

Date: 03-09-2021

To,

The General Manager  
Corporate Relations Department  
**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai - 400 001  
**Scrip Code: 539875**

The Secretary  
**The Calcutta Stock Exchange Ltd**  
7, Lyons Range  
Kolkata - 700 001  
**Scrip code: 28123**

Dear Sir/ Madam,

**Sub – Submission of the 58<sup>th</sup> Annual Report for the Financial Year 2020-21**

We are submitting herewith our Annual Report for the Financial Year 2020-21 which contains viz; Notice of 58<sup>th</sup> Annual General Meeting, Directors' Report, Management Discussion and Analysis, Corporate Governance Report, Auditors' Report, Balance Sheet and Statement of Profit and Loss (standalone & consolidated), pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Please take the above on your record.

Thanking You,

Yours faithfully,

**For RSD Finance Limited**



**Rajeev Singh Dugal**  
**Managing Director**  
**DIN – 00052037**

Encl: As above

CC:

M/s. S. K Infosolutions Pvt. Ltd  
34/1A, Sudhir Chatterjee Street  
Kolkata, West Bengal – 700 006

The Manager  
**National Securities Depository Ltd.**  
4th floor, "A" Wing, Trade World  
Kamala Mills Compound  
Senapati Bapat Marg, Lower Parel  
Mumbai-400013

The Manager  
**Central Depository Services (India) Ltd.**  
Phiroze Jeejeebhoy Tower  
17th floor, Dalal Street  
Mumbai-400001

**REGISTERED & ADMINISTRATIVE OFFICE**

**Holding No. 4, The Hotel Alcor, Ramdas Bhatta, Bistupur, Jamshedpur, Purbi Singhbhum, Jharkhand - 831 001.**

**Ph. : 0657-6620001, 7280009199 .**

**58TH ANNUAL REPORT**  
**2020-2021**

**RSD FINANCE LIMITED**

# **RSD Finance Limited**

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**58th Annual Report  
2020-21**



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# Corporate Information

**RSD Finance Limited**  
**CIN - L17222JH1963PLC013316**

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## BOARD OF DIRECTORS

**Rajeev Singh Dugal**  
Managing Director

**Upneet Dugal**  
Executive Director

**Kawaljeet Kaur Dugal**  
Non-Executive  
Director

**Sushil Kumar Khowala**  
Non-Executive  
Independent Director

**Harsh Kumar Pandey**  
Non-Executive  
Independent Director

**Sukant Bari**  
Non-Executive  
Independent Director

## MANAGEMENT TEAM

**Rechan Chhabra**  
Chief Financial Officer

**Puja Choudhary**  
Company Secretary

## REGISTERED OFFICE

The Alcor Hotel  
H. No. – 4, Opp. Indian  
Oil Petrol Pump  
Ramdas Bhatta, Bistupur  
Jamshedpur, Jharkhand  
– 831 001  
Tel: +91 7280009199

## FACTORY OFFICE

NS – 13, 2nd Phase  
Industrial Area,  
Adityapur  
Jamshedpur, Jharkhand  
– 832 109  
Saraikela - Kharsawan

## BANKERS

IDBI Bank  
ICICI Bank  
Kotak Mahindra Bank  
HDFC Bank Limited  
State Bank of India  
Punjab National Bank

## REGISTRAR & TRANSFER AGENTS

M/s. S. K. Infosolutions  
Pvt Ltd  
D/42, Katju Nagar (Near  
South City Mall)  
Ground Floor, Katju  
Nagar Bazar  
Jadavpur, Kolkata, West  
Bengal – 700 032  
Tel: 033-24120027/29

## STATUTORY AUDITORS

M/s. Prasad Kumar & Co.  
Chartered Accountants  
1st Floor, Arvinder  
Complex  
2, S.B. Shop Area  
R – Road, Bistupur,  
Jamshedpur – 831 001

## INTERNAL AUDITOR

Mr. Jay Prakash Heerwal  
(Proprietor)  
M/s. Heerwal &  
Associates  
Chartered Accountants  
3/5, G B Galaxy,  
P B Road, Jugsalai,  
Jamshedpur, Jharkhand  
– 831 006

## SECRETARIAL AUDITORS

Mr. Sital Prasad Swain  
Practicing Company  
Secretary  
Room No – 2, 4th Floor  
Meghdeep Tower  
(Besides South Park  
Hotel)  
Bistupur, Jamshedpur,  
Jharkhand – 831 001

## COMMITTEE MEMBERSHIP:

### AUDIT COMMITTEE

**Sushil Kumar Khowala**  
Chairman

**Rajeev Singh Dugal**  
Member

**Harsh Kumar Pandey**  
Member

### STAKEHOLDERS RELATIONSHIP COMMITTEE

**Sushil Kumar Khowala**  
Chairman

**Rajeev Singh Dugal**  
Member

**Harsh Kumar Pandey**  
Member

### NOMINATION AND REMUNERATION COMMITTEE

**Harsh Kumar Pandey**  
Chairman

**Sushil Kumar Khowala**  
Member

**Sukant Bari**  
Member

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

**Rajeev Singh Dugal**  
Chairman

**Sushil Kumar Khowala**  
Member

**Upneet Dugal**  
Member



**R S D FINANCE LIMITED****CIN: L17222JH1963PLC013316****Registered Office:**

H. No – 4, The Alcor Hotel, Ramdas Bhatta,

Bistupur, Jamshedpur, Purbi Singhbhum, Jharkhand -831001

Email address: rsdfinance.ltd@gmail.com, complianceofficer@rsdfinancelimited.com

Website: www.rsdfinancelimited.com

# Notice of 58th Annual General Meeting

Notice is hereby given that the **FIFTY EIGHTH ANNUAL GENERAL MEETING** of the members of **RSD FINANCE LIMITED** ("the Company") will be held on **TUESDAY, SEPTEMBER 28, 2021 AT 11.00 AM (IST)** at Professional - I, The Alcor Hotel, 2<sup>nd</sup> Floor, H. No – 4, Ramdas Bhatta, Bistupur, Jamshedpur, Purbi Singhbhum, Jharkhand - 831001. The following business will be transacted at the meeting:-

**ORDINARY BUSINESS:**

- Adoption of the Audited Standalone and Consolidated Financial Statements of the Company.**

To receive, consider and adopt:

- the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2021 together with the reports of the Board of Directors and Auditors thereon; and
- the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2021 together with the reports of the Auditors thereon.

- Appointment of Mrs. Kawaljeet Kaur Dugal (DIN: 00052100), who retires by rotation and being eligible, offers herself for re-appointment as a Director.**

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

**"RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) Mrs. Kawaljeet Kaur Dugal (DIN: 00052100), who retires by rotation at this meeting and being eligible, offers herself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

**By Order of the Board of Directors  
For RSD Finance Limited**

Sd/-

**Rajeev Singh Dugal  
Managing Director  
DIN - 00052037**

**Place: Jamshedpur  
Date: August 14, 2021**

**NOTES:**

- 1. MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY IN ORDER TO BE VALID MUST BE DULY FILLED IN ALL RESPECTS AND SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE MEETING i.e. BY 11.00 AM ON SEPTEMBER 26, 2021.**
2. Pursuant to the provisions of the Companies Act, 2013 (hereinafter called "the Act") and the Rules made thereunder. A person can act as proxy on behalf of Members not exceeding 50 (fifty) in number and holding in the aggregate not more than ten percent (10%) of the total issued and paid up share capital of the Company. Proxies submitted on behalf of the companies, societies, etc., must be supported by an appropriate resolution/ authority, as applicable. A member holding more than ten percent (10%) of the total issued and paid up share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or member. The holder of proxy shall prove his identity at the time of attending the Meeting. The proxies shall be available for inspection during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting.
3. The relevant statements pursuant to Sub section 1 of Section 102 of the Act and the Secretarial Standard II on General Meetings, which sets out details relating to the special business to be transacted at the Annual General Meeting, is annexed hereto and forms part of this Notice.
4. A copy of the Financial Statements of the Company for the Financial Year ended 31st March 2021 together with the Auditors' and Directors' Reports thereon are enclosed.
5. Members are requested to write to the Company their query(ies), if any, on the accounts and operations of the Company at least 7 days before the meeting to keep the information ready at the meeting.
6. The Board of Directors has not recommended any Final Dividend for the Financial Year ended on 31<sup>st</sup> March, 2021.
7. The Company does not have any unclaimed dividend amount to be transferred to Investor Education and Protection Fund (IEPF)
8. The Company is providing facility for voting by electronic means (e-voting) through an electronic voting system which will include remote e-voting as prescribed by the Companies (Management and Administration) Rules, 2014 as presently in force and the business set out in the Notice will be transacted through such voting. Information and instructions including details of user id and password relating to e-voting are provided in the Notice under Note No. 29.
9. In terms of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Kawaljeet Kaur Dugal (DIN:00052100), Director, retires by rotation at the forthcoming AGM and being eligible, offers herself for re-appointment. The Board of Directors recommends the aforesaid re-appointment. As per explanation to Section 152(6)(e) of the Companies Act, 2013, total number of Directors for the purpose of determining Directors liable to retire by rotation shall not include Independent Directors, whether appointed under the Companies Act, 2013 or any other law for the time being in force.

- 10.** Mrs. Kawaljeet Kaur Dugal is interested in the Ordinary Resolutions set out at Item Nos. 2 of the Notice with regard to her re-appointment. Mr. Rajeev Singh Dugal, Managing Director and Ms. Upneet Dugal, Director, being related to Mrs. Kawaljeet Kaur Dugal may be deemed to be interested in the resolution set out at Item No. 2 of the Notice. Save and except the above, none of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out under Item Nos. 1 to 2 of the Notice.
- 11.** Details of Directors retiring by rotation/ seeking re-appointment at the ensuing Meeting are provided in the "Annexure" to the Notice pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.
- 12.** The Ministry of Corporate Affairs by way of a Notification dated May 07, 2018, notified the provisions of Section 40 of the Companies (Amendment) Act, 2017 along with Companies (Audit and Auditors) Amendment Rules, 2018, whereby provisions of Section 139 of the Companies Act, 2013 were amended. As per the amendment, the ratification of Statutory Auditors appointed by the shareholders at every AGM of the Company has been done away with.
- 13.** Members/Proxies/Authorized Representatives are requested to:
- I. Bring their copies of the Annual Report and the attendance slip duly completed and signed at the meeting.
  - II. Quote their respective folio numbers or DP ID and Client ID numbers for easy identification of their attendance at the meeting.
  - III. Bodies Corporate, who are the members of the Company, are requested to send a certified copy of the board resolution authorising their representative(s) to attend and vote at the meeting.
- IV. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- 14.** Members attending Annual General Meeting at the venue are required to take proper precautions for attending the meeting (such as wearing of masks, hand gloves, maintaining of social distancing, proper hand washing and sanitization, etc.) considering COVID-19 pandemic situation.
- 15.** The Register of Members and Share Transfer Books of the Company will remain closed from (Wednesday) 22nd September, 2021 to (Tuesday) 28th September, 2021 (both days inclusive) in terms of provisions of Section 91 of the Companies Act, 2013 for the purpose of Annual General Meeting.
- 16.** Every member entitled to vote at a meeting of the Company, or on any resolution to be moved thereat, shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than three days' notice in writing before the commencement of the Annual General Meeting of the intention to inspect is given to the Company.
- 17.** SEBI vide its circular dated 20th April, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account details for all Members holding shares in physical form. Therefore, the Members are requested to submit their PAN and Bank Account details to the Company at the Registered Office or to RTA of the Company. In this regard, the Members are requested to submit a duly signed letter along with self-attested copy of PAN Card(s) of all the Registered Members (including joint holders). Members are also requested to submit original cancelled cheque bearing the name of the sole / first holder. In case of inability to provide the original cancelled cheque, a copy of Bank Passbook / Statement of the sole / first holder duly attested by the Bank, not being a date earlier than one month may

be provided. Members holding shares in demat form are requested to submit the aforesaid documents to their respective Depository Participant(s).

**18.** Members holding shares in single name are advised to avail the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Act. Members holding shares in physical form desirous of making nominations may send their request in Form SH -13 in duplicate to the Registrars and Share Transfer Agents (RTA) of the Company. Members may obtain a blank Form SH -13 upon request to the Company or its RTA. Members holding shares in electronic mode may contact their respective DPs for availing this facility.

**19.** The Company's Registrar & Share Transfer Agent (both, physical as well as electronic) is M/s. S. K. Infosolutions Pvt. Ltd having its office at D/42, Katju Nagar (Near South City Mall), Ground Floor, Katju Nagar Bazar, Jadavpur, Kolkata - 700032. Members are requested to send all communications relating to shares to M/s. S. K. Infosolutions Pvt. Ltd.

**20.** Pursuant to General Circulars Nos. 14/2020, 17/2020 and 20/2020 dated 8th April, 2020, 13th April, 2020 and 5th May, 2020 respectively issued by Ministry of Corporate Affairs ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 issued by Securities and Exchange Board of India ("SEBI Circular"), Notice of the AGM along with the Annual Report for the FY 2020-21 are being sent through electronic mode to those Members whose email addresses are registered with the Company/Depositories.

**21.** Members holding shares in physical mode are requested to register their e-mail ID's with S. K. Infosolutions Private Limited, the Registrars & Share Transfer Agents of the Company and Members holding shares in demat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs) in case the same is still not registered.

If there is any change in the email ID already registered with the Company, members are requested to immediately notify such changes to the Registrars & share Transfer Agent of the Company in respect of the shares held in physical form and to their respective Depository Participants (DPs) in case the shares are in Demat form.

**22.** Members holding shares in dematerialised mode are requested to intimate all changes pertaining to their bank details, nominations, power of attorney, change of address/name, e-mail address, contact numbers, etc. to their Depository Participant (DP) only, and not to the Company's Registrar & Share Transfer Agent.

Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its Registrar & Share Transfer Agent to provide efficient and better services to the Members.

**23.** Members holding shares in physical form are requested to intimate all changes pertaining to their bank details, nominations, power of attorney, change of address/name, etc. to the Company's Registrar & Share Transfer Agent, M/s S.K. Infosolutions Private Limited, quoting their Registered Folio Number.

**24.** SEBI in its press release dated December 03, 2018 had decided that securities of listed companies can be transferred only in dematerialized form with effect from April 01, 2019. In view of the above and to avail the benefits of dematerialization and ease portfolio management, Members are requested to consider dematerialize shares held by them in physical form.

**25.** Electronic copy of the 58th Annual Report and Notice of the 58th Annual General Meeting of the Company inter-alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent to all the Members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any Member has requested for a physical copy of the same. For members who have not registered

their email address, physical copies of the Notice of the 58th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

26. Members may also note that the Annual Report for the financial year 2020-21 including the this Notice convening the 58<sup>th</sup> Annual General Meeting will also be available on the Company's website [www.rsdfinancelimited.com](http://www.rsdfinancelimited.com), website of the stock exchange i.e. [www.bseindia.com](http://www.bseindia.com). The AGM notice is also disseminated on the website of NSDL (agency for providing the remote E-voting facility). Even after registering for e-communication, members are entitled to receive such communication in physical form by post, upon making a request for the same, free of cost. For any communication, the members may also send their requests to the designated e-mail ID:  
[complianceofficer@rsdfinancelimited.com](mailto:complianceofficer@rsdfinancelimited.com)/  
[rsdfinance.ltd@gmail.com](mailto:rsdfinance.ltd@gmail.com)

27. With a view to serving the Members better and for administrative convenience, an attempt would be made to consolidate multiple folios. Members who hold shares in identical names and in the same order of names in more than ones folio are requested to write to the Company to consolidate their holdings in one folio.

28. The Statutory Registers and other relevant documents in respect of the proposed resolutions would be available for inspection by the members at the venue of the Annual General Meeting or also at the Registered Office of the Company on all working days, except Saturdays, Sundays and public holidays, between 11.00 a.m. to 1.00 p.m. up to the date of this Annual General Meeting.

## 29. E -Voting

All persons whose names are recorded in the Register of Members or in the Register of Beneficial owners maintained by the Depositories as on the cut-off date namely, 21st September, 2021 only shall be entitled to vote at the Annual General Meeting by availing the facility

of remote e-voting or by voting at the venue of the Annual General Meeting.

## A. VOTING THROUGH ELECTRONIC MEANS

- I. Pursuant to provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), and the Secretarial Standard II on General Meetings, the Company is pleased to provide to its members a facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The remote e-voting facility will be available during the following period:

- **Commencement of remote e-voting: From 9:00 a.m. (IST) on Friday, September 24, 2021**
- **End of remote e-voting: Up to 5:00 p.m. (IST) on Monday, September 27, 2021**

During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2021, may cast their vote by remote e-voting. The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be disabled by NSDL upon expiry of the aforesaid period.



Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

- IV. A person who is not a member as on cut-off date should treat this Notice for information purpose only.
- V. The voting rights of the Members shall be in proportion to their shares in the paid-up share capital of the Company as on the cut-off date, being Tuesday, 21st September, 2021.
- VI. Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.

**VII. E-voting Instructions:  
How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting

system consists of “Two Steps” which are mentioned below:

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

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

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

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” 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 <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> </ol>

- Shareholders/Members can also download NSDL Mobile App “**NSDL Speede**” facility by scanning the QR code mentioned below for seamless voting experience.

**NSDL Mobile App is available on**



Individual Shareholders holding securities in demat mode with CDSL

- Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or [www.cdslindia.com](http://www.cdslindia.com) and click on New System Myeasi.
- After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote.
- If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>
- Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in [www.cdslindia.com](http://www.cdslindia.com) home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.

Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

**Important note:**

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



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

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <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
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

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

4. Your User ID details are given below :

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

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

5. Password details for shareholders other than Individual shareholders are given below:
    - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
    - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
    - c) How to retrieve your 'initial password'?
      - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
  6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
    - a) Click on "[Forgot User Details/Password?](#)"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - b) [Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
    - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
  7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  8. Now, you will have to click on "Login" button.
  9. After you click on the "Login" button, Home page of e-Voting will open.
- Step 2: Cast your vote electronically on NSDL e-Voting system.**
- How to cast your vote electronically on NSDL e-Voting system?**
1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
  2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
  3. Now you are ready for e-Voting as the Voting page opens.
  4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
  5. Upon confirmation, the message "Vote cast successfully" will be displayed.
  6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
  7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

## **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [sitalpr@yahoo.co.in](mailto:sitalpr@yahoo.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Subhashis Sengupta, Manager at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [rsdfinance.ltd@gmail.com](mailto:rsdfinance.ltd@gmail.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [rsdfinance.ltd@gmail.com](mailto:rsdfinance.ltd@gmail.com).

## **B. VOTING AT AGM**

In terms of provisions of Section 107 of the Companies Act, 2013, since the Company is providing the facility of remote e-voting to the Members, there shall be no voting by show of hands at the AGM. The Company is also offering facility for voting by way of Ballot Papers at the AGM for the Members attending the meeting who has not cast their vote by remote e-voting. In case of voting by Ballot Papers at the AGM, the voting rights of the Members shall be in proportion to their shares in the paid-up share capital of the Company as on the date of Book Closure.

**30. OTHER INSTRUCTIONS**

- I. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date 21st September, 2021.
  - II. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper. A person, who is not a member as on the cut-off date, should treat this Notice for information purpose only.
  - III. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 21st September, 2021, may obtain the login ID and password in the manner as mentioned below:
    - a) Members may send an e-mail request to –  
Company Secretary/ Compliance Officer at  
[complianceofficer@rsdfinancelimited.com](mailto:complianceofficer@rsdfinancelimited.com)  
or,  
[rsdfinance.ltd@gmail.com](mailto:rsdfinance.ltd@gmail.com)  
or,  
NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)  
or, Issuer/RTA at [skcdilip@gmail.com](mailto:skcdilip@gmail.com)  
by mentioning their Folio No./DP ID and Client ID No.
  - IV. A member may participate in the AGM even after exercising his right to vote through remote e- voting but shall not be allowed to vote again at the AGM.
  - V. If a Member cast votes by both modes i.e. remote e-voting and Ballot Papers at the AGM, then voting done through remote e-voting shall prevail and Ballot Paper shall be treated as invalid.
  - VI. The Board of Directors of the Company has appointed Mr. Sital Prasad Swain, Practicing Company Secretary (Membership No. F6338 and CP No – 6814) as the Scrutinizer, to scrutinize the entire voting process including remote e-Voting in a fair and transparent manner and has communicated his willingness to be appointed.
  - VII. The Chairman shall at the end of the discussion, at the AGM, allow voting with the assistance of scrutinizer, by use of or “Ballot Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
  - VIII. The Scrutinizer, after scrutinizing the votes cast at the meeting through polling papers and through remote e-voting will, not later than 48 hours of conclusion of the Meeting, make consolidated scrutinizer’s report and submit the same to the Chairman of the meeting or to such other person as may be authorized by the Chairman.
  - IX. The Chairman or the person authorized by him in writing shall forthwith on receipt of the consolidated Scrutinizer’s Report, declare the result of the voting. The Results declared along with the report of the Scrutinizer shall be hosted on the website of the Company [www.rsdfinancelimited.com](http://www.rsdfinancelimited.com) and on the website of NSDL immediately after the declaration of result and will also be communicated to the Bombay Stock Exchange.
- 31.** Subject to receipt of requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the AGM i.e., September 28, 2021.
  - 32.** Copies of the Annual Report will not be distributed at the AGM. Members are, therefore, requested to bring their copies of the Annual Report to the AGM.
  - 33.** The route map showing directions to reach to the venue of the 58<sup>th</sup> AGM is given at the end of this Notice as per the requirement of the Secretarial Standards-2.

34. The names and address of the Stock Exchanges where at the Company's Equity Shares are listed, are given below:-

**Calcutta Stock Exchange Limited**  
7, Lyons Range, Kolkata – 700 001

**Bombay Stock Exchange Limited**  
Floor 25, Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort, Mumbai 400 001

**By Order of the Board of Directors**  
**RSD Finance Limited**

Sd/-

**Rajeev Singh Dugal**  
**Managing Director**  
**DIN - 00052037**

**Place: Jamshedpur**  
**Date: August 14, 2021**

#### **REQUEST TO MEMBERS**

Members are requested to send their query, if any, relating to the financial statements, shareholding, etc., to the Company Secretary/Chief Financial Officer at the Registered Office of the Company, on or before Tuesday, September 21, 2021, so that the answers/ details can be kept ready at the AGM.

**ANNEXURE TO THE NOTICE OF 58<sup>TH</sup> ANNUAL GENERAL MEETING**

## Details of Directors Retiring By Rotation/Seeking Appointment/Re-Appointment

<b>Particulars</b>	<b>Mrs. Kawaljeet Kaur Dugal</b>
Nationality	Indian
Date of Birth	26/07/1964
Age	57 years
Qualifications	Bachelor's Degree in Philosophy & Psychology.
Expertise in specific functional area	Expertise in Business Management, Administration.
Terms & conditions of Appointment & Remuneration	Non-Executive Non-Independent Director, liable to retire by rotation
Remuneration last drawn (including sitting fees, if any)	NIL
Remuneration proposed to be paid	NIL
Date of first Appointment on the Board	13th August, 2020
Number of shares held in the Company as on 31st March, 2021	NIL
Relationships with other Directors/ Key Managerial Personnel	Mrs. Kawaljeet Kaur Dugal is spouse of Mr. Rajeev Singh Dugal and mother of Ms. Upneet Dugal
Number of meeting of Board attended during the year	05
Directorships of other Boards as on March 31, 2021 (Public Limited Company)	NIL
Chairman / Member of the Committee of Directors of other Public Limited Companies in which he / she is a Director	Chairman – NIL Member – NIL
Name of the listed entities from which the Director has resigned in the past 3 years	NIL

**By Order of the Board of Directors**  
**RSD Finance Ltd.**

**Sd/-**

**Rajeev Singh Dugal**  
**Managing Director**  
**DIN - 00052037**

**Place: Jamshedpur**  
**Date: August 14, 2021**

# DIRECTORS' REPORT

## Dear Shareholders,

Your Directors have pleasure in presenting their Fifty-Eighth Annual Report on the business and operations of the Company together with the Audited Financial Statements (Standalone as well as Consolidated) for the year ended March 31, 2021.

### 1. KEY FINANCIAL HIGHLIGHTS

The Company has prepared the Financial Statements for the financial year ended March 31, 2021 in conformity with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended by Companies (Indian Accounting Standards) Rules, 2016 from 1<sup>st</sup> April, 2019:

*(Amt. in Rupees)*

Particulars	Standalone		Consolidated	
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20
Revenue from Operations	3,92,18,889	3,28,04,932	50,29,24,290	67,40,53,516
Other Income	2,24,96,053	77,41,800	4,98,88,509	5,09,51,947
Total Income	6,17,14,942	4,05,46,732	55,28,12,799	72,50,05,463
Less :Total Expenses	2,22,11,810	2,44,62,099	45,75,41,962	59,46,78,457
Profit before tax& Extraordinary items	3,95,03,132	1,60,84,633	9,52,70,837	13,03,27,006
Add : Extraordinary Items	-	-	-	-
Less : Tax Expenses	70,15,366	29,58,193	1,60,49,850	2,31,86,837
Profit after tax	3,24,87,766	1,31,26,440	7,92,20,987	10,71,40,169
Add: Other Comprehensive Income/(loss)	2,36,54,061	(1,63,89,025)	4,04,92,911	(1,94,08,663)
Total Comprehensive Income	5,61,41,827	(32,62,586)	11,97,13,898	8,77,31,506
<b>Profit available for appropriation</b>				
Balance of profit for earlier years	34,19,49,891	34,56,25,432	63,27,64,436	57,66,61,078
Add: Total Comprehensive Income	5,61,41,827	(32,62,586)	10,73,18,172	5,66,24,036
Less: Profit available for appropriation	(19,42,966)	4,12,955	23,27,966	5,20,678
Less :Transfer to Statutory Reserve	1,12,28,365	-	1,12,28,365	-
Balance C/f to Balance Sheet	38,88,06,319	34,19,49,891	73,11,82,209	63,27,64,436



## 2. COMPANY OVERVIEW

RSD Finance Limited is a Company registered under the Companies Act, 1956. It is registered with the Reserve Bank of India (RBI) in the category of "Non-Banking Financial Institution – Non Systemically Important, Non Deposit taking Company (NBFC-ND-NSI) under the RBI Regulations and has a certificate under section 45 IA of the RBI Act, 1934.

As part of our business activities, we are predominantly focused in the business of loans and advances, acquisition of shares/ stocks/ bonds/ debentures/ securities issued by Government or local authority or other marketable securities of a like nature. We also provide Job Work services.

## 3. BUSINESS PERFORMANCE REVIEW

On a standalone basis, the Company achieved a turnover of Rs. 617.15 lakhs as compared to the turnover of Rs. 405.47 lakhs recorded during the previous financial year ended March 31, 2020. The Net Profit before tax and exceptional items of your Company for the financial year ended March 31, 2021 stood at Rs. 395.03 Lakhs as against the Net Profit of Rs. 160.85 Lakhs for the financial year ended March 31, 2020. Basic earnings per share work out to Rs. 4.34 compared to Rs. (0.25) in the previous year.

On a consolidated basis, your Company recorded a total income of Rs. 5528.13 Lakhs during the financial year ended March 31, 2021 as compared to the turnover of Rs. 7250.05 lakhs recorded during the previous financial year ended March 31, 2020 and achieved a consolidated Net Profit before tax of Rs. 952.71 Lakhs for the financial year ended March 31, 2021 as against the Net Profit of Rs. 1303.27 Lakhs for the financial year ended March 31, 2020.

In accordance with the provisions of Section 136 of the Companies Act, 2013, the Annual Report of the Company, containing therein its Consolidated and Standalone Financial Statements are available on the website of the Company at web link [www.rsdfinancelimited.com](http://www.rsdfinancelimited.com).

Any member who is interested in obtaining a copy of the Annual Report may write to the Company at the Registered Office of the Company. Further, a detailed analysis of Company's performance is included in the Management Discussion and Analysis, which forms part of this Annual report.

## 4. OUTBREAK OF COVID-19 PANDEMIC

The year began with the COVID-19 pandemic and nation-wide lock down resulting in halting most of the economic activities across the country and the globe. The company foresee the impact on its business segment as due to sustained lock down for long period across the country due to COVID 19 all the business were nearly shut resulting in financial implication on their business as well as cash flows. The continuing uncertainty still exists and the future impact cannot be gauged at this point of time.

However the Company is taking all necessary measures in terms of mitigating the challenges being faced in the business and is focused on safety of employees, implementing cost optimization measures and maintaining liquidity.

## 5. CHANGES IN THE NATURE OF THE BUSINESS

There have been no changes in the nature of the business of the Company or the subsidiaries during the year under review.

## 6. FUTURE PROSPECTS

The state of Company's affair and future outlook is discussed in the Management Discussion & Analysis section of this Annual Report.

## 7. DIVIDEND

Your Director's regret for not recommending any Dividend on Equity Shares of the Company for the financial year ended 31 March, 2021.

## 8. UNCLAIMED/UNPAID DIVIDEND

In terms of the provisions of Section 124(5) of the Companies Act, 2013, the Company did not have any unclaimed/unpaid dividend which was/is required to be transferred to the Investors Education and Protection Fund.

## 9. RESERVES

The Company proposes to transfer Rs. 112.28 lakhs to the statutory reserves and an amount of Rs. 3,888.06 lakhs is proposed to be retained in the P/L account during the Financial Year 2020-21.

## 10. SHARE CAPITAL

The Equity shares of the Company are listed on the Bombay Stock Exchange (BSE) and the Calcutta Stock Exchange (CSE). The paid-up Equity Share Capital as on March 31, 2021 was Rs. 6.47 crores.

During the year under review, the Company has not issued any shares with differential voting rights nor has granted any stock options or sweat equity.

As on March 31, 2021, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

## 11. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments for the likely impact affecting financial position between end of the financial year and the date of the report except to the extent of unanticipated Covid- 19 impact which is readily not measureable.

## 12. PUBLIC DEPOSIT

Being a Non Deposit taking Non-Banking Financial Company, your Company has not accepted any deposits from the public under section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the year under review and no amount on account of principal or interest on deposits from public was outstanding as on date of the Balance Sheet.

## 13. FINANCIAL LIQUIDITY

The Company's cash and cash equivalents as on March 31, 2021 is Rs. 125.04 lakhs as compared to Rs. 20.28 lakhs as on March 31, 2020. The

Company continues to focus on judicious management of its working capital.

Receivables and other working capital parameters were kept under strict check through continuous monitoring.

## 14. SUBSIDIARY COMPANIES, JOINT VENTURE AND ASSOCIATES

The Company has two material subsidiaries Precision Automotive Private Limited and SRP Oil Private Limited and one step down subsidiary Sigma HTS LLP. There are no Associate or Joint venture Companies within the meaning of section 2(6) of the Companies act, 2013. There has been no material change in the nature of business of the subsidiaries.

No entity became or ceased to be the subsidiary, joint venture or associate of RSD Finance Limited during Financial Year 2020-21.

The Annual Reports of these Subsidiaries will be made available for inspection by any Member of the Company at the Registered Office of your Company at Holding No. – 4, The Alcor Hotel, Ramdas Bhatta, Bistupur, Jamshedpur - 831001 during business hours on all days except Saturdays, Sundays and Public Holidays between 12.30 pm and 03.00 pm up to the date of ensuing AGM. The Annual Reports of the aforesaid Subsidiaries for the financial year ended March 31, 2021 shall be provided to any Member of the Company upon receipt of written request. In view of the continuing statutory restrictions on the movement of persons at several places in the Country, Members may also send an advance request at the e-mail id – rsdfinance.ltd@gmail.com for an electronic inspection of the aforesaid documents.

The Annual Reports along with the Audited Financial Statements of each of the Subsidiaries of your Company are also available on the website of the Company at [www.rsdfinancelimited.com](http://www.rsdfinancelimited.com)

As required under Regulations 16(1) (c) & 46 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 "SEBI Listing Regulations", the Board of Directors had approved the Policy for determining Material Subsidiaries ("Policy"). The

details of the Policy are available on the website of the Company  
[www.rsdfinancelimited.com/InvestorRelations/Codes/Polices](http://www.rsdfinancelimited.com/InvestorRelations/Codes/Polices)

## 15. PERFORMANCE OF SUBSIDIARIES

### i) SRP OIL PRIVATE LIMITED

The Company continues to hold 52.55% shares in SRP Oil Private Limited. SRP is a material unlisted subsidiary Company of RSD Finance Limited as per SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. It is engaged in the business of the hospitality industry. It is carrying business in the brand name of "The Alcor Hotel" in Jamshedpur, Jharkhand.

Net revenue of SRP Oil decreased to Rs. 835.59 lakhs in the Financial Year 2020-2021 compared to Rs. 2,304.51 lakhs in the previous year. The net profit before tax decreased to Rs. 0.66 lakhs during the FY 2020-2021 compared to Rs. 714.67 lakhs earned in the previous year. The loss was mainly due to the Covid outbreak and the global lockdown and restrictions on the movement by the government.

### ii) PRECISION AUTOMOTIVE PRIVATE LIMITED (PAPL)

Precision Automotive Private Limited continues to be a wholly owned material subsidiary Company of RSD Finance Limited. During the financial year 2020-21, the Company earned income from investment activities and generation and transmission of solar energy.

