. K. Shah &amp; Co.

Chartered Accountants

Firm Reg. No: 101676W

Asit C Mehta

Chairman

DIN: 00169048

Kirit H. Vora

Director

DIN: 00168907

(Kiran C. Shah) Partner

Membership No. 032187

Place : Mumbai

Date :- 27.05.2022

Gauri Gokhale

Company Secretary



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

(₹ in '000)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit / (Loss) before Tax	(26,645.65)	33,764.06
<b>Add / (Less):- Adjustments for Non-Cash / Non-Operating Items:</b>		
Depreciation and amortisation expense	12,309.20	13,661.04
Interest income	(8,635.74)	(4,557.58)
Gain on Remeasurement of employee defined plans	35.97	-
Amortisation of financial guarantee	(126.00)	(126.00)
Foreign exchange gain (net)	-	(0.64)
MAT Credit Entitlement Written off	(1,039.32)	-
Profit on sale of investment property	(8,961.44)	(62,254.07)
Finance costs	45,720.94	37,266.53
<b>Operating Profit Before Changes in Working Capital</b>	<b>12,657.97</b>	<b>17,753.34</b>
<b>Adjustment for Changes in Working Capital</b>		
(Increase) / Decrease in trade receivables	(463.65)	(1,655.28)
(Increase) / Decrease in Other Financial Assets	(74.28)	63.68
(Increase) / Decrease in Leased Liability	368.58	-
(Increase) / Decrease in Other Current Assets	(2,160.83)	557.15
(Increase) / Decrease in Long term Loan/Other Non Current Asset	-	(238.65)
Increase / (Decrease) in Trade Payables, Other Current Liabilities and Current Provisions	(1,872.91)	3,775.03
Increase / (Decrease) in Other Financial Liability	(1,014.15)	-
Increase / (Decrease) in Other Non Current liability/Non Current provision	(29.36)	36.51
<b>Cash Generated from Operations</b>	<b>7,411.36</b>	<b>20,291.78</b>
Less: Direct taxes refund/(paid) [net]	1,695.89	(3,556.81)
<b>NET CASH FLOW FROM OPERATING ACTIVITY (A)</b>	<b>9,107.25</b>	<b>16,734.98</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest Received	8,635.74	2,573.42
Fixed deposit matured	769.81	676.52
Fixed deposit placed	-	(769.81)
Inter Corporate loan Given (Net)	3,666.21	(89,712.88)
Acquisition of Right of Use Asset	(498.71)	-
Proceeds from Sale of Investment Property	48,000.00	128,100.00
Purchase / Acquisition of Investment (Equity)	(250,710.00)	(79,809.07)
Purchase / Acquisition of Investment (Warrants)	(7,500.00)	-
<b>C) NET CASH FLOW FROM INVESTING ACTIVITY (B)</b>	<b>(197,636.94)</b>	<b>(38,941.81)</b>
<b>CASH FLOW FROM FINANCING ACTIVITY</b>		
Proceeds of sale of treasury shares	138.02	-
Finance Costs	(45,720.94)	(36,698.99)
Long term borrowing (Net of Repayment)	181,722.75	(31,177.90)
Repayments of Inter-corporate Deposit and Security deposit	55,076.27	88,454.00
<b>NET CASH FLOW FROM FINANCING ACTIVITY (C)</b>	<b>191,216.09</b>	<b>20,577.11</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A) + (B) + (C)</b>	<b>2,686.39</b>	<b>(1,629.73)</b>



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

Cash on hand	20.33	258.18
Balances with scheduled banks on current accounts	264.00	1,655.62
<b>OPENING BALANCE OF CASH and CASH EQUIVALENTS</b>	<b>284.33</b>	<b>1,913.80</b>
Cash on hand	34.38	20.33
Balances with scheduled banks on current accounts	2,936.25	263.74
<b>CLOSING BALANCE OF CASH and CASH EQUIVALENTS</b>	<b>2,970.63</b>	<b>284.07</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>2,686.30</b>	<b>(1,629.73)</b>

**Note :**

- 1 Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- 2 Figures in brackets represent outflows / deductions.

As per our report of even date attached  
For Chandrakant & Sevantilal & J. K. Shah & Co.  
Chartered Accountants  
Firm Reg. No: 101676W

(Kiran C. Shah) Partner  
Membership No. 032187  
Place : Mumbai  
Date :- 27.05.2022

For and on behalf of the Board of Directors

Asit C Mehta  
Chairman  
DIN: 00169048

Kirit H. Vora  
Director  
DIN: 00168907

Gauri Gokhale  
Company Secretary



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Statement of Changes in Equity for the year ended March 31, 2022

#### A. Equity Share Capital (refer note 17)

(₹ in '000)

Particulars	Amount
<b>Balance as at April 1, 2020</b>	<b>48,335.75</b>
Add: Changes in Equity Share Capital due to prior period error	-
<b>Restated Balance at the beginning of the Current Reporting Period</b>	<b>48,335.75</b>
Add: Changes in Equity Share Capital during the year	-
<b>Balance as at March 31, 2021</b>	<b>48,335.75</b>
Add: Changes in Equity Share Capital due to prior period error	-
<b>Restated Balance at the beginning of the Current Reporting Period</b>	<b>48,335.75</b>
<b>Add: Changes in Equity Share Capital during the year*</b>	<b>138.02</b>
<b>Balance as at March 31, 2022</b>	<b>48,473.77</b>
* Disposal of 13802 Equity Shares (Treasury Shares) held by Nucleus Stock Trust.	

#### B. Other Equity (refer note 18)

(₹ in '000)

Particulars	Reserves and Surplus				Total
	Capital Reserve	Securities Premium	Retained Earnings	Other Item of Other Comprehensive Income	
<b>Balance as at April 1, 2020</b>	<b>759.50</b>	<b>41,043.96</b>	<b>329,466.28</b>		<b>371,269.74</b>
Add: Changes in accounting policy or prior period errors	-	-	-		-
Add: Restated Balance at the beginning of the Current Reporting Period	-	-	-		-
Profit/(Loss) for the year	-	-	27,887.86		27,887.86
" Total Comprehensive Income for the year - Remeasurement gain/(loss) on Defined Benefit Plans (Net of tax) "	-	-	-	7.74	7.74
Effect of measuring equity instruments at fair value			-		-
Adjustment for the year	-	-	-		-
<b>Balance as at March 31, 2021</b>	<b>759.50</b>	<b>41,043.96</b>	<b>357,354.14</b>	<b>7.74</b>	<b>399,165.34</b>
Add: Changes in accounting policy or prior period errors	-	-	-		-
Add: Restated Balance at the beginning of the Current Reporting Period	-	-	-		-
Profit/(Loss) for the year	-	-	(27,705.86)		(27,705.86)
" Total Comprehensive Income for the year	-	-	-	26.61	26.61
Effect of measuring equity instruments at fair value					
<b>Balance as at March 31, 2022</b>	<b>759.50</b>	<b>41,043.96</b>	<b>329,648.28</b>	<b>34.36</b>	<b>371,486.09</b>

Notes (Including Significant Accounting Policies) 1 to 51

Forming Part of the Financial Statements

The above Statement of changes in Equity should be read in conjunction with the accompanying notes.

Forming Part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board of Directors

For Chandrakant & Sevantilal & J. K. Shah & Co.

Chartered Accountants

Firm Reg. No: 101676W

Asit C Mehta

Chairman

DIN: 00169048

Kirit H. Vora

Director

DIN: 00168907

(Kiran C. Shah) Partner

Membership No. 032187

Place : Mumbai

Date :- 27.05.2022

Gauri Gokhale

Company Secretary



### Notes to Financial Statements :

#### 1 Corporate Information

Asit C Mehta Financial Services Limited ("the company") is a Public Limited Company Incorporated and domiciled in India and has its registered office in Nucleus House, Saki Vihar Road, Andheri (East) Mumbai - 400072. The shares of the company are listed on BSE Limited.

The Company is engaged in the business of Renting of immovable properties. The Company has classified the aforesaid business as an 'investment activities'. The Company also invests in Start-ups and other Businesses. The Company is also rendering 'Advisory and Consultancy Services'.

#### 2 Significant Accounting Policies

##### i Compliance with Ind AS

###### Basis of Preparation

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act 2013 (the 'Act') and other relevant provisions of the Act.

##### ii Historical cost convention

These Financial Statements are prepared on an accrual basis under the historical cost convention or amortised cost, except for the following assets and liabilities, which have been measured at fair value:

- i. Certain financial assets and liabilities
- ii. Defined Benefits Plans- Plan assets
- iii. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency and all amounts are rounded off to the nearest Thousands Rupees upto two decimals, except when otherwise indicated.

#### 2.1 Property, Plant and Equipment (PPE)

PPE is recognised 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. PPE are stated at cost less accumulated depreciation and impairment losses, if any. The initial cost of an asset comprises its purchase price, non-refundable purchase taxes and any costs directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by management. Cost includes, for qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy.

If significant parts of an item of PPE have different useful lives, then those are accounted as separate items (major components) of PPE.

Material items such as spare parts, stand-by equipment and service equipment are classified as and when they meet the definition of PPE, as specified in Ind AS 16 on "Property, Plant and Equipment".

The carrying amount of an item of PPE is derecognised upon disposal or when no future economic benefit is expected to arise from its continued use. Any gain or loss arising on the derecognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in Statement of Profit and Loss.

#### 2.2 Depreciation

Depreciation on Property, Plant and Equipment is provided on the Straight-Line Method in accordance with requirements prescribed under Schedule II to the Companies Act, 2013. The Company has assessed the estimated useful lives of its PPE and has adopted the useful lives and residual value as prescribed therein.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any change in estimate being accounted for on a prospective basis.

#### 2.3 Investment Property

Property that is held to earn rentals or for capital appreciation or both, is classified as an Investment Property. It is measured initially at its cost, including related transaction costs. Subsequently, it is carried at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses (Refer Note 3B). Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the Statement of profit and loss. Transfer to, or from, investment property is done at the carrying amount of the property.



Depreciation on Investment property is provided on a pro rata basis on straight line method over the estimated useful lives. Useful life of assets, as assessed by the management, corresponds to those prescribed by the Schedule II - Part 'C'.

## **2.4 Intangible Assets and Amortisation**

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised as per Ind AS 38. Software is being amortised over a period of Three years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Gains or losses arising from derecognition of an Intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognised in the statement of profit and loss when the asset is derecognised.

## **2.5 Impairment of non-financial assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets may have been impaired. If any such indication exists, the recoverable amount, which is the higher of its value in use or its fair value less costs of disposal, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

An impairment loss is recognised immediately in the Statement of Profit and Loss. When an impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but upto the amount that would have been determined, had no impairment loss been recognized for that asset or cash generating unit. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

## **2.6 Statement of Cash Flows**

Cash flows are reported using the indirect method, whereby net profit or net loss for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents include cash on hand, cash at banks, other short-term deposits and highly liquid investments with original maturity of three months or less that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

## **2.7 Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences if any to the extent regarded as an adjustment to the borrowing costs.

## **2.8 Segment Reporting**

The company identifies primary segments based on the dominant source, nature of risk and returns and Internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Chief Operating Decision Maker (CODM) in deciding how to allocate resources in assessing the performance.

The accounting policies adopted for segment reporting are in the line with the accounting policies of the Company.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue/expenses/assets/liabilities" respectively.



**2.9 Provisions, Contingent Liabilities and Contingent Assets**

Provision is 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 obligation. Provision is not recognised for future operating losses.

Provision is measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, the amount of provision is discounted using an appropriate pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent liability is disclosed in case of a present obligation arising from past events, when it is either not probable that an outflow of resources will be required to settle the obligation, or a reliable estimate of the amount cannot be made. A Contingent Liability is also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by 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 where an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

**2.10 Revenue Recognition**

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

**Rental Income**

Rental Income is accounted as and when accrues on straight line method and reported net of taxes.

**Interest Income**

Interest income from a financial asset is recognised on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of that financial asset.

**Dividends**

Dividend income from investments is recognised when the Company's right to receive dividend is established, which is generally when shareholders approve the dividend.

**Advisory**

Revenue from advisory, brokerage and consultancy services is recognised on rendering of services / work performed and reported net of taxes.

**2.11 Operating Leases**

Leases are classified as operating leases whenever the terms of the lease do not transfer substantially all the risks and rewards incidental to ownership.

Lease rentals on assets under operating lease are recognized or charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

Assets leased out under operating leases are continued to be shown under the respective class of assets. Rental income is recognised on a straight line basis over the term of the relevant lease.

Where the rental are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

**2.12 Employee Benefits****(i) Short term employee benefits**

Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus and ex-gratia falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

**(ii) Long-term employee benefits:**

- Defined Contribution Plan:



### **Provident Fund:**

The eligible employees of the Company are entitled to receive post-employment benefits in respect of provident, in which both employees and the Company make monthly contributions at a specified percentage of the employee's eligible salary (currently 12%). The contributions if any, are made to the Central Provident Fund under the State Pension Scheme. Provident Fund is classified as Defined Contributions Plans as the Company has no further obligation beyond making the contribution. The Company's contribution if any, is charged to the statement of profit and loss as incurred.

### **Defined Benefit Plan:**

#### **a. Gratuity:**

The Company has an obligation towards gratuity, a defined benefits retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement or death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. The Company pays these benefits as and when due based on its own liquidity.

Remeasurement, comprising actuarial gains and losses is reflected immediately in the Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or Loss. Past service cost is recognised immediately for both vested and the non-vested portion. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation.

#### **b. Compensated absences:**

The Company provides for encashment of leave or leave with pay subject to certain rules. The liability is recognized based on number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Statement of Profit and loss in the year in which they arise.

### **2.13 Taxes on Income**

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

#### **Current Tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated as per the applicable provisions and tax rates that have been enacted or substantively enacted by the end of the reporting period and the provisions of the Income Tax Act, 1961 and other tax laws, as applicable.

#### **Deferred Tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when deferred income tax assets and liabilities relate to the income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net or simultaneous basis.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

#### **Current and Deferred Tax**

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



### Ind AS 12 - Income Taxes

- Appendix C, Uncertainty over Income Tax. Treatment This amendment is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the Appendix:
  - (1) the entity needs to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which better predicts of the resolution of the uncertainty ;
  - (2) the entity is to assume that the taxation authority will have right to examine and have full knowledge of all related information when making those examinations; and
  - (3) entity has to consider whether it is probable that the taxation authority will accept the tax treatment and accordingly, determine taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Group does not expect any significant impact of the amendment on its financial statements."

### 2.14 Foreign Currency Transactions

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing at the date of transaction. Monetary items denominated in foreign currency at the year end are translated at year end rates. In respect of monetary items which are covered by forward exchange contracts, the difference between the year end rate and the rate on the date of the contract is recognized as exchange difference and the premium on such forward contracts is recognized over the life of the forward contract. The exchange difference arising on settlement/ translation are recognized in the revenue accounts.

### 2.15 Earnings Per Share

The basic earnings per share are computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares, if any, outstanding during the year, except where the results would be anti-dilutive.

### 2.16 Financial Instruments

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

Financial assets and Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

#### Initial Recognition:

Financial assets and Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at Fair Value through Profit or Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in the Statement of Profit and Loss.

#### Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, Fair Value Through Other Comprehensive Income ("FVTOCI") or Fair Value Through Profit or Loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial assets.

#### Amortised Cost:

A financial asset shall be classified and measured at amortised cost, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets 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 Other Comprehensive Income (FVTOCI):

**A financial asset shall be classified and measured at FVTOCI, if both of the following conditions are met:**

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, 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 or Loss (FVTPL):**

A financial asset shall be classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

### **Classification and Subsequent Measurement: Financial liabilities:**

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

### **Financial Liabilities at FVTPL:**

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

### **Other Financial Liabilities:**

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised 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.

### **Impairment of financial assets:**

The Company recognises loss allowance using expected credit loss model for financial assets which are not measured at Fair Value through Profit or Loss. Expected credit losses are weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at original effective rate of interest.

### **Derecognition of financial assets:**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in statement of profit or loss if such gain or loss would have otherwise been recognised in statement of profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

### **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 are recognised at the proceeds received.

**Financial guarantee contracts**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 18

When guarantee in relation to loans or other payables of subsidiaries are provided for no compensation, the fair values are accounted for as contributions and recognized as cost of investment.

**Derecognition of financial liabilities:**

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired. The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different.

**Offsetting:**

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

## **2.17 Critical Accounting judgments and Key Sources of Estimation Uncertainty**

The preparation of the financial statements requires the management to make judgments, estimates and assumptions in the application of accounting policies and that have the most significant effect on reported amounts of assets, liabilities, incomes and expenses, and accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

**Key estimates, assumptions and judgments**

The key assumptions concerning the future and other major sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

**Income taxes**

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions as also to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits.

**Property, Plant and Equipment/Intangible Assets**

Property, Plant and Equipment/ Other Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Company's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The depreciation/amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets.

**Employee Benefit Plans**

The cost of the defined benefit gratuity plan and other-post employment benefits and the present value of gratuity obligations and compensated absences are determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.



**Impairment of Financial Assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**Recoverability of Trade Receivables**

judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

**Fair Value measurements of Financial Instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets (Net Assets Value in case of units of Mutual Funds), their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**Impairment of Assets**

The Company has used certain judgments and estimates to work out future projections and discount rates to compute value in use of cash generating unit and to access impairment. In case of certain assets independent external valuation has been carried out to compute recoverable values of these assets.

**Provisions**

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

**2.18 Ind AS 115: Revenue from Contracts with Customers**

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expect to receive in exchange for those products or services.

**2.19 Ind AS 116: Lease**

The Company has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (April 1, 2019).

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**As a Lessor**

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 to allocate the consideration in the contract.

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'Other Operating Revenue under Revenue from Operations in the Statement of Profit and Loss.

The accounting policies applicable to the Company as a lessor in the comparative period were not different from Ind AS 116.

**As a Lessee**

The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether :



- i. the contract involves the use of an identified asset;
- ii. The Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- iii. The Company has the right to direct the use of the asset.

## **2.20 Right-of-Use Asset ("ROU")**

At the date of commencement of the lease, the Company recognise a right-of-use-asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short-term lease and lease of low-value assets.

The Right-of-use assets are initially recognised at cost, which comprise the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct cost less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter the lease term and useful life of the underlying asset and the average lease terms.

The Right-of-use assets is also subject to impairment. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

## **2.21 Ind AS 12 - Income Taxes**

- Appendix C, Uncertainty over Income Tax. Treatment This amendment is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the Appendix:
  - (1) the entity needs to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which better predicts of the resolution of the uncertainty ;
  - (2) the entity is to assume that the taxation authority will have right to examine and have full knowledge of all related information when making those examinations; and
  - (3) entity has to consider whether it is probable that the taxation authority will accept the tax treatment and accordingly, determine taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Group does not expect any significant impact of the amendment on its financial statements."

## **2.22 Recent pronouncements by the Ministry of Corporate Affairs ("MCA")**

Recent pronouncements by the Ministry of Corporate Affairs ("MCA") notified new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

"Ind AS 103 – Reference to Conceptual Framework The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103.

Ind AS 16 – Proceeds before intended use The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification.

Ind AS 109 – Annual Improvements to Ind AS (2021) The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

The Company does not expect the above amendments / improvements to have any significant impact on its standalone financial statements.



Notes to Financial Statements :  
Note 3A:

Property, Plant and Equipment:

Particulars	Furniture and fixtures	Office and Other Equipments	Air Conditioners	Solar System	Projector	Total
(₹ in '000)						
<b>(I) Gross Carrying Value</b>						
Balance as at April 1, 2020	1,284.54	411.01	51.32	2,182.96	7.43	3,937.27
Additions during the year	-	-	-	-	-	-
Deductions/Adjustments during the year	-	-	-	-	-	-
Other Adjustments during the year						
Balance as at March 31, 2021	1,284.54	411.01	51.32	2,182.96	7.43	3,937.27
Additions during the year	-	-	-	-	-	-
Deductions/Adjustments during the year	-	-	-	-	-	-
Other Adjustments during the year	-	-	-	-	-	-
Balance as at March 31, 2022	1,284.54	411.01	51.32	2,182.97	7.43	3,937.27
<b>(II) Accumulated Depreciation</b>						
Balance as at April 1, 2020	799.32	281.82	7.12	399.50	-	1,487.76
Depreciation expense for the year	59.91	78.13	6.87	138.27	-	283.17
Deductions/Adjustments during the year	-	-	-	-	-	-
Balance as at March 31, 2021	859.23	359.94	13.99	537.77	-	1,770.93
Depreciation expense for the year	59.64	30.38	6.87	138.23	-	235.12
Deductions/Adjustments during the year	-	-	-	-	-	-
Balance as at March 31, 2022	918.87	390.32	20.86	676.00	-	2,006.05
Net Carrying Value (I-II)						-
Balance as at March 31, 2021	425.31	51.07	37.33	1,645.20	7.43	2,166.34
Balance as at March 31, 2022	365.67	20.69	30.46	1,506.97	7.43	1,931.23



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 3B: Investment Property & Right of Use Assets

#### Investment Property:

(₹ in '000)

Particulars	Office Premises
<b>(I) Gross Carrying Value</b>	
Balance as at April 1, 2020	653,735.00
Additions during the year	-
Deductions/Adjustments during the year	72,469.56
Other Adjustments during the year	-
<b>Balance as at March 31, 2021</b>	<b>581,265.44</b>
Additions during the year	-
Deductions/Adjustments during the year	45,463.80
Other Adjustments during the year	-
<b>Balance as at March 31, 2022</b>	<b>535,801.65</b>
<b>(II) Accumulated Depreciation</b>	
Balance as at April 1, 2020	52,900.93
Depreciation expense for the year	13,377.87
Deductions/Adjustments during the year	6,623.63
<b>Balance as at March 31, 2021</b>	<b>59,655.17</b>
Depreciation expense for the year	11,949.41
Deductions/Adjustments during the year	6,425.23
<b>Balance as at March 31, 2022</b>	<b>65,179.35</b>
<b>Net Carrying Value (I-II)</b>	
Balance as at March 31, 2021	521,610.27
Balance as at March 31, 2022	470,622.30

#### (ii) Right of use Assets:

Amount in ₹

Particulars	Office Premises
<b>(I) Gross Carrying Value</b>	
Balance as at April 1, 2020	-
Additions during the year	-
Deductions/Adjustments during the year	-
Other Adjustments during the year	-
<b>Balance as at March 31, 2021</b>	<b>-</b>
Additions during the year	498.71
Deductions/Adjustments during the year	-
Other Adjustments during the year	-
<b>Balance as at March 31, 2022</b>	<b>498.71</b>
<b>(II) Accumulated Depreciation</b>	
Balance as at April 1, 2020	-
Depreciation expense for the year	-
Deductions/Adjustments during the year	-
<b>Balance as at March 31, 2021</b>	<b>-</b>
Depreciation expense for the year	124.68
Deductions/Adjustments during the year	-
<b>Balance as at March 31, 2022</b>	<b>124.68</b>
<b>Net Carrying Value (I-II)</b>	
Balance as at March 31, 2021	-
Balance as at March 31, 2022	374.03
Balance as at March 31, 2021	521,610.27
Balance as at March 31, 2022	470,996.33



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes :

The Company has mortgaged above Investment property as security against the borrowings.

### Disclosure pursuant to Ind AS 40 "Investment Property"

#### a. Amount recognised in the Statement of Profit and Loss from investment property: (₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Rental income derived from investment property	20,305.35	26,561.99
Direct operating expenses arising from investment property that generated rental income	(30,980.43)	(32,396.44)
Loss from investment properties before depreciation	(10,675.08)	(5,834.45)
Depreciation	(12,074.09)	(13,377.87)
<b>Profit from Investment property</b>	<b>(22,749.16)</b>	<b>(19,212.32)</b>

#### b. Fair Value of Investment Property (₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Fair Value of Investment Property	1,006,504.58	1,006,504.58
<b>Total</b>	<b>1,006,504.58</b>	<b>1,006,504.58</b>

Valuation is based on the report as of 31.03.2021 of an accredited independent valuer. Fair value is based on market value approach wherever available.

#### c. Contractual Obligations

There is no contractual obligation to purchase, construct or develop investment property.

#### d. Leasing arrangements

Certain identifiable portions of investment properties are leased out to tenants under cancellable operating lease.

### Note 4:

#### Investments : Non-current (₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Investments measured at Cost</b>		
<b>In Equity Shares of Wholly-owned Subsidiary company</b>		
<b>Unquoted</b>		
30,00,000 (As on 31st March 2020: 30,00,000) equity shares of Rs 10 each fully paid in Nucleus IT Enabled Services Ltd (refer note 4.3)	30,000.00	30,000.00
<b>In Equity Shares of Subsidiary company</b>		
<b>Unquoted</b>		
1,54,62,761 (As on 31st March 2021: 95,61,111) equity shares of Rs 10 each fully paid in Asit C Mehta Investment Intermediates Ltd (refer note 4.1 & 4.2)	407,283.13	206,627.07
<b>In Equity Shares of Subsidiary company</b>		
<b>Unquoted</b>		
30,00,000 (As on 31st March 2021: NIL) equity shares of Rs 10 each fully paid in Edgytal Fintech Investment Services Pvt. Ltd. (refer note 4.3)	45,000.00	-
<b>In Equity Shares of Subsidiary company</b>		
<b>Unquoted</b>		
50,00,000 (As on 31st March 2021: NIL) Warrant of Re 1 each in Edgytal Fintech Investment Services Pvt. Ltd. (refer note 4.3)	7,500.00	-
<b>Investments measured at Amortised cost</b>		
<b>In Preference shares of Others</b>		
<b>Unquoted</b>		



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

2,50,000 (As on 31st March 2021: 2,50,000) Redeemable Preference Shares of Rs. 10 each fully paid in Omniscience Capital Advisors Private Limited (rate of Dividend 0.01%)	671.31	617.53
<b>Investments measured at Cost</b>		
<b>Unquoted</b>		
<b>In Equity Shares</b>		
270 (As at 31st March 2021: 270) equity shares of Rs. 10 each in Chargein Kiosk Pvt Ltd fully paid	2.70	2.70
<b>Investment In Mutual Fund</b>		
14720.014 Units (As at 31.03.2021 - NIL) of Aditya Birla Sun Life Liquid Fund Growth	5,000.00	0
<b>Total</b>	<b>495,457.14</b>	<b>237,247.30</b>
Aggregate amount of unquoted investments	495,457.14	237,247.30
Aggregate amount of quoted investments	-	-
Market Value of quoted investments	-	-

- 4.1 Financial guarantee issued by the Company in respect of Bank Overdraft facility availed by Asit C Mehta Investment Intermediates Limited by way of mortgage of certain immovable property (office unit no.101-A & 103-A). Accordingly, the financial guarantee issued by the Company are initially measured at Fair value of `630.00 (‘ in ‘000)/ [As on 31.03.2021 `630.00 (‘ in ‘000)/-] and accounted as contribution and recognised as cost of Investment.
- 4.2 On 14th February 2022, the Company has made investment of ₹ 2,00,656.06 ( ₹ ‘000) in subsidiary Asit C Mehta Investment Intermediates Limited, by acquiring the additional Equity Shares of 59,01,650 at Rs. 34/- per share including the premium of Rs. 24 per share by way of issuing 2,00,65,606 (4%) Unsecured Redeemable Non Convertible Debentures at the rate of Rs. 10 each via private placement. As a result, share holding of the Company in the subsidiary increased from 57.56% to 93.09%.
- 4.3 On 30th March 2022, the Company has made investment of ₹ 45000.00 ( ₹ ‘000) in Edgytal Fintech Investment Services Pvt. Limited, by subscribing to the Equity Shares of 30,00,000 at Rs. 15 per share including the premium of Rs. 5 per share. The Company has also acquired 50,00,000 Share Warrants at Rs. 1.50 per warrant. Post acquisition, the holding of the Company is 77.89%. As a result Edgytal Fintech Investment Services Pvt. Ltd. has become Subsidiary of the Company.
- 4.4 The Board of Directors of the Company passed a resolution dated April 16, 2021 to consider and approve the Scheme of Merger of the Nucleus IT Enabled Services Ltd. (Wholly owned Subsidiary) with the Company. Accordingly, the Company had filed the application before Hon'ble National Company Law Tribunal, Mumbai ("NCLT"). The appointed date under the proposed scheme is March 31, 2021. The NCLT have passed Interim Order dated August 17, 2021 but they are yet to approve the Scheme. Pending approval, no effect of the same is given in the books of Account.



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 5:

#### Trade Receivables - Non-Current

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>	1,637.18	1,608.39
Unsecured, considered doubtful	-	-
Less: provision for doubtful debts	-	-
<b>Total</b>	<b>1,637.18</b>	<b>1,608.39</b>

#### Trade Receivables aging schedule as on March 31, 2022

(Amount in Rs.)

Particulars	Outstanding for following periods from due date of payment #					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good						-
(ii) Undisputed Trade receivables - which have significant increase in credit risk						
(iii) Undisputed Trade receivables - Credit impaired						
(iv) Disputed Trade receivables - considered good				1637.18		1637.18
(v) Disputed Trade receivables - which have significant increase in credit risk						-
(vi) Disputed Trade receivables - Credit impaired						

#### Trade Receivables aging schedule as on March 31, 2021

(Amount in Rs.)