The revenue from operations of PAPL was Rs. 455.96 lakhs in the Financial Year 2020-21 compared to Rs. 441.32 lakhs earned in the previous year. The net profit before tax during the period was Rs. 321.50 lakhs as compared to a profit of Rs. 296.46 lakhs earned in the previous year.

### iii) SIGMA HTS LLP

SIGMA HTS is a Limited Liability Partnership whose majority stake is held by Precision Automotive Private Limited, the wholly owned subsidiary of your Company. Sigma HTS LLP deals in providing heat treatment solutions.

During the financial year, the LLP earned total revenue of Rs. 3637.70 lakhs as compared to Rs. 4,105.99 lakhs earned in the previous year. However, during the financial year it has earned a profit of Rs. 289.92 lakhs as compared to Rs. 185.69 lakhs earned in the previous year.

The Company does not have any associate or a joint venture.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial Statements of the aforesaid subsidiaries has been provided in Form AOC-1, attached as "Annexure – A" and forms a part of this Report.

## 16. CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the requirements in terms of Section 129 of the Companies Act, 2013 read with relevant Accounting Standards issued by the Institute of Chartered Accountants of India and Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (hereinafter referred to as 'Listing Regulations') the Company has prepared Consolidated Financial Statements in accordance with Ind AS 110 - "Consolidated Financial Statements" and Ind AS 27 - "Separate Financial Statements." The Consolidated Financial Statements forms part of this Report.

## 17. LISTING

The Equity Shares of the Company continue to be listed on the Bombay Stock Exchange (BSE) and the Calcutta Stock Exchange Limited (CSE). The scrip code number of the Equity Shares of the Company on BSE is 539875 and on CSE is 28123 respectively.

The Annual Listing Fee for the Financial Year 2020-21 and 2021-22 has been duly paid to both the Stock Exchanges.

## 18. DIRECTORS

As on March 31, 2021, the Board of Directors of your company consists of 6 Directors. Their details are as follows:

Name of the Director	Category
Mr. Rajeev Singh Dugal	Managing Director
Ms. Upneet Dugal	Executive Director
Mrs. Kawaljeet Kaur Dugal	Non- Executive Non – Independent Director
Mr. Sushil Kumar Khowala	Independent Director
Mr. Harsh Kumar Pandey	Independent Director
Mr. Sukant Bari	Independent Director

During the year under review, the 2nd term of Independent Director namely Mr. Malkeet Singh Saini expired at the due date of the Fifty Seventh AGM of the Company. Accordingly, he ceased to be the Independent Director of the Company w.e.f. September 30, 2020.

Further, Mr. Jayesh Taunk, Independent Director of the Company, tendered his resignation w.e.f. September 29, 2020. He has ceased to be the Independent Director of the Company.

Further, during the year under review, the Board of Directors of the Company appointed Mr. Harsh Pandey & Mr. Sukant Bari as Independent Directors of the Company w.e.f. September 15, 2020 and November 21, 2020, respectively, for a term of 5 years. Further, their appointment as an Independent Directors was approved by the Shareholders at the Fifty Seventh AGM of the Company held on December 29, 2021.

Further, the Board of Directors had on their meeting held on August 13, 2020 appointed Mrs. Kawaljeet Kaur Dugal as an Additional Director on the Board of the Company, under the category of Non-Executive Non-Independent Director of the Company. The Shareholders on the AGM held on December 29, 2020, approved her appointment as a Non-Executive Director of the Company, liable to retire by rotation.

The profile of all the Directors can be accessed on the Company's website at [www.rsdfinancelimited.com/companyprofile](http://www.rsdfinancelimited.com/companyprofile).

None of the Directors of the Company have incurred any disqualification under Section

164(2) of the Act read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014. All the Directors have confirmed that they are not debarred from accessing the capital market as well as from holding the office of Director pursuant to any order of Securities and Exchange Board of India or Ministry of Corporate Affairs or any other such authority.

The Board was duly constituted in compliance with the requirements of the Companies Act, 2013, the Listing Regulations and provisions of the Articles of Association of the Company. In the view of the Board, all the directors possess the requisite skills, expertise, integrity, competence, as well as experience considered to be vital for business growth. The detailed analysis of various skills, qualifications and attributes as required and available with the Board has been presented in the Corporate Governance Report.

The changes in the Board during the financial year upto the date of this report is as follows:

#### Retirement by rotation

##### **Mrs. Kawaljeet Kaur Dugal**

In accordance with the provisions of Section 152 of the Companies Act, 2013, Regulation 36 of the Listing Regulations and the Company's Articles of Association, Mrs. Kawaljeet Kaur Dugal (Din – 00052100), retires by rotation at the ensuing annual general meeting and being eligible, offers herself for reappointment.

The brief resume/details relating to Director who is to be reappointed is furnished in the Notice of the ensuing AGM.

The Board of Directors on the recommendation of the Nomination and Remuneration Committee and based on report of performance evaluation recommends her re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

#### Code of Conduct for Directors and Employees

The Company has adopted a Code of Conduct for its Directors and employees including a code of conduct for Independent Directors which

suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013. The said Codes can be accessed on the Company's website at [www.rsdfinancelimited.com](http://www.rsdfinancelimited.com).

In terms of the Listing Regulations, all Directors and Senior Management Personnel have affirmed compliance with their respective codes. The Managing Director has also confirmed and certified the same, which is provided at the end of the Report on Corporate Governance.

## 19. MEETINGS OF THE BOARD

During the year eight meetings of the Board were held during the year under review. For details of meetings of the Board, please refer to the Corporate Governance Report, which is a part of this report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

## 20. KEY MANAGERIAL PERSONNEL

In terms of Section 203 of the Companies Act, 2013, the following are the Key Managerial Personnel (KMP) of the Company as on 31 March 2021:

1. Mr. Rajeev Singh Dugal - Managing Director
2. Mr. Rechan Chhabra – Chief Financial Officer
3. Ms. Puja Choudhary - Company Secretary and Compliance Officer

There has been no change in the Key Managerial Personnel during the financial year.

## 21. INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors pursuant to the provisions of sub-section (7) of Section 149 of the Companies Act, 2013, confirming that they fulfill the criteria of Independence as specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) and 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Independent Directors have also submitted a declaration that they have registered their

names in the databank of Independent Directors as being maintained by the Indian Institute of Corporate Affairs (IICA) in terms of Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014 as amended from time to time.

None of the independent directors are aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The board of directors have taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the same and in their opinion the Independent Directors fulfill the conditions specified in the Act and Listing Regulations and are independent of the management.

The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act along with the Code of Conduct for Directors and Senior Management Personnel formulated by the Company as per Listing Regulations.

The Board confirms that the said Independent Directors meet the criteria as laid down under the Companies Act, 2013 as well as the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and have the requisite integrity, experience and relevant experience in their respective fields including the proficiency required to effectively discharge their roles and responsibilities in directing and guiding the affairs of the Company.

## 22. SEPARATE MEETING OF INDEPENDENT DIRECTORS

Separate meeting of Independent Directors of the Company without the presence of the Executive Directors and the Management representatives was held on March 27, 2021, as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25 (3) of the SEBI LODR. At the said meeting, the Independent Directors inter alia, reviewed and discussed:

- performance of Non-Independent Directors and the Board of Directors as a whole.
- performance of the Chairman of the Company.



- assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors of the Company attended the Meetings of Independent Directors. The Independent Directors expressed their satisfaction to the desired level on the governance of the Board.

### **23. BOARD AND ITS COMMITTEES**

The Board met eight times during the financial year. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the SEBI Regulation, 2015. The details of the meetings of the Board, attendance of Directors, etc. is given separately in the Report of Corporate Governance which forms part of the report.

#### **Board Committees**

The following are the Board Committees during the Financial Year 2020-21:

1. Audit Committee;
2. Nominations & Remuneration Committee;
3. Stakeholders' Relationship Committee;
4. Corporate Social Responsibility Committee;
5. Risk Management Committee and

All recommendations made by the committees were approved by the Board. The composition of each of the above Committees, their respective roles, attendance and responsibilities are provided in detail in the Corporate Governance Report

### **24. DIRECTORS RESPONSIBILITY STATEMENT**

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended March 31, 2021, the Board of Directors hereby confirms that:

- (a) in the preparation of Annual Accounts for the financial year ended March 31, 2021, the applicable Ind AS have been followed and there are no material departures from the same;

- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at 31st March, 2021 and of the profit and loss of the Company for the year ended on that day;

- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- (d) the Annual Accounts for the year ended 31st March, 2021 have been prepared on a "going concern" basis;

- (e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Further, there are no qualifications, reservations or adverse remarks made by the Statutory Auditors/ Secretarial Auditors in their respective reports.

### **25. BOARD EVALUATION**

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 17(10) read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015, the Nomination and Remuneration Committee and the Board of Directors have formulated a policy for performance evaluation of its own performance, of various mandatory Committees of the Board and of the individual Directors.

In terms of the provisions of Regulation 19(4) read with Part D of Schedule II of the SEBI Listing Regulations, 2015 and Section 178 of the Companies Act, 2013, the performance

evaluation process of all the Independent and Non-Independent Directors of the Company was carried out by the Nomination and Remuneration Committee in its meeting held on March 26, 2021.

Further, in terms of Regulations 17(10) of the SEBI Listing Regulations, 2015 and Schedule IV of the Companies Act, 2013, the Board of Directors in their meeting held on June 28, 2021, carried out the performance evaluation of the Independent Directors (excluding the Director being evaluated), its own performance and that of its Committees.

The Board evaluated the effectiveness of its functioning and that of the Committees and of individual directors by seeking their inputs on various aspects of Board/Committee Governance through structured questionnaire.

The entire performance evaluation process was completed to the satisfaction of Board.

Further, SEBI vide its circular (Ref. no. SEBI/HO/CFD/CMD/CIR/P/2017/004) dated January 5, 2017 issued a guidance note on Board Evaluation for listed companies. In view of the same, the Independent Directors in their separate meeting held on March 27, 2021 under Regulation 25(4) of the SEBI Listing Regulations, 2015 and Schedule IV of the Companies Act, 2013 had:

- (i) reviewed the performance of Non-Independent Directors and the Board as a whole;
- (ii) reviewed the performance of the Chairperson of the Company, taking into account the views of executive and non-executive Directors; and
- (iii) assessed the quality, quantity and timelines of flow of information between the Company management and the Board that was necessary for the Board to effectively and reasonably perform their duties.

The Board of Directors has expressed its satisfaction on the functioning and performance of Board and Committees and the performance of individual directors. It emerged that the Board had a good mix of competency, experience, qualifications and diversity. Each Board member contributed to the collective

wisdom of the Board, keeping in mind his/her own background and experience. There was active participation and adequate time was given for discussing strategy. Overall, the Board was functioning very well in a cohesive and interactive manner. The Directors even expressed their satisfaction with the evaluation process.

## 26. FAMILIARISATION PROGRAMME

In order to encourage active participation from the Independent Directors and also to enable them to understand the business environment of the Company in depth and to assist them in performing their role as Independent Directors of the Company, a Familiarization Programme for the Independent Directors has been adopted and implemented.

Once appointed, the Independent Directors undergo the Familiarization Programme of the Company wherein the necessary information and relevant documents in respect to the industry, the regulatory environment in which the Company operates and the Annual Reports of past financial years are provided to them. The Managing Director of the Company also has a one to one discussion with the newly appointed Director to familiarize him with the Company's culture.

Pursuant to Regulation 46 of the Listing Regulations, the details of the Familiarization program of the Independent Directors are available on the website of the Company at [www.rsdfinancelimited.com/investorrelations/codes&policies](http://www.rsdfinancelimited.com/investorrelations/codes&policies) (Path)

## 27. INTERNAL FINANCIAL CONTROLS

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

The internal audit is entrusted to M/s. Heerwal & Associates, a reputed firm of Chartered Accountants. The Internal Auditor monitor and



evaluate the efficacy and adequacy of internal control systems in the Company, its compliance with the operating systems, accounting procedures and policies at the Company and its subsidiaries. It also imparts guidance and constructive suggestions for improvement of the audit function in the Company.

The Audit Committee of the Board of Directors, comprising of independent directors regularly reviews the audit plans, significant audit findings, adequacy of internal controls, compliance with accounting standards as well as reasons for changes in accounting policies and practices, if any.

Necessary certification by the Statutory Auditors in relation to Internal Financial Control u/s 143(3)(i) of the Act forms part of the Audit Report.

## **28. INTERNAL CONTROL SYSTEMS**

Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are in place and have been operating satisfactorily. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

Your Directors confirm that during the year under review, there were no reportable material weaknesses in the present systems or operations of internal controls.

## **29. CONSERVATION OF ENERGY, TECHNOLOGICAL ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO**

The Company is a non-banking financial Company and is also involved in job work activities. The Company's activity involves very low energy consumption and has no particulars to report regarding conservation of energy and technology absorption.

However, efforts are made to further reduce energy consumption. The Company did not

have any foreign exchange earnings and expenditures during the year.

## **30. RELATED PARTY TRANSACTION**

All Related Party Transactions entered into by your Company during the financial year were on arm's length basis and were in the ordinary course of business and in compliance with the provisions of the Companies Act, 2013, the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Indian Accounting Standards on "Related Party Disclosure (Ind AS-24)."

All Related Party Transactions are placed before the Audit Committee. None of such related party transactions required the approval of the Shareholders as per the Act or Listing Regulations. Further, there were no materially significant related party transactions that may have potential conflict of interests with the Company at large.

The Board has approved and adopted the Policy on Related Party Transactions and the same is uploaded on the Company's website - [www.rsdfinancelimited.com/InvestorRelations/Codes/Policies](http://www.rsdfinancelimited.com/InvestorRelations/Codes/Policies) (path)

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act along with the justification for entering into such contract or arrangement in Form AOC-2 forms part of the report as "Annexure - B".

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company save and except the payment of sitting fees to Independent Directors and the remuneration given to executive directors.

## **31. RISK MANAGEMENT**

Pursuant to Section 134 of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a risk management policy. The policy provides for identification, assessment and control of risks that in the opinion of the Board may threaten the existence of the Company. The above policy is being reviewed/re-visited at such other intervals as deemed necessary for modifications

and revisions, if any.

### **32. DISCLOSURES OF TRANSACTIONS OF THE LISTED ENTITY WITH ANY PERSON OR ENTITY BELONGING TO THE PROMOTER/PROMOTER GROUP WHICH HOLD(S) 10% OR MORE SHAREHOLDING IN THE LISTED ENTITY, IN THE FORMAT PRESCRIBED IN THE RELEVANT ACCOUNTING STANDARDS FOR ANNUAL RESULTS.**

Rajeev Singh Dugal and Rajeev Singh Dugal Trust hold 10% or more shares in the Company. The details of transactions with promoter/promoter group holding 10% or more shares have been disclosed in the financial statement which is part of the Annual Report.

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

As per the provisions of Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) Committee has been constituted by the Board of Directors.

The Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board.

The CSR Policy may be accessed on the Company's website at the [www.rsdfinance.com](http://www.rsdfinance.com)

The report on the CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as "Annexure - C" and forms an integral part of the report.

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

The Company has in place a Vigil Mechanism/Whistle Blower Policy which is approved and adopted by the Board of Directors of the Company.

The Policy provides a framework to promote responsible and secured reporting of unethical behavior, actual or suspected fraud, violation of applicable laws and regulations, financial irregularities, abuse of authority, etc. by Directors, employees and the management. The Vigil Mechanism/ Whistle Blower Policy is available on the website of the Company at [www.rsdfinancelimited.com](http://www.rsdfinancelimited.com).

The Company endeavors to provide complete protection to the Whistle Blowers against any unfair practices. It is affirmed that no personnel of the Company has been denied access to the Audit Committee and no case was reported under this policy during the year.

### **35. COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL**

The Board has, on recommendation of the Nomination and Remuneration Committee, formulated a policy for selection and appointment of Directors, senior management and their remuneration in accordance with the Act and the Listing Regulations.

The Nomination & Remuneration Policy of the Company aims to attract, retain and motivate qualified personnel of the Company and seeks to employ people who not only fulfill the eligibility criteria but also have the attributes needed to fit into the corporate culture of the Company.

The Company pays remuneration to Independent Directors by way of sitting fees and Executive Non-Independent Directors of your Company do not accept any sitting fees. Remuneration to Directors is paid within the limits as prescribed under the Companies Act, 2013 and the limits as approved by the Members of the Company, from time to time. There have been no changes in the said policy during the financial year. The policy is available on the Company's website at [www.rsdfinancelimited.com/investorrelations/codes/policies\\_\(path\)](http://www.rsdfinancelimited.com/investorrelations/codes/policies_(path)) and is also annexed and forms part of the report as "Annexure - D"

Further, information about elements of remuneration package of individual directors is provided in the extract of Annual Return as provided under Section 92(3) of the Companies Act, 2013 and forms part of this Report.