Particulars	Outstanding for following periods from due date of payment #					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good						-
(ii) Undisputed Trade receivables - which have significant increase in credit risk						
(iii) Undisputed Trade receivables - Credit impaired						
(iv) Disputed Trade receivables - considered good				1,608.39		1,608.39
(v) Disputed Trade receivables - which have significant increase in credit risk						
(vi) Disputed Trade receivables - Credit impaired						

# The due date of payment has taken as the date of Transaction as due date of payment has not specified.

### Note 6:

#### Other Financial Assets : Non Current

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured considered good</b>		
Other Corporates (Interest Accrued Rs. 10,74,282; P.Y. Rs. 5,34,282)	5,074.28	4,534.28
<b>Total</b>	<b>5,074.28</b>	<b>4,534.28</b>



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 7:

#### Other Financial Assets : Non Current

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
Security Deposits	1,260.24	1,260.24
<b>Total</b>	<b>1,260.24</b>	<b>1,260.24</b>

### Note 8:

#### Current Tax Assets (net) : Non-current

(₹in'000)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
Income Tax	4,771.73	7,967.55
MAT Credit Entitlement	-	1,039.32
<b>Total</b>	<b>4,771.73</b>	<b>9,006.87</b>

### Note 9:

#### Other Non-current assets

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
Prepaid component of 2,50,000 redeemable Preference Shares of `10 each of Omniscience Capital Advisors Private Limited (redeemable within 20 years i.e. ending on 29th November 2037)	1,770.24	1,828.70
<b>Total</b>	<b>1,770.24</b>	<b>1,828.70</b>

### Note 10:

#### Trade Receivables - Current

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good	3,510.01	3,075.15
Unsecured, considered doubtful	-	-
Less: provision for doubtful debts	-	-
<b>Total</b>	<b>3,510.01</b>	<b>3,075.15</b>

#### Trade Recievables aging schedule as on March 31, 2022

(Amount in Rs.)

Particulars	Outstanding for following periods from due date of payment #					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	2,428.85	1,000.06	24.47	-	56.63	3,510.01
(ii) Undisputed Trade receivables - which have significant increase in credit risk						
(iii) Undisputed Trade receivables - Credit impaired						
(iv) Disputed Trade receivables - considered good						-
(v) Disputed Trade receivables - which have significant increase in credit risk						-
(vi) Disputed Trade receivables - Credit impaired						



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Trade Receivables aging schedule as on March 31, 20221

(Amount in Rs.)

Particulars	Outstanding for following periods from due date of payment #					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	2,973.38	45.14	-	-	56.63	3,075.15
(ii) Undisputed Trade receivables - which have significant increase in credit risk						
(iii) Undisputed Trade receivables - Credit impaired						
(iv) Disputed Trade receivables - considered good						-
(v) Disputed Trade receivables - which have significant increase in credit risk						
(vi) Disputed Trade receivables - Credit impaired						

# The due date of payment has taken as the date of Transaction as due date of payment has not specified.

#### Note 11:

#### Cash and Cash Equivalents

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Balances with Banks</b>		
On Current Accounts	2,936.25	263.74
Cash on hand	34.38	20.33
<b>Total</b>	<b>2,970.63</b>	<b>284.07</b>

#### Note 12:

#### Bank Balances other than Cash and Cash Equivalents

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed Deposits with Bank (Having maturity of more than 12 Months)	-	769.81
Fixed Deposits pledged with Bank against Bank guarantee [Having maturity of not more than 12 months] (refer note 38 - foot note 1)	8,093.00	8,093.00
<b>Total</b>	<b>8,093.00</b>	<b>8,862.81</b>

#### Note 13:

#### Loans : Current

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured considered good</b>		
<b>Inter corporate deposits</b>		
Nucleus IT Enabled Services Limited - Wholly owned Subsidiary	70,497.74	107,107.93
Edgytal Fintech Investment Services Pvt. Limited - Subsidiary	32,378.98	-
To Other (KMP)	25.00	-
<b>Total</b>	<b>102,901.72</b>	<b>107,107.93</b>



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Additional Regulatory Information :

#### Disclosure with respect to Loans or Advances granted to Promoters, Directors, KMP and the Related Parties

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	-	-
Directors	-	-
<b>KMP</b>	-	-
Sumit Sharma	25.00	19.55
<b>Related Parties</b>		
Nucleus IT Enabled Services Ltd	70.50	55.13
Edgytal Fintech Investment Services Pvt. Ltd.	32.38	25.32
<b>Total</b>	<b>127.88</b>	<b>100.00</b>

#### Note 14:

##### Other Financial Assets : Current

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured considered good</b>		
Interest receivable	15.11	13.08
Receivable on TDS accounts from NBFC	1,079.54	1,007.29
<b>Total</b>	<b>1,094.64</b>	<b>1,020.37</b>

#### Note 15:

##### Current Tax Assets (net) : Current

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
Income Tax	2,521.88	-
<b>Total</b>	<b>2,521.88</b>	<b>-</b>

#### Note 16:

##### Other Current assets

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured considered good</b>		
<b>Balances with Government Authorities</b>		
Service Tax / GST	804.12	5.40
Deposit for Service Tax Appeal	339.92	339.92
<b>Others</b>		
Prepaid Expenses	1,257.15	357.15
Prepaid amount on Preference Shares	58.46	53.77
Other advances	<b>526.81</b>	<b>10.93</b>
<b>Total</b>	<b>2,986.46</b>	<b>767.17</b>



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 17:

#### Share Capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount in ₹	No. of shares	Amount in ₹
<b>Authorised :</b>				
Equity shares of par value Rs.10/-	1,00,00,000	1,00,000.00	1,00,00,000	1,00,000.00
	<b>1,00,00,000</b>	<b>1,00,000.00</b>	<b>1,00,00,000</b>	<b>1,00,000.00</b>
Equity Share Capital				
<b>Issued, Subscribed and Paid up :</b>				
Equity shares of par value Rs. 10/- fully paid up	4,952,560	49,525.60	4,952,560	49,525.60
<b>Less : Treasury Shares (Nucleus Stock Trust)*</b>	(105,183)	(1,051.83)	(118,985)	(1,189.85)
	<b>4,847,377</b>	<b>48,473.77</b>	<b>4,833,575</b>	<b>48,335.75</b>
<b>Total</b>	<b>4,847,377</b>	<b>48,473.77</b>	<b>4,833,575</b>	<b>48,335.75</b>

#### Terms/Rights attached to Equity Shares

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

Dividend, if any, is declared and paid in Indian Rupees. Final dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting except in case of Interim Dividend. However, no dividend is declared on equity shares for the year ended March 31, 2022.

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

#### \* Treasury Shares

Treasury shares are held by Nucleus Stock Trust which represents 1,05,183 (1,18,985) Equity Shares of `10/- each fully paid-up of the Company issued, pursuant to a Scheme of Arrangement approved by the Hon'ble High Court of Bombay vide its Order dated February 10, 2006, to the Nucleus Stock Trust, created wholly for the benefit of the Company and is being managed by trustees appointed by it.

#### a. Reconciliation of the number of shares outstanding

(₹ in '000)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount in ₹	No. of shares	Amount in ₹
Equity Shares Outstanding at the beginning of the year	4,833,575	48,335.75	4,833,575	48,335.75
Changes during the year	13,802	138.02	-	-
<b>Equity Shares outstanding at the end of the year</b>	<b>4,847,377</b>	<b>48,473.77</b>	<b>4,833,575</b>	<b>48,335.75</b>

#### b. Shareholders having more than 5% holding

Name of the Shareholder	No. of Shares	% of total shares	% Change during the year	
			% of total shares	
1) Asit C Mehta	2,291,638	46.27	-	-
2) Deena A Mehta	1,314,728	26.55	414,370	46.04
3) Asit C Mehta HUF	77,000	1.55	-	-
4) Jayesh T Desai HUF	7,120	0.14	-	-
5) Gopa Jayesh Desai	1,900	0.04	-	-
6) Rupa Atul Shah	1,500	0.03	-	-
<b>Total</b>	<b>4,952,560</b>	<b>100</b>		



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

Shares held by promoters at March 31, 2021	No. of Shares	% of total shares	% Change during the year	
Promoter Name			% of total shares	
1) Asit C Mehta	2,291,638	46.27	-	-
2) Deena A Mehta	900,358	18.18	-	-
3) Asit C Mehta HUF	77,000	1.55	-	-
4) Jayesh T Desai HUF	7,120	0.14	-	-
5) Gopa Jayesh Desai	1,900	0.04	-	-
6) Rupa Atul Shah	1,500	0.03	-	-
<b>Total</b>	<b>4,952,560</b>	<b>100</b>	<b>-</b>	<b>-</b>

### c. Shareholders having more than 5% holding

Name of the Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% Holding	No. of shares	% Holding
Mr. Asit C. Mehta	2,291,638	46.27%	2,291,638	46.27%
Mrs. Deena A. Mehta	1,314,728	26.55%	900,358	18.18%
Asit C Mehta Commodity Services Ltd	-	-	400,470	8.09%

### d. Details of forfeited shares :

Class of Shares	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount originally paid up	No. of shares	Amount originally paid up
Equity shares with voting rights	147,700	739	147,700	739
Equity shares with voting rights*	42,000	21	42,000	21

\* these shares were originally issued by erstwhile Nucleus Netsoft And GIS (India) Limited which was amalgamated with the Company.

### e. Information for the period of five years immediately preceding the date of Balance Sheet

(i) Number and class of shares allotted as fully paid up pursuant to contract without payment received in cash	Nil	Nil
(ii) Aggregate number and class of shares allotted by way of Bonus shares	Nil	Nil
(iii) Aggregate number and class of shares bought back	Nil	Nil

### Note 18:

#### Other Equity

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Capital Reserve</b>		
Balance at the beginning and at the end of the year	759.50	759.50
	<b>759.50</b>	<b>759.50</b>
<b>Securities Premium</b>		
Balance at the beginning and at the end of the year	41,043.96	41,043.96
	<b>41,043.96</b>	<b>41,043.96</b>
Retained Earnings		
<b>Balance as at the beginning of the year</b>	<b>357,361.88</b>	<b>329,466.28</b>



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

Add : Net (Loss)/Profit after Tax transferred from the Statement of Profit and Loss	(27,705.86)	27,887.86
Add : Other Comprehensive Income/(Expense) arising from Remeasurement of Defined Benefit Obligation (Net of Tax)	<b>26.61</b>	<b>7.74</b>
	329,682.63	357,361.88
<b>Other Items of Other Comprehensive Income</b>		
<b>Balance as at the beginning of the year</b>	-	-
Add: Profit / (loss) for the year	<b>26.61</b>	<b>7.74</b>
<b>Less: Reclassification of Remeasurement (gain) / loss on defined benefits plans.</b>	<b>(26.61)</b>	<b>(7.74)</b>

### Description of the nature and purpose of Other Equity

**Capital Reserve:** Capital reserves created by the Company due to forfeiture of Equity Shares of the Company on occasion of Amalgamation.

**Securities Premium:** Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013

**Retained Earnings:** Retained Earnings are the profits that the Company has earned till date and is net of amount transferred to other reserves such as general reserves etc., amount distributed as dividends and adjustments on account of transition to Ind AS..

**Equity Instruments through Other Comprehensive Income:** This represents cumulative gains/(losses) arising on the measurement of equity instruments at Fair Value through Other Comprehensive Income.

### Note 19:

#### Borrowings : Non-current

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Secured loans</b>		
<b>From NBFC</b>		
a. Term Loan from NBFC (refer note (i) below)	-	42,399.03
b. Term Loan from NBFC (refer note (ii) below)	-	36,440.02
c. Term Loan from NBFC (refer note (iii) below)	183,732.57	189,733.72
d. Term Loan from NBFC (refer note (iv) below)	15,107.23	20,716.16
e. Term Loan from NBFC (refer note (v) below)	-	5,891.19
f. Term Loan from NBFC (refer note (vi) below)	86,843.83	-
<b>Unsecured</b>		
4% Redeemable Non Convertible Debentures	200,656.10	-
2,00,65,610 (As on 31st March 2021: Nil) Debentures of Rs 10 each. (refer note below)		
Loan from Directors (Including Interest Accrued Rs. 36,32,556; Previous Year Rs. 15,77,332)	51,411.65	21,377.33
<b>Total</b>	<b>537,751.37</b>	<b>316,557.45</b>



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Nature of Security and Term of Repayment of Long-term Borrowing :

(₹ in '000)

Name of Security	As at March 31, 2022	As at March 31, 2021
i) Mortgage of commercial property situated at Nucleus House, Andheri (East), Mumbai, bearing nos 3rd, 4th, 5th, 6th & 7th floor 'A' Wing, - The Company has foreclosed loan in the month of February 2022. Rate of Interest : [31.03.2022 Nil, 31.03.2021 11.15%]	-	55,309.97
ii) Secured by Equitable / registered mortgaged of the properties located at Nucleus House "B" Wing, unit 201B of 2nd Floor (released on 14th December 2020) and 701B of 7th Floor. (commencing from May'2014) (tenure 180 months) - The Company has foreclosed loan in the month of February 2022. Rate of Interest : [31.03.2022 Nil, 31.03.2021 11.15%]	-	41,092.88
iii) "Secured by Equitable Mortgage of the properties located at Nucleus House A wing : unit 102 of 1st Floor, unit 201, 202 & 203 of 2nd Floor and unit 801 of 8th floor and B wing : unit 101, 102 of 1st floor and Unit 301 of 3rd Floor. (Repayable in 113 Installments) Rate of Interest : [31.03.2022 10.20%, 31.03.2021 10.20%]	183,732.57	189,733.72
iv) "Secured by Equitable Mortgage of the properties located at Nucleus House B wing : unit 401 of 4th floor, unit 501 of 5th floor and Unit 601 of 6th floor. (Repayable in 49 Installments) Rate of Interest : [31.03.2022 10.35%, 31.03.2021 10.35%]	15,107.23	20,716.16
v) "Secured by Equitable Mortgage of the properties located at Nucleus House B wing : unit 701 of 7th floor. During the earlier year, the company has taken loan from NBFC and is repayable in 36 Installment from November 2021 - The Company has foreclosed loan in the month of February 2022." Rate of Interest : [31.03.2022 14.00%, 31.03.2021 14.00%]	-	6,658.90
vi) Secured by Equitable Mortgage of the properties located at Nucleus House A wing : unit 3rd to 7th Floor. (Repayable in 144 Installments) Rate of Interest : [31.03.2022 14.00%, 31.03.2021 Nil]	86,843.83	-
The outstanding Loan of Rs. 8,92,32,748 has been taken over by an NBFC by process of loan transfer, The necessary charge has been created by the New company.		
<b>Total</b>	<b>285,683.62</b>	<b>313,511.63</b>
<b>Less: Current Maturities of Long-term borrowings (refer note 24)</b>	8,894.65	18,331.51
<b>Total</b>	<b>276,788.98</b>	<b>295,180.12</b>
<b>In respect of unsecured loan - 4% Unsecured Redeemable Non-Convertible Debentures</b>		
2,00,65,610 Debentures being 4% Unsecured Redeemable Non-Convertible Debentures of Rs. 10/- each, redeemable in 3 Installments i.e after 36 Months-33.33%, after 48 Months - 33.33% and after 60 Months - 33.34% and on redemption premium is payable at 10% issue price. The Company has right of prepayment.	200,656.10	-
<b>Total</b>	<b>200,656.10</b>	<b>-</b>

### Note 20:

### Lease Liability: Non-Current

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Lease Liability (refer note 44)	225.43	-
<b>Total</b>	<b>225.43</b>	<b>-</b>



**ASIT C. MEHTA FINANCIAL SERVICES LIMITED****Note 21:****Provisions : Non-current**

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Provision for employee benefits</b>		
Gratuity (unfunded)	6.92	4.33
Leave Encashment	-	31.52
<b>Total</b>	<b>6.92</b>	<b>35.85</b>

**Note 22:****Deferred Tax Liabilities (net):**

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax Liabilities (net)	314.35	301.47
<b>Total</b>	<b>314.35</b>	<b>301.47</b>

**Note 23:****Other Liabilities: Non-Current**

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Financial Guarantee Contract (On behalf of Subsidiary)	40.67	166.67
<b>Total</b>	<b>40.67</b>	<b>166.67</b>

**Note 24:****Borrowings : Current**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Secured</b>		
Current Maturities of Long Term borrowings (refer note-19)	8,894.65	18,331.51
<b>Unsecured</b>		
Security Deposits	9,809.00	32,060.74
Loan from Subsidiary - Edgytal Fintech Investment Services Pvt. Ltd.	5,808.22	-
Other Corporate Loans (including Interest Accrued 15,00,041; Previous Year Rs. 14572)	111,500.04	70,014.57
<b>Total</b>	<b>136,011.91</b>	<b>120,406.82</b>

**Note 25:****Lease Liability: Current**

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Lease Liability (refer note 44)	143.14	-
<b>Total</b>	<b>143.14</b>	<b>-</b>

**Note 26:****Trade Payables**

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) dues to micro enterprises and small enterprises; and	-	-
(b) dues to creditors other than micro enterprises and small enterprises*	8,347.91	11,730.15
* (Unbilled Dues Rs. 6,92,848; Previous Year Rs. 10,17,094)		
<b>Total</b>	<b>8,347.91</b>	<b>11,730.15</b>



**ASIT C. MEHTA FINANCIAL SERVICES LIMITED****Trade payables aging schedule as on March 31, 2022****(Amount in Rs.)**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year *	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others (see note below)	5,563.95	2,783.95	-	-	8,347.91
(iii) Disputed dues - MSME					
(iv) Disputed dues - others					

Note - The Company is entitled to tax credit of Rs. 28,84,544 (as per details on website of Municipal Corporation) which will get adjusted against the demand of Rs. 27,83,952/-.

**Trade payables aging schedule as on March 31, 2021****(Amount in Rs.)**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year *	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others (see note below)	5,987.10	4,039.24	1,703.81	-	11,730.15
(iii) Disputed dues - MSME					
(iv) Disputed dues - others					

The Company has not received any intimation from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"), and therefore the following disclosures under the Act is made based on the Company's records. This has been relied upon by the auditors.

Amounts payable to Micro and Small Enterprises	As on March 31, 2022	As on March 31, 2021
(i) the principal amount and the interest due thereon	Nil	Nil
(ii) interest Paid during the year	Nil	Nil
(iii) the amount of interest due and payable for the period of delay in making payment	Nil	Nil
(iv) the amount of interest accrued and remaining unpaid	Nil	Nil
(v) the amount of further interest remaining due and payable	Nil	Nil

**Note 27:****Other Financial Liabilities: Current****(₹ in '000)**

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued but not due on long term borrowings	1,220.60	1,862.91
Interest payable on borrowings	11.34	383.18
<b>Total</b>	<b>1,231.94</b>	<b>2,246.09</b>

**Note 28:****Other Current Liabilities****(₹ in '000)**

Particulars	As at March 31, 2022	As at March 31, 2021
Income Received in advance	433.23	433.23
Financial Guarantee Contract (On behalf of Subsidiary)	126.00	126.00
<u>Others</u>		
Statutory dues	2,383.96	874.63
<b>Total</b>	<b>2,943.19</b>	<b>1,433.86</b>



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 29:

#### Provisions : Current

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Provision for employee benefits :</b>		
Provision for Gratuity	-	0.01
Leave Encashment	-	0.43
<b>Total</b>	<b>-</b>	<b>0.44</b>

### Note 30:

#### Tax Liabilities (Net) : Current

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Current Tax provision (Net of Advance Tax)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### Note 31:

#### Revenue from Operations

(₹ in '000)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b><u>Sale of services</u></b>		
Rental Income	20,305.35	26,561.99
Advisory charges	3,654.24	3,400.00
<b>Total</b>	<b>23,959.59</b>	<b>29,961.99</b>

### Note 32:

#### Other Income

(₹ in '000)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Interest Income</b>		
On Bank Deposits	432.48	523.42
On Income Tax Refund	387.56	-
From Wholly Owned Subsidiary	4,706.83	3,218.16
from Subsidiary	2,421.09	-
On Inter Corporate Deposits	600.00	577.60
Interest on Preference Shares measured at amortised cost	53.77	199.60
Interest on Electricity Security Deposit	34.01	38.80
<b>Other Non- Operating Income</b>		
Foreign exchange gain (net)	-	0.64
Miscellaneous Income	85.28	-
Profit on Sale of Investment Property	8,961.44	62,254.07
Profit on Sale of Treasury Shares	2,286.51	-
Amortisation of financial guarantee	126.00	126.00
<b>Total</b>	<b>20,094.97</b>	<b>66,938.28</b>



**ASIT C. MEHTA FINANCIAL SERVICES LIMITED****Note 33:****Employee Benefit Expenses****(₹ in '000)**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salary and allowance	1,273.82	522.55
Contribution to provident and other funds	17.45	1.55
Staff Welfare	102.02	2.50
Leave Encashment	133.25	31.95
Gratuity Expenses (refer note 45)	4.40	5.00
<b>Total</b>	<b>1,530.93</b>	<b>563.54</b>

**Note 34:****Finance Cost****(₹ in '000)**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Interest on Long Term Borrowings		
- Term Loans	34,234.43	34,978.52
- Debentures (to Related Parties)	1,011.53	-
- On Loans from Directors	5,858.89	1,720.98
b) Interest on Short Term Borrowings		
- Inter Corporate Deposits	3,700.98	414.25
c) Others	243.29	51.30
d) Interest on Preference Shares measured at amortised cost	53.77	101.49
e) Other Borrowing Cost		
Loan Processing Fees	618.06	-
<b>Total</b>	<b>45,720.94</b>	<b>37,266.53</b>

**Note 35:****Other Expenses****(₹ in '000)**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Rates and Taxes	4,419.87	4,710.00
Electricity charges	358.07	277.19
Repairs and Maintenance – Building	446.59	1,143.52
Repairs and Maintenance – Other	1,577.84	666.94
Travelling & Conveyance	38.11	14.36
Listing Fees Stock Exchange	325.00	309.00
Legal and Professional fees	1,917.73	1,703.50
Auditors remuneration :		
Audit fees	600.00	512.50
Tax Audit	-	25.00
Other Services (including limited reviews and certificates)	195.00	162.50
Directors' sitting fees	375.00	340.00
Insurance	100.15	61.28
Brokerage / Commission	70.00	601.00
Miscellaneous Expenses	715.76	1,118.32
<b>Total</b>	<b>11,139.13</b>	<b>11,645.11</b>



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 36:

#### Disclosure pursuant to Ind-AS 12 on "Income Taxes"

#### A. Components of Tax Expenses/(Income) (₹ in '000)

a. Profit or Loss Section	For the year ended March 31, 2022	For the year ended March 31, 2021
Current Tax	-	4,800.00
Deferred Tax	3.53	2.88
MAT Credit Entitlement written off / Utilised	1,039.32	1,073.32
Tax Adjustment of Earlier Years	17.37	-
<b>Income Tax Expense reported in the statement of Profit or Loss</b>	<b>1,060.22</b>	<b>5,876.19</b>

(₹ in '000)

b. Other Comprehensive Income Section	For the year ended March 31, 2022	For the year ended March 31, 2021
Remeasurements of Defined Benefit Plans	(9.35)	(2.72)
Effect of measuring Equity Instruments on Fair Value	-	-
<b>Income Tax Expense reported in Other Comprehensive Income</b>	<b>(9.35)</b>	<b>(2.72)</b>

#### B. Reconciliation of Income Tax Expense/(Income) and Accounting Profit multiplied by domestic tax rate applicable in India

(₹ in '000)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit (loss) before Tax	(26,645.65)	33,764.06
Corporate Tax rate as per Income Tax Act, 1961 (excluding cess)	22.00%	22.00%
Tax rate u/s 115JB (excluding cess)	15.00%	15.00%
Tax on Accounting Profit	-	4,800.00
MAT Credit Entitlement	1,039.32	1,073.32
<b>*Tax effect of :</b>		
Income Exempt from Tax	-	-
Income considered separately	-	-
Expenses Allowed separately	-	-
<b>Current Tax Provision (A)</b>	<b>1,039.32</b>	<b>5,873.32</b>
Deferred Tax Liability	5.35	15.03
Deferred Tax Asset	(7.43)	9.43
<b>Deferred Tax (B)</b>	<b>12.78</b>	<b>5.60</b>
<b>Adjustments in respect of current income tax of previous years (C)</b>	<b>17.37</b>	<b>-</b>
<b>Tax expenses recognised during the year (A+B+C)</b>	<b>1,043.91</b>	<b>5,867.72</b>
<b>Effective tax rate</b>	<b>0.00%</b>	<b>17.38%</b>

Disclosure pursuant to Ind-AS 12 on "Income Taxes" 2021



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### C. Deferred Tax

#### Components and Reconciliation of Deferred Tax (Assets)/Liabilities 2021-22

(₹ in '000)

Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
Property, Plant and Equipment	304.43	(4.00)	-	300.43
Unabsorbed depreciation	-	-	-	-
House Property loss	-	-	-	-
Accrued Expenses allowable on cash basis (Section 43B of IT Act)	(9.43)	7.43	-	(2.00)
Unrealised (gain)/loss on FVTOCI equity securities	-	-	-	-
Net loss/(gain) on remeasurements of defined benefit plans	6.48	-	9.35	15.83
<b>Total</b>	<b>301.47</b>	<b>3.43</b>	<b>9.35</b>	<b>314.26</b>

#### Components and Reconciliation of Deferred Tax (Assets)/Liabilities 2020-21

(₹ in '000)

Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
Property, Plant and Equipment	292.12	12.31	-	304.43
Unabsorbed depreciation	-	-	-	-
House Property loss	-	-	-	-
Accrued Expenses allowable on cash basis (Section 43B of IT Act)	-	(9.43)	-	(9.43)
Unrealised (gain)/loss on FVTOCI equity securities	-	-	-	-
Net loss/(gain) on remeasurements of defined benefit plans	3.76	-	2.72	6.48
<b>Total</b>	<b>295.88</b>	<b>2.88</b>	<b>2.72</b>	<b>301.47</b>

#### Note 37:

#### Additional Regulatory Information:

#### Analytical Ratios

RATIO	FORMULA	DETAIL FORMULA		2021-22		2020-21	% VARIANCE	REMARKS
	CURRENT ASSETS	CURRENT ASSETS	124,078.34		121,117.49			
CURRENT RATIO				0.83		0.89	-6.42%	NA
	CURRENT LIAB	CURRENT LIAB	148,678.09		135,817.35			
	TOTAL DEBT	CURRENT + NON CURRENT BORROWING	673,763.28		436,964.27			
DEBT-EQUITY RATIO				1.60		0.98	64.30%	Due to increase in Borrowing ( including Debenture issued for the purpose of further acquisition of shares in subsidiary ACMIIL during the year)as compare to last year
	SHAREHOLDER'S EQUITY	EQUITY + RESERVE & SURPLUS	419,959.86		447,501.09			



**ASIT C. MEHTA FINANCIAL SERVICES LIMITED**

	EARNING AVAILABLE FOR DEBT SERVICE	PBT + DEPRECIATION + INTEREST ON LOAN	29,706.23		78,815.43			
DEBT SERVICE COVERAGE RATIO				0.45		1.30	-65.73%	Due to lower operating income as compared to last year
	DEBT SERVICE	INTEREST ON LOAN + EMI PRINCIPAL INSTALMENT	66,738.68		60,686.62			
	NET PROFIT AFTER TAX - PREF SH DIV	PAT	(27,705.86)		27,887.86			
RETURN ON EQUITY RATIO				-0.06		0.06	-199.31%	Due to loss during the year after tax as compared to last year Profit after tax
	AVG SHAREHOLDER EQUITY	(OPENING + CLOSING ) /2 SHARE HODLERS FUND	433,730.48		433,553.29			
INVENTORY TURNOVER RATIO	NA			NA		NA	NA	NA
	NET CREDIT SALES	REVENUE FROM OPERATIONS	23,959.59		29,961.99			
TRADE RECEIVABLES TURNOVER RATIO				4.87		7.77	-37.27%	Due to lower revenue from operation and increase in Receivable as compare to last year
	AVG ACCOUNT RECEIVABLE	(Opening + Closing ) / 2 Trade Receivable ( Current and Non Current)	4,915.36		3,855.58			
TRADE PAYABLES TURNOVER RATIO	NA			NA		NA	NA	NA
	NET SALES	Revenue from Operations	23,959.59		29,961.99			
Net capital turnover ratio				-0.97		-2.04	-52.22%	Due to lower revenue from operations and increase in working capital requirement as compare to last year
	WORKING CAPITAL	( Current Assets - Current Liabilities)	(24,599.75)		(14,699.86)			
	NET PROFIT	PAT	(27,705.86)		27,887.86			
Net profit ratio				-1.16		0.93	-224.24%	Due to loss during the year after tax as compared to last year Profit after tax



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

	NET SALES	Revenue from Operations	23,959.59		29,961.99			
	EARNING BEFORE INTEREST AND TAXES	PBT + Interest Cost	18,457.24		(3,502.48)			
Return on Capital employed				0.02		-0.00	-526.15%	Due to loss during the year before tax and higher interest cost and higher Total Capital Employed as compared to last year
	CAPITAL EMPLOYED	Share Capital + Reserve and Surplus + Borrowing (Current + Non current)	1,093,723.14		884,465.36			
	PBT+Finance Cost	PBT+Finance Cost	18,457.24		(3,502.48)			
Return on investment				0.02		-0.00	-528.63%	Due to loss during the year before tax and higher interest cost and higher Total Assets as compared to last year
	Total Assets	Total Assets (Fixed + Current + Non current)	1,106,976.69		900,379.88			

### Note 38:

### Contingent Liabilities and Commitments

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>A. Contingent Liabilities (refer footnote- 5)</b>		
<b>a. Claims against the Company/ disputed liabilities not acknowledged as debts</b>		
i. Income-tax matters under appeal (AY 10-11)	19.91	19.91
ii. Income-tax matters under appeal (AY 16-17) (refer foot note- 3)	589.87	589.87
iii. Income-tax matters under appeal (AY 17-18) (refer foot note- 4)	11,676.02	11,676.02
iv. Service Tax matters under appeal (refer foot note- 2)	10,197.58	10,197.58
v. FEMA matter (refer footnote- 1)	16,186.00	16,186.00
<b>Total</b>	<b>38,669.38</b>	<b>38,669.38</b>
<b>B. Financial guarantee given (refer note 4.1)</b>	<b>13,000.00</b>	<b>13,000.00</b>
<b>C. Guarantee given (refer footnote 1)</b>	<b>16,186.00</b>	<b>16,186.00</b>

### foot notes:

- (1) The Company received pay orders valuing to ₹ 5,072.00( ₹ in '000) from customers in the financial year 1994-95 in respect of Money Changing business. These payorders were dishonored by the issuing nationalized bank as per the instructions of Directorate of Revenue & Intelligence. The Company was made a party to proceedings under the Customs Act 1962 and the proceeds were sought to be forfeited by the DRI and Customs Department. The Collector of Customs levied a penalty on the Company and its Branch managers under the proceedings. The Company had challenged the award before the Customs, Excise and Gold (Control), Appellate Tribunal, Mumbai (CEGAT) . CEGAT struck down the order acquitting the company and ruled in favour of the Company ordering the Customs Department to release the consideration of the aforesaid sum. The Customs department preferred an appeal in High Court of Mumbai . Ho. Mumbai High Court ordered the Customs Department to release the sum as per the CEGAT order. The Customs Department appealed in the Supreme Court pleading that it will



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be filing a reference petition soon in Mumbai High Court. The Supreme Court ordered the Customs Department by way of an interim order to release the sum against a bank guarantee of equivalent sum. The company has furnished the required bank guarantee. The Customs Department has since filed a reference petition before the Hon'ble High Court of Judicature at Bombay and the same is still pending for disposal.