### **36. AUDITORS AND THEIR REPORTS**

The matters related to Auditors and their Reports are as under:

#### **Statutory Auditors & their Reports**

M/s. Prasad Kumar & Co., Chartered Accountants, Jamshedpur, bearing Registration No. 008816C have been appointed as the Statutory Auditors of the Company for a period of 5 years from the conclusion of the 54th AGM (for FY2017-18) till the conclusion of the 59th AGM (for FY2021-22)

M/s. Prasad Kumar & Co. fulfills the eligibility and qualification norms as prescribed under the Act, the Chartered Accountants Act, 1949 and rules and regulations issued thereunder. The Statutory Auditors have given a confirmation to the effect that they are eligible to continue with their appointment and that they have not been disqualified in any manner from continuing as Statutory Auditors.

The standalone and the consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors Report does not contain any qualification, reservation, adverse remark or disclaimer.

#### **Secretarial Auditor & their Reports**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed Mr. Sital Prasad Swain, Company Secretary in practice (Membership No. F6338 & CP No. 6814) to conduct the Secretarial Audit for the FY 2020-21.

The Secretarial Audit Report confirms that the Company has complied with the provisions of the Companies Act, 2013, Rules, Listing Regulations and Guidelines and that there were no deviations or non-compliances. The Secretarial Audit Report certified by the Secretarial Auditors, in the specified form MR-3 is annexed herewith and forms part of this report as "Annexure – E". The Report does not contain any qualification, reservation or adverse remark.

Furthermore, the Secretarial Auditor, Mr. Sital Prasad Swain, Practicing Company Secretaries, has also certified the compliance as per Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and same has been intimated to the stock exchanges within the stipulated time and there stood no qualification reported by the Secretarial Auditor.

Mr. Sital Prasad Swain, has through his certificate dated August 11, 2021 has certified that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. The said certificate is appended to the Board's Report and should also form a part of the Corporate Governance Report of the Board as required under the SEBI Listing Regulations.

Further, the Board of Directors of the Company has re-appointed Mr. Sital Prasad Swain to undertake the Secretarial Audit of the Company for the financial year 2021-22. The Company has received a written consent from him that the appointment is in accordance with the applicable provisions of the Act and rules framed thereunder.

#### **Cost Auditors**

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable in respect of the business activities carried out by the Company.

### **37. PARTICULARS OF EMPLOYEES**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Board's Report and are marked as "Annexure – F'.

The Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Act, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. No employee, employed throughout the financial year, has drawn a remuneration of more than Rs. 1.02 crores per annum and no employee, employed for a part of the financial year, has drawn a remuneration of more than Rs. 8.50 lakhs per month.

The Managing Director of the Company receives consultancy fees for services rendered in professional capacity from the Company's subsidiary SRP Oil Pvt. Ltd.

### **38. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

Pursuant to Section 186(11) of the Companies Act, 2013 ("the Act"), the provisions of Section 186(4) of the Act requiring disclosure in the Financial Statements of the full particulars of the loans made and guarantees given or securities provided by a Non - Banking Financial Company in the ordinary course of its business and the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient of the loan or guarantee or security are exempted from disclosure in the Annual Report. Further, pursuant to the provisions of Section 186 (4) of the Act, the details of investments made by the Company are given in the Notes to the Financial Statements.

### **39. PREVENTION OF INSIDER TRADING**

The Company has adopted a Code of Conduct for Prevention of Insider Trading for its Designated Persons in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code lays down Guidelines which advise the insiders on procedures to be followed and disclosures to be made, while dealing with the shares of the Company, and cautioning them of the consequences of violations. The Code requires pre- clearance for dealing in the

Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

The Company has also adopted 'Code of Practice and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. This Code aims to set forth a framework and policy for fair disclosure of events and occurrences that could resolutely impact price of the Company's securities. The Company endeavors to preserve the confidentiality of un-published price sensitive information and to prevent misuse of such information.

The code of conduct for Prevention of Insider Trading is posted on the website of the Company and can be accessed at: [www.rsdfinancelimited.com](http://www.rsdfinancelimited.com)

All the Board of Directors and designated employees have confirmed compliance with the Code.

### **40. NUMBER OF BOARD MEETINGS**

During the year under review, eight Board Meetings were convened and held on July, 22, 2020, July 31, 2020, August 13, 2020, September 15, 2020, November 13, 2020, November 21, 2020, December 04, 2020, February 14, 2021, the details of which are given in the Corporate Governance Report which is forming part of this Annual Report.

### **41. EXTRACT OF ANNUAL RETURN (MGT – 9)**

The extract of the annual return in Form MGT - 9 as required under the provisions of Section 92(3) and 134(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is set out in the 'Annexure - G' to this report.

The annual return of the company is also available on the company's website at [www.rsdfinancelimited.com](http://www.rsdfinancelimited.com) and is available at the [www.rsdfinancelimited.com/investorrelations/annualreturn](http://www.rsdfinancelimited.com/investorrelations/annualreturn) link

## 42. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report on the operations of the Company, as stipulated under Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in a separate section and forms an integral part of this Report.

## 43. CORPORATE GOVERNANCE

The Company believes that establishing good corporate governance practices in each and every function of the organization leads to increased operational efficiencies and sustained long term value creation for all stakeholders. In terms of Regulation 34(3) read with Schedule V of the Listing Regulations, the following forms part of this Report:

- (i) Report on the Corporate Governance;
- (ii) Declaration regarding compliance to Code of Conduct by Board Members and Senior Management Personnel;
- (iii) A certificate from a Practicing Company Secretary that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority;
- (iv) the Certificate duly signed by the Managing Director and Chief Financial Officer on the Financial Statements of the Company for the year ended March 31, 2021 as submitted to the Board of Directors at their meeting held on June 28, 2021; and
- (v) Auditors' Certificate regarding compliance of conditions of Corporate Governance

## 44. SECRETARIAL STANDARDS

During the Financial Year 2020-21, the Company has complied with all the relevant provisions of Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings (SS1 and SS2).

## 45. RBI GUIDELINES

The Company continues to comply with all the applicable regulations prescribed by the Reserve Bank of India ("RBI"), from time to time.

## 46. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

There were no significant and material orders passed by the regulators or courts or tribunals that would impact the going concern status of the Company and its future operations.

## 47. INSTANCES OF FRAUD, IF ANY REPORTED BY THE AUDITORS

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the Audit Committee under Section 143 (12) of Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which needs to be mentioned in the Board's Report.

## 48. HUMAN RESOURCES

Your Company continues to put due emphasis on appropriate human resource development for its business. The employees of the Company and the group fully identify with the Company's and the groups vision and business goals.

## 49. POLICY ON PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE

The Company has zero tolerance for sexual harassment at workplace. We have adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace and constituted the Internal Complaints Committee in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.



The Company has not received any complaint under the said policy. Web link for the policy in the website is [www.rsdfinancelimited.com/codes-policies](http://www.rsdfinancelimited.com/codes-policies).

## 50. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares and ESOP) to the employees of the Company under any scheme.
3. The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
4. Business Responsibility Report is not applicable on the Company.
5. Formation of Dividend Distribution Policy is not applicable on the Company.

**Place: Jamshedpur**  
**Date: August 14, 2021**

## 51. APPRECIATION

Your Directors would like to acknowledge the role of all its stakeholders' viz., shareholders, bankers, lenders, borrowers and all others for their continued support to your Company and the confidence and faith that they have always reposed in your Company.

Your Directors acknowledge and appreciate the guidance and support extended by all the Regulatory authorities including Securities Exchange Board of India (SEBI), Reserve Bank of India (RBI), Ministry of Corporate Affairs (MCA), Registrar of Companies, Kolkata (ROC), the Stock Exchanges and the NSDL and CDSL.

We value the professionalism of all the employees who have proved themselves in a challenging environment and whose efforts have stood the Company in good stead and taken it to present level.

**For and on behalf of the Board**

Sd/-

Sd/-

**Rajeev Singh Dugal**  
**Managing Director**  
**DIN: 00052037**

**Upneet Dugal**  
**Director**  
**DIN:07680726**

# 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

## PART "A" - SUBSIDIARIES

(Amount in Rs.)

Sl. No.	Particulars	1	2	3
1.	Name of the Subsidiary	S R P Oil Pvt. Ltd	Precision Automotive Pvt. Ltd	Sigma HTS LLP*
2.	Date since when the subsidiary was acquired	September 30, 2015	November 15, 2013	March 15, 2016
3.	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	April – March	April - March	April – March
4.	Reporting currency and exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	Indian Rupees	Indian Rupees	Indian Rupees
5.	Share capital	4,91,70,000 (49,17,000 Equity Shares of Rs. 10 each)	6,81,00,000 (1000 Equity Share of Rs. 100 each and 68,00,000 Pref. Share of Rs. 10 each)	The total contribution of the partners is Rs. 12,00,00,000 (12 crores).
6.	Reserves & Surplus	38,93,72,545	79,57,39,986	2,81,790
7.	Total Assets	49,04,25,297	96,99,34,692	43,34,14,999
8.	Total Liabilities	49,04,25,297	96,99,34,692	43,34,14,999
9.	Investments	29,30,88,037	92,79,81,819	NIL
10.	Turnover	8,35,58,577	4,55,95,968	36,37,70,430
11.	Profit before taxation	65,691	3,21,50,392	2,89,91,624
12.	Provision for Taxation (Tax Expenses)	29,61,977	49,55,461	11,17,047
13.	Profit after taxation	(28,96,285)	2,71,94,931	2,78,74,578
14.	Proposed Dividend (Inclusive of DDT)	NIL	54,40,000	NA
15.	% of shareholding	52.55% Equity	100% Equity	65% Capital

- Names of subsidiaries which are yet to commence operations - **NIL**.
- Names of subsidiaries which have been liquidated or sold during the year - **NIL**
- No Company has become a Joint venture or associate during the financial year 2020-21, hence Part – B of form AOC- 1 is not reported.

\* Sigma HTS is a Limited Liability Partnership, 65% stake is owned by Precision Automotive Pvt. Ltd, Wholly owned subsidiary of the Company.

For and on behalf of the Board of Directors

Place: Jamshedpur  
Date: August 14, 2021

Sd/-  
**Rajeev Singh Dugal**  
Managing Director  
DIN – 00052037

Sd/-  
**Upneet Dugal**  
Director  
DIN – 07680726



**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)***PARTICULARS OF CONTRACTS/ARRANGEMENTS ENTERED INTO BY THE COMPANY WITH RELATED PARTIES****1. Details of contracts or arrangements or transactions not at arm's length basis:**

All transactions entered into by the Company during the year with related parties were on an arm's length basis.

**2. Details of material contracts or arrangement or transactions at arm's length basis: -**

Name of the related party and nature of relationship

---

Nature of contracts/ arrangements/ transactions

---

Duration of the contract/ arrangements/ transactions

---

Salient terms of the contracts or agreements or transactions including the value, if any

---

Date(s) of approval by the Board, if any

---

Amount paid as advances, if any

As provided in  
Note 28 to the  
financial  
statements

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

Sd/-  
**Rajeev Singh Dugal**  
Managing Director  
DIN – 00052037

Sd/-  
**Upneet Dugal**  
Director  
DIN - 07680726

**Place: Jamshedpur**

**Date: August 14, 2021**

# REPORT ON CORPORATE SOCIAL RESPONSIBILITY

## 1. A Brief outline of the Company's CSR policy

The Company intends to make a positive difference to the society and to contribute its share towards the social cause of betterment of the society through Social, Economic and Environmental Development of the community in which it operates and thereby creating value for the nation.

In this regard, the Company has made the policy which encompasses the Company's philosophy for delineating its responsibility as a Corporate Citizen and lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainable development of the community at large which is based as per the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 made there under.

### Activities under CSR:

The Company will carry out CSR activities as specified in Schedule VII to the Companies Act, 2013, including any amendments to it but will not be limited to the following:

- a) Eradicating hunger, poverty and malnutrition;
- b) Promoting Health care including Preventive Health care;
- c) Promotion of education especially among children, women, elderly and the differently abled;
- d) Employment and livelihood enhancing Vocational skills and projects;
- e) Ensuring environmental sustainability and ecological balance;
- f) Promoting gender equality and empowering women;
- g) Rural development project;
- h) Undertaking and supporting rehabilitation measures post disaster;
- i) Setting public libraries;
- j) Such other activities as the Board may consider being appropriate.

## 2. The composition of the CSR Committee

The Chairperson and Members of the Committee are as follows:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Rajeev Singh Dugal	Chairperson	1	1
2	Mr. Sushil Kumar Khowala	Member	1	1
3	Ms. Upneet Dugal	Member	1	0

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company - [www.rsdfinancelimited.com](http://www.rsdfinancelimited.com)
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report) - Not Applicable
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set- off for the financial year, if any (in Rs)
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NIL

6. **Average net profit of the company as per section 135(5)** - Pursuant to the provisions of Section 198 of Companies Act, 2013, Average net profit for last three financial years is Rs. 351.73 Lakhs.

**7. Following details:**

(a)	Two percent of average net profit of the company as per section 135(5)	Rs. 7.03 lakhs
(b)	Surplus arising out of the CSR projects or programs or activities of the previous financial years	NIL
(c)	Amount required to be set off for the financial year, if any	NIL
(d)	Total CSR obligation for the financial year (7a+7b- 7c)	Rs. 7.03 lakhs

**8. (a) CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
7.06 lakhs	Nil	NA	Nil	NA	NA

- (b) Details of CSR amount spent against ongoing projects for the financial year - NIL

- (c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR Registration number.
1.	Eradication of poverty & Hunger	Point (i) of schedule VII to the Act - Eradicating hunger, poverty and malnutrition	Yes	Jharkhand	East Singhbhum	35,000.00	Yes	NA	NA
2.	Health Care – Financial Support	Point (i) of schedule VII to the Act - promoting health care including preventive health care	Yes	Jharkhand	East Singhbhum	11,000.00	Yes	NA	NA
3.	Distribution of Food	Point (i) of schedule VII to the Act - Eradicating hunger, poverty and malnutrition	Yes	Jharkhand	East Singhbhum	1,50,000.00	Yes	NA	NA
4	Distribution of Mask & Sanitizer	Point (i) of schedule VII to the Act - promoting health care including preventive health care	Yes	Jharkhand	East Singhbhum	1,00,000.00	Yes	NA	NA
5.	Rural Development, Skill Development, Health Awareness Camps and Medical Support Programme	Point (i) and (ii) of schedule VII to the Act - promoting health care including preventive health care, promoting employment enhancing vocation skills and livelihood enhancement project	No	West Bengal	North 24 Parganas	4,10,000.00	Yes	NA	NA
<b>TOTAL</b>						<b>7,06,000.00</b>			

**(d) Amount spent in Administrative Overheads - Nil**

**(e) Amount spent on Impact Assessment, if applicable - Nil**

**(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – Rs. 7.06 lakhs**

**(g) Excess amount for set off, if any**

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	7,03,456.73
(ii)	Total amount spent for the Financial Year	7,06,000.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	2,543.27
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	2,543.27

**9. (a) Details of Unspent CSR amount for the preceding three financial years:**

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.		Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Date of transfer.	
1.	2019-20					9,42,643.00
2.	2018-19					7,66,119.43
3.	2017-18					5,97,185.78
TOTAL						23,05,948.21

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
1.								
2.								
3.								
TOTAL								

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).**

- Date of creation or acquisition of the capital asset(s) – None
- Amount of CSR spent for creation or acquisition of capital asset – Nil
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. – Not Applicable
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) - Not Applicable

**11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) – Not Applicable****For and on behalf of the CSR Committee**

Sd/-  
**Upneet Dugal**  
 Director  
 DIN –07680726

Sd/-  
**Rajeev Singh Dugal**  
 Chairman  
 DIN - 00052037

**Date: August 14, 2021**  
**Place: Jamshedpur**

## NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

### DEFINITIONS:

**“Remuneration”** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

**“Key Managerial Personnel”** means:

- i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii) Chief Financial Officer;
- iii) Company Secretary; and
- iv) such other officer as may be prescribed.

**“Senior Managerial Personnel”** mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management of rank equivalent to General Manager and above, including all functional heads.

### OBJECTIVE:

The objective of the policy is to ensure that :-

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions.
- To determine remuneration based on the Company’s size and financial position and trends and practices on remuneration prevailing in peer companies.
- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- to retain, motivate, promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

### **APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level



and recommend his / her appointment, as per Company's Policy.

- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- c) Appointment of Independent Directors is subject compliance of provisions of section 149 of the Companies Act, 2013, read with schedule IV and rules there under.
- d) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.
- e) The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Regulations and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## TERM / TENURE

### a) Managing Director/Whole-time Director:

- i. The Nomination and Remuneration Committee shall identify a person according to the requirements of the Company for the above position and recommend their appointment to the Board including the terms of appointment and remuneration.