During 1994-95, proceedings were initiated against the Company by the Department of Revenue and Intelligence. under Foreign Exchange Regulations Act, 1973 for the same allegations. FERA was abolished in the year 2000., and sunset clause applied till 2007-2008. The proceedings were decided just before the sunset clause of FERA. In 2007-2008, the Company received an order from the office of the Special Directorate of Enforcement holding Company guilty in respect of defiance with the instructions contained in the FLM Memorandum and imposing a penalty of ₹16,186.00 (₹ in '000). The Company contends that it had always complied with the relevant regulations of the Reserve Bank of India as contained in FLM – Memorandum of Instructions to Full-Fledged Money Changers. The Company has filed an appeal before the Appellate Tribunal for Foreign Exchange (ATFE) contesting the order, which is still pending.

- (2) The Service Tax Department had raised a demand of ₹ 10,197.58 (₹ in '000), reflected above in contingent liability, by passing an Ex parte order dated 11th April 2008. The Company's appeal against this order was dismissed by Commissioner (Appeals). Against this order the Company has filed appeal before CESTAT Mumbai. The management, based on expert's advice, is confident that the demand is not sustainable and hence no provision for the same is made in the books of account.
- (3) The Company had received assessment order for financial year 2015-16 (Assessment year 2016-17) raising demand of ₹589.87 (₹ in '000). The said demand had arisen on account of disallowance of part of business expenditure by treating expenditure against house property income. The Company has deposited ₹ 118.00 (₹ in '000) against the said demand and had filed an appeal against the same. The Department has adjusted pending refund for previous years Amounting to Rs. 425.54 (₹ in '000) of A.Y. 2018-19 and ₹ 72.28 (₹ in '000) of AY 2017-18 against the said demand.
- (4) The Company had received assessment order for financial year 2016-17 (Assessment year 2017-18) raising demand of ₹11,676.02 (₹ in '000). The said demand had arisen on account of disallowance of part of business expenditure by treating expenditure against house property income. The Company has deposited ₹ 1215.00 (₹ in '000) against the said demand and had filed an appeal against the same.

(5) In respect of items above, it is not possible for the company to estimate the timings of cash outflows which would be determinable only on receipt of judgments pending at various forums/authorities.

The management, based on the expert's advice, is confident that the said tax demands are not sustainable and hence no provision for the same is made in the books of accounts.

The company does not expect any reimbursement in respect of above contingent liabilities.

B.	Commitments	NIL	NIL
	i) Estimated Amount of Contracts remaining to be executed but not provided	Nil	Nil
	ii) Towards unpaid portion of 50,00,000 Warrants subscribed of Edgytal Fintech Investment Services Pvt. Ltd. (Right to be exercised within 18 Months from the date of issue, i.e. 29.03.2022)	67,500.00	NIL
	iii) Other Commitments	Nil	Nil

### Note 39:

#### Disclosures of transactions with related parties required under Ind AS 24 on "Related Party Disclosures"

##### A. List of Related Parties with whom transactions have taken place during the year

##### (I) Related parties where control exists: (₹ in '000)

Subsidiary	Principal place of business	Proportionate ownership interest	
		As at March 31, 2022	As at March 31, 2021
Nucleus IT Enabled Services Ltd (wholly owned subsidiary) (refer note 4.4)	India	100.00%	100.00%
Asit C Mehta Investment Intermediates Ltd (subsidiary) (ACMIIL) (refer note 4.2)	India	93.09%	57.56%
Edgytal Fintech Investment Services Pvt. Ltd. (formerly known as Edgytal Digital Marketing Pvt. Ltd.) (subsidiary) (w.e.f. 30.03.2022) (refer note 4.3)	India	77.89%	0.00%



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### (II) Related parties where significant influence exists.

Asit C Mehta Commodity Services Limited

### (III) Key Management Personnel (KMP)

Mr. Asit C Mehta :- Chairman and Director  
 Mrs. Deena A. Mehta :- Non-Executive Director  
 Mr. Kirit Vora :- Non-Executive Director  
 Mr. Radha Krishna Murthy :- Independent Director  
 Mr. Pundarik Sanyal :- Independent Director  
 Mr. Vijay Ladha :- Independent Director (upto 15th September 2020)  
 Mr. Manohar Lal Vij :- Independent Director (from 14th February 2022)  
 Mr. Pankaj J Parmar :- Manager  
 Mr. Akshay Jain :- Chief Financial Officer (upto 31st July 2020)  
 Mr. Ashok Gupta :- Chief Financial Officer (upto 28th Oct. 2021)  
 Mr. Sumit Sharma :- Company Secretary and Compliance officer (from 31st July, 2020)  
 Mr. Sumit Sharma :- Company Secretary and Compliance officer (from 31st July, 2020)

### (IV) Relatives of Key Management Personnel (KMP) (No Transaction during the year)

Mr. Chimanlal Mehta - Father of Chairman  
 Mr. Jayesh Desai - Brother of Non Executive Director

### (V) Relatives of Key Management Personnel (KMP) (No Transaction during the year)

Mr. Aditya A Mehta - Son of Chairman  
 Mr. Aakash A Mehta - Son of Chairman

### B. Transactions With Related Parties

(₹ in '000)

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	<b>Rental Income</b>		
i.	Nucleus IT Enabled Services Limited	300.00	6,228.00
ii.	Asit C. Mehta Investment Intermediates Limited	13,416.00	13,416.00
iii.	Edgytal Fintech Investment Services Pvt. Ltd.	-	480.00
iv.	Asit C Mehta Commodity Services Limited	120.00	120.00
	<b>Interest Received on Loan</b>		
i.	Nucleus IT Enabled Services Limited	4,706.83	3,218.16
	Edgytal Fintech Investment Services Pvt. Ltd.	2,421.09	-
	<b>Interest paid on Loan</b>		
i.	Mrs. Deena A. Mehta	1,922.19	1,705.22
ii.	Mr, Asit C. Mehta	3,936.70	-
iii.	Edgytal Fintech Investment Services Pvt. Ltd.	120.25	-
iv.	Asit C Mehta Commodity Services Limited	12.60	-
	<b>Interest paid on Debentures</b>		
i.	Mrs. Deena A. Mehta	314.95	-
ii.	Mr, Asit C. Mehta	598.45	-
iii.	Asit C Mehta Commodity Services Limited	98.13	-
iv.	Mr. Chimanlal Mehta	0.00	-
v.	Mr. Jayesh Desai	0.00	-
	<b>Guarantee charges recovered (amortisation)</b>		
i.	Asit C. Mehta Investment Intermediates Limited	126.00	126.00
	<b>Lease Deposit refunded towards Rented Premises</b>		
i.	Asit C. Mehta Investment Intermediates Limited	26,251.74	-



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

	<b>Lease Deposit received towards Rented Premises</b>		
i.	Nucleus IT Enabled Services Limited	1,000.00	-
	<b>Reimbursement of Expenses (recovery)</b>		
i.	Asit C. Mehta Investment Intermediates Limited (Electricity Expense)	469.30	178.97
	Nucleus IT Enabled Services Limited (Electricity expense)	11.23	65.00
	<b>Remuneration/Sitting Fees to KMP</b>		
i.	Mr. Akshay Jain	-	209.84
ii.	Mr. Asit C Mehta	60.00	50.00
iii.	Mrs. Deena A. Mehta	60.00	50.00
iv.	Mr. Kirit Vora	85.00	70.00
v.	Mr. Vijay Ladha	-	40.00
vi.	Mr. Radha Krishna Murthy	85.00	70.00
vii.	Mr. Pundarik Sanyal	85.00	60.00
viii.	Mr. Ashok Gupta	1,313.83	321.47
ix.	Mr. Sumit Sharma	91.03	28.19
	<b>Sale of Investment property (immovable)</b>		
i.	Asit C. Mehta Investment Intermediates Limited	-	68,000.00
ii.	Mr, Asit C. Mehta	48,000.00	-
iii.	<b>Investment in subsidiaries</b>		
iv.	Asit C. Mehta Investment Intermediates Limited (See below)	200,656.06	80,000.00
v.	Edgytal Fintech Investment Services Pvt. Ltd. (Equity Shares)	45,000.00	-
vi.	Edgytal Fintech Investment Services Pvt. Ltd. (Warrants)	7,500.00	-
	<b>Acquisition of further stake in Equity Shares of ACMIL</b>		
	<b>through Allotment of Unsecured Redeemable NCD (see note 4.2)</b>		
i.	Mr. Asit C Mehta	118,713.24	-
ii.	Mrs. Deena A. Mehta	62,475.54	-
iii.	Asit C Mehta Commodity Services Limited	19,465.00	-
iv.	Mr. Chimanlal Mehta	0.57	-
v.	Mr. Jayesh T Desai	0.57	-
vi.	Others (Non Related)	1.14	
	<b>Loan Given</b>		
i.	Nucleus IT Enabled Services Limited	368,415.00	192,885.00
ii.	Edgytal Fintech Investment Services Private Limited	75,200.00	-
iii.	Sumit Sharma	25.00	-
	<b>Loan Received back</b>		
i.	Nucleus IT Enabled Services Limited	409,261.33	103,672.13
ii.	Edgytal Fintech Investment Services Private Limited	45,000.00	-
	<b>Loan Taken &amp; Reimbursement</b>		
i.	Mrs. Deena A. Mehta	29,975.00	48,200.00
ii.	Edgytal Fintech Investment Services Private Limited	5,700.00	-
iii.	Mr. Asit C Mehta	84,500.00	-
iv.	Asit C Mehta Commodity Services Limited	40,000.00	-
v.	Mr. Asit C Mehta (Reimbursement)	480.00	-
	<b>Loan Refunded</b>		
i.	Mrs. Deena A. Mehta	35,150.00	28,400.00
ii.	Mr. Asit C Mehta	52,825.00	-
iii.	Asit C Mehta Commodity Services Limited	40,000.00	-



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### C. Outstanding Balances

(₹ in '000)

	Particulars	As on March 31, 2022	As on March 31, 2021
	<b>Closing balance Receivable</b>		
i.	Nucleus IT Enabled Services Ltd (including Interest and Rent)		
	i) Loan	63,284.79	104,131.13
	ii) Interest	7,212.95	2,976.80
	iii) Rent	59.00	-
ii.	Asit C. Mehta Investment Intermediates Limited	-	469.30
iii.	Edgytal Fintech Investment Services Private Limited		
	i) Loan	30,200.00	-
	ii) Interest	2,178.98	-
iv.	Sumit Sharma	25.00	-
	<b>Closing balance Payable</b>		
i.	Mrs. Deena A. Mehta (Including interest on Loan)	17,932.30	21,377.33
ii.	Edgytal Fintech Investment Services Private Limited - (including Interest)	5,808.22	-
iii.	Mr. Asit C Mehta (Including interest on Loan)	33,479.34	-
iv.	Asit C Mehta Commodity Services Limited (Interest Payable)	11.34	-
v.	Mr. Asit C Mehta (Reimbursement)	480.00	-
	<b>Property Deposit Payable</b>		
i.	Nucleus IT Enabled Services Ltd	3,000.00	2,000.00
ii.	Asit C. Mehta Investment Intermediates Limited	-	26,251.74
iii.	Asit C Mehta Commodity Services Limited	1,500.00	1,500.00
	<b>Financial Guarantee Contracts Commission</b>		
i.	Asit C. Mehta Investment Intermediates Limited	166.67	292.67

#### Terms and conditions of transactions with related parties

The transactions of services/sales to and services/purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances on account of trade receivable, trade payable, other receivable, other payable and interest receivable and payable on loan at the year end are unsecured and settlement occurs in cash. There have been no guarantees provided or received in respect of outstanding receivables or payables from/to any related party. This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related party operates.

#### Note 40:

Disclosure required under Section 186(4) of the Companies Act, 2013 for Loans, Security provided and Investments :

(₹ in '000)

	Nature of the transaction	Purpose	As on March 31, 2022	As on March 31, 2021
1	Inter Corporate deposits and Loans (Unsecured) Nucleus IT Enabled Services Ltd (including interest receivable)	Business Purpose	70,497.74	110,084.73
2	Security provided by way of mortgage of certain immovable property to Bank for extending Banking facilities Asit C Mehta Investment Intermediates Limited	Business Purpose	63,000.00	63,000.00
3	Investments For details refer note 4 to the accounts			



**Note 41:****Additional Regulatory Information:****UTILISATION OF BORROWED FUND AND SHARE PREMIUM DURING THE YEAR:**

The Company in the ordinary course of business advanced, loaned and made investments on its own account, in equities, resulting into increasing its stake in one of its subsidiaries and a new subsidiary during the year. The Company has also provided Guarantees and Securities on behalf of its one of the subsidiaries to fulfil the conditions of sanction from the said subsidiary's Bankers. Except for the the same to the best of its knowledge & belief, no funds, of material in nature 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(s) or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**Note 42:****Additional Regulatory Information :****RECEIPT OF FUND FROM ANY PERSONS AND ENTITIES AND USE THEREOF FOR LENDING, INVESTMENTS, ETC. DURING THE YEAR :**

"The Company, in the ordinary course of its business, has obtained funds from entities for use on its own account, either for lending and investing. Except this, to the best of its knowledge & belief, no funds, of material in nature, have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."

**Note 43:****Earnings Per Share (EPS) :**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net profit / (loss) after tax as per Statement of profit and loss available for equity shareholders	(27,705.86)	27,887.86
Number of Equity Shares at the beginning of the year	4,833,575.00	4,833,575.00
Add:- Treasury Shares disposed during the year	13,802.00	-
Number of Equity Shares at the end of the year	4,847,377.00	4,833,575.00
Weighted average number of equity shares used as denominator for calculating Basic and Diluted Earnings per shares	4,833,575.00	4,833,575.00
Add:- Treasury Shares disposed during the year	4,575.46	-
Total	4,838,150.46	4,833,575.00
Face Value per Equity Share	10.00	10.00
Basic and Diluted Earnings per Share	(5.73)	5.77

**Note 44:****Lease****Refer Note 2 (2.19) for accounting policy on Lease****Where the Company is a lessor**

The Company has given premises under operating lease. These lease agreements range for a period between 11 months to 5 years and all are cancellable leases. Most of the leases are renewable for further period on mutual agreeable terms and also includes escalation clauses.

**Where the Company is a lessee**

The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease



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if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether :

- the contract involves the use of an identified asset;
- The Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- The Company has the right to direct the use of the asset.

### Rental Income Related to operating leases:

(₹in'000)

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
i	Rental Income recognised in the statement of profit and loss for the year	20,305.35	26,561.99
<b>Total</b>		<b>20,305.35</b>	<b>26,561.99</b>

(₹in'000)

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
i	Lease rental Income		
	Total of lease rent Income for a period :		
	Not later than one year	13,469.63	17,072.42
	later than one year but not later than five years	40,730.25	11,471.64
	later than five years	-	1,582.68
<b>Total</b>		<b>54,199.88</b>	<b>30,126.74</b>

The Company has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (April 1, 2019).

### Note 45:

#### Employee Benefits

The Company has classified various employee benefits as under:

#### A. Defined Contribution Plans

##### Provident Fund

The Provident Fund are operated by the Regional Provident Fund Commissioner. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. These funds are recognised by the Income Tax Authorities.

The Company has recognised the following amounts in the Statement of Profit and Loss:

(₹ in '000)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Contribution to Provident Fund & Pension Fund	17.45	1.55
<b>Total</b>	<b>17.45</b>	<b>1.55</b>

#### B. Defined Benefit Plans

##### Gratuity

Valuations in respect of above have been carried out by independent actuary, as at the balance sheet date, based on the following assumptions:

	Particulars	Valuation as at	
		31-Mar-22	31-Mar-21
i.	Mortality	Indian Assured Lives Mortality (2012-14) Table	
ii.	Discount Rate (per annum)	6.95%	6.95%



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

iii	Rate of increase in Compensation levels (per annum)	5.00%	5.00%
iv	Attrition Rate	0.8% for all ages	0.8% for all ages
v	Retirement Age	58 years	58 years

- vi The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.
- vii The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

### Note on other risks:

**Investment risk** - The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

**Interest Risk** –A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

**Salary risk** -The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

**Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

**Mortality risk:** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

(₹in'000)

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
		Gratuity Unfunded	Gratuity Unfunded
<b>i. Changes in Present value of Obligation</b>			
Present value of defined benefit obligation at the beginning of the year		4.34	9.80
Interest Cost		0.30	0.67
Current Service cost		4.10	4.34
<b><u>Components of actuarial gain/losses on obligations:</u></b>			
- Due to Change in financial assumptions		(0.64)	(0.12)
- Due to change in demographic assumption		-	(0.01)
- Due to experience adjustments		(1.17)	(10.34)
Benefits Paid		-	-
<b>Present value of defined benefit obligation at the end of the year (PVO)</b>		6.92	4.34
<b>ii. Fair value of Plan Assets</b>			
Fair value of plan assets at the beginning of the year		-	-
Interest Income		-	-
<b>Fair value of plan assets at the end of the year</b>		-	-
<b>iii. Amount to be recognised in the Balance Sheet</b>			
Present Value of Benefit Obligation at the end of the year		6.92	4.34
Fair Value of Plan Assets at the end of the year		-	-
<b>Funded Status Surplus/ (Deficit)</b>		<b>(6.92)</b>	<b>(4.34)</b>



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

	<b>Net (Liability)/Asset recognised in the Balance Sheet</b>	6.92	4.34
iv.	<b>Expenses recognised in the Statement of Profit and Loss</b>		
	Current Service Cost	4.10	4.34
	Interest cost on benefit obligation (net)	0.30	0.67
	<b>Total Expenses recognised in the Statement of Profit and Loss</b>	4.40	5.00
v.	<b>Remeasurement Effects Recognised in Other Comprehensive Income for the year</b>		
	<b>Components of actuarial gain/losses on obligations:</b>		
	- Due to Change in financial assumptions	(0.64)	(0.12)
	- Due to change in demographic assumption	-	(0.01)
	- Due to experience adjustments	(1.17)	(10.34)
	<b>Amounts recognised in Other Comprehensive (Income) / Expense</b>	(1.81)	(10.46)
vi.	<b>Movements in the Liability recognised in Balance Sheet</b>		
	Opening Net Liability	4.34	9.80
	Adjustment to opening balance	-	-
	Expenses as above	4.40	5.00
	Contribution paid	-	-
	Other Comprehensive Income (OCI)	(1.81)	(10.46)
	<b>Closing Net Liability</b>	6.92	4.34
vii.	<b>Cash flow Projection: From the Fund</b>		
	Within the next 12 months (next annual reporting period)	0.01	0.01
	2nd following year	0.02	0.01
	3rd following year	0.02	0.01
	4th following year	0.12	0.01
	5th following year	0.13	0.01
	Sum of Years 6 To 10	0.77	0.45
viii.	<b>Sensitivity Analysis</b>		
	Projected Benefit Obligation on Current Assumptions		
	Delta Effect of +1% Change in Rate of Discounting	5.70	3.61
	Delta Effect of -1% Change in Rate of Discounting	8.44	5.22
	Delta Effect of +1% Change in Rate of Salary Increase	8.46	5.23
	Delta Effect of -1% Change in Rate of Salary Increase	5.67	3.59
ix.	<b>The major categories of plan assets as a percentage of total</b>		
	Insurer managed funds	-	-

### Note on Sensitivity Analysis

Sensitivity analysis for each significant actuarial assumptions of the Company which are discount rate and salary assumptions as of the end of the reporting period, showing how the defined benefit obligation would have been affected by changes is called out in the table above.

The method used to calculate the liability in these scenarios is by keeping all the other parameters and the data same as in the base liability calculation except for the parameters to be stressed.

There is no change in the method from the previous period and the points /percentage by which the assumptions are stressed are same to that in the previous year.



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 46:

#### Financial Instruments

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

#### Valuation

- The fair values of investment in quoted equity shares, if any, is based on the current bid price of respective investment as at the Balance Sheet date.
- The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

#### Fair Value measurement hierarchy

- The fair value of financial instruments as referred below have been classified into three categories depending on the inputs used in the valuation technique.
- The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

Level 1: Quoted prices for identical instruments in an active market;

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data.

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

(₹ in '000)

Particulars	As at March 31, 2022				As at March 31, 2021			
	Carrying Amounts	Fair Value			Carrying Amounts	Fair Value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
<b>Financial Assets</b>								
<b>Measured at Amortised Cost</b>								
Investment in Preference Shares (unquoted)	671.31	-	-	-	617.53	-	-	-
Loans	104,161.95	-	-	-	108,368.16	-	-	-
Trade Receivable	3,510.01	-	-	-	3,075.15	-	-	-
Cash and Bank Balance	2,970.63	-	-	-	284.07	-	-	-
Other Bank Balance	8,093.00	-	-	-	8,862.81	-	-	-
Others	1,094.64	-	-	-	1,020.37	-	-	-
	<b>120,501.54</b>	-	-	-	<b>122,228.09</b>	-	-	-
<b>Measured at FVTOCI</b>								
Investment in equity instruments	-	-	-	-	-	-	-	-
<b>Total Financial Assets</b>	<b>120,501.54</b>	-	-	-	<b>122,228.09</b>	-	-	-
<b>Financial Liabilities</b>								
<b>Measured at Amortised Cost</b>								
Borrowing	673,763.28	-	-	-	436,964.27	-	-	-
Trade Payables	-	-	-	-	-	-	-	-
Others	1,231.94	-	-	-	2,246.09	-	-	-
<b>Total Financial Liabilities</b>	<b>674,995.22</b>	-	-	-	<b>439,210.36</b>	-	-	-



**Note 47:****Capital Management and Financial Risk Management Policy****A. Capital Management**

For the purpose of the Company's Capital Management, Capital includes issued Equity Capital and all Other Reserves attributable to the Equity shareholders of the Company. The Primary objective of the Company's Capital Management is to maximise the shareholders' value. The Company's Capital Management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximise shareholder's value. The Company monitors capital using debt-equity ratio as its base, which is total debt divided by total equity.

**Debt Equity Ratio - Total Debt divided by Total Equity****(₹ in '000)**

Particulars	As on March 31, 2022	As on March 31, 2021
Total Debt	673,763.28	436,964.27
Total Equity	419,959.86	447,501.09
Debt Equity Ratio	1.60	0.98

**B. Financial Risk Management and Policies**

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The risk management policy is approved by the Company's Board. The Company's principal financial liabilities comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations in select instances. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations and investments. The company is exposed to market risk, credit risk, liquidity risk etc. The objective of the Company's financing policy are to secure solvency, limit financial risks and optimise the cost of capital.

Company has exposure to following risk arising from financial instruments:

Credit risk

Market risk

Liquidity risk

**i) Credit Risk**

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, investments in units of mutual funds, other balances with banks, deposits and other receivables.

**ii) Trade Receivable**

Customer credit risk managed by Company's established policy, procedure and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

**iii) Financial instruments**

The Company limits its exposure to credit risk by investing mainly in units of debt funds issued by mutual funds and that too have higher credit rating. The Group monitors changes in credit risk by tracking published external credit ranking.

**ii) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments. The Company has designed risk management framework to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

The company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar.

The carrying amount of the Company's foreign currency denominated monetary assets as at the end of the reporting period is as follows :



(₹ in '000)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Amount in Foreign currency	Amount in ₹	Amount in Foreign currency	Amount in ₹
Receivable USD	-	-	-	-

**Foreign currency sensitivity:**

The following table demonstrates the sensitivity to a 5% increase/decrease in foreign currencies exchange rates, with all other variables held constant.

5% increase or decrease in foreign exchange rate will have the following impact on before profit before tax and impact on equity.

(₹ in '000)

Particulars	As at March 31, 2022		As at March 31, 2021	
	5% increase	5% decrease	5% increase	5% decrease
<b>Impact on Profit and Loss</b>				
USD	-	-	-	-

**a) Equity Risk**

The Company is exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than purposes. The Company does not actively trade these investments. Profit for the year ended March 31, 2022 and March 31, 2021 would have been unaffected as the equity investments are FVTOCI and none of the investments were disposed off during the year and resulting profit/(loss) on sale of investment is required to be recorded in Other Comprehensive Income.

**iii) Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company maintains a cautious liquidity strategy, with a positive cash balance throughout the year. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. Cash flow from operating activities provides the funds to service and finance the financial liabilities on a day-to-day basis.

The table below provides details regarding the remaining contractual maturities of Company's financial liabilities.

(₹ in '000)

Particulars	Less than 1 Year/ On Demand	1-5 years	More than 5 years	Total
<b>As at March 31, 2022</b>				
Non-derivative financial liabilities				
Borrowings	136,011.91	141,250.39	151,934.00	429,196.30
Trade Payables	-	-	-	-
Other financial liabilities	1,231.94	-	-	1,231.94
<b>Total</b>	<b>137,243.85</b>	<b>141,250.39</b>	<b>151,934.00</b>	<b>430,428.24</b>
<b>As at March 31, 2021</b>				
Non-derivative financial liabilities				
Borrowings	123,452.64	141,998.62	153,181.50	418,632.76
Trade Payables	-	-	-	-
Other financial liabilities	20,577.60	-	-	20,577.60
<b>Total</b>	<b>144,030.24</b>	<b>141,998.62</b>	<b>153,181.50</b>	<b>439,210.36</b>

**Note 48:**
**Information on Segment Reporting as per Ind AS 108 on "Operating Segments"**

Operating Segments are those components of the business whose operating results are regularly reviewed by the Chief Operating Decision making body in the company to make decisions for performance assessment and resource allocation.

The Company has identified two reportable primary segments, Investment activities and Advisory and Consultancy services in term of Ind AS 108 on 'Operating Segment'.



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### I. Operating Segment

(₹ in '000)

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A. Segment Revenue (Sales / Services to external customers):</b>			
a.	Investment Activities	20,305.35	26,561.99
b.	Advisory and Consultancy services	3,654.24	3,400.00
c.	Advisory Export	-	-
<b>Total Revenue</b>		<b>23,959.59</b>	<b>29,961.99</b>
<b>B. Segment Results :</b>			
Profit/ (Loss) before Tax and Interest			
a.	Investment Activities	(37,448.90)	36,900.62
b.	Advisory and Consultancy services	1,576.74	2,462.64
<b>Total</b>		<b>(35,872.16)</b>	<b>39,363.26</b>
Add:	Unallocable Income	20,094.97	4,684.21
Less:	Interest Expense	10,868.45	10,283.42
<b>Profit/(Loss) before Tax</b>		<b>(26,645.65)</b>	<b>33,764.06</b>

(₹ in '000)

Particulars		As at March 31, 2022	As at March 31, 2021
<b>Other Information :</b>			
Segment Assets			
a.	Investment Activities	1,073,475.36	886,476.67
b.	Advisory and Consultancy services	3,557.86	4,228.96
c.	Others – Unallocated	10,470.44	9,674.16
<b>Total</b>		<b>1,087,503.66</b>	<b>900,379.79</b>
Segment Liabilities			
a.	Investment Activities	(684,637.54)	452,004.07
b.	Advisory and Consultancy services	-	-
c.	Others – Unallocated	2,379.28	874.63
<b>Total</b>		<b>(682,258.26)</b>	<b>452,878.70</b>
Capital Expenditure during the year			
a.	Investment Activities		
	– Tangible Fixed Assets	-	-
	– Intangible Fixed Assets	-	-
b.	Advisory and Consultancy services	-	-
c.	Others – Unallocated	-	-
<b>Total</b>		<b>-</b>	<b>-</b>
Depreciation during the year			
a.	Investment Activities	11,949.41	13,377.87
b.	Advisory and Consultancy services	235.12	283.17
c.	Others – Unallocated	-	-
<b>Total</b>		<b>12,184.53</b>	<b>13,661.04</b>

i. The Company has Geographical Segment in terms of Ind AS 108 on "Operating Segments".

(₹ in '000)



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

Particulars	As at March 31, 2022			As at March 31, 2021		
	Revenue from Customers by location	Carrying Amount of Segment Assets by Location	Addition to Fixed Assets	Revenue from Customers by location	Carrying Amount of Segment Assets by Location	Addition to Fixed Assets
Domestic	23.96	1,106.98	-	29,961.99	900,379.79	-
Overseas	-	-	-	-	-	-
<b>Total</b>	<b>23.96</b>	<b>1,106.98</b>	<b>-</b>	<b>29,961.99</b>	<b>900,379.79</b>	<b>-</b>

ii. Segmentwise and Customer wise Revenue comprising 10% or more of respective segment of Revenue: (₹ in '000)

Revenue from	As at March 31, 2022		As at March 31, 2021	
	Revenue	No. of Customers	Revenue	No. of Customers
Investment Activities	18,468.20	3.00	23,721.00	3.00
Advisory Services	3,150.00	2.00	2,400.00	1.00
<b>Total</b>	<b>21,618.20</b>	<b>5.00</b>	<b>26,121.00</b>	<b>4.00</b>

### Notes to Financial Statements :

#### Note 49:

##### COVID- 19 IMPACT AND DISCLOSURE

- The Impact of Corona Virus and reluctance to work from office has impacted the leasing of Premises of the Company. Frequent adjournments by Court has impacted recoverability of Company's assets such as trade receivable etc..
- The Rental income of the company has impacted due to reduction in demand for commercial office space in the face of preference for work from home by staff. The Investment banking and advisory activities are also impacted due to slowing down of economic activities.

#### Note 50:

##### Proposed Scheme of Merger:

The Board of Directors of the Company passed a resolution dated April 16, 2021 to consider and approve the Scheme of Merger of the Nucleus IT Enabled Services Ltd. (Wholly owned Subsidiary) with the Company. Accordingly, the Company had filed the application before Hon'ble National Company Law Tribunal, Mumbai ("NCLT"). The appointed date under the proposed scheme is March 31, 2021. The NCLT have passed interim order dated August 17, 2021 but they are yet to approve the Scheme. Pending approval, no effect of the same is given in the books of Account.

#### Note 51:

Previous years figures have be regrouped / reclassified wherever necessary.  
Notes (Including Significant Accounting Policies) 1 to 51

Forming Part of the Financial Statements

As per our report of even date attached

For Chandrakant & Sevantilal & J. K. Shah & Co.

Chartered Accountants

Firm Reg. No: 101676W

(Kiran C. Shah) Partner

Membership No. 032187

Place : Mumbai

Date :- 27.05.2022

For and on behalf of the Board of Directors

Asit C Mehta

Chairman

DIN: 00169048

Kirit H. Vora

Director

DIN: 00168907

Gauri Gokhale

Company Secretary



**CONSOLIDATED FINANCIAL STATEMENTS**  
**(2021-22)**



### INDEPENDENT AUDITOR'S REPORT

To the Members of

**ASIT C. MEHTA FINANCIAL SERVICES LIMITED**

**Report on the audit of the Consolidated Ind AS Financial Statements**

#### 1. Opinion

We have audited the accompanying consolidated Ind AS financial statements of **ASIT C. MEHTA FINANCIAL SERVICES LIMITED** ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "Group"), which comprise the Consolidated Balance Sheet as at **31<sup>st</sup> March 2022**, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of changes in Equity and the Consolidated Statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (Ind AS), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at **31<sup>st</sup> March, 2022**, the consolidated net **profit** (including other comprehensive income), consolidated changes in Equity and its consolidated cash flows for the year ended on that date.

#### 2. Basis for Opinion

We conducted our audit of the Consolidated Ind AS Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements* section of our report. We are independent of the Group in accordance with the "Code of Ethics" issued by the Institute of Chartered Accountants of India ("ICAI") together with the independence and ethical requirements that are relevant to our audit of the Consolidated Ind AS Financial Statements under the provisions of the Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's "Code of Ethics".

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.

#### 3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS Financial Statements of the current period. We, based on our professional judgement, have determined that there are no key audit matters to communicate in our report.

#### 4. Information Other than the Financial Statements and Auditor's Report Thereon (Other information)

The Holding Company's Board of Directors are responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including annexures thereto, Business Responsibility Report, Corporate Governance Report but does not include the Consolidated Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Consolidated Ind AS 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.

#### 5. Responsibility of Management and those charged with governance for the Consolidated Ind AS Financial Statements

The Holding Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the



Act with respect to the preparation of these Consolidated Ind AS Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Ind AS Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

#### **6. Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements**

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

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

- identify and assess the risks of material misstatement of the Consolidated Ind AS 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 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 Group has adequate internal financial controls with reference to Consolidated Ind AS Financial Statements in place and the operating effectiveness of such controls;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management;
- conclude on the appropriateness of the Management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS 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 Group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation; and



- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the Consolidated Ind AS Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entity included in the Consolidated Ind AS Financial Statements, of which we are the independent auditors. For the other entities included in the Consolidated Ind AS Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further prescribed in section titled 'Other Matters' to this audit report.

Materiality is the magnitude of misstatements in the Consolidated Ind AS 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 Consolidated Ind AS Financial Statements.

We communicate with those charged with governance of Holding company included in the Consolidated Ind AS Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS Financial Statements for the financial year ended 31<sup>st</sup> March, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **7. Other Matter**

We did not audit the Standalone financial statements/financial information of Asit C. Mehta Investment Intermediates Limited ("ACMIIL") a subsidiary, the Standalone Ind AS financial statements of Nucleus IT Enabled Services Limited ("NITES"), the wholly owned subsidiary ("WOS") and of Edgytal Fintech Investment Services Private Limited ("EDGYTAL"), a subsidiary, (together referred to as "entities"), all these three entities' financial statements/financial information, considered in the Consolidated Ind AS Financial Statements, which reflect total assets of ₹ 12,04,060.59 thousands as at 31<sup>st</sup> March 2022 (before elimination of intra-group transactions), total revenues of ₹ 4,01,572.51 thousands (before elimination of intra-group transactions) and net cash in-flows amounting to ₹ 22,229.63 thousands (as per consolidated cash-flow statement).

The Standalone financial statements of ACMIIL are prepared and audited by the other auditors under the Accounting Standards prescribed under Section 133 of the Act, read with rule 7 of the Companies (Accounting Standards) Rules, 2014, who have furnished unmodified audit report thereon and these audited financial statements have been further restated/prepared by the Management in compliance with the Ind AS requirements and are furnished to us, duly certified by the Management, which are unaudited. These Standalone Ind AS financial statements (of ACMIIL), duly certified by the Management, have been considered by us in the Consolidated Ind AS Financial Statements.

Further, the standalone Ind AS financial statements of NITES and the standalone Ind AS financial statements are audited by the other auditors in compliance with the Ind AS requirements and they have furnished the unmodified audit reports thereon. These standalone Ind AS financial statements have been considered by us in the Consolidated Ind AS Financial Statements. Our audit report on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of standalone Ind AS financial statements of ACMIIL, standalone Ind AS financial statements of NITES and standalone Ind AS financial statements of EDGYTAL and our report in terms of sub-sections (3) and (11) in terms of section 143 of the Act, in so far as it relates to the said entities, is solely based on the audited financial statements/Ind AS financial statements, audited or otherwise, by the other auditors and such certified Consolidated Financial statements/financial statements and financial information, as the case may be, by the Management, and the reports by such other auditors, wherever available.

Our opinion on the Consolidated Ind AS Financial Statements and our Report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the Reports of the other Auditors, wherever available, and the financial statements/financial information certified by the Management.



**8. Report on Other Legal and Regulatory Requirements**

**8.1** As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), as amended, issued by the Central Government of India in terms of section 143(11) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and the other financial information of the subsidiaries as noted in the "Other Matter" paragraph, we give in the Annexure A, a statement on the matters specified in paragraphs 3(xxi) of the Order, to the extent applicable.

**8.2** As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and the other financial information of the subsidiaries, as noted in the "Other Matter" paragraph, we report that to the extent applicable, that:

- (a) we/the other auditors, whose reports we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements;
- (b) in our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books and reports of the other auditors;
- (c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of changes in Equity and the Consolidated Cash Flows Statement, dealt with by this Report, are in agreement with the relevant books of account maintained for the purpose of preparation of the aforesaid Consolidated Ind AS Financial Statements.
- (d) in our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Ind AS specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) on the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2022, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31<sup>st</sup> March, 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 with reference to financial statements of the Holding Company and its subsidiaries incorporated in India and the operating effectiveness of such controls, refer to our separate Report in **Annexure B**, which is based on the auditors' reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of those companies, for the reasons stated therein.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and according to the information and explanations given to us, and as per the records, the Holding Company's Board consists of non-executive directors and independent directors only. These directors are paid only sitting fees for attending the Board meetings and Committees meetings plus reimbursement for travel expenses incurred to attend the said meetings. In our opinion, such payments by the Holding Company to the said directors during the year are in accordance with the provisions of section 197 of the Act. With regard to remuneration paid to directors by its subsidiary companies incorporated in India, as per the audit reports of the respective subsidiary companies' auditors, are in accordance with the provisions of section 197 of the Act;

- (h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, as noted in "Other Matter" paragraph:
  - (i) the Group has disclosed the impact of pending litigations on its financial position in its Consolidated Ind AS Financial Statements – Refer Note 39 to the Consolidated Ind AS Financial Statements;
  - (ii) the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as required under the applicable law or accounting standards;



- (iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India;
- (iv) (i) the respective management of the Holding Company and its subsidiaries, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, respectively, that to the best of its/their knowledge and belief, other than as disclosed in note to the accounts, (Note 43) 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 Holding Company and/or by any of its subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the respective Holding Company and/or any of its subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (ii) the respective management of the Holding Company and its subsidiaries, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, respectively, that, to the best of its/their knowledge and belief, other than as disclosed in note to the accounts, (Note 44) no funds have been received by the respective Holding Company or any of its subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of its subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (iii) based on such audit procedures that we and the other auditors of the subsidiaries considered reasonable and appropriate in the circumstances, nothing has come to our or to other auditors of the subsidiaries' notice that has caused us or to the other auditors to believe that the representations under sub-clause (i) and (ii) herein above contain any material misstatement; and
- (v) based on the records and further information and explanations given to us and to the other auditors of the subsidiaries, the Holding Company and/or its subsidiaries have not declared or paid any dividend during the year, hence the question of reporting thereon by us and other auditors, in compliance with section 123 of the Act does not arise.

For CHANDRAKANT & SEVANTILAL & J. K. SHAH & Co.  
Chartered Accountants  
Firm Registration No. 101676 W

(Kiran C. Shah), Partner  
Membership No.: 032187  
UDIN: 22032187AJSVAZ4382

Mumbai  
Dated: 27<sup>th</sup> May, 2022

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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[Referred to in paragraph 8.1 under “Report on Other Legal and Regulatory Requirements” section of our report of even date on the matters specified in clause 3(xxi) of the Order]

**Clause 3(xxi) of the Order:**

There are no qualifications or adverse remarks by the respective auditors of the Holding Company’s subsidiaries in their Report on the matters specified in the Companies (Auditors Report) Order (“CARO”) reports of the subsidiaries companies included in the Consolidated Ind AS Financial Statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

For CHANDRAKANT & SEVANTILAL & J. K. SHAH & Co.  
Chartered Accountants  
Firm Registration No. 101676 W

Mumbai  
Dated: 27<sup>th</sup> May, 2022

(Kiran C. Shah), Partner  
Membership No.: 032187  
UDIN: 22032187AJSV4382



### ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF ASIT C. MEHTA FINANCIAL SERVICES LIMITED

[Referred to clause (f) of paragraph 8.2 under “Report on Other Legal and Regulatory Requirements” section of our report of even date]

#### Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

1. In conjunction with our audit of the Consolidated Ind AS Financial Statements of **ASIT C. MEHTA FINANCIAL SERVICES LIMITED** (“the Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”), as at and for the year ended **31st March, 2022**, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiaries.

#### 2. Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiaries, which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Group 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 (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of Group’s business, including adherence to respective Group’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Act.

#### 3. Auditor’s Responsibility

Our responsibility is to express an opinion on the Holding Company’s and its subsidiary companies incorporated in India on the internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and its subsidiary companies incorporated in India.

#### 4. Meaning of Internal Financial Controls with reference to Financial Statements

A company’s internal financial control with reference to financial statements 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 controls 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 expenditure of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Group’s assets that could have a material effect on the financial statements.



**5. Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial reporting to future periods are subject to the risk that the internal financial controls with reference to financial reporting may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

**6. Opinion**

In our opinion, considering the reports of other auditors on the internal financial controls of the subsidiaries incorporated in India, nature of activities, size of operation and organizational structure of the Holding Company and its subsidiary companies incorporated in India and exercise of controls through personal supervision by the management of the Holding Company and of its subsidiary companies incorporated in India, has maintained, in all material respect, internal financial controls with reference to the Consolidated Ind AS Financial Statements and such internal financial controls with reference to Consolidated Ind AS Financial Statements were operating effectively as at **31<sup>st</sup> March, 2022**, based on the internal controls over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note issued by ICAI.

**7. Other Matter**

We did not audit the internal financial controls over financial reporting in so far as it relates to subsidiaries whose financial statements reflect, total assets of ₹12,04,060.59 thousands as at 31<sup>st</sup> March 2022 (before elimination of intra-group transactions), total revenues of ₹ 4,01,572.51 thousands (before elimination of intra-group transactions) and net cash in-flows amounting to ₹ 22,229.63 thousands (as per consolidated cash-flow statement) for the year ended on that date, as considered in the Consolidated Ind AS Financial Statements. The internal financial controls over financial reporting, so far it relates to such subsidiaries audited by other auditors, whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls over financial reporting for the Group under section 143(i) of the Act, in so far it relates to such subsidiaries, is solely based on the reports of the auditors of such subsidiaries. Our opinion is not modified in respect of this matter with respect to our reliance on the work done and on the Report of the other Auditors.

For CHANDRAKANT & SEVANTILAL & J. K. SHAH & Co.  
Chartered Accountants  
Firm Registration No. 101676W

Mumbai  
Dated: 27<sup>th</sup> May, 2022

(Kiran C. Shah), Partner  
Membership No. 032187  
UDIN: 22032187AJSV4382



# ASIT C. MEHTA FINANCIAL SERVICES LIMITED

## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022

(₹ in '000)			
Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
<b>I. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	3A	60,975.32	61,382.35
(b) Intangible Assets under development	3B	-	-
(c) Investment Property & Right of Use Assets	3C	4,70,996.33	5,21,610.27
(d) Goodwill		32,259.66	40,012.01
(e) Other Intangible assets	3D	1,03,857.80	4,022.67
(f) Financial Assets			
(i) Investments	4	73,715.38	70,562.73
(ii) Trade Receivables	5	17,192.23	26,638.51
(iii) Loans	6	15,695.72	14,109.73
(iv) Others	7	6,643.03	1,393.03
(g) Non Current Tax Assets (net)	8	15,421.54	19,329.93
(h) Deferred tax assets (net)	9	-	4,384.58
(i) Other non-current assets	10	5,848.22	7,672.59
<b>Total Non Current Assets</b>		<b>8,02,605.23</b>	<b>7,71,118.40</b>
<b>(2) Current assets</b>			
(a) Financial Assets			
(i) Trade receivables	11	54,475.54	57,846.86
(ii) Cash and cash equivalents	12	1,21,015.03	98,785.40
(iii) Bank balance other than (ii) above	13	1,41,120.60	1,87,009.83
(iv) Loans	14	5,01,300.46	3,90,999.35
(v) Other Financial Assets	15	68,477.44	20,662.30
(b) Current Tax assets (Net)	16	7,564.22	3,394.63
(c) Other current assets	17	6,804.43	10,940.62
(d) Online Business Assets	18	-	55,584.62
<b>Total Current Assets</b>		<b>9,00,757.72</b>	<b>8,25,223.61</b>
<b>Total Assets</b>		<b>17,03,362.95</b>	<b>15,96,342.01</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	19	48,473.77	48,335.75
(b) Other Equity	20	10,119.06	1,99,050.08
<b>Equity attributable to owners</b>		<b>58,592.83</b>	<b>2,47,385.83</b>
(c) Non Controlling Interest		41,951.32	37,980.91
<b>Total Equity</b>		<b>1,00,544.15</b>	<b>2,85,366.74</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	21	5,38,994.71	3,54,276.00
(ii) Lease Liabilities	22	225.43	-
(b) Provisions	23	2,386.37	3,210.17
(c) Deferred tax liabilities (net)	24	3,748.16	-
(d) Other non-current liabilities	25	-	-
<b>Total Non- Current Liabilities</b>		<b>5,45,354.67</b>	<b>3,57,486.17</b>
<b>(2) Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	26	5,33,976.53	3,61,755.43
(ii) Lease Liabilities	27	143.14	-
(ii) Trade payables		-	-
- dues to micro enterprises and small enterprises; and		-	-
- dues to creditors other than micro enterprises and small enterprises	28	4,87,563.42	5,50,144.08
(iii) Other financial liabilities	29	22,885.31	28,037.55
(b) Other current liabilities	30	12,049.30	11,826.58
(c) Provisions	31	846.42	1,725.44
(d) Current tax liability	32	-	-
<b>Total Current Liabilities</b>		<b>10,57,464.12</b>	<b>9,53,489.08</b>
<b>Total Liabilities</b>		<b>16,02,818.79</b>	<b>13,10,975.25</b>
<b>Total Equity and Liabilities</b>		<b>17,03,362.95</b>	<b>15,96,342.01</b>

Notes (Including Significant Accounting Policies)

1 to 55

Forming Part of the Financial Statements

The above Balance Sheet should be read in conjunction with the accompanying notes.

As per our report of even date attached

For Chandrakant & Sevantilal & J. K. Shah & Co.

Chartered Accountants

Firm Reg. No: 101676W

(Kiran C. Shah) Partner

Membership No. 032187

Date : 27.05.2022

Place : Mumbai

For and on behalf of the Board of Directors

Asit C Mehta Financial Services Limited.

Asit C. Mehta

Director

DIN: 00169048

Kirit H. Vora

Director

DIN: 00168907

Gauri Gokhale

Company Secretary



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in '000)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>INCOME</b>			
Revenue from operations	33	3,45,362.24	2,94,952.55
Other Income	34	70,045.71	97,412.38
<b>Total income</b>		<b>4,15,407.95</b>	<b>3,92,364.93</b>
<b>EXPENSES</b>			
Employee benefits expense	35	79,297.07	78,346.57
Finance costs	36	79,271.65	69,067.48
Depreciation and amortisation expense	3A to 3C	16,749.24	20,568.33
Other expenses	37	2,24,204.58	1,93,533.86
<b>Total expenses</b>		<b>3,99,522.54</b>	<b>3,61,516.24</b>
<b>Profit / (Loss) before tax</b>		<b>15,885.41</b>	<b>30,848.62</b>
Exceptional items		-	-
Tax expense:			
- Current tax		-	4,800.00
- Deferred tax		7,186.49	543.81
- MAT Credit Entitlement Written off / Utilised		1,039.32	2,830.51
- Prior year tax adjustment		(19.71)	105.27
<b>Total Tax Expense</b>		<b>8,206.10</b>	<b>8,279.59</b>
Profit from discontinued operations (refer note 18.2)		6,953.30	-
- Tax on the said Profit		-	-
<b>Profit / (Loss) for the year after tax</b>		<b>14,632.61</b>	<b>22,569.03</b>
<b>Other comprehensive income</b>			
i) Items that will not be reclassified to profit or loss:			
a) Re-measurement gains/ (losses) on defined benefit plans		375.46	(5,403.38)
b) Effect of measuring Equity Instruments on Fair Value		4,151.27	5,488.49
c) Income Tax on (a) and (b)		(1,139.68)	(70.42)
<b>Other comprehensive income for the year, net of tax</b>		<b>3,387.05</b>	<b>14.69</b>
<b>Total comprehensive income for the year (net of tax)</b>		<b>18,019.66</b>	<b>22,583.72</b>
<b>Net Profit attributable to:</b>			
a) Owners of the Company		10,825.04	(439.28)
b) Non Controlling Interest		3,807.56	23,008.31
<b>Other Comprehensive Income attributable to:</b>			
a) Owners of the Company		3,224.20	681.94
b) Non Controlling Interest		162.85	(667.25)
<b>Total Comprehensive Income attributable to:</b>			
a) Owners of the Company		14,049.25	242.66
b) Non Controlling Interest		3,970.41	22,341.06
<b>Earnings per equity share of face value of ₹ 10 each</b>	<b>41</b>		
Basic		3.02	4.67
Diluted		3.02	4.67
Notes (Including Significant Accounting Policies) Forming Part of the Financial Statements	1 to 55		

The above Profit and Loss Account should be read in conjunction with the accompanying notes.

As per our report of even date attached  
For Chandrakant & Sevantilal & J. K. Shah & Co.  
Chartered Accountants  
Firm Reg. No: 101676W

(Kiran C. Shah) Partner  
Membership No. 032187

Date : 27.05.2022  
Place : Mumbai

For and on behalf of the Board of Directors  
Asit C Mehta Financial Services Limited.

Asit C. Mehta  
Director  
DIN: 00169048

Kirit H. Vora  
Director  
DIN: 00168907

Gauri Gokhale  
Company Secretary



**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022**

(₹ in '000)

	Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit / (Loss) before Tax	15,885.41	30,848.62
	<b>Add / (Less):- Adjustments for :</b>		
	Depreciation and Amortisation	16,749.24	20,568.33
	Interest Income	(8,755.20)	(27,937.93)
	Dividend Income	(0.21)	(28.03)
	Add to opening Balance	-	47.95
	Profit of sale on Investment	(1,067.89)	(25,427.60)
	Provision for Bad Debts	1,395.14	-
	Finance Costs	79,271.65	69,067.48
	Profit on sale of Investment property	(8,961.44)	(38,337.35)
	Profit from discontinued operation (Disclosed separately)	6,953.30	-
	Loss on sale of Fixed Assets	-	1,277.72
	Fixed Assets Written Off	-	1,802.91
	Foreign Exchange Gain / loss	-	(0.64)
	<b>Operating Profit Before Changes in Working Capital</b>	<b>1,01,470.00</b>	<b>31,881.46</b>
	<b>Adjustment for Changes in Working Capital</b>		
	(Increase) / Decrease in Trade Receivables	11,422.46	(4,676.02)
	(Increase) / Decrease in Other Financial Assets	(30,268.46)	(83,458.85)
	(Increase) / Decrease in Other Current Assets	4,136.19	1,872.60
	(Increase) / Decrease in Financial and Other Non Current Asset	238.38	(1,265.88)
	(Increase) / Decrease in Online Business Assets	1,00,000.00	-
	(Increase) / Decrease in Financial Assets Loan	(1,49,597.79)	53,664.94
	Increase / (Decrease) in Trade Payables, Other Current Liabilities and short-term Provisions	(49,445.10)	1,10,675.87
	Increase / (Decrease) in Security deposit	(3,000.00)	80,000.00
	Increase / (Decrease) in Other Financial Liability	(5,148.24)	(2,29,752.26)
	Increase / (Decrease) in Long term provision	(448.34)	(2,231.82)
	<b>Cash Generated from Operations</b>	<b>(20,640.90)</b>	<b>(43,289.97)</b>
	Less: Direct taxes refund/(paid) [net]	(241.49)	282.99
	<b>NET CASH FLOW FROM OPERATING ACTIVITY (A)</b>	<b>(20,882.39)</b>	<b>(43,006.98)</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Interest Received	8,755.20	27,333.86
	Placement of Bank Fixed deposits (net)	45,889.23	1,12,929.91
	Dividend Received	0.21	28.03
	Purchase of Property, Plant and Equipment	(1,12,587.74)	(38,586.34)
	Acquisition of Right of Use Asset	(4.99)	-
	Sales of Investment property	59,575.38	60,600.00
	Sale of Investment of Securities in ACMIL	14,301.05	-
	Purchase / Acquisition of Investments	(2,58,209.83)	-
	Sale of Investment (net)	2,066.51	29,041.83
	<b>NET CASH FLOW FROM INVESTING ACTIVITY (B)</b>	<b>(2,40,214.98)</b>	<b>1,91,347.29</b>



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

<b>C CASH FLOW FROM FINANCING ACTIVITY</b>		
Finance Costs	(79,271.65)	(69,462.39)
Proceeds of sale of treasury shares	138.02	-
Inter Corporate loan Given (net)	-	(5,418.63)
Inter Corporate loan Taken (net)	3,62,460.62	
Redemption of preference share capital	-	(80,000.00)
(Repayment) / Proceed on Term Loan	-	17,929.07
(Repayment) / Borrowing of Short Term Loan	-	(49,579.76)
NET CASH FLOW FROM FINANCING ACTIVITY (C)	2,83,326.99	(1,86,531.71)
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A) + (B) + (C)</b>	<b>22,229.62</b>	<b>(38,191.40)</b>
Cash on hand	100.42	341.63
Balances with scheduled banks on current accounts	98,684.98	1,36,635.09
<b>OPENING BALANCE OF CASH and CASH EQUIVALENTS</b>	<b>98,785.40</b>	<b>1,36,976.72</b>
Cash on hand	160.12	100.42
Balances with scheduled banks on current accounts	1,20,854.91	98,684.98
<b>CLOSING BALANCE OF CASH and CASH EQUIVALENTS</b>	<b>1,21,015.03</b>	<b>98,785.40</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>22,229.62</b>	<b>(38,191.40)</b>

Notes :

- 1 Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014
- 2 Figures in brackets represent outflows / deductions.

As per our report of even date attached  
For Chandrakant & Sevantilal & J. K. Shah & Co.  
Chartered Accountants  
Firm Reg. No: 101676W

(Kiran C. Shah) Partner  
Membership No. 032187  
Date : 27.05.2022  
Place : Mumbai

For and on behalf of the Board of Directors  
Asit C Mehta Financial Services Limited.

Asit C. Mehta  
Director  
DIN: 00169048

Kirit H. Vora  
Director  
DIN: 00168907

Gauri Gokhale  
Company Secretary



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Consolidated Statement of Changes in Equity for the year ended March 31, 2022

#### A. Equity Share Capital

(₹ in '000)

Particulars	Amount
Balance as at April 01, 2020	48,335.75
Add: Changes in Equity Share Capital due to prior period error	-
<b>Restated Balance at the beginning of the Current Reporting Period</b>	-
Add: Changes in Equity Share Capital during the year	-
<b>Balance as at March 31, 2021</b>	<b>48,335.75</b>
Add: Changes in Equity Share Capital due to prior period error	-
<b>Restated Balance at the beginning of the Current Reporting Period</b>	-
Add: Changes in Equity Share Capital during the year*	138.02
<b>Balance as at March 31, 2022</b>	<b>48,473.77</b>

\* Disposal of 13802 Equity Shares (Treasury Shares) held by Nucleus Stock Trust.