- ii. The Board shall consider the recommendation of the NRC and accordingly approve the appointment and remuneration. The appointment of MD, JMD, WTD shall be subject to the approval of the Shareholders.
- iii. Appointment of other employees will be made in accordance with the Company's HR Policy.

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

### b) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

## EVALUATION

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

## REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company or by the Board on its own if the person commits a breach of the duties, functions and responsibilities or obligations on any reason prescribed by the law or AOA or the Listing Agreement or for reason of poor performance as measured as a result of performance evaluation.

## POLICY FOR REMUNERATION TO DIRECTORS/ KMP/ SENIOR MANAGEMENT PERSONNEL

### 1) Remuneration to Managing Director:

- a) The Managing Director shall be eligible for remuneration as may be approved by the Shareholders of the Company on the recommendation of the Committee and the Board of Directors. The Remuneration/ Commission etc. to be paid to Managing Director shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director.

### 2) Remuneration to Non- Executive / Independent Directors:

- a) The Non-Executive / Independent Directors may receive sitting fees for attending meeting of the Board and the committee and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b) The profit-linked Commission shall be paid within the monetary limit approved by the Shareholders of the Company subject to the same not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Regulations.
- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company. Non-Executive Directors are eligible for Stock Options as approved by the shareholders.
- d) Any remuneration paid to Non- Executive/ Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
  - i) The Services are rendered by such Director in his capacity as the professional; and
  - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

Any incidental expense incurred by the Directors with relation to the participation in the meetings of the Board and other Sub Committees shall be reimbursed.

**3) Remuneration to Executive Directors, Key Managerial Personnel and Senior Management:**

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) Remuneration of Executive Directors, Key Managerial Personnel and Senior Management is determined and recommended by the Nomination & Compensation Committee and approved by the Board. Remuneration of Executive

Directors is also subject to the approval of the shareholders.

- c) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

**IMPLEMENTATION**

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.

The Committee may Delegate any of its powers to one or more of its members.

# SECRETARIAL AUDIT REPORT

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

## FORM NO. MR – 3 FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

To  
The Members,  
**RSD Finance Limited**  
H. No – 4, The Alcor Hotel  
Ramdas Bhatta, Opp. Indian Oil Petrol Pump  
Bistupur, Jamshedpur - 831001

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit and subject to our separate letter attached as "**ANNEXURE – A**", We hereby report that in our opinion, the Company has, during the financial year ended on March 31, 2021 (the audit period) complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company during the audit period and verified the provisions of the following acts and regulations and also their applicability as far as the Company is concerned during the period under audit:

- i) The Companies Act, 2013 (the Act), amendments thereof 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) The 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 Borrowing; (not applicable to the Company during the period under review);
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as amended:-
  - (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; (not applicable to the Company during the period under review)
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (was not applicable to the Company during the period under review);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (was not applicable to the Company during the period under review);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (not applicable to the Company during the period under review); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (not applicable to the Company during the period under review);
- vi) Rules, Regulations and Guidelines issued by the Reserve Bank of India as are applicable to Non-Deposit taking Non-Banking Financial Companies which are applicable to the Company.

We believe that the audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the systems and mechanisms established by the Company are adequate to ensure compliance of laws as mentioned above. With respect to the applicable financial laws such as Direct and Indirect tax laws, based on the information & explanations provided by the Management and Officers of the Company and certificates placed before the Board of Directors, we report that adequate systems are in place to monitor and ensure compliance.

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

- (a) The Uniform Listing Agreement entered into with BSE Limited and CSE Limited pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

And

- (b) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

During the period under review, the Company generally has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and such other regulatory authorities for such acts, rules, regulations, standards etc. as mentioned above.

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

**We further report that:**

- i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of Board of Directors that took place during the period under review were carried out in the compliance with the provisions of the Act, RBI and listing regulations.
- ii) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Notice for meetings called for at a shorter notice and notes on agenda which are circulated less than the specified period, necessary compliances under the Act and Secretarial Standards on Board Meeting are complied with.
- iii) Based on the verification of the records and minutes, the decisions were carried out with the consent of the Board of Directors /Committee Members and no Director /Member dissented on the decisions taken at such Board / Committee Meetings. Further, in the minutes of the General Meeting, the number of votes cast against the resolutions has been recorded.

We have examined the systems and processes established by the Company to ensure the compliance with general laws including Labour Laws, Employees Provident Funds Act, Employees State Insurance Act, Payment of Gratuity Act & other State Laws, considering and relying upon representations made by the Company and its Officers for systems and mechanisms formed by the Company for compliance under these laws and other applicable sector specific Acts, Laws, Rules and Regulations applicable to the Company and its observance by them.

Further, the Circulars, Regulations and Guidelines issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and other relevant regulatory authorities in view of the pandemic pertaining to Board/ Committee meetings, General Meetings and other provisions of the Act, Rules and Regulations have been complied with by the Company.

**We further report that** based on the review of compliance mechanism established by the Company and on the basis of our review and audit of the records and books, we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

Based on such checks as considered appropriate and documents provided by the Company, We observed that the specific laws, as applicable to the Company are being duly complied with.

We further report that during the audit period there were no specific event/ action having a major effect on the Company's affair in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

The Company had obtained approval of members by way of passing Special resolution at the Annual General Meeting of the Company held on 29.12.2020 for the following matters:

**Appointment of Mr. Rajeev Singh Dugal (DIN - 00052037) as the Managing Director of the Company for a term of five years.**

The members appointed Mr. Rajeev Singh Dugal as the Managing Director of the Company, for a period of five years.

This report is to be read out with our letter of even date which is annexed as "ANNEXURE - A" and forms an integral part of this report.

Sd/-

**Sital Prasad Swain**

**Practicing Company Secretary**

**Membership No. - F6338**

**COP No. - 6814**

**UDIN – F006338C000768638**

**Place: Jamshedpur**

**Dated: August 11, 2021**



## ANNEXURE "A"

To

The Members,

**RSD Finance Limited**

H. No – 4, The Alcor Hotel

Ramdas Bhatta, Opp. Indian Oil Petrol Pump

Bistupur, Jamshedpur - 831001

Our Secretarial Audit Report for the financial year March 31, 2021 of even date is to be read along with this annexure.

- 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 earnestly 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 and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- 6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
- 7) We further report that the Compliance by the Company of applicable Financial Laws like Direct & Indirect Tax Laws has not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

Sd/-

**Sital Prasad Swain**

**Practicing Company Secretary**

**Membership No. - F6338**

**COP No. - 6814**

**UDIN - F006338C000768638**

**Place: Jamshedpur**

**Dated: August 11, 2021**

## DETAILS UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013

### PART (A) – DISCLOSURE AS REQUIRED UNDER RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

#### A. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21:

Name of Director	Designation	Ratio to median remuneration of Employees
Rajeev Singh Dugal	Managing Director	7.98
Upneet Dugal	Executive Director	13.16

All the Non-Executive Directors of the Company are Independent Directors and have only been paid sitting fees. The details of sitting fees paid are provided in the Corporate Governance Report. In the above ratio of remuneration and percentage increase in remuneration, sitting fees paid to Non-executive Directors, have not been considered.

#### B. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2020-21:

Sl. No.	Name of Director / KMP	Designation	% increase in Remuneration
1.	Rajeev Singh Dugal	Managing Director	NIL
2.	Upneet Dugal	Executive Director	NIL
3.	Rechan Chhabra	Chief Financial Officer	NIL
4.	Puja Choudhary	Company Secretary	NIL

#### C. The percentage increase in the median remuneration of the employees in the FY 2020-2021:-

NIL

#### D. The number of permanent employees on the rolls of the Company as on 31st March, 2021:-

There were 9 employees on the rolls of the Company.

- E. 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:-**

NIL

Justification: Since there was no increase in managerial remuneration, there was no exceptional circumstances.

- F. Affirmation that the remuneration is as per Remuneration Policy of the Company:-**

It is hereby affirmed that the remuneration paid to KMPs and other employees are as per the Nomination & Remuneration Policy of the Company.

**PART (B) – DISCLOSURE AS REQUIRED UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:**

During the year the Company had not engaged any employee drawing remuneration exceeding the limit specified under Section 197(12) read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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

Sd/-  
**Rajeev Singh Dugal**  
**Managing Director**  
**DIN – 00052037**

Sd/-  
**Upneet Dugal**  
**Director**  
**DIN - 07680726**

**Place: Jamshedpur**

**Dated: August 14, 2021**

# EXTRACT OF ANNUAL RETURN

## FORM NO. MGT 9

As on financial year ended on March 31, 2021

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

### I. REGISTRATION & OTHER DETAILS:

(i) CIN	L17222JH1963PLC013316
(ii) Registration Date	February 04, 1963
Name of the Company	RSD Finance Limited
(iii) Category/Sub-category of the Company	Public Company / Limited by Shares
(iv) Address of the Registered office & contact details	H. No – 4, The Alcor Hotel, Ramdas Bhatta, Bistupur, Jamshedpur – 831001 Tel. : +91 7280009199 Email: rsdfinance.ltd@gmail.com Website: www.rsdfinancelimited.com
(v) Whether listed company	Yes
(vi) Name, Address & contact details of the Registrar & Transfer Agent, if any.	S K Infosolutions Pvt. Ltd., D/42, Katju Nagar (Near South City Mall), Ground Floor, Katju Nagar Bazar, Jadavpur Kolkata - 700032. Contact No: 033-24120027, 2002 E-mail: skcdilip@gmail.com Website: http://www.skinfo.in/

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

(Contributing 10% or more of the total turnover of the Company)

SL. NO.	NAME & DESCRIPTION OF MAIN PRODUCTS/ SERVICES	NIC CODE OF THE PRODUCT/ SERVICE	% TO TOTAL TURNOVER OF THE COMPANY
1	Investing & Financing Activities	6499-64990	87.87%
2	Treatment and Coating of metals	2592-25920	10.31%

### III. PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES:

SL. NO	NAME & ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
(i)	Precision Automotive Pvt. Ltd.	U35900JH2005PTC013315	Subsidiary	100.00%	2 (87)
(ii)	S R P Oil Pvt. Ltd.	U23209JH1996PTC013466	Subsidiary	52.55%	2 (87)
(iii)	Sigma HTS	AAF - 9444	Subsidiary	65.00%	2 (87)

**IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS % TO TOTAL EQUITY)****Category Wise Shareholding**

Category of Shareholders	No. of Shares held at the beginning of the Year (As on 01.04.2020)				No. of Shares held at the end of the Year (As on 31.03.2021)				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	81,17,040	0	81,17,040	62.70%	81,21,565	0	81,21,565	62.73%	0.035%
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	-	-	-	-	-	-	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	15,82,000	0	15,82,000	12.22%	15,82,000	0	15,82,000	12.22%	0.00%
<b>SUB TOTAL:(A) (1)</b>	<b>96,99,040</b>	<b>0</b>	<b>96,99,040</b>	<b>74.92%</b>	<b>97,03,565</b>	<b>0</b>	<b>97,03,565</b>	<b>74.95%</b>	<b>0.035%</b>
<b>(2) Foreign</b>									
a) NRI-Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL SHAREHOLDING OF PROMOTER (A)= (A)(1)+(A)(2)</b>	<b>96,99,040</b>	<b>0</b>	<b>96,99,040</b>	<b>74.92%</b>	<b>97,03,565</b>	<b>0</b>	<b>97,03,565</b>	<b>74.95%</b>	<b>0.035%</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central govt.	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-

h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (B)(1):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(2) Non Institutions</b>									
<b>a) Bodies corporates</b>									
i) Indian	13,20,446	6,98,380	20,18,826	15.59%	13,19,282	6,98,380	20,17,662	15.59%	(0.009%)
ii) Overseas	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	1,43,754	3,85,200	5,28,954	4.09%	1,44,593	3,81,000	5,25,593	4.06%	(0.026%)
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	3,67,060	3,32,600	6,99,660	5.40%	3,67,060	3,32,600	6,99,660	5.40%	0.00%
<b>c) Others (specify)</b>									
<b>SUB TOTAL (B)(2):</b>	<b>18,31,260</b>	<b>14,16,180</b>	<b>32,47,440</b>	<b>25.08%</b>	<b>18,30,935</b>	<b>14,11,980</b>	<b>32,42,915</b>	<b>25.05%</b>	<b>(0.035%)</b>
<b>TOTAL PUBLIC SHAREHOLDING (B)= (B)(1)+(B)(2)</b>	<b>18,31,260</b>	<b>14,16,180</b>	<b>32,47,440</b>	<b>25.08%</b>	<b>18,30,935</b>	<b>14,11,980</b>	<b>32,42,915</b>	<b>25.05%</b>	<b>(0.035%)</b>
<b>C. SHARES HELD BY CUSTODIAN FOR GDRS &amp; ADRS</b>									
<b>Grand Total (A+B+C)</b>	<b>115,30,300</b>	<b>14,16,180</b>	<b>129,46,480</b>	<b>100%</b>	<b>115,34,500</b>	<b>14,11,980</b>	<b>129,46,480</b>	<b>100%</b>	<b>0.00%</b>



### i) Share Holding of Promoters/ Promoter Group

Details of Shareholding of Promoters/ Promoter Group								
Sl. No.	Shareholders Name	Shareholding at the beginning of the year (As on 01.04.2020)			Shareholding at the end of the year (As on 31.03.2021)			% change in share holding during the year
		No. of shares	% of total shares of the Company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged encumbered to total shares	
1	Rajeev Singh Dugal	80,89,080	62.48%	NIL	80,89,080	62.48%	NIL	0.00%
2	Kashvi Dugal	27,960	0.22%	NIL	27,960	0.22%	NIL	0.00%
3	Upneet Dugal	NIL	NIL	NIL	4,525	0.03%	NIL	0.03%
4	K U Benefit Trust	15,82,000	12.22%	NIL	15,82,000	12.22%	NIL	0.00%
	<b>Total</b>	<b>96,99,040</b>	<b>74.92%</b>	<b>NIL</b>	<b>97,03,565</b>	<b>74.95%</b>	<b>NIL</b>	<b>0.03%</b>

### ii) Change in Promoters' Shareholding

Particulars	Shareholding at the beginning of the Year (As on 01.04.2020)		Cumulative Shareholding during the year (As on 31.03.2021)	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
<b>Upneet Dugal</b>				
At the beginning of the year	Nil	0%	Nil	0%
Purchase of shares on 09/10/2020	630	0.005%	630	0.005%
Purchase of shares on 04/12/2020	1583	0.012%	2213	0.017%
Purchase of shares on 11/12/2020	2188	0.017%	4401	0.03%
Purchase of shares on 18/12/2020	124	0.001%	4525	0.03%
At the end of the year	4,525	0.03%	4,525	0.03%

**iii) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters & Holders of GDRs & ADRs)**

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year (As on 01.04.2020)		Transactions during the Year		Cumulative shareholding at the end of the year (As on 31.03.2021)	
		No. of shares	% of total shares of the Company	No of shares increase/decrease	% of total shares of the Company	No of shares	% of total shares of the Company
1	Mrigaya Tie up Pvt Ltd	6,25,000	4.83%	-	-	6,25,000	4.83%
2	Narsingh Agro Industries LLP	5,09,846	3.94%	-	-	5,09,846	3.94%
3	Arkaya Agrodeal LLP	4,87,980	3.77%	-	-	4,87,980	3.77%
4	Vintage Tradelinks Private Limited	3,93,400	3.04%	-	-	3,93,400	3.04%
5	Tara Khowala	2,02,060	1.56%	-	-	2,02,060	1.56%
6	Jayesh Taunk@	1,50,000	1.16%	-	-	1,50,000	1.16%
7	Roop Narayan Choudhary	1,29,000	1.00%	-	-	1,29,000	1.00%
8	Geeta Jayesh Taunk	99,400	0.77%	-	-	99,400	0.77%
9	Jyoti Bhatia	83,200	0.64%	-	-	83,200	0.64%
10	Suchita Sikaria	17,211	0.13%	281	0.002	17,492	0.14%
11	Srawan Khowala*	8,000	0.06%	-	-	8,000	0.06%
12	Surekhaben Arvindbhai Shah*	8,000	0.06%	(7644)	(0.059)	356	0.00%

Figures in bracket signify the sales made during the year.

@ Mr. Jayesh Taunk was not in the list of top 10 shareholders on 01.04.2020 as he was a Director of the Company. He ceased to be a Director with effect from 29th September, 2020 and hence included in the list on 31.03.2021.

\*Ceased to be in the list of Top 10 shareholders as on 31.03.2021. The same have been reflected above since shareholders were among the Top 10 shareholders as on 01.04.2020.