#### B. Other Equity

(₹ in '000)

Particulars	Reserves & Surplus					Total Other Equity	Non controlling Interest	Total
	Capital Reserve	Other Equity	Securities Premium	Retained Earnings	Equity Instruments through OCI			
<b>Balance as at April 01, 2020</b>	759.50	9,016.58	41,692.54	1,07,032.81	42,216.69	2,00,718.12	13,681.15	2,14,399.27
Addition during the year	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	(439.26)	-	(439.26)	23,008.36	22,569.10
Other Comprehensive Income for the year	-	-	-	-	681.94	681.94	(667.25)	14.69
Adjustment to Opening Balance	-	-	-	47.95	-	47.95	-	47.95
Adjustment for the year due to Ind AS transition	-	-	-	(1,958.65)	-	(1,958.65)	1,958.65	-
<b>Balances as at March 31, 2021</b>	<b>759.50</b>	<b>9,016.58</b>	<b>41,692.54</b>	<b>1,04,682.83</b>	<b>42,898.63</b>	<b>1,99,050.10</b>	<b>37,980.91</b>	<b>2,37,031.02</b>
Addition during the year	-	-	2,006.68	-	-	2,006.68	-	2,006.68
Profit for the period	-	-	-	10,825.04	-	10,825.04	3,807.56	14,632.61
Other Comprehensive Income for the year	-	-	-	-	3,224.20	3,224.20	162.85	3,387.05
Adjustment for the year	-	-	-	(2,04,986.95)	-	(2,04,986.95)	-	(2,04,986.95)
<b>Balances as at March 31, 2022</b>	<b>759.50</b>	<b>9,016.58</b>	<b>43,699.22</b>	<b>(89,479.08)</b>	<b>46,122.83</b>	<b>10,119.06</b>	<b>41,951.32</b>	<b>52,070.38</b>

Notes (Including Significant Accounting Policies) 1 to 55

Forming Part of the Financial Statements

The above Statement of changes in Equity should be read in conjunction with the accompanying notes.

As per our report of even date attached  
For Chandrakant & Sevantilal & J. K. Shah & Co.  
Chartered Accountants  
Firm Reg. No: 101676W

(Kiran C. Shah) Partner  
Membership No. 032187

Date : 27.05.2022  
Place : Mumbai

For and on behalf of the Board of Directors  
Asit C Mehta Financial Services Limited.

Asit C. Mehta  
Director  
DIN: 00169048

Kirit H. Vora  
Director  
DIN: 00168907

Gauri Gokhale  
Company Secretary



### 1 Corporate Information

The Consolidated Financial Statements comprise the financial statements of Asit C Mehta Financial Services Limited ('the Holding Company'), Asit C Mehta Investment Intermediates Limited ('ACMIL' and 'the Subsidiary') and Nucleus IT Enabled Services Limited ('the Wholly owned Subsidiary') and Edgytal Fintech Investments Services Pvt. Ltd. (formerly known as Edgytal Digital Marketing Pvt. Ltd.) ('Edgytal' and 'Subsidiary'), hereinafter together referred to as Group.

The Holding Company is a Public Limited Company Incorporated and domiciled in India and has its registered office in Nucleus House, Saki Vihar Road, Andheri (East) Mumbai - 400072. The shares of the Holding Company are listed on BSE Limited.

The Holding Company is engaged in the business of Renting of immovable properties. The Holding Company has classified the aforesaid business as an 'investment activities'. The Holding Company is also rendering 'Advisory and Consultancy Services'.

The Wholly owned Subsidiary is mainly engaged in information technology enabled services and provides services to clients both domestic and abroad. The Wholly owned Subsidiary is also engaged in Debt Recovery Business.

The Subsidiary (ACMIL) is a member of BSE Limited, The National Stock Exchange of India Limited ("NSE") and is engaged in shares and securities broking in cash, derivative including currency derivative segment, debt markets and mutual fund along with other fund mobilization. The Subsidiary is a Category- I Merchant Banker registered under the Securities & Exchange Board of India (Merchant Bankers) Regulations, 1992 and is also engaged in providing services of Investment Banking, Corporate Finance & Advisory. It has also started providing the services of Portfolio Management Services and The subsidiary has continue the membership of Pension Fund Regulatory and Development Authority ("PFRDA").

The Subsidiary is also a Depository Participant of Central Depository Services (India) Limited and providing services as Depository Participant.

The Subsidiary (Edgytal) is in the business of Software development for Brokers and Investors.

### 2 Significant Accounting Policies

#### a. Statement of Compliance

The Consolidated Financial Statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act 2013 (the 'Act') and other relevant provisions of the Act.

#### b. Basis of Preparation and Presentation

The Consolidated Financial Statements have been prepared on the following basis:

- The Financial Statement of the Holding Company and its subsidiaries have been combined on line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and intra group transactions resulting in unrealised profits / losses as per Ind AS 110.
- The difference between the group costs of Investments in the subsidiaries, over its portion of equity at the time of acquisition of shares is recognised in the Consolidated Financial Statements as Goodwill. The Goodwill recognised in the Consolidated Financial Statements is tested for impairment, if any.
- Non-controlling interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the Non-controlling shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in equity, subsequent to the dates on investment. Net profit / loss for the year of the subsidiaries attributable to Non-controlling interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Holding Company.
- Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.
- The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Holding Company's separate financial statements.

The subsidiary companies considered in the Consolidated Financial Statements are:



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

Name of the Company	Country of Incorporation	% of voting power held as at 31.3.2022	% of voting power held as at 31.3.2021
1. Nucleus IT Enabled Services Ltd (NITES)	India	100.00	100.00
2. Asit C Mehta Investment Intermediates Ltd (ACMIL)	India	93.09	57.56
3. Edgital Fintech Investment Services Pvt. Ltd. (formerly known as Edgital Digital Marketing Pvt. Ltd.)	India	77.89	-

The Financial Statements of the Subsidiaries used in the consolidation are drawn upto the same reporting date as that of the Company i.e. 31.3.2022 (P.Y. 31.03.2021).

### ii Historical cost convention

The Consolidated Financial Statements are prepared on an accrual basis under the historical cost convention or amortised cost, except for the following assets and liabilities, which have been measured at fair value:

- Certain financial assets and liabilities
- Defined Benefits Plans- Plan assets

### iii Functional and presentation currency

These Consolidated Financial Statements are presented in Indian Rupees (INR), which is also the Group's functional currency and accordingly all amounts are in INR and all amounts are rounded off to the nearest thousand (INR '000) upto two decimals, except when otherwise indicated.

## 2.1 Property, Plant and Equipment (PPE)

- PPE is recognised when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. PPE are stated at cost less accumulated depreciation and impairment losses, if any. The initial cost of an asset comprises its purchase price, non-refundable purchase taxes and any costs directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any. Cost includes, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy.
- If significant parts of an item of PPE have different useful lives, then those are accounted as separate items (major components) of PPE.
- Material items such as spare parts, stand-by equipment and service equipment are classified as and when they meet the definition of PPE, as specified in Ind AS 16 on "Property, Plant and Equipment".
- The carrying amount of an item of PPE is derecognised upon disposal or when no future economic benefit is expected to arise from its continued use. Any gain or loss arising on the derecognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in Consolidated Statement of Profit and Loss.

## 2.2 Depreciation

Depreciation on Property, Plant and Equipment is provided on the Straight-Line Method in accordance with requirements prescribed under Schedule II to the Companies Act, 2013. The Group has assessed the estimated useful lives of its PPE and has adopted the useful lives and residual value as prescribed therein. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

In respect of ACMIL - the subsidiary of the Company:

In respect of each item of the Fixed Assets, existing on the date of the applicability of the requirements of the Schedule II, i.e. on 01.04.2014, the Company has got evaluated technically by the Valuation Advisor, by examining physically each such items of Fixed Assets, as to their possible total useful lives from the respective dates of purchases, acquisition, etc. and based thereon, the balance remaining useful lives. In respect of additions during the year, the Company has adopted the useful lives of respective item of fixed assets as specified in Part C of schedule II of the Companies Act 2013.

These useful lives, as determined by the Valuation Advisors, are different from the useful lives as specified in Part C of the Schedule II, and the details of which are as under:



<b>Assets</b>	<b>As per Valuer's report</b>	<b>As per Part C of Schedule II</b>
Furniture and Fixture	12 Years	10 years
Computer - End Users	8 years	3 Years
Computer - Server, HUB, Router	10 years	6 years
Office Equipment	11 years	5 years
Other Equipments	14 Years	5 years
Electrical Installation	14 Years	10 years
Vehicles	10 years	8 years

Justification for adopting longer useful lives

- i) Due to Regular Maintenance through Qualified Technicians onsite.
- ii) Maintenance Contract from Specialist or Original Manufacturer of the product, this ensures quality of services to get longer economic benefit from the product.
- iii) Turn around and quality of the Spares used which serve the purpose without need for changes to higher or newer technologies.

### **2.3 Investment Property**

Property that is held to earn rentals or for capital appreciation or both, is classified as an Investment Property. It is measured initially at its cost, including related transaction costs. Subsequently, it is carried at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses (Refer Note 3C). Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the Consolidated Statement of profit and loss. Transfer to, or from, investment property is done at the carrying amount of the property.

Depreciation of Investment property is provided on a pro rata basis on straight line method over the estimated useful lives. Useful life of assets, as assessed by the management, corresponds to those prescribed by the schedule II - Part 'C'.

### **2.4 Intangible Assets and Amortisation**

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised as per Ind AS 38. Software is being amortised over a period of three years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Gains or losses arising from derecognition of an Intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognised in the consolidated statement of profit and loss when the asset is derecognised.

### **2.5 Non-current Assets held for sale**

Assets held for sale are measured at the lower of carrying amount or fair value less cost to sell. The determination of fair value less cost to sell includes use of managements estimates and assumptions. The fair value of the assets held for sale has been estimated using valuation techniques (mainly Income and Market approach), which include unobservable inputs.

### **2.6 Impairment of non-financial assets**

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets may have been impaired. If any such indication exists, the recoverable amount, which is the higher of its value in use or its fair value less costs of disposal, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.



An impairment loss is recognised immediately in the Consolidated Statement of Profit and Loss. When an impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but upto the amount that would have been determined, had no impairment loss been recognized for that asset or cash generating unit. A reversal of an impairment loss is recognised immediately in the Consolidated Statement of Profit and Loss.

## **2.7 Consolidated Statement of Cash Flows**

Cash flows are reported using the indirect method, whereby the Consolidated net profit for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

For the purpose of presentation in the Consolidated Statement of Cash Flows, cash and cash equivalents include cash on hand, cash at banks, other short-term deposits and highly liquid investments with original maturity of three months or less that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

## **2.8 Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences if any to the extent regarded as an adjustment to the borrowing costs.

## **2.9 Segment Reporting**

The Group identifies primary segments based on the dominant source, nature of risk and returns and Internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the chief operating decision maker (CODM) in deciding how to allocate resources in assessing the performance.

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting Consolidated Financial Statements of the group as a whole. Common allocable cost are allocated to each segment on an appropriate basis.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to activities of the segment.

Revenue, expenses, assets and liabilities which relates to the Group as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue/expenses/assets/liabilities" respectively.

## **2.10 Provisions, Contingent Liabilities and Contingent Assets**

Provision is recognised when the Group 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 obligation. Provision is not recognised for future operating losses.

Provision is measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, the amount of provision is discounted using an appropriate pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent liability is disclosed in case of a present obligation arising from past events, when it is either not probable that an outflow of resources will be required to settle the obligation, or a reliable estimate of the amount cannot be made. A Contingent Liability is also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent Assets are not recognised but where an inflow of economic benefits is probable, contingent assets are disclosed in the Consolidated Financial Statements.

## **2.11 Revenue Recognition**

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



### Rental Income

Rental Income is accounted as and when accrues on straight line method and reported net of taxes.

### Interest Income

Interest income from a financial asset is recognised on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of that financial asset.

### Dividends

Dividend income from investments is recognised when the Company's right to receive dividend is established, which is generally when shareholders approve the dividend.

### Advisory

Revenue from advisory, brokerage and consultancy services is recognised on rendering of services / work performed.

### Revenue from Depository operations

Revenue from Depository operations is considered to accrue as one time Transaction charges based on the financial year; Income from shares & securities brokerage activities is considered as accrued on the trade date of the transaction.

### Income from Broking Services

Income from shares & securities brokerage activities is considered as accrued on the trade date of the transaction. Income from Brokerage, Demat charges, Fund Mobilization & Corporate Advisory services are exclusive of Goods and Services tax.

### Income from Information Technology Enabled Services (ITES) and Software services

Income from services rendered of ITES is recognized on services rendered. Software services fees are accounted on its completion and acceptance by the customers.

## 2.12 Operating Leases

Leases are classified as operating leases whenever the terms of the lease do not transfer substantially all the risks and rewards incidental to ownership.

Lease rentals on assets under operating lease are recognized or charged to the Consolidated Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

Assets leased out under operating leases are continued to be shown under the respective class of assets. Rental income is recognised on a straight line basis over the term of the relevant lease.

Where the rental are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

## 2.13 Employee Benefits

### (i) Short term employee benefits

Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus and ex-gratia falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised as an expense at the undiscounted amount in the consolidated statement of profit and loss of the year in which the related service is rendered.

### (ii) Long-term employee benefits:

- Defined Contribution Plan:

Provident Fund:

The eligible employees of the Group are entitled to receive post-employment benefits in respect of provident fund, in which both employees and the Company make monthly contributions at a specified percentage of the employee's eligible salary (currently 12%). The contributions if any, are made to the Central Provident Fund under the State Pension Scheme. Provident Fund is classified as Defined Contributions Plans as the Group has no further obligation beyond making the contribution. Provident funds contribution if any, is charged to the Consolidated statement of profit and loss as incurred.

- Defined Benefit Plan:



**a. Gratuity:**

The Group has an obligation towards gratuity, a defined benefits retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement or death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date.

Remeasurement, comprising actuarial gains and losses is reflected immediately in the Consolidated Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or Loss. Past service cost is recognised immediately for both vested and the non-vested portion. The retirement benefit obligation recognised in the Consolidated Balance Sheet represents the present value of the defined benefit obligation.

**b. Compensated absences:**

The Group provides for encashment of leave or leave with pay subject to certain rules. The liability is recognized based on number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Consolidated Statement of Profit and loss in the year in which they arise.

**2.14 Taxes on Income**

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

**Current Tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Consolidated Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Current tax is calculated as per the applicable provisions and tax rates that have been enacted or substantively enacted by the end of the reporting period and the provisions of the Income Tax Act, 1961 and other tax laws, as applicable.

**Deferred Tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Consolidated Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when deferred income tax assets and liabilities relate to the income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net or simultaneous basis.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

**Current and Deferred Tax**

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

**2.15 Earnings Per Share**

The basic earnings per share are computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares, if any, outstanding during the year, except where the results would be anti-dilutive.



**2.16 Financial Instruments**

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

Financial assets and Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

**Initial Recognition:**

Financial assets and Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at Fair Value through Profit or Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in the Consolidated Statement of Profit and Loss.

**Classification and Subsequent Measurement: Financial Assets**

The Group classifies financial assets as subsequently measured at amortised cost, Fair Value Through Other Comprehensive Income ("FVTOCI") or Fair Value Through Profit or Loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial assets.

**Amortised Cost:**

A financial asset shall be classified and measured at amortised cost, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets 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 Other Comprehensive Income (FVTOCI):**

A financial asset shall be classified and measured at FVTOCI, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, 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 or Loss (FVTPL):**

A financial asset shall be classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

**Classification and Subsequent Measurement: Financial liabilities:**

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

**Financial Liabilities at FVTPL:**

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or Losses on liabilities held for trading are recognised in the Consolidated Statement of Profit and Loss.

**Other Financial Liabilities:**

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised 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.



**Impairment of financial assets:**

The Group recognises loss allowance using expected credit loss model for financial assets which are not measured at Fair Value through Profit or Loss. Expected credit losses are weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss 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 Group expects to receive, discounted at original effective rate of interest.

**Derecognition of financial assets:**

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in statement of profit or loss if such gain or loss would have otherwise been recognised in statement of profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

**Financial liabilities and equity instruments:**

- Classification as debt or equity:

Debt and equity instruments issued by the Group 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 the Group are recognised at the proceeds received.

**2.17 Financial guarantee contracts**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 18

When guarantee in relation to loans or other payables of subsidiaries are provided for no compensation, the fair values are accounted for as contributions and recognized as cost of investment.

**Derecognition of financial liabilities:**

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired. The Group also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different.



**Offsetting:**

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

**2.18 Critical Accounting Judgements and Key Sources of Estimation Uncertainty**

The preparation of the Consolidated Financial Statements requires the management to make judgements, estimates and assumptions in the application of accounting policies and that have the most significant effect on reported amounts of assets, liabilities, incomes and expenses, and accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which the changes are made and, if material, their effects are disclosed in the notes to the Consolidated financial statements.

**Key estimates, assumptions and judgements**

The key assumptions concerning the future and other major sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

**Income taxes**

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions as also to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits.

**Property, Plant and Equipment/Intangible Assets**

Property, Plant and Equipment/ Other Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Group's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The depreciation/amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets.

**Employee Benefit Plans**

The cost of the defined benefit gratuity plan and other-post employment benefits and the present value of gratuity obligations and compensated absences are determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**Impairment of Financial Assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**Recoverability of Trade Receivables**

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

**Fair Value measurements of Financial Instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets (Net Assets Value in case of units of Mutual Funds), their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include



considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**Impairment of Assets**

The Group has used certain judgements and estimates to work out future projections and discount rates to compute value in use of cash generating unit and to access impairment. In case of certain assets independent external valuation has been carried out to compute recoverable values of these assets.

**Provisions**

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

**2.19 Ind AS 116: Lease**

The Company has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (April 1, 2019).

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a Lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 to allocate the consideration in the contract.

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'Other Operating Revenue under Revenue from Operations in the Statement of Profit and Loss.

The accounting policies applicable to the Company as a lessor in the comparative period were not different from Ind AS 116.

**2.20 Ind AS 115: Revenue from Contracts with Customers**

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expect to receive in exchange for those products or services.

"Ind AS 12 - Income Taxes

- Appendix C, Uncertainty over Income Tax Treatment: This amendment is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the Appendix: (1) the entity needs to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which better predicts of the resolution of the uncertainty;
- (2) the entity is to assume that the taxation authority will have right to examine and have full knowledge of all related information when making those examinations; and
- (3) entity has to consider whether it is probable that the taxation authority will accept the tax treatment and accordingly, determine taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability.

The Group does not expect any significant impact of the amendment on its financial statements.

- Consequences of Dividend

The amendments are in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity



according to where the entity originally recognised those past transactions or events. The Group does not expect any impact from this amendment."

## **2.21 Right-of-Use Asset ("ROU")**

At the date of commencement of the lease, the Company recognise a right-of-use-asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short-term lease and lease of low-value assets.

The Right-of-use assets are initially recognised at cost, which comprise the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct cost less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter the lease term and useful life of the underlying asset and the average lease terms.

The Right-of-use assets is also subject to impairment. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The Right-of-use assets is also subject to impairment. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

## **2.22 Recent pronouncements by the Ministry of Corporate Affairs ("MCA")**

Recent pronouncements by the Ministry of Corporate Affairs ("MCA") notified new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

**Ind AS 103 – Reference to Conceptual Framework** The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103.

**Ind AS 16 – Proceeds before intended use** The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss.

**Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract** The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification.

**Ind AS 109 – Annual Improvements to Ind AS (2021)** The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

The Group does not expect the above amendments / improvements to have any significant impact on its financial statements.



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 3A:

#### Property, Plant and Equipment:

(₹ in '000)

Particulars	Computers	Electric Fittings	Furnitures and fixtures	Motor Vehicles	Office and Other Equipments	Solar System	Air Conditioners	Office Building	Projector	Total
<b>(I) Gross Carrying Value</b>										
Balance as at April 1, 2020	14,960.44	875.42	12,556.22	5,964.53	12,496.30	2,182.96	51.32	-	7.43	49,094.62
Additions during the year	77.49	-	-	-	112.63	-	-	49,233.91	-	49,424.03
Deductions/Adjustments during the year	-	-	-	(3,540.91)	-	-	-	-	-	(3,540.91)
<b>Balance as at March 31, 2021</b>	<b>15,037.93</b>	<b>875.42</b>	<b>12,556.22</b>	<b>2,423.62</b>	<b>12,608.93</b>	<b>2,182.96</b>	<b>51.32</b>	49,233.91	7.43	94,977.74
Additions during the year	1,237.23	-	-	2,525.26	365.31	-	-	210.53	-	4,338.33
Deductions/Adjustments during the year	-	-	-	-	(60.76)	-	-	-	-	(60.76)
<b>Balance as at March 31, 2022</b>	<b>16,275.16</b>	<b>875.42</b>	<b>12,556.22</b>	<b>4,948.88</b>	<b>12,913.48</b>	<b>2,182.96</b>	<b>51.32</b>	49,444.44	7.43	99,255.31
<b>(II) Accumulated Depreciation</b>										
Balance as at April 1, 2020	9,777.73	809.22	9,627.01	2,219.19	7,875.27	399.50	7.12	-	-	30,715.04
Depreciation expense for the year	2,286.78	4.94	323.61	531.27	1,341.42	138.27	6.87	10.37	-	4,643.53
Deductions/Adjustments during the year	-	-	-	(1,763.19)	-	-	-	-	-	(1,763.19)
<b>Balance as at March 31, 2021</b>	<b>12,064.51</b>	<b>814.16</b>	<b>9,950.62</b>	<b>987.27</b>	<b>9,216.69</b>	<b>537.77</b>	<b>13.99</b>	10.37	-	33,595.38
Depreciation expense for the year	1,648.30	4.94	226.65	306.98	936.66	138.23	6.87	1,416.00	-	4,684.63
Deductions/Adjustments during the year	-	-	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2022</b>	<b>13,712.81</b>	<b>819.10</b>	<b>10,177.27</b>	<b>1,294.25</b>	<b>10,153.35</b>	<b>676.00</b>	<b>20.86</b>	1,426.37	-	38,280.01
<b>Net Carrying Value (I-II)</b>										
Balance as at March 31, 2021	2,973.42	61.25	2,605.59	1,436.35	3,392.23	1,645.20	37.33	49,223.54	7.43	61,382.35
Balance as at March 31, 2022	2,562.35	56.31	2,378.94	3,654.64	2,760.14	1,506.97	30.46	48,018.07	7.43	60,975.32

#### 3B Intangible Assets under Development

Total amount Rs.NIL (in'000) [previous year Rs. NIL(in '000)]

#### 3C (i) Investment Property:

(₹ in '000)

Particulars	Office Premises
<b>(I) Gross Carrying Value</b>	
Balance as at April 1, 2020	6,53,735.00
Additions during the year	-
Deductions/Adjustments during the year	(72,469.56)
Other Adjustments during the year	-
<b>Balance as at March 31, 2021</b>	<b>5,81,265.44</b>
Additions during the year	-
Deductions/Adjustments during the year	45,463.80
Other Adjustments during the year	-
<b>Balance as at March 31, 2022</b>	<b>5,35,801.65</b>
<b>(II) Accumulated Depreciation</b>	
Balance as at April 1, 2020	52,900.93
Depreciation expense for the year	13,377.87
Deductions/Adjustments during the year	(6,623.63)
Balance as at March 31, 2021	59,655.17
Depreciation expense for the year	11,949.41
Deductions/Adjustments during the year	6,425.23
<b>Balance as at March 31, 2022</b>	<b>65,179.35</b>
<b>Net Carrying Value (I-II)</b>	
Balance as at March 31, 2021	5,21,610.27
Balance as at March 31, 2022	4,70,622.30



(₹ in '000)

Particulars	Office Premises
<b>(I) Gross Carrying Value</b>	
Balance as at April 1, 2020	-
Additions during the year	-
Deductions/Adjustments during the year	-
Other Adjustments during the year	-
Balance as at March 31, 2021	-
Additions during the year	498.71
Deductions/Adjustments during the year	-
Other Adjustments during the year	-
Balance as at March 31, 2022	498.71
<b>(II) Accumulated Depreciation</b>	
Balance as at April 1, 2020	-
Depreciation expense for the year	-
Deductions/Adjustments during the year	-
Balance as at March 31, 2021	-
Depreciation expense for the year	124.68
Deductions/Adjustments during the year	-
Balance as at March 31, 2022	124.68
<b>Net Carrying Value (I-II)</b>	
Balance as at March 31, 2021	-
Balance as at March 31, 2022	374.03

**Notes**

The Holding Company has, inter alia, leased some of its immovable property to two of its subsidiaries, that is leased to entities within the Group and therefore, in terms of the relevant provisions of Ind AS 40 on "Investment Property" such leased immovable property to the extent so leased, would not be regarded as Investment Property from the perspective of the Group, being in nature of "owner occupied property" as so defined in the said Ind AS and accordingly, such immovable property needs to be presented as Property, Plant & Equipment ("PPE") in consolidated financial statements ("CFS") of the Group. However, it is not practicable or possible to ascertain or find out the cost or deemed cost of such immovable leased property for presenting as PPE in CFS. In view of this, in CFS, the Group has not separately presented the amount pertaining to such leased immovable property as PPE and has continued to disclose under Investment Property only.

The Company has mortgage above Investment property as security against the borrowings.

**Disclosure pursuant to Ind AS 40 "Investment Property"****a. Amount recognised in the Statement of Profit and Loss from investment property:**

(₹ in '000)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Rental income derived from investment property	7,801.93	6,917.99
Direct operating expenses arising from investment property that generated rental income	(30,980.43)	(32,396.44)
Profit from investment properties before depreciation	(23,178.50)	(25,478.45)
Depreciation	(11,949.41)	(13,377.87)
<b>Profit from Investment property</b>	<b>(35,127.91)</b>	<b>(38,856.32)</b>

**b. Fair Value of Investment Property**

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Fair Value of Investment Property	10,06,504.58	10,06,504.58
<b>Total</b>	<b>10,06,504.58</b>	<b>10,06,504.58</b>



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

Valuation is based on the report as on 31st March, 2021 of an accredited independent valuer. Fair value is based on market value approach where ever available.

### c. Contractual Obligations

There is no contractual obligation to purchase, construct or develop investment property.

### d. Leasing arrangements

Certain identifiable portions of investment properties are leased out to tenants under cancellable operating lease.

### 3D Other Intangible Assets:

(₹ in '000)

Particulars	Computer Software
<b>(I) Gross Carrying Value</b>	
Balance as at April 01, 2020	21,594.06
Additions during the year	958.00
Deductions/Adjustments during the year	(16,800.39)
Other Adjustments during the year	-
<b>Balance as at March 31, 2021</b>	<b>5,751.67</b>
Additions during the year (refer note 18)	100,428.76
Deductions/Adjustments during the year	-
Other Adjustments during the year	607.05
<b>Balance as at March 31, 2022</b>	<b>106,787.48</b>
<b>(II) Accumulated Depreciation</b>	
Balance as at April 01, 2020	6,380.69
Depreciation expense for the year	2,546.94
Deductions/Adjustments during the year	(7,198.63)
<b>Balance as at March 31, 2021</b>	<b>1,729.00</b>
Depreciation expense for the year	831.66
Deductions/Adjustments during the year	369.02
<b>Balance as at March 31, 2022</b>	<b>2,929.68</b>
<b>Net Carrying Value (I-II)</b>	
<b>Balance as at March 31, 2021</b>	<b>4,022.67</b>
<b>Balance as at March 31, 2022</b>	<b>103,857.80</b>

#### Notes -

During the Previous Year, the subsidiary company Asit C Mehta Investment Intermediates Limited had classified trading and investment website with related modules and apps included in other intangible assets and intangible assets under development to Asset held for Sale (refer note no.18)

During the Previous year, the subsidiary company Asit C Mehta Investment Intermediates Limited written off software having Gross Block of Rs 15,134.69/-(₹ in 000)and Accumulated Depreciation Rs 13,331.71/-(₹ in 000)

#### Note 4 : Investments : Non-current

Particulars	Paid up Value / Face Value	As at March 31, 2022		As at March 31, 2021	
		No. of shares	(₹ in '000)	No. of shares	(₹ in '000)
<b><u>Investments measured at Fair Value Through Other Comprehensive Income (FVTOCI)</u></b>					
<b><u>In Equity Shares</u></b>					
<b>Quoted</b>					
Omnitex Industries (India) Limited	₹10 each	7,000	225.40	7,000	159.60
IRIS Business Services Limited	₹10 each	44,956	4,533.81	1,72,600	6,757.29
Sarveshwar Foods Ltd.	₹10 each	-	-	51,200	1,139.20



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Coffee Day Enterprises Ltd	₹10 each	13	0.69	13	0.34
State Bank of India	₹1 each	-	-	235	85.62
Yes Bank Limited	₹2 each	9,075	111.53	9,075	141.57
<b>Unquoted</b>					
Pentation Analytics Private Limited**	₹10 each	1,82,500	61,549.95	1,82,500	60,208.58
Vippy Industries Limited	₹1 each	2,750	18.43	2,750	18.43
Asit C. Mehta Commodity Services Ltd.	₹10 each	4	-	4	-
Chargein Kiosk Pvt Ltd.	₹10 each	270	2.70	270	2.70
<b>Investments measured at Amortised cost</b>					
<b>In Redeemable Preference Shares</b>					
<b>Unquoted</b>					
Omniscience Capital Advisors Private Limited*	₹10 each	8,25,000	2,272.87	8,25,000	2,049.40
<b>Investment In Mutual Fund</b>					
14720.014 Units (As at 31.03.2021 - NIL) of Aditya Birla Sun Life Liquid Fund Growth	₹10 each	14,720	5,000.00	-	-
<b>Total</b>			<b>73,715.38</b>		<b>70,562.73</b>

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Aggregate amount of unquoted investments	68,843.95	62,279.11
Aggregate amount of quoted investments	4,871.43	8,283.62

- a. \* 0.1% Redeemable Cumulative Preference Shares of Omniscience Capital Advisors Private Limited redeemable at any time within a period of 20 years from the date of allotment.
- b. \*\*The Wholly Owned Subsidiary has elected an irrevocable option to designate its investments in equity instruments through FVOCI, as the said investments are not held for trading and company continues to invest for long term and remain invested, which it believes to have potential to remain accretive over the long term.

### Note 5 : Trade Receivable - Non Current

(₹ in '000)

Description	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good		
a)Long Term Trade Receivable		
Trade Receivable	11,377.50	13,720.12
Less : Provision for Doubtful debts *	(1,395.14)	-
	9,982.36	13,720.12
Amounts Due from Business Associates		
Secured against Base capital Deposits	162.00	634.55
Others - Unsecured, considered good	3,415.89	2,798.21
	3,577.89	3,432.76
Amounts Due from Constituents		
Secured against Shares	569.99	546.41
Others - Unsecured, considered good	3,061.99	8,939.22
	3,631.98	9,485.63
<b>Total</b>	<b>17,192.23</b>	<b>26,639</b>

\* As per the terms and conditions of the Agreements executed by ACMIL, one of the Subsidiaries with Business Associates,



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

the said subsidiary has an absolute right to recover all the dues from them. However, as a good business practice, the said subsidiary has adopted cordial and amicable means for recoveries of dues in most practical and fair manner and therefore, it is confident that the amounts classified as Unsecured, would be recovered in due course. The said subsidiary has also filed the cases against the Clients whose dues are adjusted in Business Associate commission Ledgers. The said subsidiary has also initiated legal steps towards recovery of dues from Arbitrators. The said subsidiary has got the arbitration award in one matter and as per para 5.5.11 of IND AS 109, it has valid and sufficient proof for not making the 100% provision as per ECL system. The said subsidiary has made provision based on the historical data on outstanding for more than 1 Years as per IND AS requirement.

### Trade Receivables - Non-Current

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>	17,192.23	26,639
Unsecured, considered doubtful	-	-
Less: provision for doubtful debts	-	-
<b>Total</b>	<b>17,192.23</b>	<b>26,639</b>

### Trade Receivables aging schedule as on March 31, 2022

(₹ in '000)

Particulars	Outstanding for following periods from due date of payment #					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good		514	1,433	3,459	1,805	7,209.87
(ii) Undisputed Trade receivables - which have significant increase in credit risk						
(iii) Undisputed Trade receivables - Credit impaired						
(iv) Disputed Trade receivables - considered good			406	6,809	4,163	11,377.50
(v) Disputed Trade receivables - which have significant increase in credit risk						-
(vi) Disputed Trade receivables - Credit impaired					(1,395)	(1,395.14)

### Trade Receivables aging schedule as on March 31, 2021

(₹ in '000)

Particulars	Outstanding for following periods from due date of payment #					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	818	9,432	8,204	6,575	25,030
(ii) Undisputed Trade receivables - which have significant increase in credit risk						
(iii) Undisputed Trade receivables - Credit impaired						
(iv) Disputed Trade receivables - considered good			1,608			1,608
(v) Disputed Trade receivables - which have significant increase in credit risk						
(vi) Disputed Trade receivables - Credit impaired						

# The due date of payment has taken as the date of Transition as due date of payment has not specified.



**ASIT C. MEHTA FINANCIAL SERVICES LIMITED****Note 6 : Loans : Non Current**

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
Other Corporates (Interest Accrued Rs. 1,074.28; P.Y. Rs. 534.28)	5,074.28	4,534.28
Membership and Other Deposits with Stock Exchanges and Securities Clearing Corporations:		
The National Securities Clearing Corporation Limited	8,760.00	7,760.00
Central Depository Services (India) Ltd	840.00	840.00
Other Loans / Deposits:		
Deposits for Premises and Other Deposits	1,021.44	975.45
<b>Total</b>	<b>15,695.72</b>	<b>14,109.73</b>

**Note 7 : Financial Asset - Others: Non Current**

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
Fixed deposit with bank (maturity beyond 12 Months)	6,643.03	1,393.03
<b>Total</b>	<b>6,643.03</b>	<b>1,393.03</b>

**Note 8 : Income Tax Assets (net) : Non Current**

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
Income Tax	15,356.06	18,290.61
MAT Credit Entitlement Written off / Utilised	65.48	1,039.32
<b>Total</b>	<b>15,421.54</b>	<b>19,329.93</b>

**Note 9 : Deferred Tax Assets (Net): Non Current**

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax Assets (Net)	-	4,384.58
<b>Total</b>	<b>-</b>	<b>4,384.58</b>

**Note 10 : Other Non-Current Assets:**

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good		
Prepaid amount on Preference Shares (refer note 4.a)	5,305.16	6,022.11
Prepaid Expenses	543.06	1,056.73
<b>Receivable on Accounts of Financial Guarantee given to bank</b>	<b>-</b>	<b>593.75</b>
<b>Total</b>	<b>5,848.22</b>	<b>7,672.59</b>



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 11 : Trade Receivables: Current

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good	54,475.54	57,846.86
Unsecured, Considered doubtful	-	-
Less: provision for doubtful debts	-	-
<b>Total</b>	<b>54,475.54</b>	<b>57,846.86</b>

#### Trade Receivables aging schedule as on March 31, 2022

(₹ in '000)

Particulars	Outstanding for following periods from due date of payment #					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	53,274.88	1,119.56	24.47		56.63	54,475.54
(ii) Undisputed Trade receivables - which have significant increase in credit risk						
(iii) Undisputed Trade receivables - Credit impaired						
(iv) Disputed Trade receivables - considered good						
(v) Disputed Trade receivables - which have significant increase in credit risk						-
(vi) Disputed Trade receivables - Credit impaired						

#### Trade Receivables aging schedule as on March 31, 2021

(₹ in '000)

Particulars	Outstanding for following periods from due date of payment #					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	56,746.67	266.83	776.72		56.63	57,846.86
(ii) Undisputed Trade receivables - which have significant increase in credit risk						
(iii) Undisputed Trade receivables - Credit impaired						
(iv) Disputed Trade receivables - considered good						
(v) Disputed Trade receivables - which have significant increase in credit risk						
(vi) Disputed Trade receivables - Credit impaired						

# The due date of payment has taken as the date of Transition as due date of payment has not specified.



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 12 : Cash and Cash Equivalents

(₹ in '000)

Description	As at March 31, 2022	As at March 31, 2021
<u>Balances with Banks</u>		
On Current Accounts	1,20,854.91	98,684.98
Cash on hand	160.12	100.42
<b>Total</b>	<b>1,21,015.03</b>	<b>98,785.40</b>

### Note 13 : Bank Balances other than Cash and Cash Equivalents

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed Deposit With Banks having Maturity of not more than 12 months (refer note a to f)	133,027.60	178,147.02
Fixed Deposit having Maturity of more than Twelve months	-	769.81
Fixed Deposits pledged with Bank against Bank guarantee [Having maturity of not more than 12 months] (refer note g & h)	8,093.00	8,093.00
<b>Total</b>	<b>141,120.60</b>	<b>187,009.83</b>

- Fixed Deposits with Bank of India include Rs.Nil/- (in '000) [Previous Year Rs.60,000/- (in'000)] pledged with Bank of India as Security against Overdraft facilities granted in the year 2014-15 to Nucleus IT Enabled Services Limited., the wholly owned subsidiary of the Holding company, for its business purpose.
- Fixed Deposits with Bank of India include Rs.Nil/-(in '000) [Previous Year Rs.62,500/-(in '000)] pledged with Bank of India as Security against Overdraft facilities granted in the year 2014-15 to Asit C Mehta Commodity Services Ltd.,for its business purpose.
- Fixed Deposits with Bank of India include Nil (in'000) (Previous Year Rs.25,000 (in'000)) pledged against guarantee given by the Bank
- Fixed Deposits with Bank of India Stock Exchange Branch include Rs.8,750 (in'000) (Previous Year Rs 1,37,725 (in'000)) pledged against guarantee given by the Bank in favour of Exchange and Clearing Corporation
- Fixed Deposits with State Bank of India includes Rs.75,000 (in'000) ( Previous year Nil (in'000)) kept as lien with Bank against Overdraft
- The aforesaid entities in respect of whom Fixed Deposits have been pledged with Bank of India have duly complied with the Interest obligation. (note a to d)
- Fixed Deposit of Holding Company, with Bank of India include Rs.1,343/- (in '000) [(Previous year Rs.1,343 (in '000)] towards Custom matter pending with Bombay High Court.
- Fixed Deposit of Holding Company, with Bank of India include Rs.6,750/- (in '000) [Previous year Rs.6,750 (in '000)] towards FEMA matter pending at Appellate Tribunal of Foreign Exchange (ATFE) New Delhi.

### Note 14 : Loans : Current

(₹ in '000)

Description	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good Deposits: -</b>		
Deposit for premises	-	43,000.00
Deposit with Clearing house	20,000.00	327.44
Deposit with Stock Exchange	2,405.60	-
Deposit with Orbis	2,59,778.28	2,78,153.12
Inter corporate loan	2,15,917.94	68,012.84
Inter corporate Deposit (Premises)	2,620.00	1,500.00
Loans to staff	578.64	5.95
<b>Total</b>	<b>5,01,300.46</b>	<b>3,90,999.35</b>



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Additional Regulatory Information :

Disclosure with respect to Loans or Advances granted to Promoters, Directors, KMP and the Related Parties

(₹ in '000)

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	"Percentage to the total Loans and Advances in the nature of loans"
Promoters	-	-
Directors	-	-
KMP	-	-
Sumit Sharma	25	0.005
Related Parties		
Asit C. Mehta Commodity Services Ltd	28,122	5.610
<b>TOTAL</b>	<b>5,01,300.46</b>	<b>100.00</b>

### Note 15 : Other Financial Assets : Current

(₹ in '000)

Description	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good unless otherwise stated</b>		
<u>Interest receivable</u>	615.17	1,004.15
Receivable on TDS accounts from NBFC	1,079.54	1,007.29
<u>Refund Receivable</u>	-	1,743.50
Balances with Stock Exchanges (Net)	64,800.84	11,195.69
Other Advances	1,175.65	3,307.59
Amounts Due from Business Associates		
Secured against Base capital Deposits, considered good	203.57	439.15
Unsecured, considered good	602.67	1,964.93
<b>Total</b>	<b>68,477.44</b>	<b>20,662.30</b>

Amounts due from Business Associates, Constituents and Advances are subject to confirmation.

The amounts due from Constituents represent amounts receivable on account of Securities broking transactions. These accounts comprise the running transactions by the constituents.

### Note 16 : Current tax Assets (Net) :

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance Income Tax	7,564.22	3,394.63
<b>Total</b>	<b>7,564.22</b>	<b>3,394.63</b>

### Note 17 : Other Current assets

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
Balances with Government Authorities		
Excise Duty / Service Tax / GST	1,724.88	5,947.00
Others		
Prepaid Expenses	3,920.42	4,264.38
Prepaid amount on Preference Shares (refer note 4.a)	292.40	178.48
Deposit for Service Tax Appeal	339.92	339.92
Others	526.81	10.84
Unbilled revenue	-	200.00
<b>Total</b>	<b>6,804.43</b>	<b>10,940.62</b>



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 18 : Online Business Assets

**18.1** During the Previous year, One of the subsidiaries in the Group had decided to exit certain online business which consisted of various assets and liabilities including software ,staff, Furniture and Staff related Liabilities of ₹ 55,584 (in'000) at the year ended 31.03.2021. Since the carrying value is less than the fair value less cost to sale, it is continued to be carried at the carrying value; the details of such items are as under :

(₹ in '000)		
Particulars	As at March 31, 2022	As at March 31, 2021
Gross Block of asset withdrawn from active use	-	17,291.63
Amortisation for the year	-	(1,243.71)
Accumulated Amortisation	-	(9,492.79)
Addition to assets from intangible assets under development	-	47,785.78
	-	
<b>Total</b>	<b>-</b>	<b>55,584.62</b>

**18.2** One of the Subsidiary ("ACMIIL") of the Group had sold the online business Assets as Slump sale to another Subsidiary ("EDGYTAL") at Rs.1,00,000 (in'000) and booked the profit of Rs.6,953 (in'000)during the year. The said Subsidiary had complied with relevant clauses mentioned in the agreement entered between them . The said Subsidiary ("ACMIIL") has disclosed the profit of Rs.6,953 (in'000) as Profit from d iscontinued business unit on the face of profit & loss account. Due to carried forward unabsorbed depreciation and business loss from the previous years, The tax Liability is NIL.

### Note 19 : Equity Share Capital

(₹ in '000)				
Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount in ₹	No. of shares	Amount in ₹
<b>Authorised :</b>				
Equity shares of par value Rs.10/-	1,00,00,000.00	1,00,000.00	1,00,00,000.00	1,00,000.00
	<b>1,00,00,000.00</b>	<b>1,00,000.00</b>	<b>1,00,00,000.00</b>	<b>1,00,000.00</b>
<b>Issued, Subscribed and Paid up :</b>				
Equity shares of par value Rs. 10/- fully paid up	49,52,560.00	49,525.60	49,52,560.00	49,525.60
Less : Treasury Shares (Nucleus Stock Trust)*	(1,05,183.00)	(1,051.83)	(1,18,985.00)	(1,189.85)
<b>Total</b>	<b>48,47,377.00</b>	<b>48,473.77</b>	<b>48,33,575.00</b>	<b>48,335.75</b>

#### Terms/Rights attached to Equity Shares

- The Holding Company has only one class of shares referred to as equity shares having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share.
- Dividend, if any, is declared and paid in Indian Rupees. Final dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting except in case of Interim Dividend. However, no dividend is declared on equity shares for the year ended March 31, 2022 and March 31, 2021.
- In the event of liquidation of the Holding company, the holders of equity shares will be entitled to receive remaining assets of the holding company after distribution of all preferential amounts. The distribution will be in proportion to number of equity shares held by shareholders.

#### \* Treasury Shares

Treasury shares are held by Nucleus Stock Trust which represents 1,05,183 (1,18,985) Equity Shares of Rs.10/- each fully paid-up of the Holding Company issued, pursuant to a Scheme of Arrangement approved by the Hon'ble High Courts of Bombay vide their Orders dated February 10, 2006, to the Nucleus Stock Trust, created wholly for the benefit of the Holding Company and is being managed by trustees appointed by it.



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### a. Reconciliation of the number of shares outstanding

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount in ₹	No. of shares	Amount in ₹
<b>Equity Shares Outstanding at the beginning of the year</b>	48,33,575	48,335.75	48,33,575	48,335.75
Changes during the year	13,802.00	138.02	-	-
<b>Equity Shares outstanding at the end of the year</b>	<b>48,47,377</b>	<b>48,473.77</b>	<b>48,33,575</b>	<b>48,335.75</b>

### b.

Shares held by promoters at March 31, 2022			% Change during the year	
	No. of Shares	% of total shares	No. of Shares	% of total shares
Promoter Name				
1) Asit C Mehta	22,91,638	46.27	-	-
2) Deena A Mehta	13,14,728	26.55	4,14,370	46.04
3) Asit C Mehta HUF	77,000	1.55	-	-
4) Jayesh T Desai HUF	7,120	0.14	-	-
5) Gopa Jayesh Desai	1,900	0.04	-	-
6) Rupa Atul Shah	1,500	0.03	-	-
<b>Total</b>	<b>49,52,560</b>	<b>100</b>		
Shares held by promoters at March 31, 2021			% Change during the year	
	No. of Shares	% of total shares	No. of Shares	% of total shares
Promoter Name				
1) Asit C Mehta	22,91,638	46.27	-	-
2) Deena A Mehta	9,00,358	18.18	-	-
3) Asit C Mehta HUF	77,000	1.55	-	-
4) Jayesh T Desai HUF	7,120	0.14	-	-
5) Gopa Jayesh Desai	1,900	0.04	-	-
6) Rupa Atul Shah	1,500	0.03	-	-
<b>Total</b>	<b>49,52,560</b>	<b>100</b>	-	-

### c. Shareholders having more than 5% holding

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount in ₹	No. of shares	Amount in ₹
<b>Mr. Asit C. Mehta</b>	22,91,638	46.27%	22,91,638	46.27%
Mrs. Deena A. Mehta	13,14,728	26.55%	9,00,358	18.18%
Asit C Mehta Commodity Services Ltd	-	-	<b>4,00,470</b>	<b>8.09%</b>

### d. Details of forfeited shares :

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount in ₹	No. of shares	Amount in ₹
<b>Mr. Asit C. Mehta</b>	22,91,638	46.27%	22,91,638	46.27%
Mrs. Deena A. Mehta	13,14,728	26.55%	9,00,358	18.18%

\* these shares were originally issued by erstwhile Nucleus Netsoft And GIS (India) Limited which was amalgamated with the Company.



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 20:

#### Other Equity

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Capital Reserve</b>		
Balance at the beginning and end of the year	759.50	759.50
	759.50	759.50
<b>Securities Premium</b>		
Balance at the beginning and end of the year	41,692.54	41,692.54
Add: - Additions during the year	2,006.68	-
	43,699.22	41,692.54
<b>Other Equity</b>		
Balance as at the beginning of the year*	9,016.58	9,016.58
Balance at the end of the year	9,016.58	9,016.58
<b>Retained Earnings</b>		
Balance as at the beginning of the year**	1,04,682.83	1,07,032.81
Add : Net Profit after Tax transferred from the Statement of Profit and Loss	10,825.04	(439.28)
Other Comprehensive Income/(Expense) arising from Remeasurement of Defined Benefit Obligation (Net of Tax)	-	-
Less : Transferred to NCI due to Conversion equity instrument in Equity (solely for NCI nos subscription of share)	-	(1,958.65)
Add: Adjustment to opening balance	(2,04,986.95)	47.95
Balance at the end of the year	(89,479.07)	1,04,682.83
<b>Equity Instruments through Other Comprehensive Income</b>		
Balance as at the beginning of the year	42,898.63	42,216.69
Add: Movement during the year	3,224.20	681.94
Less: Transferred to Retained Earning	-	-
Balance at the end of the year	46,122.83	42,898.63
<b>Total</b>	<b>10,119.06</b>	<b>1,99,050.08</b>

\* Asit C Mehta Investment Intermediates Limited

\*\*Since the One of the subsidiaries in the Group has elected to continue with carrying value of Investment property, the balance in Revaluation reserve as on date of transition, i.e. April 1, 2016 is transferred to Retained earnings.

#### Description of the nature and purpose of Other Equity

**Capital Reserve:** Capital reserves created by the Holding Company due to forfeiture of Equity Shares of the Holding Company on occasion of Amalgamation.

**Securities Premium:** Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013

**Retained Earnings:** Retained Earnings are the profits that the Group has earned till date and is net of amount transferred to other reserves such as general reserves etc., amount distributed as dividends and adjustments on account of transition to Ind AS.

**Equity Instruments through Other Comprehensive Income:** This represents cumulative gains/(losses) arising on the measurement of equity instruments at Fair Value through Other Comprehensive Income.



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 21 : Borrowings : Non-current

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Secured loans</b>		
<b>A. Term Loans</b>		
a. Car Loan from Bank [refer note (i) below]	182.08	592.14
b. Car Loan from Bank (refer note (ii) below)	1,061.25	-
<b>B. From NBFCs</b>		
a. Term Loan from NBFC (refer note (iii) below)	-	42,399.03
b. Term Loan from NBFC (refer note (iv) below)	-	36,440.02
c. Term Loan from NBFC (refer note (v) below)	1,83,732.57	1,89,733.72
d. Term Loan from NBFC (refer note (vi) below)	15,107.23	20,716.16
e. Term Loan from NBFC (refer note (vii) below)	-	5,891.19
f. Term Loan from NBFC (refer note (viii) below)	86,843.83	
e. Term Loan from NBFC (refer note (ix) below)	-	37,126.41
<b>Unsecured</b>		
4% Redeemable non convertible Debentures	2,00,656.10	-
2,00,65,610 (As on 31st March 2021: Nil) Debentures of Rs 10 each. (refer note (x) below)		
Loan from Directors	51,411.65	21,377.33
(Including Interest Accrued Rs. 3,632.56; Previous Year Rs. 1,577.33)		
<b>Total</b>	<b>5,38,994.71</b>	<b>3,54,276.00</b>

### Nature of Security and Term of Repayment of Long-term Borrowing :

	Name of Security	As at March 31, 2022	As at March 31, 2021
i.	[Secured by hypothecation of motor cars Interest rate at 8.86% p.a. (previous year 8.86%p.a.)] Terms of Repayment : 60 Equivalent installment of Rs.37245/- P.M.	182.08	592.14
ii.	[Secured by hypothecation of motor cars Interest rate at 7.40% p.a. (previous year NIL)] Terms of Repayment : 60 Equivalent installment of Rs.25,611/- P.M.	1,061.25	-
iii.	Mortgage of commercial property situated at Nucleus House, Andheri (East), Mumbai, bearing nos 3rd, 4th, 5th, 6th & 7th floor 'A' Wing, - The Company has foreclosed loan in the month of February 2022. Rate of Interest : [31.03.2022 Nil, 31.03.2021 11.15%]	-	42,399.03
iv.	Secured by Equitable / registered mortgaged of the properties located at Nucleus House "B" Wing, unit 201B of 2nd Floor (released on 14th December 2020) and 701B of 7th Floor. (commencing from May'2014) (tenure 180 months) - The Company has foreclosed loan in the month of February 2022. Rate of Interest : [31.03.2022 Nil, 31.03.2021 11.15%]	-	36,440.02
v.	Secured by Equitable Mortgage of the properties located at Nucleus House A wing : unit 102 of 1st Floor, unit 201, 202 & 203 of 2nd Floor and unit 801 of 8th floor and B wing : unit 101, 102 of 1st floor and Unit 301 of 3rd Floor. (Repayable in 113 Installments) Rate of Interest : [31.03.2022 10.20%, 31.03.2021 10.20%]	1,83,732.57	1,89,733.72



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

vi.	Secured by Equitable Mortgage of the properties located at Nucleus House B wing : unit 401 of 4th floor, unit 501 of 5th floor and Unit 601 of 6th floor. (Repayable in 49 Installments) Rate of Interest : [31.03.2022 10.35%, 31.03.2021 10.35%]	15,107.23	20,716.16
vii.	Secured by Equitable Mortgage of the properties located at Nucleus House B wing : unit 701 of 7th floor. During the earlier year, the company has taken loan from NBFC and is repayable in 36 Installment from November 2021 - The Company has foreclosed loan in the month of February 2022. Rate of Interest : [31.03.2022 14.00%, 31.03.2021 14.00%]	-	5,891.91
viii.	Secured by Equitable Mortgage of the properties located at Nucleus House A wing : unit 3rd to 7th Floor. (Repayable in 144 Installments) Rate of Interest : [31.03.2022 14.00%, 31.03.2021 Nil] The outstanding Loan of Rs. 8,92,32,748 has been taken over by an NBFC by process of loan transfer, The necessary charge has been created by the New company.	86,843.83	-
ix.	Secured by personal guarantee of director and mortgage of properties of directors relatives Terms of Repayment : 120 Equal installment of Rs.5,62,382/- P.M. (During the year Company has repaid the entire loan) Rate of Interest : [31.03.2022 11.5%, 31.03.2021 11.5%]	-	37,126.41
<b>Total</b>		<b>2,86,926.95</b>	<b>3,32,899.39</b>
<b>Less: Current Maturities of Long-term borrowings (refer note 26)</b>		9,521.46	21,037.48
<b>Total</b>		<b>2,77,405.49</b>	<b>3,11,861.91</b>
<b>In respect of unsecured loan - 4% Unsecured Redeemable Non-Convertible Debentures</b>			
x.	2,00,65,610 Debentures being 4% Unsecured Redeemable Non-Convertible Debentures of Rs. 10/- each, redeemable in 3 Installments i.e after 36 Months-33.33%, after 48 Months - 33.33% and after 60 Months - 33.34% and on redemption premium is payable at 10% issue price. The Company has right of prepayment.	2,00,656.10	-
<b>Total</b>		<b>2,00,656.10</b>	<b>-</b>

### Note 22 : Lease Liability: Non-Current

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Lease Liability (refer note 45)	225.43	-
<b>Total</b>	<b>225.43</b>	<b>-</b>

### Note 23 : Provisions : Non-current

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits		
Gratuity	6.92	995.73
Leave Encashment	2,379.45	2,214.44
<b>Total</b>	<b>2,386.37</b>	<b>3,210.17</b>



**ASIT C. MEHTA FINANCIAL SERVICES LIMITED****Note 24 : Deferred tax liabilities (net): Non Current**

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax liabilities (net)	3,748.16	-
	<b>3,748.16</b>	-

**Note 25 : Other Financial Liabilities: Non-Current**

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Financial Guarantee Contract	-	-
	-	-

**Note 26 : Borrowings : Current**

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Repayable on demand		
From Banks- Secured		
Overdraft from Bank of India	12,946.86	12,920.16
Bank of India [(overdraft facility) secured by (i) Mortgage of office unit no.101 A wing and Unit No.103 A wing situated at Nucleus House, Saki Vihar Road, Andheri (East), Mumbai-400072. in the Name of Asit C. Mehta Financial Services Limited - The Holding Company, and (ii) personal guarantee of the Managing Director, one of the whole time directors, its Holding company and one of the Group company]		
Rate of Interest by Bank Of India on Overdraft facility against Mortgage of Fixed Assets is MCLR Rate + 3.70% p.a. (Present Rate 11.35% p.a.)(Previous Year 12.30% p.a.)		
Overdraft from Bank of India	-	49,953.53
Bank of India [(overdraft facility) against 50% Banks TDR, Personal / Corporate guaranties of the Managing Director , one of the whole time directors, its Holding company and one of the Group company] ( During the year Company has repaid the Overdraft Facility)		
Rate of Interest by Bank Of India on Overdraft facility against Mortgage of Fixed Assets is MCLR Rate + 3.70% p.a. (Present Rate 11.35% p.a.)(Previous Year 12.30% p.a.)		
Overdraft from State Bank of India	2,82,234.73	1,48,720.69
State Bank of India[(Overdraft facility) secured by 25% Cash Margin in the form of Fixed deposit to be kept Bank lien, hypothecation on Receivable and WDV of Movable fixed Assets of the Company, Existing & future and further collaterals by (i) registered mortgage of residential premises owned by Managing director and one of the whole time directors;		
(ii) registered mortgage of office premises at 2/B, 2nd Floor , Nucleus House, Saki Vihar Road, Andheri East, Mumbai -72 owned by the company; and		
(iii) personal guarantee of the Managing Director and one of the whole time directors. [During the previous year (Overdraft facility) secured by hypothecation of all Receivable and first charge on present and future fixed assets, like computers & peripherals, furniture, electrical fittings, interior works, etc and further collaterals by (i) registered mortgage of residential and office premises owned by Managing director and one of the whole time directors;		



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

(ii) registered mortgage of office premises owned by one of the whole time directors; and (iii) personal guarantee of the Managing Director and one of the whole time directors (iv) Corporate Guarantee from Holding Company]		
Rate of Interest by State Bank of India on Overdraft facility against Hypothecation of Fixed Assets is EBLR rate + 2% p.a. ( Previous Year, MCLR Rate + 2.75% p.a.) (Present Rate 8.65% p.a.) (Previous Year 8.65% p.a.)		
From Others- unsecured		
Inter Corporate Deposit	2,21,000.04	1,25,314.57
(Repayable on Demand and Rate of Interest- 11% to 16%		
Others		
Current Maturities of Long Term borrowings (refer note 21)	9,521.46	21,037.48
Loan from Mrs. Deena A. Mehta	1,464.43	-
Security Deposits	6,809.00	3,809.00
<b>Total</b>	<b>5,33,976.52</b>	<b>3,61,755.43</b>

### Note 27 : Lease Liability: Current

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Lease Liability	143.14	-
<b>Total</b>	<b>143.14</b>	<b>-</b>

### Note 28 : Trade Payables: Current

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) dues to micro enterprises and small enterprises; and	-	-
(b) dues to creditors other than micro enterprises and small enterprises*	4,87,563.42	5,50,144.08
* (Unbilled Dues Rs. 692.85; Previous Year Rs. 1,017.09)		
<b>Total</b>	<b>4,87,563.42</b>	<b>5,50,144.08</b>

### Trade payables aging schedule as on March 31, 2022

(₹ in '000)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year *	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others (see note below)	4,74,119.21	13,444.21	-	-	4,87,564.42
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-

Note - The Company is entitled to tax credit of Rs. 28,84,544 (as per details on website of Municipal Corporation) which will get adjusted against the demand of Rs. 27,83,952/-.



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Trade payables aging schedule as on March 31, 2021

(₹ in '000)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year *	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	5,43,138.64	5,301.63	1,703.81	-	5,50,144.08
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-

The Group has not received any intimation from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"), and therefore no such disclosures is made. This has been relied upon by the auditors.