## iv) Shareholding of Directors &amp; Key Managerial Personnel

Sl. No	For Each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	At the beginning of the year				
	i) Rajeev Singh Dugal	80,89,080	62.48%		
	ii) Sushil Kumar Khowala	36,000	0.28%		
	iii) Jayesh Taunk*	1,50,000	1.16%		
	iv) Upneet Dugal	0	0.00%		
2	Increase/decrease in Shareholding during the year				
	i) Rajeev Singh Dugal			NIL	NIL
	ii) Sushil Kumar Khowala			NIL	NIL
	iii) Jayesh Taunk			NIL	NIL
	iv) Upneet Dugal			4,525	0.03%
3	At the end of the year				
	i) Rajeev Singh Dugal			80,89,080	62.48%
	ii) Sushil Kumar Khowala			36,000	0.28%
	iii) Jayesh Taunk			1,50,000	1.16%
	iv) Upneet Dugal			4,525	0.03%

\* Mr. Jayesh Taunk ceased to be a Director with effect from 29th September, 2020.

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amount in Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year (01.04.2020)</b>				
i) Principal Amount	8,41,758.00	48,18,427.00	0.00	56,60,185.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	<b>8,41,758.00</b>	<b>48,18,427.00</b>	<b>0.00</b>	<b>56,60,185.00</b>
<b>Change in Indebtedness during the financial year - Principal Amount</b>				
Additions	0.00	0.00	0.00	0.00
Reduction	3,85,861.00	0.00	0.00	3,85,861.00
Net Change	<b>(3,85,861.00)</b>	<b>0.00</b>	<b>0.00</b>	<b>(3,85,861.00)</b>
<b>Indebtedness at the end of the financial year (31.03.2021)</b>				
i) Principal Amount	4,55,897.00	48,18,427.00	0.00	52,74,324.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	<b>4,55,897.00</b>	<b>48,18,427.00</b>	<b>0.00</b>	<b>52,74,324.00</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole time director and/or Manager:****(Amount in Rs.)**

Sl. No.	Particulars of Remuneration	MD/WTD/MANAGER		
		Mr. Rajeev Singh Dugal	Ms. Upneet Dugal	Total
1	Gross salary	12,00,000.00	19,80,000.00	31,80,000.00
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	N.A.	N.A.	N.A.
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	N.A.	N.A.	N.A.
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	N.A.	N.A.	N.A.
2	Stock option	N.A.	N.A.	N.A.
3	Sweat Equity	N.A.	N.A.	N.A.
4	Commission as % of profit	N.A.	N.A.	N.A.
5	Others, please specify	N.A.	N.A.	N.A.
	Total (A)	12,00,000.00	19,80,000.00	31,80,000.00

Ceiling as per the Act

Company has passed special Resolution at the 57th AGM held on 29th December, 2020 for payment of remuneration above the ceiling limit.

**B. Remuneration to other directors:****(Amount in Rs.)**

Sl. No	Particulars of Remuneration	Name of Directors					Total Amount
		Sushil Kumar Khowala	Malkeet Singh Saini	Jayesh Taunk	Harsh Kumar Pandey	Sukant Bari	
1	Independent Directors						
a)	Fee for attending Board/ Committee meetings	28,000.00	14,000.00	16,000.00	18,000.0	8,000.00	84,000.00
b)	Commission	-	-	-	-	-	-
c)	Others, please specify	-	-	-	-	-	-
	<b>Total (1)</b>	<b>28,000.00</b>	<b>14,000.00</b>	<b>16,000.00</b>	<b>18,000.0</b>	<b>8,000.00</b>	<b>84,000.00</b>

## 2 Other Non - Executive Directors

(a) Fee for attending Board/ Committee meetings	NIL
(b) Commission	
(c) Others, please specify.	
<b>Total (2)</b>	
<b>Total (B)=(1+2)</b>	<b>84,000.00</b>
<b>Total Managerial Remuneration(A+B)</b>	<b>32,64,000.00</b>
<b>Ceiling as per the Act</b>	All non-executive /independent directors have been paid only sitting fees for attending board meeting and committee meetings, which is well within the limits prescribed under the Companies Act, 2013.
<b>Overall Ceiling as per the Act</b>	<b>Non- Executive Directors have only been paid sitting fees.</b>

### B. Remuneration to Key Managerial Personnel other than MD/ MANAGER/ WTD:

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. Rechan Chhabra (Chief Financial Officer)	Ms. Puja Choudhary (Company Secretary)	
1	Gross Salary	12,32,253.00	3,34,652.00	<b>15,66,905.00</b>
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	NA	NA	<b>NA</b>
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	NA	NA	<b>NA</b>
2	Stock Option	NA	NA	<b>NA</b>
3	Sweat Equity	NA	NA	<b>NA</b>
4	Commission as % of profit	NA	NA	<b>NA</b>
5	Others, please specify	NA	NA	<b>NA</b>
	<b>Total</b>	<b>12,32,253.00</b>	<b>3,34,652.00</b>	<b>15,66,905.00</b>

**VII. PENALTIES/PUNISHMENT/COMPPOUNDING OF OFFENCES**

There were no penalties, punishment or compounding of offences during the year ended 31st March, 2021.

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

Sd/-  
**Rajeev Singh Dugal**  
**Managing Director**  
**DIN – 00052037**

Sd/-  
**Upneet Dugal**  
**Director**  
**DIN - 07680726**

**Place: Jamshedpur**  
**Date: August 14, 2021**



# MANAGEMENT DISCUSSION & ANALYSIS REPORT

## 1. OVERVIEW

The Management Discussion and Analysis Report (MDA) is an integrated part of Company's annual financial statements. The purpose of the MDA is to provide a narrative explanation, through the eyes of management, of how the Company has performed in the past, its financial condition, and its future prospects. This report contains a description of the year gone by and some of the key factors that influenced the business of the Company during the year, as well as a fair and unbiased overview of the Company's past, present, and future. There are forward looking statements mentioned in this report which may involve risks and uncertainties, including but not limited to the risk inherent to the Company's growth strategy, change in regulatory norms, economic conditions and other incidental factors. Actual results could differ materially from those expressed or implied.

## 2. GLOBAL ECONOMY

The COVID-19 pandemic is inflicting high and rising human cost worldwide, and the necessary protection measures are severely impacting economic activity. As a result of the pandemic, the global economy is contracted sharply by 3.3% in 2020, much worse than during the 2008-09 financial crisis. Countries across the globe went into a lockdown to control the spread of the virus, deeply affecting both lives and livelihoods. This led to governments and central banks across the world announcing favorable fiscal policies and offering monetary stimulus to curtail the economic meltdown and support the recovery.

Vaccination drives across countries are a source of optimism and an enabler of continuity in an environment of uncertainty, considering new

strains emerging in some countries. Recovery is

expected to be unequal across countries and sectors, depending on variation in pandemic - induced disruptions, effectiveness of policy intervention, access to medical support, cross-country exposure and other structural factors affecting economic growth. The global economy is expected to grow at 6%<sup>1</sup> in 2021 and is seeing upwards revision in projections by global forums backed by strong economic signals. The vaccine-powered recovery in the second half of 2021, unrelenting adaptation of economic activity due to subdued mobility and additional fiscal support in a few large economies, bode well for the global economy.

The IMF expects advanced economies to resume contact intensive activities faster as larger proportions of their population get vaccinated. Emerging markets and developing economies (EMDEs) are expected to endure medium-term losses as COVID-19 related restrictions will be needed frequently through 2021 and they are likely to take much longer to inoculate a large section of their populations. EMDEs are expected to grow by 6.7% in 2021, and economic activity in advanced economies is forecasted to increase by 5.1% in 2021.

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<sup>1</sup> *World Economic Outlook, April 2021: Managing Divergent Recoveries (imf.org)*

## World Economies: Performance at a glance

### World economic output growth in %

	2019	2020	2021P	2022P
<b>World Output</b>	2.8	-3.3	6	4.4
<b>Advanced Economies</b>	1.6	-4.7	5.1	3.6
United States	2.2	-3.5	6.4	3.5
Euro Area	1.3	-6.6	4.4	3.8
Japan	0.3	-4.8	3.3	2.5
United Kingdom	1.4	-9.9	5.3	5.1
Canada	1.9	-5.4	5	4.7
Other Advanced Economies	1.8	-4.2	4.7	4
<b>Emerging Market and Developing Economies</b>	3.6	-2.2	6.7	5
<b>Emerging and Developed Asia</b>	5.3	-1	8.6	6
China	5.8	2.3	8.4	5.6
India	4	-8	12.5	6.9
ASEAN-5 (Indonesia, Malaysia, Philippines, Thailand, Vietnam)	4.8	-3.4	4.9	6.1

Source: IMF World Economy Outlook April 2021

### 3. INDIAN ECONOMY

While economies worldwide have been hit hard, India has suffered one of the largest contractions. During the 2020-21 financial year, the rate of decline in GDP for the world was 3.3% and 2.2% for emerging market and developing economies. Table 1 summarizes macroeconomic indicators for India, along with a reference group of comparable countries and the world. The fact that India's growth rate in 2019 was among the highest makes the drop due to Covid-19 even more noticeable.

From April to June 2020, India's GDP dropped by a massive 24.4%<sup>2</sup>. According to the latest national income estimates, in the second quarter of the 2020-21 financial year (July-September 2020), the economy contracted by a further 7.4%, with the third and fourth quarters (October 2020-March 2021) seeing a recovery, with GDP rising 0.5% and 1.6%, respectively. This means that overall rate of contraction in India was (in real terms, adjusted for inflation) 7.3%

for the whole 2020-'21 financial year.

GVA from trade, hotels, transport, communication and broadcasting-related services recorded the sharpest decline of 18.2%, followed by construction (-8.6%), mining and quarrying (-8.5%) and manufacturing (-7.2%).

However, a report by The Organization for Economic Co-operation and Development (OECD) said, India can again reclaim the position of the fastest growing economy in the world in FY 2021-22. The global economic growth is becoming more and more dependent upon Asia growth, in which India is playing an increasingly more important role. With large government stimulus and the ongoing vaccination drive, it is expected that economic activity will continue its recovery and rebound strongly in the current fiscal year with an uptick in domestic demand. The government's boost to public investment through its infrastructure push, incentives for

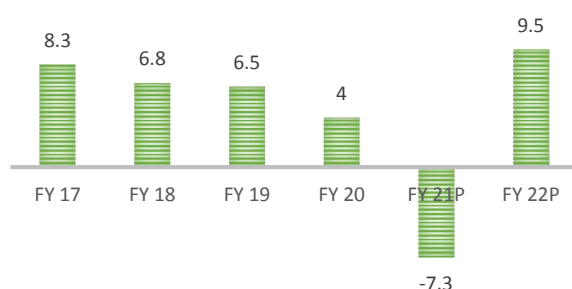
<sup>2</sup> Ministry of Statistics and Programme Implementation

manufacturing, and continued support to boost rural incomes will support India's accelerated recovery.

However, the emergence of yet more contagious COVID-19 variants with the potential to evade vaccine-derived immunity presents a major risk to this recovery. Meanwhile, the commitment of the RBI at home to continue with the accommodative stance as long as necessary to sustain growth on a durable basis will lower borrowing costs, ease financial conditions and keep liquidity supportive for credit offtake.

The government's push to the manufacturing sector through the production-linked incentive scheme will expand domestic production and help integrate domestic manufacturing with global supply chain. Thus India is better poised with a reasonable uptick in growth and will continue to attract the foreign players. International Monetary Fund (IMF) has raised its growth forecast for Indian economy by 100 basis points to 12.5 per cent for fiscal year 2021-22. As per IMF, India is the only country expected to register a double-digit growth this fiscal. Among emerging markets and developing economies, China is projected to grow this year at 8.4 per cent.

INDIA ECONOMIC GROWTH (%)



#### 4. INDUSTRY STRUCTURE

The NBFC sector has a significant role in bringing efficiency and diversity in the financial system. It has evolved extensively in terms of its operations, technology, profitability and asset

quality and entered into newer areas of financial services and products. NBFCs are now deeply interconnected with the entities in the financial sector, on both sides of their balance sheets. Being financial entities, they are exposed to risks arising out of counterparty failures, funding and asset concentration, interest rate movement and risks pertaining to liquidity and solvency, as any other financial sector player.

The Company is an NBFC and in the business of making long term investments in equity shares and other money market instruments for value creation for the stakeholders. Accordingly, the financial performance of the Company is dependent of that of the stock market.

The Indian equity markets have witnessed a sharp recovery post steep fall in Mar 2020. The benchmark indexes NIFTY and SENSEX have given a multiyear high return during financial year 2020-21 and touched all time high.

#### 5. OUTLOOK OF NBFCs

The rollout of the vaccination drive across the major economies, including India, in the last quarter of FY 2020-21 has accorded a much-needed boost to sentiments around a sustained recovery of economic activity across the globe. Almost all major central banks have pledged to continue an accommodative monetary stance to reinforce the economic green shoots. Coupled with the base-effect, economic growth is expected to bounce back strongly in FY 2021-22 on the global as well as the domestic front. However, a lot would hinge on how the pandemic plays out, given the resurgence of the virus and the spread of infections. There has been a re-imposition of restrictions on business activity in many states and this has again slow-down the operations of the Company. This is expected to lead to uncertainty in demand in the real estate segment including the share market scenario. The challenges to business posed by this inflationary pressure and the uncertain market conditions, would place strong emphasis on managing the business in a

dynamic manner and altering operational priorities to suit the changing market conditions.

## 6. OPPORTUNITIES & THREATS

The sentiment in the Indian financial market has changed considerably over the past few years; the economic growth, though subdued for last couple of years, is likely to show positive momentum over the coming years.

The Company being an investment Company seeks opportunities in the capital market. The volatility in the stock indices in the financial year under report represents both an opportunity and challenge for the Company.

As various factors are posing constant threats and high volatility in the Capital Markets, it appears beneficial to diversify the portfolio to reduce the risk and insulate from the vagaries of stock-market. Mutual Funds help to reduce risk through diversification and professional management. Therefore, the Company invests its surplus funds in debt/ equity oriented Mutual Funds. One of the biggest advantages of Mutual Fund investment is Liquidity. Open end funds provide option to redeem on demand, which is beneficial during rising or falling markets. The management is exploring other avenues of business.

## 8. FINANCIAL RATIOS

Following are ratios for the current financial year and their comparison with preceding financial year, along with explanations where the change has been 25% or more when compared to immediately preceding financial year:

### Summary of Key Financial Metrics and Key Ratios

(Amount in Lakhs)

KEY METRICS	STANDALONE		CONSOLIDATED	
	FY 2020-2021	FY 2019-2020	FY 2020-2021	FY 2019-2020
Revenue from Operations	392.19	328.05	5029.24	6,740.54

## 7. FINANCIAL PERFORMANCE

The Company follows accrual basis of accounting under the historical cost convention. It has adopted Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015.

### Balance Sheet

- ❖ Net worth increased to Rs. 55.90 crores as on March 31, 2021 as compared to Rs. 50.09 crores as on March 31, 2020.
- ❖ The Borrowings for FY 2020-21 declined to Rs. 52.74 lakhs as compared to Rs. 56.60 lakhs during FY 2019-20 owing to debt repayments during the year.

### Profit and loss statement

- ❖ Total income for FY 2020-21 stood increased to Rs. 6.17 crores as compared to Rs. 4.05 crores in FY 2019-20.
- ❖ Total expenses for FY 2020-21 stood decreased to Rs. 2.22 crores as compared to Rs. 2.45 crores in FY 2019-20.
- ❖ Depreciation and amortization decreased to Rs. 9.33 lakhs in FY 2020-21 as compared to Rs. 11.60 lakhs in 2019-20.

Other Income	224.96	77.42	498.89	509.52
Total Expenses	222.12	244.62	4575.42	5,946.78
Profit/(Loss) before Tax	395.03	160.85	952.71	1,303.27
Profit/(Loss) After Tax	324.88	131.26	792.21	1,071.40
EPS (Rs. per share)	4.34	(0.25)	8.29	4.37

### **Significant Ratios**

As per provisions of SEBI Listing Regulations, 2015, the significant financial ratios are given below

Sl. No.	Ratio Description	FY 2020-21	FY 2019-20	Reason for increase (in case of more than 25%)
1.	Debtors Turnover	0.24	0.23	NA
2.	Inventory Turnover	-	-	NA
3.	Interest Coverage Ratio (times)	718:1	187:1	Interest Cost has reduced as the Company has made payment of the existing loans as per the repayment schedule.
4.	Current Ratio (times)	25.98:1	12.53:1	During the financial year there has been increase in the value and gain of financial instruments.
5.	Debt Equity Ratio	0.01:1	0.01:1	NA
6.	Operating Profit Margin (%)	1.01	0.49	During the financial year there has been increase in the value and gain of financial instruments.
7.	Net Profit Margin (%)	0.91	-0.08	During the financial year there has been increase in the value and gain of financial instruments and other comprehensive income.
8.	Return on Net Worth (%)	0.10	-0.01	During the financial year there has been increase in the value and gain of financial instruments and other comprehensive income.

### **Segment-Wise Performance**

On a consolidated basis, the Investment and Financial Segment has posted a revenue of Rs. 1006.29 lakhs (Previous Year Rs. 790.17 lakhs), Job Work segment has posted a revenue of Rs. 66.82 lakhs (Previous Year Rs. 56.62 lakhs), Hotel business segment has posted a revenue of Rs. 835.59 lakhs (Previous Year Rs. 2304.52 lakhs) and heat treatment activity generated revenue of Rs. 3637.70 lakhs (Previous Year Rs. 4105.99 lakhs) including inter segmental revenue of Rs. 18.27 Lakhs.

On a standalone basis, the Investment and Financial Segment posted segment revenue of Rs. 550.33 lakhs (Previous Year revenue of Rs. 348.85 lakhs) and the Job Work segment recorded a profit of Rs. 66.82 lakhs (Previous Year profit of Rs. 56.62 lakhs).

The Company operates only in India, hence there is no other significant geographical segment that requires disclosure.

## 9. RISKS AND CONCERNS

Risk is an integral part of the Company's business and sound risk management is critical to the success of any organization. The Company is exposed to specific risks that are particular to its business and the environment within which it operates, including interest rate volatility, economic cycle, credit risk and market risk.

The Company is mainly exposed to market risks in the form of reduction in the value of its investment and fall in return due to dip in the investee Company's performance. The investments represent a material portion of the Company's business and are vulnerable to fluctuation in the stock market.

Further, change in regulatory requirements for NBFCs from time to time, can have a bearing on the running of the Company. The overall economic fluctuations/ slowdown and its impact on service sector are also a cause of concern.

The Company is aware of the need to better understand, anticipate, evaluate and mitigate risks in order to minimize its impact on business. The Company has put in place a Risk Management Policy to ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated, minimized and managed.

The performance of the Company is dependent on the Indian Capital markets for its returns. Even though it is envisaged that stock market will continue to do well, but global concerns can result in sharp corrections.

## 10. INTERNAL CONTROL SYSTEM

Effective internal controls are necessary for building up an efficient organization. Your Company has in place, an adequate internal control and internal audit system managed by qualified and experienced people to ensure the

compliances under statutory regulations. Corporate policies are made to figure out the weaknesses persisting in the system and suggest remedial measure for the same.

The system is improved and modified continuously to meet with the changes in business condition, statutory and accounting requirements. Internal controls are supplemented by an effective Internal Audit being carried out by M/s. Heerwal & Associates, Chartered Accountant and are periodically reviewed by the management.

The Audit Committee also met the Company's statutory auditors to ascertain their views on the financial statements, including the financial reporting system, compliance to accounting policies and procedures, the adequacy and effectiveness of the internal control and systems followed by the Company.

## 11. HUMAN RESOURCES MANAGEMENT

The Company always regards human resources as its most valuable asset and ensures friendly work environment that encourages initiatives by individuals and recognizes their performance. Total 8 employees were employed during the financial year.

To maintain competency and to improve the analytical abilities of employees for gearing them to face challenges, proper training and development is imparted by the Company before the employee takes up any responsibility. Our Company has always valued its employees whose dedication and contribution have helped us to reach the levels of excellence and rewarded them appropriately during the appraisal.

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2020-21.

Number of complaints received: Nil  
Number of complaints disposed off: Nil

### **Cautionary Statement**

*Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimate, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Important factors that could make a difference to the Company's operations include changes in Government regulations, tax regimes, economic developments within India and other such factors over which the Company does not have any direct control.*

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

Sd/-  
**Rajeev Singh Dugal**  
**Managing Director**  
**DIN – 00052037**

Sd/-  
**Upneet Dugal**  
**Director**  
**DIN - 07680726**

**Place: Jamshedpur**  
**Date: August 14, 2021**



# CORPORATE GOVERNANCE REPORT

## 1. THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Good Governance practices stem from the culture and the mindset of the organization. The Company believes that good governance is an essential element of business, which helps the Company to be a responsible corporate citizen and fulfill its responsibilities to all its stakeholders.

The Company seeks to achieve its goal by being transparent in its business dealings, being fair and independent in its decision making, by disclosure of all relevant information in an easily understood manner, and by being fair to all stakeholders and by ensuring that the Company's activities are managed by a professionally competent Board of Directors.

The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations. It is an upward-moving target that the Company collectively strives towards achieving.

The Company is in compliance with the requirements mandated by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), Companies Act, 2013 and

The composition and category of Directors is as follows:

Category of Director	Name of Directors	Designation	No. of Directors	% of total No. of Directors
Executive Directors	Mr. Rajeev Singh Dugal Ms. Upneet Dugal	Managing Director Executive Director	2	33.33%
Non-Executive, Independent Directors	Mr. Sushil Kumar Khowala Mr. Harsh Kumar Pandey Mr. Sukant Bari	Independent Director Independent Director Independent Director	3	50.00%
Non-Executive, Non - Independent Directors	Mrs. Kawaljeet Kaur Dugal	Non-Executive Director	1	16.67%
	Total		6	100%

RBI directions. A Report on compliance with the Code of Corporate Governance as stipulated in the Listing Regulations is given below:

## 2. BOARD OF DIRECTORS

The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business.

The Board's composition is in accordance with the provisions of Section 149 of the Companies Act, 2013 (hereinafter referred to as 'Act') and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') and has an optimum mix of Executive and Non-Executive Directors with half of the Board of the Company comprising of Independent Directors.

As on 31st March 2021, the Board consists of six Directors comprising three Independent Directors, one Non-Executive Director and two Executive Directors including woman directors. All the Directors are well qualified professionals in their respective arenas. None of the Independent Directors are more than 75 years of age. The profiles of Directors can be accessed on the Company's website at [www.rsdfinancelimited.com/company\\_profile](http://www.rsdfinancelimited.com/company_profile)

### 3. NUMBER OF BOARD MEETINGS

Minimum four Board meetings are held every year. Additional meetings are held to address specific needs of the Company. In case of any exigency/ emergency, resolutions are passed by circulation. During the financial year 2020-21 the Board of Directors met eight times during the year under review on July, 22, 2020, July 31, 2020, August 13, 2020, September 15, 2020, November 13, 2020, November 21, 2020, December 04, 2020, February 14, 2021. The requisite quorum was present for all the Meetings.

The Board meetings were held in such a manner that the maximum time gap between any two meetings was not more than 120 (one hundred and twenty) days. All material information was circulated to the directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board as prescribed under Regulation 17 of the Listing Regulations and secretarial standards.

### 4. DIRECTORS ATTENDANCE RECORD AND THEIR OTHER DIRECTORSHIPS/ COMMITTEE MEMBERSHIPS

Every Director on Board notifies the Company on an annual basis about the Board and the committee positions which he/she occupies in other Companies and constantly updates any changes therein. The number of Directorship, Committee Membership(s)/ Chairmanship(s) of all the Directors is within respective limits prescribed under the Act and the Listing Regulations.

Mr. Rajeev Singh Dugal, Managing Director, Mrs. Kawaljeet Kaur Dugal, Non-Executive Director and Ms. Upneet Dugal, Executive Director of the Company are not Independent Directors of any other listed company and none of our IDs serve as Non-Independent Director of any company on the board of which any of our Non-Independent Director is an ID. The details of each member of the Board as on 31st March, 2021 are given below:

Name of Director	Attendance particulars			No. of directorships and Committee Memberships/ Committee Chairmanships/ Chairmanships of public limited companies excluding RSD Finance Limited		
	Number of Board Meetings		Last AGM Held on 29.12.2020	Directorship	Committee Membership	Committee Chairmanship/ Chairpersonship
	Held	Attended				
Mr. Rajeev Singh Dugal	08	08	Yes	2	Nil	Nil
Mr. Sushil Kumar Khowala	08	03	Yes	5	Nil	Nil
Mr. Malkeet Singh Saini*	04	03	No	Nil	Nil	Nil
Mr. Jayesh Taunk <sup>§</sup>	04	04	No	Nil	Nil	Nil
Ms. Upneet Dugal	08	07	Yes	Nil	Nil	Nil
Mrs. Kawaljeet Kaur Dugal	06	05	Yes	Nil	Nil	Nil
Mr. Harsh Kumar Pandey**	04	04	Yes	Nil	Nil	Nil
Mr. Sukant Bari***	03	03	No	Nil	Nil	Nil

**Notes:**

\* The term of Mr. Malkeet Singh Saini as an Independent Director of the Company for a second term completed on September 30, 2020.

\$ Mr. Jayesh Taunk tendered his resignation from the position of Independent Director of the Company with effect from the close of business hours of 29th September, 2020.

\*\* Mr. Harsh Kumar Pandey has been appointed as an Non – Executive Independent Director of the Company w.e.f September 15, 2020.

\*\*\* Mr. Sukant Bari has been appointed as an Non – Executive Independent Director of the Company w.e.f November 21, 2020.

I. Other Directorships excludes Directorships in Private Limited Companies, Foreign Companies, Alternate Directorships and Companies registered under Section 8 of the Companies Act, 2013, also **excluding in RSD Finance Limited.**

II. As per Regulation 26 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 Membership and Chairmanship of Audit Committee and Stakeholders Relationship Committee are only considered, **excluding in RSD Finance Limited.**

III. None of the Directors hold directorship in any other listed Company.

IV. None of the Directors is a member of more than 10 Committees and Chairman of more than 5 Committees as specified in Regulation 26 (1)(b) of SEBI Listing regulations across in which all the Companies in which he is a Director.

V. None of the Directors on the board holds directorship in more than 10 (ten) public companies. None of the Independent Directors serves as an Independent Director in more than 7 (seven) listed entities.

VI. The Executive Directors of the Company, Mr. Rajeev Singh Dugal, Ms. Upneet Dugal and Non-Executive Director, Mrs. Kawaljeet Kaur Dugal are related to each other in terms of the definition of relative as per Section 2(77) of the Companies Act, 2013. Declarations in this regard have been received by the Company. None of the other Directors on the Board are related to each other.

VII. As per the declarations received by the Company from each of the Directors, none of them are disqualified under Section 164(2) of the Companies Act, 2013.

VIII. The Board regularly reviews the declaration made by the Managing Director and Executives of the Company regarding compliance with all laws applicable to the Company on a quarterly basis.

**Other Directorships / Category of Directorship and Chairpersonship / Membership of Committees in Other Companies:**

Director	Other Directorships and Category of Directorship	Other Chairpersonship / Membership of Committees in Other Companies
Mr. Rajeev Singh Dugal	Listed Companies: NIL Other Companies: 1. SRP Oil Pvt Ltd 2. Precision Automotive Pvt Ltd	NIL

Mr. Sushil Kumar Khowala	Listed companies: NIL Other companies: 1. Srp Oil Pvt Ltd 2. Precision Automotive Pvt Ltd 3. Narnolia Commerze Limited 4. GRIC Consultancy India Limited 5. G.Raj And Company Consultants Ltd	NIL
Ms. Upneet Dugal	Listed Companies: NIL Other Companies: NIL	NIL
Mrs. Kawaljeet Kaur Dugal	Listed Companies: NIL Other Companies: NIL	NIL
Mr. Harsh Kumar Pandey	Listed Companies: NIL Other Companies: NIL	NIL
Mr. Sukant Bari	Listed Companies: NIL Other Companies: NIL	NIL

## 5. INDEPENDENT DIRECTORS

Independent Directors are Non-Executive Directors as defined under Regulation 16(1) (b) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Section 149(6) of the Companies Act, 2013. The maximum tenure of Independent Directors is in compliance with the Act.

During the current year, the term of Mr. Malkeet Singh Saini completed on September 30, 2020. Further, Mr. Jayesh resigned with effect from close of business hours on 29th September, 2020. The Company has received a confirmation from Mr. Taunk that there were no material reasons for his resignation.

The Shareholders in the Annual General Meeting held on December 29, 2020 appointed Mr. Harsh Kumar Pandey and Mr. Sukant Bari as Independent Directors of the Company for a period of five (5) years.

All the Independent Directors of the Company have duly registered their names in the databank of Independent Directors as being maintained by the Indian Institute of Corporate Affairs (IICA) in terms of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 as amended.

Further in terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

Based on the disclosures received from all the Independent Directors, the Board is of the opinion that the Independent Directors meet the criteria of independence as mentioned under Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and that they are independent of the Board as on March 31, 2021.

## 6. SELECTION OF NEW DIRECTORS AND BOARD MEMBERSHIP CRITERIA

The Nomination and Remuneration Committee ('NRC') along with the Board of Directors determine the appropriate qualifications, positive attributes, characteristics, skills and experience required for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business, government, education and public service.

The Policy for appointment and removal of Directors and determining Directors' independence is available on our website at [www.rsdfinancelimited.com](http://www.rsdfinancelimited.com)

Directors in the context of the Company's business and sector(s) as required for its effective functioning and those actually available with the Board is given below.

Further, the brief profiles of Directors are also available on the website of the Company.

## 7. CORE SKILLS/EXPERTISE/COMPETENCIES OF THE BOARD OF DIRECTORS OF THE COMPANY

Based on the recommendations of the Nomination and Remuneration Committee, a matrix setting out the core skills/ expertise/ competencies identified by the Board of

Industry knowledge & experience	Mr. Rajeev Singh Dugal	Ms. Upneet Dugal	Mr. Sushil Kumar Khowala	Mrs. Kawaljeet Kaur Dugal	Mr. Harsh Kumar Pandey	Mr. Sukant Bari
Business Experience	√	-	√	√	√	-
Financial Expertise	√	-	√	-	-	√
Understanding the laws, rules regulations & policies	√	√	√	-	√	√
Experience in policy shaping & industry promotion	√	-	√	√	-	-
Managerial & entrepreneur skills	√	√	√	√	√	√
Leadership skills	√	√	√	√	-	-
Legal & Corporate Governance	√	-	√	-	√	√

## 8. MAXIMUM TENURE OF INDEPENDENT DIRECTORS

In accordance with Section 149(11) of the Companies Act, 2013, the current tenure of Independent Directors of the Company is for a term of 5 consecutive years. The tenure of Mr. Malkeet Singh Saini completed on September 30, 2020.

Mr. Harsh Kumar Pandey and Mr. Sukant Bari were appointed by the Board of Directors on the respective Board meetings held on September 15, 2020 and November 21, 2020. The shareholders approved their appointment in the Annual General Meeting held on December 29, 2020.

## 9. SEPARATE MEETING OF INDEPENDENT DIRECTORS

The Company's Independent Directors met on 27th March, 2021. The meeting was held without the presence of the Executive Directors or any management personnel in compliance with the Code for Independent Directors as stipulated under Schedule IV of the Companies Act, 2013 and Regulation 25(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

At the meeting, the Independent Directors inter-alia reviewed the performance of Non-Independent Directors and the Board as a whole,

assessed the quality, quantity and timeliness of flow of information between the Management and the Board and its Committees that is necessary for the Board to effectively and reasonably perform and discharge its duties.

All the Independent Directors of the Company attended the Meeting. The Independent Directors expressed their satisfaction to the desired level on the governance of the Board.

#### **10. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

All Directors, including Independent Directors, on induction are apprised of the nature of industry, the business model of the Company, the roles, rights, responsibilities in terms of Companies Act, SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and relevant Acts, Rules and Regulations and are provided with necessary documents, reports and policies.

At the time of appointing a Director, a formal letter of appointment is given to him/her, which inter-alia explains the roles, rights and responsibilities expected of a Director of the Company. The Director is also explained in detail about the compliances required from him/her under the Act, Listing Regulations, Code of Conduct for Board Members and Senior Management Personnel, Prohibition of Insider Trading Code, RBI directions and other relevant regulations.

With a view to familiarise him/her with the Company's operations, the Managing Director has a personal discussion with the newly appointed Director.

Periodic presentations are made at the Board and Committee meetings on the business and financial performance of the Company, updates on compliances, regulatory scenario, regulatory changes which affect/ concern the Company, Company policies, internal controls, investor relations etc.

The Directors are given full opportunity to interact with senior management personnel and are provided with all the documents required and/or sought by them to have a good understanding of the Company, its

business model and various operations and the industry it is a part.

Details of the familiarisation programmes have been disclosed on the website of the Company at [http:// www.rsdfinancelimited.com](http://www.rsdfinancelimited.com).

#### **11. TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS**

The Independent Directors of the Company have been appointed in terms of the requirements of the Act and the SEBI LODR Regulations. Formal letters of appointment have been issued to the Independent Directors and the terms and conditions of appointment of Independent Directors have been disclosed on the website of the Company- [www.rsdfinancelimited.com](http://www.rsdfinancelimited.com).

#### **12. PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS, INCLUDING INDEPENDENT DIRECTORS**

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 17 of the SEBI Listing Regulations, the Board has carried out an annual evaluation of its own performance and the performance of individual Directors, as well as evaluation of the Committees of the Board.