Amounts payable to Micro and Small Enterprises	As at March 31, 2022	As at March 31, 2021
(i) the principal amount and the interest due thereon	Nil	Nil
(ii) interest Paid during the year	Nil	Nil
(iii) the amount of interest due and payable for the period of delay in making payment	Nil	Nil
(iv) the amount of interest accrued and remaining unpaid	Nil	Nil
(v) the amount of further interest remaining due and payable	Nil	Nil

### Note 29 : Other Financial Liabilities: Current

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued but not due on long term borrowing	1,220.60	1,862.91
Base Capital deposits from Business Associates	21,305.07	25,791.46
Interest payable on borrowings	359.64	383.18
<b>Total</b>	<b>22,885.31</b>	<b>28,037.55</b>

### BASE CAPITAL DEPOSITS FROM BUSINESS ASSOCIATES

- The Company, in the course of its business and as per the terms and conditions with Business Associates , has received security deposits in the form of cheques.
- As per the terms and conditions, the Company has an absolute right to appropriate and realize the security deposits against the unpaid dues from clients introduced by Business Associates and the balance, if any, is refunded in the form of cheques.
- The aggregate amount of security deposits (including sticky balance) received from Business Associates and outstanding as at the year end is Rs. 21,305 (in'000) (Previous year Rs.25,791 (in'000))

### Note 30 : Other Current Liabilities : Current

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Income Received in advance	433.23	589.97
Others		
Statutory dues	10,599.16	9,280.93
Other Liabilities	31.84	591.34
Employee Benefits	985.07	1,364.34
<b>Total</b>	<b>12,049.30</b>	<b>11,826.58</b>



**ASIT C. MEHTA FINANCIAL SERVICES LIMITED****Note 31 : Provisions : Current**

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits :		
Gratuity - (Refer Note 46)	762.78	32.18
Leave Encashment	83.64	1,693.26
<b>Total</b>	<b>846.42</b>	<b>1,725.44</b>

During the current financial year, The Company had exited the online business assets along with Staff and staff pertaining liabilities. The Company had transferred Rs.204 (in'000) as leave encasement liabilities and Rs.561 (in'000) as Gratuity liabilities on Transfer of online business to the other entity

**Note 32 : Tax Liabilities (Net) : Current**

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Current Tax provision	-	-
	-	-

**Note 33 : Revenue from Operations**

(₹ in '000)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A) Stock broking and allied services	3,21,018.92	2,78,278.65
<u>B) Advisory charges</u>		
- Domestic	15,654.24	3,837.10
- Exports	-	-
C) Rental Income	7,801.93	6,917.99
<u>D) Income from ITeS Services</u>		
- Domestic	322.64	2,038.24
- Exports	-	-
E) Debt Recovery services	332.33	1,942.54
F) Talk Delta Algo (AMC Fees etc.)	163.39	1,938.03
G) Professional Fees Received	68.79	-
<b>Total</b>	<b>3,45,362.24</b>	<b>2,94,952.55</b>

**Note 34 : Other Income**

(₹ in '000)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Interest Income</b>		
on Inter Corporate Deposit	12,521.86	8,004.03
Interest on Security Deposit with clearing Corporation	10,804.19	2,374.19
on Bank Deposits	7,856.22	16,158.43
on Income Tax Refund	678.96	732.76
Interest - Preference Shares	186.01	629.72
Interest on Electricity Security Deposit	34.01	38.80
Dividend	0.21	28.03
Insurance refund / Claim	65.61	144.92



**ASIT C. MEHTA FINANCIAL SERVICES LIMITED**

Profit on Sale on Share	23,907.58	27,149.97
<b>Other Operating Income</b>		
Foreign Exchange Difference (net)	-	0.64
Amortisation of Financial Guarantee	-	126.00
Provision for Gratuity written back	139.93	-
Expenses Write Back	0.01	9.40
Miscellaneous Income	85.28	597.51
Promotional Income / Professional Fees	1,450.00	-
Profit on Sale of Investment property	8,961.44	41,417.98
Profit on Sale of Investments	1,067.89	-
Profit on Sale of Treasury Shares	2,286.51	-
<b>Total</b>	<b>70,045.71</b>	<b>97,412.38</b>

**Note 35 : Employee Benefit Expenses**

(₹ in '000)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries ,Wages & Bonus	69,142.42	68,837.00
Contribution to PF and Other funds	3,414.43	3,167.57
Staff Welfare	1,140.84	603.39
Leave Encashment	133.25	451.76
Directors' Remuneration	4,482.00	4,482.00
Gratuity Expenses	984.13	804.85
<b>Total</b>	<b>79,297.07</b>	<b>78,346.57</b>

**Note 36 : Finance Cost**

(₹ in '000)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Interest on Long Term Borrowings		
- Term Loans	38,975.33	36,824.60
- Debentures (to Related Parties)	1,011.53	-
- On Loans from Directors	5,858.89	1,720.98
b) Interest on Short Term Borrowings		
- Inter Corporate Deposits	9,437.93	9,026.67
- Intra day	-	196.23
- Cash Credit	19,721.41	18,276.35
- On Car Loan	70.83	103.28
c) Others	1,462.94	129.95
d) Interest on Preference Shares measured at amortised cost	287.72	335.47
e) Other Borrowing Cost		
- Loan Processing Fees	618.06	-
- Bank Guarantee Commission	590.14	1,831.51
- Guarantee Commission written off on closure ( Group Company - ACMC)	593.75	-
- Bank Guarantee Commission	-	126.00
- Loan processing ,registration fee and stamp duty	635.14	492.38
-Bank Charges	7.98	4.06
<b>Total</b>	<b>79,271.65</b>	<b>69,067.48</b>



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 37 : Other Expenses

(₹ in '000)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Business Associates Expenses	1,36,952.09	1,19,401.88
Service Charges Demat	2,912.41	3,165.15
Marketing Expenses	5,303.41	6,211.13
Electricity charges	2,000.54	2,747.61
Legal and Professional fees	8,389.94	11,206.15
Rates and Taxes	6,645.08	8,367.35
Insurance	151.09	265.98
Office Maintenance	8.98	411.09
Membership & Subscription	3,845.03	3,659.65
Communication, Connectivity & Telephone Expenses (Net)	3,050.24	3,321.27
Printing and Stationery (Net)	15.26	16.77
Fixed Assets Written Off	-	1,802.91
Loss On Sale Of Assets	-	1,277.72
Directors sitting fees	375.00	340.00
<b><u>Auditors' remuneration:-</u></b>		
Audit fees	2,060.00	1,985.00
Tax Audit	125.00	125.00
Other Services	397.00	200.00
	2,582.00	2,310.00
Listing Fees Stock Exchange	325.00	309.00
Conveyance & Travelling	987.34	537.40
Repairs and Maintenance – Building / Equipments	11,176.78	7,593.83
Repairs and Maintenance – Other	2,279.66	1,067.82
Brokerage /Commission	70.00	601.00
Software Expenses	-	90.00
GST Expense	181.99	-
Stamp Duty	855.97	-
Data Processing Chgs (Vendors)	155.70	-
Office Exp	33.07	-
Transaction Clearing Charges	1,758.32	2,113.97
Commission paid on PMS Management Fees	6,850.21	1,668.88
Arbitrage Income Sharing expenses	9,118.42	1,486.37
Bad Debts Written off - Provision	1,395.14	7,242.78
Misc Balances W/Off*	7,867.03	227.71
Miscellaneous Expenses	8,918.88	6,090.44
<b>Total</b>	<b>2,24,204.58</b>	<b>1,93,533.86</b>

\* Includes CDSL income receivable of Rs. 6,128.43 (in '000) is not recoverable, hence written off.



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 38:

#### Additional Regulatory Information: Analytical Ratios

Ratio	Formula	Detail Formula		2021-22		2020-21	% Variance	Remarks
	CURRENT ASSETS	CURRENT ASSETS	9,00,758		8,25,224			
Current Ratio				0.85		0.87	-1.58%	NA
	CURRENT LIAB	CURRENT LIAB	10,57,464		9,53,489			
	TOTAL DEBT	Current + Non Current Borrowing	10,72,971		7,16,031			
Debt-Equity Ratio				10.67		2.51	325.31%	Due to increase in Borrowing (including Debenture issued for the purpose of further acquisition of shares in subsidiary ACMIL during the year) as compare to last year
	SHAREHOLDER'S EQUITY	Equity + Reserve & Surplus	1,00,544		2,85,367			
	EARNING AVAILABLE FOR DEBT SERVICE	PBT + Depreciation + Interest on Loan	1,10,645		1,19,988			
Debt Service Coverage Ratio				1.41		1.75	-19.58%	NA
	DEBT SERVICE	Interest on Loan + EMI Principal Installment	78,629		68,571			
	NET PROFIT AFTER TAX - PREF SH DIV	PAT	14,633		22,569			
Return on Equity Ratio				0.08		0.08	-7.92%	NA
	AVG SHAREHOLDER EQUITY	(Opening + Closing ) /2 Share Holders Fund	1,92,955		2,74,051			
Inventory turnover ratio	NA			NA		NA	NA	NA
	NET CREDIT SALES	Revenue from Operations	3,45,362		2,94,953			



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Trade Receivables turnover ratio				4.42		5.52	-19.86%	NA
	AVG ACCOUNT RECEIVABLE	(Opening + Closing )/ 2 Trade Receivable ( Current and Non Current)	78,077		53,438			
Trade payables turnover ratio	NA			NA		NA	NA	NA
	NET SALES	Revenue from Operations	3,45,362		2,94,953			
Net capital turnover ratio				-2.20		-2.30	-4.16%	NA
	WORKING CAPITAL	( Current Assets - Current Liabilities)	(1,56,706)		(1,28,265)			
	NET PROFIT	PAT	14,633		22,569			
Net profit ratio				0.04		0.08	-44.63%	Due to lesser profit during the year after tax as compared to last year Profit after tax
	NET SALES	Revenue from Operations	3,45,362		2,94,953			
	EARNING BEFORE INTEREST AND TAXES	PBT + Interest Cost	93,896		68,880			
Return on Capital employed				0.08		0.07	16.33%	NA
	CAPITAL EMPLOYED	Share Capital + Reserve and Surplus + Borrowing ( Current + Non current)	11,73,515		10,01,398			
	PBT+Finance Cost	PBT+Finance Cost	93,896		68,880			
Return on investment				0.06		0.04	27.75%	Due to higher Total Assets as compared to last year
	Total Assets	Total Assets ( Fixed + Current + Non current)	17,03,363		15,96,342			



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 39:

#### Contingent Liabilities and Commitments

Particulars	As at March 31, 2022	As at March 31, 2021
<b>A. Contingent Liabilities</b>		
<b>a. Claims against the Company/ disputed liabilities not acknowledged as debts</b>		
i. Income-tax matters under appeal (AY 16-17) (refer footnote 3)	589.87	589.87
ii. Service Tax matters under appeal (refer footnote 2)	10,197.58	10,197.58
iii. FEMA matter (refer footnote 1)	16,186.00	16,186.00
iv. Income-tax matters under appeal (AY 17-18) (refer foot notes- 4)	11,676.02	11,676.00
v. Disputed Claims against the Group Company not provided for	1,041.46	1,274.37
vi. Disputed tax demanded under various assessment proceedings due to disallowance of various expenses, tax rebates, etc and contested by the Company at appellate authorities (refer foot notes -8)	19,758.20	19,761.13
vii. Income-tax matters under appeal (AY 10-11)	19.91	19.91
viii. Interest on Escrow Deposit (refer footnote 5)	8,506.44	8,506.44
ix. SEBI Penalty (refer footnote 6)	1,350.00	3,400.00
x. NSE Penalty (refer footnote 7)	-	705.60
	<b>69,325.48</b>	<b>72,316.92</b>
<b>B. Guarantee given (refer footnote 1)</b>	16,186.00	16,186.00

#### Footnotes:

- The Company received pay orders valuing to Rs. 5,072 (Rs. in '000) from customers in the financial year 1994-95 in respect of Money Changing business. These payorders were dishonored by the issuing nationalized bank as per the instructions of Directorate of Revenue & Intelligence. The Company was made a party to proceedings under the Customs Act 1962 and the proceeds were sought to be forfeited by the DRI and Customs Department. The Collector of Customs levied a penalty on the Company and its Branch managers under the proceedings. The Company had challenged the award before the Customs, Excise and Gold (Control), Appellate Tribunal, Mumbai (CEGAT) . CEGAT struck down the order acquitting the company and ruled in favour of the Company ordering the Customs Department to release the consideration of the aforesaid sum. The Customs department preferred an appeal in High Court of Mumbai . Ho. Mumbai High Court ordered the Customs Department to release the sum as per the CEGAT order. The Customs Department appealed in the Supreme Court pleading that it will be filing a reference petition soon in Mumbai High Court. The Supreme Court ordered the Customs Department by way of an interim order to release the sum against a bank guarantee of equivalent sum .The company has furnished the required bank guarantee.. The Customs Department has since filed a reference petition before the Hon'ble High Court of Judicature at Bombay and the same is still pending for disposal.

During 1994-95, proceedings were initiated against the Company by the Department of Revenue and Intelligence. under Foreign Exchange Regulations Act, 1973 for the same allegations . FERA was abolished in the year 2000., and sunset clause applied till 2007-2008. The proceedings were decided just before the sunset clause of FERA. In 2007-2008, the Company received an order from the office of the Special Directorate of Enforcement holding Company guilty in respect of defiance with the instructions contained in the FLM Memorandum and imposing a penalty of Rs.16,186 (Rs. in '000). The Company contends that it had always complied with the relevant regulations of the Reserve Bank of India as contained in FLM – Memorandum of Instructions to Full-Fledged Money Changers. The Company has filed an appeal before the Appellate Tribunal for Foreign Exchange (ATFE) contesting the order, which is still pending.

- The Service Tax Department had raised a demand of Rs. 10,197.58 (Rs. in '000), reflected above in contingent liability, by passing an Ex parte order dated 11th April 2008. The Company's appeal against this order was dismissed by Commissioner (Appeals). Against this order the Company has filed appeal before CESTAT Mumbai. The management, based on expert's advice, is confident that the demand is not sustainable and hence no provision for the same is made in the books of account.
- The Company had received assessment order for financial year 2015-16 (Assessment year 2016-17) raising demand of Rs. 589.87 (Rs. in '000). The said demand had arisen on account of disallowance of part of business expenditure by treating expenditure against house property income. The Company has deposited Rs. 118.00 (Rs. in '000) against the said demand and had filed an appeal against the same. The Department has adjusted pending refund for previous years Amounting to Rs. 425.54 (Rs. in '000) of A.Y. 2018-19 and Rs. 72.28 (Rs. in '000) of AY 2017-18 against the said demand.



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

- 4 The Company had received assessment order for financial year 2016-17 (Assessment year 2017-18) raising demand of Rs. 11,676.02 (Rs. in '000). The said demand had arisen on account of disallowance of part of business expenditure by treating expenditure against house property income. The Company has deposited Rs. 1,215.00 (Rs. in '000) against the said demand and had filed an appeal against the same.
- 5 "The subsidiary company Asit C Mehta Investment Intermediates limited of group entered into agreement with Real Gold LLP (Purchaser) and Kohinoor Planet Construction Pvt Ltd.(seller) on 28.03.2018 becoming Escrow Agent for the deal.  
As per Agreement, Purchaser has kept deposit with Escrow Agent ( i.e. Company) of Rs. 46,500 (Rs. in '000) as Escrow deposit. As per Agreement, it was decided to handover the Escrow Deposit to either Purchaser or seller based on outcome of deal as mentioned in Point no. 4.1 of the agreement. It was also decided as per Point no. 4.7 of the agreement that Escrow agent May keep the Escrow deposit in Fixed deposit form with Nationalized Bank. And interest if any will be passed on to either party on closure of the deal.  
It was discretionary for the subsidiary Company so subsidiary Company has kept the Money in bank only and not in Fixed Deposit form.  
During the Year the company has repaid Rs. 46,500 (Rs. in '000) from escrow account However interest is not paid and hence shown as contingent liability of Rs. 8,506.44 (Rs. in '000) (P.Y Rs. 8,506.44) (Rs. in '000)"
- 6 During the previous financial Year SEBI has Imposed Penalty on Subsidiary Company Asit C Mehta Investment Intermediates Limited of Rs. 700 (Rs. in '000)and Rs. 2,700 (Rs. in '000) for Certain Non Compliance for Period 01-04-2012 to 30-09-2015 and 01-07-2017 to 31-07-2018 , however Company has Filed Appeal to the Securities Appellate Tribunal, Mumbai for Above mentioned Penalty and Appeal is accepted by Respected Tribunal. The Company has deposited Rs. 1,350 (Rs. in '000)+ Rs. 700 (Rs. in '000) as per SAT order.
- 7 During the Previous year, NSE has imposed Penalty of Rs. 706 (Rs. In '000), The Company had filed appeal against the said penalty. During the year, The SAT has passed the order to waive 50% of the penalty and close the matter.
- 8 The subsidiary Company Asit C Mehta Investment Intermediates Limited had received assessment order for financial year 2014-15 (Assessment year 2015-16) and financial year 2016-17(Assessment year 2017-18) raising demand of Rs. 17,186.01/- (in 000) and Rs. 7,509.51/-(in 000). The said demand had arisen on account of disallowance of part of business expenditure by treating expenditure against Business Associates Expenses . The Company has deposited Rs. 2,500/-(in 000) and Rs. 1,502/-(in 000)against the said demand and had filed an appeal against the same. The Department has adjusted pending Refund for Previous years Amounting to Rs. 932.40/-(in 000) of A.Y. 2019-20 against the said demand.
- 9 In respect of items above, it is not possible for the company to estimate the timings of cash outflows which would be determinable only on receipt of judgments pending at various forums/authorities.
- 10 The management, based on the expert's advice, is confident that the said tax demands are not sustainable and hence no provision for the same is made in the books of account.
- 11 The company does not expect any reimbursement in respect of above contingent liabilities.

<b>B</b>	<b>Commitments</b>	<b>NIL</b>	<b>NIL</b>
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### Note 40:

#### Disclosures of transactions with related parties required under Ind AS 24 on "Related Party Disclosures"

##### A. List of Related Parties with whom transactions have taken place during the Year / Previous Year

###### (I) Key Management Personnel (KMP)

Mr. Asit C Mehta	:- Director and Chairman
Mrs. Deena A. Mehta	:- Non-Executive Director
Mr. Kirit Vora	:- Non-Executive Director
Mr. Vijay Ladha	:- Independent Director (upto 15th September 2020)
Mr. Radha Krishna Murthy	:- Independent Director
Mr. Pundarik Sanyal	:- Independent Director
Mr. Vijay Ladha	:- Independent Director (upto 15th September 2020)
Mr. Manohar Lal Vij	:- Independent Director (from 14th February 2022)
Mr. Akshay Jain	:- Chief Financial Officer (from 13th August 2019 to 31st July 2020)



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Mr. Pankaj J Parmar :- Manager  
 Ms. Meha Sikarwar :- Company Secretary and Compliance officer (upto 16th Feb,2020)  
 Mr. Ashok Gupta :- Chief Financial Officer (from 13th February 2021)  
 Mr. Sumit Sharma :- Company Secretary and Compliance officer (from 31st July, 2020 to 16th May 2022)  
 Ms. Gauri Gokhale :- Company Secretary and Compliance officer (from 27th May 2022)

(II) Relatives of Key Management Personnel (KMP) (Transaction during the Year / Previous Year)

Mr. Chimanlal Mehta :-Father of Chairman  
 Mr. Jayesh Desai :-Brother of Non Executive Director  
 Ms. Prachi Mehta :- Wife of Son of Chairman  
 Mr. Aakash A Mehta :- Son of Chairman

(III) Relatives of Key Management Personnel (KMP) (No Transaction during the year)

Mr. Aditya A Mehta :- Son of Chairman

(Iv) Related parties where significant influence exists and where transactions have taken place:

Asit C Mehta Commodity Services Limited

### B. Transactions With Related Parties

(₹ in '000)

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
	<b><u>Rental Income</u></b>		
i.	Asit C Mehta Commodity Services Limited	120.00	120.00
	<b><u>Interest Received</u></b>		
i.	Asit C Mehta Commodity Services Limited	3,677.07	3,916.12
	<b><u>Rental Expenses</u></b>		
i.	Mr. Asit C Mehta	720.00	720.00
ii.	Mrs. Deena A. Mehta	840.00	1,440.00
	<b><u>Interest Paid on Loan</u></b>		
i.	Mr. Asit C Mehta	4,156.10	-
ii.	Mrs. Deena A. Mehta	2,088.96	2,019.76
iii.	Asit C Mehta Commodity Services Limited	342.60	-
	<b><u>Share Capital Money Paid</u></b>		
i.	Mr. Aakash A Mehta	1,620.06	-
ii.	Mr. Aditya A Mehta	1,395.00	-
iii.	Mr. Asit C Mehta	878.85	-
iv.	Mrs. Deena A. Mehta	387.50	-
v.	Mrs. Prachi Mehta	225.06	-
	<b><u>Share Capital Money Received (including Share Premium)</u></b>		
i.	Jayesh Desai	1,500.00	-
	<b><u>Professional Fees Received</u></b>		
i.	Mr. Aakash A Mehta	1,450.00	-
	<b><u>Arbitrage share / Brokerage paid -</u></b>		
i.	Asit C Mehta Commodity Services Limited	418.16	259.32
	<b><u>Reimbursement of Expenses</u></b>		
i.	Asit C Mehta Commodity Services Limited	85.95	-
ii.	Mr. Asit C Mehta	316.29	-



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iii.	Mrs. Deena A. Mehta	823.41	-
iv.	Mr. Pankaj Parmar	24.88	-
	<b>Guarantee Commission written off on closure (Group Company)</b>		
i.	Asit C Mehta Commodity Services Limited	593.75	-
	<b><u>Interest paid on Debentures</u></b>		
i.	Mr. Asit C Mehta	314.95	-
ii.	Mrs. Deena A. Mehta	598.45	-
iii.	Asit C Mehta Commodity Services Limited	98.13	-
iv.	Mr. Chimanlal Mehta	0.003	-
v.	Mr. Jayesh Desai	0.003	-
	<b><u>Remuneration to KMP</u></b>		
i.	Mr. Asit C Mehta	2,160.00	2,160.00
ii.	Mr. Kirit Vora	2,160.00	2,322.00
iii.	Mr. Pankaj Parmar	2,881.68	2,905.72
iv.	Ms. Meha Sikarwar	-	180.76
v.	Mr. Akshay P Jain	-	209.84
vi.	Mr. Ashok Gupta	1,313.83	321.47
vii.	Mr. Sumit Sharma	91.03	28.19
	<b><u>Sitting Fees to KMP</u></b>		
i.	Mr. Asit C Mehta	60.00	50.00
ii.	Mrs. Deena A. Mehta	60.00	50.00
iii.	Mr. Kirit Vora	85.00	70.00
iv.	Mr. Vijay Ladha	-	40.00
v.	Mr. Radha Krishna Murthy	85.00	70.00
vi.	Mr. Pundarik Sanyal	85.00	60.00
	<b><u>Loan Received</u></b>		
i.	Mrs. Deena A. Mehta	49,925.00	88,300.00
ii.	Mr. Asit C. Mehta	1,25,980.00	-
iii.	Asit C Mehta Commodity Services Limited	40,000.00	-
	<b><u>Loan Repaid</u></b>		
i.	Mrs. Deena A. Mehta	54,450.00	68,500.00
ii.	Mr. Asit C. Mehta	93,825.00	-
iii.	Asit C Mehta Commodity Services Limited	40,000.00	-
	<b><u>Loan Given</u></b>		
i.	Asit C Mehta Commodity Services Limited	2,27,080.63	48,626.76
ii.	Mr. Sumit Sharma	25.00	-
	<b><u>Loan Received back</u></b>		
i.	Asit C Mehta Commodity Services Limited	1,98,958.56	73,852.46
	<b><u>Deposit Received back</u></b>		
i.	Deposit for Premises received back from Director - Mrs. Deena A. Mehta and Asit C. Mehta	43,000.00	-
	<b>Acquisition of Further stake in Equity Shares of ACMIL (for 2,00,656 Rs. In '000') through Allotment of Unsecured Redeemable NCD</b>		



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

i.	Mr. Asit C. Mehta	1,18,713.24	-
ii.	Mrs. Deena A. Mehta	62,475.54	-
iii.	Asit C Mehta Commodity Services Limited	19,465.00	-
iv.	Mr. Chimanlal Mehta	0.57	-
v.	Mr. Jayesh Desai	0.57	-
vi.	Others (Non Related)	1.140	-
	<b>Sale of Investment Property (immovable)</b>		
i	Mr. Asit C. Mehta	48,000.00	-
	<b><u>Sale of Securities (Equity Share)</u></b>		
i	Mrs. Deena A. Mehta (Equity Share- Asit C Mehta Commodity Limited )	-	24,000.00
	<b><u>Redemption of Preference Share</u></b>		
i.	Mr. Asit C Mehta	-	4,050.00
ii.	Mrs. Deena A. Mehta	-	3,950.00

### C. Outstanding Balances

(₹ in '000)

Particulars		As at March 31, 2022	As at March 31, 2021
	<b>Closing balance Receivable:</b>		
i.	Asit C Mehta Commodity Services Limited (incl Interest)	28.00	23,300.00
ii.	Mr. Aakash A Mehta	711.00	-
	<b>Closing Balance Payable:</b>		
i.	Mrs. Deena A. Mehta	19,396.74	21,377.33
ii.	Mr. Aakash A Mehta	67.46	-
iii.	Mr. Asit C Mehta	33,479.34	-
iv.	Asit C Mehta Commodity Services Limited	76.34	-
v.	Mr. Asit C Mehta (Reimbursement)	480.00	-
	<b>Property Deposit Receivable</b>		
i.	Mr. Asit C Mehta	-	17,500.00
ii.	Mrs. Deena A. Mehta	-	25,500.00
	<b>Property Deposit Payable</b>		
i.	Asit C Mehta Commodity Services Limited	1,500.00	1,500.00

### Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances on account of trade receivable, trade payable, other receivable, other payable and interest receivable on loan at the year end are unsecured and settlement occurs in cash. There have been no guarantees provided or received in respect of outstanding receivables or payables from/to any related party. This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related party operates.



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 41:

#### Earnings Per Share (EPS)

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Net Profit / (Loss) after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in '000)	14,632.61	22,569.03
Number of Equity Shares at the beginning of the year	48,33,575	48,33,575
Add:- Treasury Shares disposed during the year	13,802	-
Number of Equity Shares at the end of the year	48,47,377	48,33,575
Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	48,33,575	48,33,575
Add:- Treasury Shares disposed during the year	4,575	-
Total	48,38,150	
Face Value per Equity Share	10.00	10.00
Basic and Diluted Earnings per Share	3.02	4.67

### Note 42:

Disclosure required under Section 186(4) of the Companies Act, 2013 for Loans, Security provided and Investments :

(₹ in '000)

Nature of the transaction	Purpose	As on March 31, 2022	As on March 31, 2021
1 <b>Inter Corporate deposits and Loans (Unsecured)</b>			
Chargein Kiosk Private Limited	Business Purpose	4,475	4,002
Ladder 2 Rise Private Limited	Business Purpose	599	532
Phase Holdings Private Limited	Business Purpose	25,007	-
Algo IQ Software Solution Private Limited	Business Purpose	62,762	25,014
Ashrit Holdings Limited	Business Purpose	50,014	-
Kipa Scientific Private Limited	Business Purpose	50,014	-
Nichi Investment Company Private Limited	Business Purpose	-	40,022
Asit C. Mehta Commodity Services Limited	Business Purpose	28,122	-
2 <b>Investments</b>			
For details refer note 4 to the accounts			



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 43:

Additional Regulatory Information:

Utilisation of Borrowed Fund and Share Premium during the year:

The Holding Company in the ordinary course of business advanced, loaned and made investments on its own account, in equities, resulting into increasing its stake in one of its subsidiaries and a new subsidiary during the year. The Holding Company has also provided Guarantees and Securities on behalf of its one of the subsidiaries to fulfill the conditions of sanction from the said subsidiary's Bankers. Except for the the same to the best of its knowledge & belief, no funds, of material in nature have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

### Note 44:

Additional Regulatory Information :

Receipt of fund from any persons and entities and use thereof for Lending, Investments etc. during the year :

The Holding Company, in the ordinary course of its business, has obtained funds from entities for use on its own account, either for lending and investing. Except this, to the best of its knowledge & belief, no funds, of material in nature, have been received by the Holding Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

### Note 45:

#### Lease

##### Where the Group is a lessor

The Company has given premises under operating lease. These lease agreements range for a period between 11 months to 5 years and all are cancellable leases. Most of the leases are renewable for further period on mutual agreeable terms and also includes escalation clauses.

##### Where the Company is a lessee

The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether :

- the contract involves the use of an identified asset;
- The Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- The Company has the right to direct the use of the asset.

##### Rental Income Related to operating leases:

(₹ in '000)

Particulars		As at March 31, 2022	As at March 31, 2021
i	Rental Income recognised in statement of profit and loss for the year	7,801.93	6,917.99
<b>Total</b>		<b>7,801.93</b>	<b>6,917.99</b>

The Holding Company has, inter alia, leased some of its immovable property to two of its subsidiaries, that is leased to entities within the Group and therefore, in terms of the relevant provisions of Ind AS 40 on "Investment Property" such leased immovable property to the extent so leased, would not be regarded as Investment Property from the perspective of the Group, being in nature of "owner occupied property" as so defined in the said Ind AS and accordingly, such immovable property needs to be presented as Property, Plant & Equipment ("PPE") in consolidated financial statements ("CFS") of the Group. However, it is not practicable or possible to ascertain or find out the cost or deemed cost of such immovable leased property for presenting as PPE in CFS. In view of this, in CFS, the Group has not separately presented the amount pertaining to such leased immovable property as PPE and has continued to disclose under Investment Property only.



(₹ in '000)

Particulars		As at 31st March , 2022	As at 31st March , 2021
i	Lease rental Income		
	Total of lease rent Income for a period :		
	Not later than one year	5,063.96	3,456.42
	later than one year but not later than five years	16,645.46	11,471.64
	later than five years	-	1,582.68
<b>Total</b>		<b>21,709.42</b>	<b>16,510.74</b>

**Note 46:**
**Employee Benefits**

The Group has classified various employee benefits as under:

**A. Defined Contribution Plans**
**Provident Fund**

The Provident Fund are operated by the Regional Provident Fund Commissioner. Under the schemes, the Group is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. These funds are recognised by the Income Tax Authorities.

The Group has recognised the following amounts in the Statement of Profit and Loss:

(₹ in '000)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Contribution to Provident Fund	3,414.43	2,892.50
<b>TOTAL</b>	<b>3,414.43</b>	<b>2,892.50</b>

**B. Defined Benefit Plans**
**Gratuity**

Valuations in respect of above have been carried out by independent actuary, as at the balance sheet date, based on the following assumptions:

(₹ in '000)

Particulars	Valuation as at	
	March 31,2022	March 31,2021
i. Mortality	IALM (2012-14) Table	
ii. Discount Rate (per annum)	6.95%	6.95%
iii. Rate of increase in Compensation levels (per annum)	5.00%	5.00%
iv. Attrition Rate	0.8% for all ages	0.8% for all ages
v. Retirement Age	58 years	58 years

vi The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

vii The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

**Note on other risks:**

**Investment risk** - The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

**Interest Risk** –A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

**Salary risk** -The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

**Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

**Mortality risk:** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
		Gratuity funded	Gratuity funded	Gratuity unfunded	Gratuity unfunded
<b>i. Changes in Present value of Obligation</b>					
	Present value of defined benefit obligation at the beginning of the year *	16,954.13	14,804.06	4.34	9.80
	Transfer in(out) obligation	-	42.57	-	-
	Current Service Cost	1,862.11	1,328.08	4.10	4.34
	Interest Cost	970.66	973.39	0.30	0.67
	<u>Components of actuarial gain/losses on obligations:</u>				
	Due to Change in financial assumptions	(808.11)	601.42	(0.64)	(0.12)
	Due to change in demographic assumption	-	(4.36)	-	(0.01)
	Due to experience adjustments	(880.52)	1,472.59	(1.17)	(10.34)
	Benefits Paid	(973.35)	(2,263.61)	-	-
	Present value of defined benefit obligation at the end of the year (PVO)	<b>17,124.92</b>	<b>16,954.13</b>	<b>6.92</b>	<b>4.34</b>
<b>ii. Fair value of Plan Assets</b>					
	Fair value of plan assets at the beginning of the year	14,269.90	15,867.01	-	-
	Adjustment to Opening Fair Value of Plan Assets	-	-	-	-
	Interest Income	853.04	1,068.18	-	-
	Return on plan assets excluding amounts included in interest income	(1,349.13)	(2,768.73)	-	-
	Employer's Contributions	3,000.00	2,014.73	-	-
	Benefits Paid	(973.35)	(1,911.30)	-	-
	<b>Fair value of plan assets at the end of the year</b>	<b>15,800.45</b>	<b>14,269.90</b>	<b>-</b>	<b>-</b>
<b>iii. Amount to be recognised in the Balance Sheet and Statement of Profit and Loss</b>					
	Present value of defined benefit obligation at end of year	17,124.92	16,954.13	6.92	4.34
	Fair Value of Plan Assets at end of the year	-	14,269.90	-	-
	Funded Status Surplus/ (Deficit)	-	(2,684.23)	(6.92)	(4.34)
	Net Assets/(Liability) recognised in the Balance Sheet	<b>(17,124.92)</b>	<b>(2,684.23)</b>	<b>(6.92)</b>	<b>(4.34)</b>
<b>iv. Expenses recognised in the Statement of Profit and Loss</b>					



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	Current Service Cost	1,862.11	1,328.08	4.10	4.34
	Interest cost on benefit obligation (net)	117.62	(94.79)	0.30	0.67
	Total Expenses recognised in the Statement of Profit and Loss	<b>1,979.74</b>	<b>1,233.29</b>	<b>4.40</b>	<b>5.00</b>
<b>v.</b>	<b>Remeasurement Effects Recognised in Other Comprehensive Income for the year</b>				
	<b><u>Components of actuarial gain/losses on obligations:</u></b>				
	- Due to Change in financial assumptions	(808.11)	601.42	(0.64)	(0.12)
	- Due to change in demographic assumption	0.00	(4.36)	0.00	(0.01)
	- Due to experience adjustments	(880.52)	1472.59	(1.17)	(10.34)
	Return on plan assets excluding amounts included in interest income	1,349.13	2,768.73	-	-
	Amounts recognised in Other Comprehensive (Income) / Expense	<b>(339.50)</b>	<b>4,838.38</b>	<b>(1.81)</b>	<b>(10.46)</b>
<b>vi.</b>	<b>Movements in the Liability recognised in Balance Sheet</b>				
	Opening Net Liability	2,684.23	(1,062.95)	4.34	9.80
	Transfer in /(out) obligation	-	42.57	-	-
	Adjustment to opening balance	-	-	-	-
	Expenses as above	1,979.74	880.97	4.40	5.00
	Contribution paid	(3,000.00)	(2,014.73)	-	-
	Other Comprehensive Income (OCI)	(339.50)	4,838.38	(1.81)	(10.46)
	Closing Net Liability	<b>1,324.47</b>	<b>2,684.23</b>	<b>6.92</b>	<b>4.34</b>
<b>vii.</b>	<b>Cash flow Projection</b>				
	Within the next 12 months (next annual reporting period)	4,103.43	3,691.31	14	9
	2nd following year	390.60	656.36	15	10
	3rd following year	593.77	389.83	17	11
	4th following year	335.81	577.33	123	13
	5th following year	257.97	328.71	130	14
	Sum of Years 6 To 10	8,911.68	6,975.89	765	453
<b>viii.</b>	<b>Sensitivity Analysis*</b>				
	Projected Benefit Obligation on Current Assumptions				
	Delta Effect of +1% Change in Rate of Discounting	15,815.75	15,519.58	5.70	3.61
	Delta Effect of -1% Change in Rate of Discounting	18,647.11	18,642.28	8.44	5.22
	Delta Effect of +1% Change in Rate of Salary Increase	18,343.48	18,301.08	8.46	5.23
	Delta Effect of -1% Change in Rate of Salary Increase	15,937.17	15,638.63	5.67	3.59
<b>ix.</b>	<b>The major categories of plan assets as a percentage of total</b>				
	Insurer managed funds	-	-	-	-

\* Nucleus It enabled Services Limited and Edgytal Fintech Investment Services Private Limited, Subsidiaries company of Group there was no Employee on year end 31-03-2022 in Subsidiary Company Hence subsidiary has not done Actuarial valuation



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note on Sensitivity Analysis

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged.

Sensitivity analysis fails to focus on the inter relationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously.

The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

### Note 47:

#### Financial Instruments

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

#### Valuation

- The fair values of investment in quoted investment in equity shares is based on the current bid price of respective investment as at the Balance Sheet date.
- The carrying amount of financial assets and financial liabilities measured at amortised cost in the Consolidated financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

#### Fair Value measurement hierarchy

The fair value of financial instruments as referred below have been classified into three categories depending on the inputs used in the valuation technique.

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

The categories used are as follows:

Level 1: Quoted prices for identical instruments in an active market;

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data.

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

Particulars	As at March 31, 2022				As at March 31, 2021			
	Carrying Amounts	Fair Value			Carrying Amounts	Fair Value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
<b>Financial Assets</b>								
Measured at Amortised Cost								
Investment in Unquoted Preference shares	2,272.87	-	-	-	2,049.40	-	-	-
Loans	5,16,996.18	-	-	-	4,05,109.08	-	-	-
Trade Receivable	71,667.77	-	-	-	84,485.37	-	-	-
Cash and cash equivalents	1,21,015.03	-	-	-	98,785.40	-	-	-
Other Bank Balance	1,41,120.60	-	-	-	1,87,009.83	-	-	-
Others	75,120.47	-	-	-	22,055.33	-	-	-
	<b>9,28,192.92</b>	-	-	-	<b>7,99,494.41</b>	-	-	-
Measured at FVTOCI								
Investment in equity instruments	66,442.51	4,871.43	18.43	61,552.65	68,513.32	8,283.62	18.43	60,211.27
<b>Total Financial Assets</b>	<b>9,94,635.43</b>	<b>4,871.43</b>	<b>18.43</b>	<b>61,552.65</b>	<b>8,68,007.73</b>	<b>8,283.62</b>	<b>18.43</b>	<b>60,211.27</b>
<b>Financial Liabilities</b>								
Measured at Amortised Cost								
Borrowing	10,72,971.24	-	-	-	7,16,031.43	-	-	-
Trade Payables	4,87,563.42	-	-	-	5,50,144.08	-	-	-
Others	22,885.31	-	-	-	28,037.55	-	-	-
<b>Total Financial Liabilities</b>	<b>15,83,419.97</b>	-	-	-	<b>12,94,213.06</b>	-	-	-



**Note 48:****Capital Management and Financial Risk Management Policy****A. Capital Management**

For the purpose of Group's Capital Management, Capital includes issued Equity Capital and all Other Reserves attributable to the Equity shareholders of the Company. The Primary objective of the Company's Capital Management is to maximise the shareholders' value. The Group's Capital Management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximise shareholder's value. The Group monitors capital using debt-equity ratio as its base, which is total debt divided by total equity.

**2. Debt Equity Ratio - Total Debt divided by Total Equity**

(₹ in '000)

Particulars	As at March 31, 2022	As at March 31, 2021
Total Debt	10,72,971.24	7,16,031.43
Total Equity	58,592.83	2,47,385.83
Debt Equity Ratio	18.31	2.89

**B. Financial Risk Management and Policies**

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The risk management policy is approved by the Company's Board. The Company's principal financial liabilities comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations in select instances. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations and investments. The company is exposed to market risk, credit risk, liquidity risk etc. The objective of the Company's financing policy are to secure solvency, limit financial risks and optimise the cost of capital.

Group has exposure to following risk arising from financial instruments:

Credit risk  
Market risk  
Liquidity risk

**i) Credit Risk**

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, investments in units of mutual funds, other balances with banks, deposits and other receivables.

**a) Trade Receivable**

Customer credit risk managed by Group's established policy, procedure and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

**b) Financial instruments**

The Group limits its exposure to credit risk by investing mainly in units of debt funds issued by mutual funds and that too have higher credit rating. The Group monitors changes in credit risk by tracking published external credit ranking.

**ii) Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments. The Group has designed risk management framework to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar.

The carrying amount of the Group's foreign currency denominated monetary assets as at the end of the reporting period is as follows :



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

Particulars	As at March 31, 2022		As at March 31, 2021	
	Amount in Foreign currency ( in '000)	Amount (in '000)	Amount in Foreign currency ( in '000)	Amount (in '000)
Receivable USD	-	-	-	-

Particulars of un-hedged foreign currency asset / liability as at the end of the reporting period is as follows :

Particulars	As at March 31, 2022		As at March 31, 2021	
	Amount in Foreign currency ( in '000)	Amount (in '000)	Amount in Foreign currency ( in '000)	Amount (in '000)
Payable USD	-	-	-	-

### Foreign currency sensitivity:

The following table demonstrates the sensitivity to a 5% increase/decrease in foreign currencies exchange rates, with all other variables held constant.

5% increase or decrease in foreign exchange rate will have the following impact on before profit before tax and impact on equity.

(₹ in '000)

Particulars	As at March 31, 2022		As at March 31, 2021	
	5% increase	5% decrease	5% increase	5% decrease
<b>Impact on Profit and Loss</b>				
USD	-	-	-	-
Total			0.00	(0.00)

### a) Equity Risk

The Group is exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than purposes. The Group does not actively trade these investments. Profit for the year ended March 31, 2022 and March 31, 2021 would have been unaffected as the equity investments are FVTOCI and some investments were disposed off during the year and resulting profit/(loss) on sale of investment is recorded in Other Comprehensive Income.

### iii) Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Group maintains a cautious liquidity strategy, with a positive cash balance throughout the year. Management monitors the Group's liquidity position through rolling forecasts on the basis of expected cash flows. Cash flow from operating activities provides the funds to service and finance the financial liabilities on a day-to-day basis.

The table below provides details regarding the remaining contractual maturities of Group's financial liabilities.

(₹ in '000)

Particulars	Less than 1 Year/ On Demand	1-5 years	More than 5 years	Total
<b>As at March 31, 2022</b>				
Non-derivative financial liabilities				
Borrowings	5,33,976.53	1,243.33	5,37,751.38	10,72,971.24
Trade Payables	4,87,563.42	-	-	4,87,563.42
Other payables	22,885.31	-	-	22,885.31
	10,44,425.26	1,243.33	5,37,751.38	15,83,419.97
<b>As at March 31, 2021</b>				
Non-derivative financial liabilities				
Borrowings	3,61,755.43	592.14	3,53,683.86	7,16,031.43
Trade Payables	5,50,144.08	-	-	5,50,144.08
Other payables	28,037.55	-	-	28,037.55
	9,39,937.06	592.14	3,53,683.86	12,94,213.06



**Note 49:**
**Information on Segment Reporting as per Ind AS 108 on “Operating Segments”**

Operating Segments are those components of the business whose operating results are regularly reviewed by the Chief Operating Decision making body in the company to make decisions for performance assessment and resource allocation.

The Group has identified following four reportable primary segments, in terms of Ind AS 108 on ‘ Operating Segment’:

- a. Investment Activities
- b. Advisory and Consultancy services
- c. Information Technology Enabled Services ( IT)
- d. Stock Broking and allied Services

(₹ in ‘000)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A. Segment Revenue (Sales / Services to external customers):</b>		
a. Investment Activities	7,802.00	6,918.00
b. Advisory and Consultancy services	3,654.00	3,400.00
c. Information Technology Enabled Services ( IT)	818.00	5,919.00
d. Stock Broking and allied Services	3,33,019.00	2,80,337.00
<b>Total Revenue</b>	<b>3,45,293.00</b>	<b>2,96,574.00</b>
<b>B. Segment Results :</b>		
a. Investment Activities	(15,093.00)	(18,074.00)
b. Advisory and Consultancy services	1,577.00	2,522.00
c. Information Technology Enabled Services ( IT)	(1,973.00)	(4,267.00)
d. Stock Broking and allied Services	40,601.00	25,319.00
<b>Total</b>	<b>25,112.00</b>	<b>5,500.00</b>
Add: Unallocable Income	70,046.00	94,416.00
Less: Interest Expense	79,272.00	69,067.00
<b>Profit/(Loss) before Tax</b>	<b>15,886.00</b>	<b>30,849.00</b>

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Other Information :</b>		
<b>Segment Assets</b>		
a. Investment Activities	5,00,288.54	5,42,229.80
b. Advisory and Consultancy services	3,557.86	4,228.96
c. Information Technology Enabled Services ( IT)	1,71,611.71	69,081.56
d. Stock Broking and allied Services	10,08,660.79	9,41,076.43
Others – Unallocated	10,470.44	9,674.16
<b>Total</b>	<b>16,94,589.34</b>	<b>15,66,290.91</b>
<b>Segment Liabilities</b>		
a. Investment Activities	6,81,470.88	4,23,459.66
b. Advisory and Consultancy services	-	-
c. Information Technology Enabled Services ( IT)	1,34,776.58	66,579.64
d. Stock Broking and allied Services	8,06,911.94	8,30,022.22
e. Others – Unallocated	2,379.28	874.63
<b>Total</b>	<b>16,25,538.68</b>	<b>13,20,936.15</b>



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

<b>Capital Expenditure during the year</b>		
a. Investment Activities		
– Tangible Fixed Assets	498.71	-
– Intangible Fixed Assets	-	-
b. Advisory and Consultancy services	-	-
c. Information Technology Enabled Services ( IT)	1,00,766.12	-
d. Stock Broking and allied Services	3,885.34	50,382.02
e. Others – Unallocated	-	-
<b>Total</b>	<b>1,05,150.16</b>	<b>50,382.02</b>
<b>Depreciation during the year</b>		
a. Investment Activities	12,164.10	13,515.91
b. Advisory and Consultancy services	145.11	145.13
c. Information Technology Enabled Services ( IT)	715.66	1,152.43
d. Stock Broking and allied Services	3,724.38	5,754.86
e. Others – Unallocated	-	-
<b>Total</b>	<b>16,749.24</b>	<b>20,568.33</b>

Segmentwise and Customer wise Revenue comprising 10% or more of respective segment of Revenue:

(₹ in '000)

Revenue from	As at March 31, 2022		As at March 31, 2021	
	Revenue	No. of Customers	Revenue	No. of Customers
Investment Activities	18,468.20	3.00	23,721.00	3.00
Advisory Services	3,150.00	2.00	2,400.00	1.00
<b>Total</b>	<b>21,618.20</b>	<b>5.00</b>	<b>26,121.00</b>	<b>4.00</b>

Information about secondary segments:

(₹ in '000)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Revenue from Customers by location	Carrying Amount of Segment Assets by Location	Addition to Fixed Assets	Revenue from Customers by location	Carrying Amount of Segment Assets by Location	Addition to Fixed Assets
Domestic	3,45,293.00	17,03,362.95	1,00,766.12	2,96,573.46	15,96,252.96	-
Overseas	-	-	-	-	-	-
<b>Total</b>	<b>3,45,293.00</b>	<b>17,03,362.95</b>	<b>1,00,766.12</b>	<b>2,96,573.46</b>	<b>15,96,252.96</b>	<b>-</b>

### Note 50:

Disclosure pursuant to Indian Accounting Standard (Ind AS) 112 “ Disclosure of interest in other entities”

- a. Change in the Group's ownership interest in a subsidiary (without ceasing control)
- i) On account of Change in holding

During the year 2021-22, the group's continuing interest in Asit C. Mehta Investment Intermmediates Ltd. has increased by 35.53% on account of acquisition of 59,01,650 Equity share of Rs 10 each on premium of Rs 24 from the Promoters Mr. Asit C. Mehta, Mrs. Deena A. Mehta and Asit C. Mehta Commodity Services Ltd. by Asit C Mehta Financial Services Ltd. on 14-02-2022.

During the year 2021-22, the group's interest has been increased in Edgytal Fintech Investment Services Private Limited by 77.89% on account of Issuing 30,00,000 Equity share of Rs 10 each on premium of Rs 5 and 50,00,000 Share Warrants at Rs. 1.50 per warrant to Asit C Mehta Financial Services Ltd. on 30-03-2022.



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

b. Disclosure of subsidiary having material non-controlling interest : - Asit C. Mehta Investment Intermediates Ltd

(i) Summarised Statement of Profit and Loss

(₹ in '000)

Particulars	ACMIIL	
	March 31, 2022	March 31, 2021
Revenue	3,96,707.25	3,37,114.43
Profit/(Loss) for the year	62,609.38	41,159.86
Other comprehensive income	2,356.69	(1,193.66)
Total comprehensive income	64,966.08	39,966.20
Profit/(Loss) allocated to non-controlling interest	4,489.16	22,341.11
Dividend to non-controlling interest	-	-

(ii) Summarised Balance Sheet

(₹ in '000)

Particulars	ACMIIL	
	As at March 31, 2022	As at March 31, 2021
Current assets (a)	8,89,208.16	8,33,502.41
Current liabilities (b)	(8,03,289.16)	(7,89,687.71)
Net current assets (c) = (a) - (b)	85,918.99	43,814.69
Non-current assets (d)	1,40,240.73	1,56,619.05
Non-current liabilities (e)	(3,622.78)	(42,862.88)
Net non-current assets (f) = (d) - (e)	1,36,617.95	1,13,756.17
Net assets (g) = (c) + (f)	2,22,536.94	1,57,570.86
Accumulated non-controlling interest	15,377.30	66,873.07

(iii) Summarised Cash flows

(₹ in '000)

Particulars	ACMIIL	
	2021-22	2020-21
Cash flows from operating activities	(55,447.92)	(43,006.90)
Cash flows from investing activities	47,901.71	1,85,928.66
Cash flows from financing activities	25,311.42	(1,81,113.08)
Net increase/(decrease) in cash and cash equivalents	17,765.21	(38,191.32)

c. Disclosure of subsidiary having material non-controlling interest : - Edgytal Fintech Investment Services Private Limited

(i) Summarised Statement of Profit and Loss

(₹ in '000)

Particulars	EDGYTAL	
	March 31, 2022	March 31, 2021
Revenue	1,815.59	5,689.01
Profit/(Loss) for the year	(2,348.65)	(1,127.39)
Other comprehensive income	-	-
Total comprehensive income	(2,348.65)	(1,127.39)
Profit/(Loss) allocated to non-controlling interest	(509.90)	-
Dividend to non-controlling interest	-	-



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### (ii) Summarised Balance Sheet

(₹ in '000)

Particulars	EDGYTAL	
	As at March 31, 2022	As at March 31, 2021
Current assets (a)	884.83	479.95
Current liabilities (b)	(45,862.87)	(1,327.39)
Net current assets (c) = (a) - (b)	(44,978.04)	(847.45)
Non-current assets (d)	1,01,366.11	1,116.71
Non-current liabilities (e)	-	-
Net non-current assets (f) = (d) - (e)	1,01,366.11	1,116.71
Net assets (g) = (c) + (f)	56,388.07	269.26
Accumulated non-controlling interest	12,467.40	-

### (iii) Summarised Cash flows

(₹ in '000)

Particulars	EDGYTAL	
	2021-22	2020-21
Cash flows from operating activities	45,172.16	(161.95)
Cash flows from investing activities	(1,01,015.71)	-
Cash flows from financing activities	55,860.90	(26.73)
Net increase/(decrease) in cash and cash equivalents	17.34	(188.68)

### Note 51 :

### Additional information pursuant to Schedule III to the Companies Act, 2013

(₹ in '000)

Name of the Entity in the Group	Net assets i.e., total assets minus total liabilities		Share of Profit or (Loss)		Share in Other Comprehensive income		Share in Total Comprehensive income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated Other comprehensive Income	Amount	As % of Consolidated Total comprehensive Income	Amount
<b>Parent Company</b>								
Asit C. Mehta Financials Services Limited	(1,172.68)	(1,81,182.34)	(272.20)	(29,465.33)	0.83	26.61	(209.54)	(29,438.72)
<b>Indian Subsidiaries</b>								
Nucleus IT Enabled Services Ltd	(126.29)	(19,512.94)	(149.33)	(16,165.24)	31.13	1,003.75	(107.92)	(15,161.49)
Edgytal Fintech Investment Services Private Limited	364.70	56,348.07	(21.67)	(2,346.20)	-	-	(16.70)	(2,346.20)
Asit C. Mehta Investment Intermediates Limited	1,305.79	2,01,748.84	578.37	62,609.38	73.09	2,356.69	462.42	64,966.08
<b>Total</b>	<b>371.52</b>	<b>57,401.64</b>	<b>135.17</b>	<b>14,632.62</b>	<b>105.05</b>	<b>3,387.06</b>	<b>128.26</b>	<b>18,019.68</b>
<b>Less: Non- controlling interest in all subsidiaries</b>	271.52	41,951.32	35.17	3,807.56	5.05	162.85	28.26	3,970.41
<b>TOTAL</b>	<b>100.00</b>	<b>15,450.32</b>	<b>100.00</b>	<b>10,825.06</b>	<b>100.00</b>	<b>3,224.21</b>	<b>100.00</b>	<b>14,049.26</b>



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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- 52** The above figures are after eliminating intra group transactions and intra group balances as at 31.3.2022
- 53** The Impact of Corona Virus and reluctance to work from office has impacted the leasing of Premises of the Company. Frequent adjournments by Court has impacted recoverability of Company's assets such as trade receivable etc. The Rental income of the company has impacted due to reduction in demand for commercial office space in the face of preference for work from home by staff. The Investment banking and advisory activities are also impacted due to slowing down of economic activities.
- 54** The above figures are after eliminating intra group transactions and intra group balances as at 31.3.2022
- 55** Previous years figures have been regrouped, rearranged and reclassified wherever necessary.
- Notes (Including Significant Accounting Policies) 1 to 55  
Forming Part of the Financial Statements

As per our report of even date attached  
For Chandrakant & Sevantilal & J. K. Shah & Co.  
Chartered Accountants  
Firm Reg. No: 101676W

For and on behalf of the Board of Directors

Asit C Mehta  
Chairman  
DIN: 00169048

Kirit H. Vora  
Director  
DIN: 00168907

(Kiran C. Shah) Partner  
Membership No. 032187  
Place : Mumbai  
Date :- 27.05.2022

Gauri Gokhale  
Company Secretary



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

#### Part "A": Subsidiaries

(Rs. in Lakh)

Sr. No	Name of the Subsidiary	Nucleus IT Enabled Services Limited (NITES)	Asit C Mehta Investment Intermediates Limited (ACMIL)	Edgytal Fintech Investment Services Private Limited
1.	Reporting period for the Subsidiary	March 31, 2022	March 31, 2022	March 31, 2022
2.	Reporting Currency	Indian Rupees (INR)	Indian Rupees (INR)	Indian Rupees (INR)
3.	Exchange Rate (as on the last date of the relevant Financial year in the case of foreign subsidiaries)	Not applicable	Not applicable	Not applicable
4.	Share Capital (Equity)	300.00	1,661.11	385.18
5.	Reserves & Surplus	(1,493.90)	564.26	178.30
6.	Total Assets	723.61	10,294.49	1,022.51
7.	Total Liabilities	1917.50	8,069.12	459.03
8.	Investments	615.50	64.91	0
9.	Turnover	8.25	3,569.26	15.19
10.	Profit Before Tax	(165.98)	632.77	(23.89)
11.	Provision for Taxation	0	0	0
12.	Profit After Tax	(165.98)	632.77	(23.89)
13.	Proposed Dividend	0	0	0
14.	% of shareholding	100%	93.08%	77.88%

#### Part "B": Associates -Not Applicable

For and on behalf of the Board of Directors  
Asit C Mehta Financial Services Limited.

For Chandrakant & Sevantilal & J. K. Shah & Co.  
Chartered Accountants  
Firm Reg. No: 101676W

Asit C. Mehta  
Chairman  
DIN: 00169048

Kirit H. Vora  
Director  
DIN: 00168907

(Kiran C. Shah) Partner  
Membership No. 032187  
**Place : Mumbai**  
**Date : May 27, 2022**

Gauri Gokhale  
Company Secretary

#### Note:-

1. Nucleus IT Enabled Services Limited., is wholly owned Subsidiary as per the Section 2(87) of the companies Act, 2013 of Asit C Mehta Financial Services Limited.
2. Asit C Mehta Investment Intermediates Limited., is controlled subsidiary as per Section 2(87) of the companies Act, 2013 of Asit C Mehta Financial Services Limited.
3. Edgytal Fintech Investment Services Private Limited is subsidiary as per Section 2(87) of the companies Act, 2013 of Asit C Mehta Financial Services Limited.



**FORM NO. AOC -2**

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

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

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	<b>Not Applicable</b>
b)	Nature of contracts/arrangements/transaction	<b>Not Applicable</b>
c)	Duration of the contracts/arrangements/transaction	<b>Not Applicable</b>
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	<b>Not Applicable</b>
e)	Justification for entering into such contracts or arrangements or transactions'	<b>Not Applicable</b>
f)	Date of approval by the Board	<b>Not Applicable</b>
g)	Amount paid as advances, if any	<b>Not Applicable</b>
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	<b>Not Applicable</b>

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Mr. Asit C. Mehta (Director)
b)	Nature of contracts/arrangements/transaction	Sale of Property at INR 4,80,00,000/-
c)	Duration of the contracts/arrangements/transaction	One time
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Unit No. 7B, 7th Floor, Nucleus House, Saki-Vihar Road, Andheri (East), Mumbai – 400072.
e)	Date of approval by the Board	14th February, 2022
f)	Amount paid as advances, if any	Not Applicable

For and on behalf of the Board of Directors  
Asit C Mehta Financial Services Limited.

For Chandrakant & Sevantilal & J. K. Shah & Co.  
Chartered Accountants  
Firm Reg. No: 101676W

Asit C. Mehta  
Chairman  
DIN: 00169048

Kirit H. Vora  
Director  
DIN: 00168907

(Kiran C. Shah) Partner  
Membership No. 032187

**Place : Mumbai**  
**Date : May 27, 2022**

Gauri Gokhale  
Company Secretary



# **Asit C. Mehta Financial Services Ltd.**

**CIN: L65900MH1984PLC091326**

Nucleus House, Saki-Vihar Road, Andheri (East), Mumbai : 400072.