The performance evaluation of the Board and its committees was conducted on the basis of a structured questionnaire which was prepared taking into consideration various aspects such as adequacy of the constitution and composition of the Board, establishment and delineation of responsibilities to various Committees, attendance and contribution at Board/ Committee Meetings, processes followed at the meeting, effectiveness of Board.

The performance of the Managing Director was evaluated on certain additional parameters depending upon their roles and responsibilities. The evaluation included points on key aspects of his role, including setting the strategic agenda of the Board Meetings, encouraging active engagement by all Board members and motivating and providing



guidance to the Management, achievement of business target.

The Independent Directors had met separately on 27th March, 2021 without the presence of Executive Directors and the members of management and discussed, inter-alia, the performance of Non-Independent Directors and Board as a whole.

The performance evaluation of all the Independent Directors have been done by the entire Board, excluding the Director being evaluated. On the basis of performance evaluation done it is determined whether to extend or continue the term of appointment, whenever the respective term expires.

Further, the Board of Directors has expressed its satisfaction on functioning and performance of the Board and Committees and the performance of all the directors. They expressed their satisfaction with the evaluation process.

### 13. DETAILS OF SHARES HELD BY NON- EXECUTIVE DIRECTORS OF THE COMPANY AS ON MARCH 31, 2021

Name of the Director	Number of Shares held
Mr. Harsh Kumar Pandey	Nil
Mr. Sushil Kumar Khowala	36,000
Mr. Sukant Bari	Nil

### 14. BOARD PROCEDURE

The Company adheres to the provisions of the Act, Secretarial Standards and Listing Regulations with respect to convening and holding the meetings of the Board of Directors and its Committees. The Board meets at regular intervals. The Board Meetings (including Committee Meetings) of the Company are scheduled in advance to facilitate the Directors to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolution(s) by

circulation, as permitted by law, which is noted in the subsequent Board Meeting.

The Meetings of the Company are governed by a structured agenda. The Company Secretary in consultation with the Managing Director finalizes the agenda of the Board meetings. All major agenda items, backed up by relevant and comprehensive background information, are sent at least seven days before the date of the Board and Committee Meetings, except for the meetings called at a shorter notice, if any, in accordance with the provisions of the Companies Act, 2013 and the Secretarial Standard on Meetings of Board of Directors (SS-1) issued by the Institute of Company Secretaries of India. In special and exceptional circumstances, consideration of additional or supplementary items is taken up with the approval of the Chair and majority of the Independent Directors.

Senior management personnel are invited from time to time to the Board meetings to make presentations on relevant issues or provide necessary insights into the operations/ working of the Company and corporate strategies.

The Board reviews periodical compliances of all applicable laws, rules and regulations and the statements submitted by the Management. The members of the Board have full freedom to express their opinion in the Board and decisions are taken after detailed deliberations.

In addition to the above, pursuant to Regulation 24 of the Listing Regulations, the minutes of the Board Meetings of the subsidiary companies and a statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies are also placed before the Board. The Chairman of various Board Committees brief the Board on all the important matters discussed and decided at their respective Committee Meetings.

The draft Minutes of the proceedings of the Meetings of the Board/Committee(s) are circulated to all the Members of the Board or the Committee for their perusal within the stipulated time prescribed by Secretarial Standard on Meeting of the Board of Directors. Comments, if any, received from the Directors are incorporated in the Minutes in consultation with the Managing



Director. The Minutes are approved by the Members of the Board/Committee(s) prior to the next Meeting. The signed Minutes are circulated to all the Members of the Board or the Committee within the stipulated time prescribed by Secretarial Standard on Meeting of the Board of Directors.

## 15. COMMITTEES OF THE BOARD:

The Board Committees play a crucial role in the governance structure of the Company and have been constituted as per the requirement of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committees constituted by the Board focus on specific areas and take informed decisions within the framework of delegated authority, and make specific recommendations to the Board on matters within their areas or purview. The decisions and recommendations of the Committees are placed before the Board for information or for approval, as required.

Your Company has five Board level Committees

- Audit Committee;
- Nomination and Remuneration Committee;
- Stakeholders Relationship Committee;
- Corporate Social Responsibility Committee;
- Risk Management Committee.

The composition and functioning of these Committees is in compliance with the applicable provisions of the Companies Act, 2013 and Listing Regulations.

During the year under review, all recommendations received from its Committees were accepted by the Board. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below:

### A. AUDIT COMMITTEE

#### i. Composition of Audit Committee:

The Audit Committee of the Company has been constituted in terms of Section 177 of the Companies Act, 2013 and Regulation 18 read with Part C of the Schedule II of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The Audit Committee inter-alia monitors and provides effective supervision of financial reporting process and ensures that financial statement is accurate, sufficient and credible. The Committee oversees and reviews the reports of various auditors of the Company and access the quality of financial reporting in the Company.

The Audit Committee comprises of three directors. Two-thirds of the members of audit committee are Independent Directors. The Chairman of the Committee is an Independent director. All members of the Committee are financially literate. Audit Committee met 4 (four) times during the year under review i.e., on July 31, 2020, September 15, 2020, November 13, 2020, and February 14, 2021 and the time gap between two meetings were less than one hundred and twenty days as specified under Regulation 18 of the Listing Regulations.

**The Composition of Committee along with the details of the meetings held and attended by the members, are as follows:**

Name of the Member	Position	Category	No. of meeting held	No. of meeting attended
Mr. Sushil Kumar Khowala	Chairman	Independent Director	4	4
Mr. Jayesh Taunk*	Member	Independent Director	2	2
Mr. Rajeev Singh Dugal	Member	Executive Director	4	4
Mr. Harsh Kumar Pandey**	Member	Independent Director	1	1

*\*Mr. Jayesh Taunk, Independent Director resigned as the member of the Committee w.e.f September 29, 2020*

*\*\*Mr. Harsh Kumar Pandey, Independent Director was appointed as a member of the Committee w.e.f November 21, 2020*

All the members of the committee possess sound knowledge of accounts, audit and are financial management expertise. The audit committee met prior to the finalization of the accounts for the year ended 31st March, 2021.

The Chief Financial Officer, the Internal Auditor and the Statutory Auditors are invitees to the Audit Committee Meetings and the Company Secretary acts as the Secretary to the Audit Committee.

Minutes of the Audit Committee meetings are placed before the meeting of the Board of Directors. All the recommendations of the Audit Committee have been accepted by the Board of Directors.

The chairman of the Audit Committee, Mr. Sushil Kumar Khowala was present in the last Annual general Meeting held on 29 December, 2020 to answer the shareholders' queries.

## **ii. Terms of Reference:**

The terms of reference, role and scope of the Audit Committee are in line with Section 177 of the Companies Act, 2013 and Regulation 18 read with Part C of Schedule II of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, including any amendments thereof, which inter alia include:

- a) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b) Recommending the appointment, remuneration and term of appointment of the Auditors;
- c) Approval for payment to the Auditors for any other services rendered by them;
- d) Reviewing with the management the quarterly/ annual financial statements and the limited liability/auditor's report thereon;
- e) Reviewing performance of the statutory and internal auditors, adequacy of the internal control systems;
- f) Approval of related party transactions and subsequent modification of transactions, if any;
- g) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- h) Reviewing the findings of any internal investigations by the Internal Auditors, into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- i) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- j) Reviewing the functioning of the vigil mechanism, Whistle blower policy;
- k) Approving the appointment of CFO after assessing the qualifications, experience and background of the candidate; and
- l) Reviewing the utilisation of loans and / or advances from / investments / by the holding company in the subsidiary exceeding Rs. 100 Cr or 10% of the asset size of the subsidiary, whichever is lower.
- m) Carrying out any other function as may be referred to the Committee by the Board.
- n) In addition, reviewing of such other functions as envisaged under Section 177 of the Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 as amended and Regulation 18 of the Listing Regulations.

### Review of Information:

- Management Discussion and Analysis of financial conditions and results of operations;
- Statement of significant Related Party Transactions (as defined by the Audit Committee), submitted by Management;
- Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
- Internal audit reports relating to internal control weaknesses;
- Appointment, removal and terms of remuneration of the Chief Internal Auditor;

### Reporting:

- The Secretary shall circulate the minutes of the meetings of the Committee to all members of the Committee and the Chairman of the Committee shall, at a minimum attend the Board meeting at which the accounts are approved.
- The Audit Committee shall annually review its terms of reference and its own effectiveness and recommend to the Board any necessary changes.
- If the Board does not accept the audit committee recommendation the same shall be disclosed in the Board's report along with the reasons therefore.

- The Audit Committee Chairman shall attend the AGM and shall answer questions, through the Chairman of the Board, on the Audit Committee's activities and its responsibilities.

### B. NOMINATION & REMUNERATION COMMITTEE (NRC):

#### i. Composition of Nomination & Remuneration Committee:

The Nomination and Remuneration Committee has been constituted in terms of Regulation 19(4) read with Part D of Schedule II of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013 and the rules framed thereunder. The Committee oversees the Company's nomination and appointment and determination of remuneration process of Directors and Senior Management Personnel of the Company including the Key Managerial Personnel. The Company also has in place a succession plan for orderly succession of the directors and personnel of the Company. The Company ensures that all appointments in the Company, including successions are strictly based on seniority, expertise and experience.

As on 31st March, 2021, the Company's Nomination and Remuneration Committee comprised of 3 (four) Non- Executive Directors with all being Independent Directors. During the year ended 31st March, 2021, the Nomination & Remuneration committee met six times on July 22, 2020, August 13, 2020, September 14, 2020, November 13, 2020, December 04, 2020 and March 26, 2021.

**The Composition of NRC with the details of the meetings held and attended by the members, are as follows:**

Name of the Director	Category	Position	No. of meeting held	No. of meeting attended
Mr. Malkeet Singh Saini*	Independent Director	Chairman	3	3
Mr. Sushil Kumar Khowala	Independent Director	Member	6	5
Mr. Jayesh Taunk**	Independent Director	Member	3	1

Mr. Harsh Kumar Pandey***	Independent Director	Chairman	3	3
Mr. Sukant Bari****	Independent Director	Member	2	0

\*Mr. Malkeet Singh Saini, *Independent Director resigned as the member of the Committee w.e.f September 30, 2020*

\*\*Mr. Jayesh Taunk, *Independent Director resigned as the member of the Committee w.e.f September 29, 2020*

\*\*\*Mr. Harsh Kumar Pandey, *Independent Director was appointed as a member of the Committee on September 15, 2020 and designated as a Chairman on November 21, 2020*

\*\*\*\*Mr. Sukant Bari, *Independent Director was appointed as a member of the Committee w.e.f November 21, 2020*

Mr. Harsh Kumar Pandey, Chairman of the Nomination and Remuneration Committee, was present at the Annual General Meeting of the Company held on 29 December, 2020 to answer the shareholders' queries.

The Company Secretary of the Company acts as the Secretary to the Committee.

Minutes of the NRC meetings are placed before the meeting of the Board of Directors immediately following the NRC meeting.

## ii. Terms of Reference:

The terms of reference of the Nomination and Remuneration Committee are in line with Regulation 19(4) read with Part D of Schedule II of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013 and the rules framed thereunder, including any amendments thereof, which inter-alia includes:

- To identify persons who are qualified to become directors and who may be appointed in senior management and recommend their appointment and / or removal to the Board of Directors of the Company;
- To formulate a criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees;
- To formulate a criteria for evaluation of Independent Directors and the Board;

- To devise a policy on diversity of Board of Directors;
- To review and recommend remuneration of Managing Directors/ Whole time directors based on their performance and defined assessment criteria.
- To recommend to the board, all remuneration, in whatever form, payable to senior management.
- Other matters as set out in Section 178 of the Companies Act, 2013 and the rules made thereunder and under Part D of Schedule II read with Regulation 19(4) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and referred to it by the Board of Directors.

Upon recommendation of Nomination and Remuneration Committee the Board of Directors have laid down the process, format, attributes and criteria for performance evaluation of the Board of the Company, its Committees and the individual Board members, including Independent Directors.

During the year, the Directors have completed the evaluation process.

## iii. Remuneration to directors:

The Company's remuneration strategy is market-driven and aims at attracting and retaining high caliber talent. The strategy is in consonance with the existing industry practice and is directed towards rewarding performance, based on review of achievements, on a periodical basis.

In accordance with the relevant provisions of Companies Act, 2013 and the Listing Regulations, the Nomination and Remuneration Committee (NRC) has formulated the criteria for determining qualification, positive attributes and independence of Directors and has recommended to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and Senior Management.

The salient features of the Nomination & Remuneration Policy is provided in the Board's Report and the detailed policy is available on the Company's website at <http://www.rsdfinancelimited.com/pdf/d833004a-9a3a-4aaf-a512-9a818e55e360.pdf>

**Details of remuneration paid to Executive Directors during the FY ended March 31, 2021 are furnished hereunder:**

The appointment and remuneration of Executive Directors are governed by the Articles of Association of the Company and the resolutions passed by the shareholders of the Company. The remuneration paid to Executive Directors is determined keeping in view the industry benchmarks, the performance of the Director, the performance of the Company and upon the recommendation of Nomination & Remuneration committee.

Annual increments are linked to performance and are decided by the Nomination and Remuneration Committee and recommended to the Board for approval thereof.

The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent.

Details of remuneration paid to Executive Directors during the year 2020-2021 are given below:

<b>Name of the Director</b>	<b>Remuneration (in Rs.)</b>
Mr. Rajeev Singh Dugal	12,00,000
Ms. Upneet Dugal	19,80,000

Presently, the Company does not have a stock options scheme and did not give any performance linked annual increments for its Directors.

**Details of remuneration paid to Independent Directors during the FY ended March 31, 2021 are furnished hereunder:**

The Company is being benefited from the expertise and advice provided by the Independent Directors. They give their valuable advice, suggestion and guidance to the management of the Company from time to time. The Independent Directors are paid remuneration by way of Sitting Fees. The Independent Directors were paid Rs. 2,000 (Rupees two thousand only) as sitting fees for each Meeting of the Board or Committee of Directors attended by them. The total amount of sitting fees paid during the Financial Year 2020-21 was Rs. 84,000/- . No sitting fees are paid to Non-Independent Directors. The Company has not paid any commission to Independent Directors for the year under review.

**Details of the Sitting fees paid are as under:**

<b>Name of the Director</b>	<b>Sitting Fee (in Rs.)</b>
Mr. Malkeet Singh Saini	14,000
Mr. Sushil Kumar Khowala	28,000
Mr. Jayesh Taunk	16,000
Mr. Harsh Kumar Pandey	18,000
Mr. Sukant Bari	8,000

Apart from receiving sitting fee for attending meetings, none of the Independent Directors had any pecuniary relationship or transaction with the Company during the financial year 2020-21. Criteria of making payment to Non-executive/ Independent director is also available on the Company's website at [www.rsdfinancelimited.com](http://www.rsdfinancelimited.com)

### C. THE STAKEHOLDERS' RELATIONSHIP COMMITTEE (SRC):

#### i. Composition of Stakeholders Relationship Committee:

The Stakeholders Relationship Committee has been constituted in terms of Section 178 of the Companies Act, 2013, Regulation 20 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and the rules framed thereunder. The primary objective of

Stakeholders Relationship Committee is to consider and resolve the grievances of stakeholders including complaints relating to non-receipt of annual report, transfer or transmission of securities, non-receipt of dividend/interest, issuance of share certificates etc.

As on 31<sup>st</sup> March, 2021, the composition of the Stakeholders Relationship Committee is in conformity with the requirements of Section 178 of the Companies Act, 2013 and

Regulation 20 of the Listing Regulations. The Committee comprised of 2 (two) Non-Executive Independent Directors. The Company Secretary of the Company acts as the Secretary to the Stakeholder's Relationship Committee. The Committee held one meeting during the year on 13th February, 2021. The composition and attendance of committee meetings during the year, is as under:

Name of the Director	Category	Position	No. of meeting held	No. of meeting attended
Mr. Sushil Kumar Khowala	Independent Director	Chairman	1	1
Mr. Malkeet Singh Saini*	Independent Director	Member	0	0
Mr. Rajeev Singh Dugal	Executive Director	Member	1	1
Mr. Harsh Kumar Pandey**	Independent Director	Member	1	0

\*Mr. Malkeet Singh Saini, Independent Director resigned as the member of the Committee w.e.f September 30, 2020

\*\*Mr. Harsh Kumar Pandey, Independent Director was appointed as a member of the Committee on September 15, 2020

Ms. Puja Choudhary is designated as the Company Secretary and Compliance Officer of the Company.

Mr. Sushil Kumar Khowala, Chairman of the Stakeholders Relationship Committee, was present at the Annual General Meeting of the Company held on 29 December, 2020 to answer members' queries.

#### ii. Terms of Reference:

The Committee's constitution and terms of reference are in compliance with the provisions of Section 178 of the Companies Act, 2013, Regulation 20 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and the rules framed thereunder, including any amendments thereof, which inter-alia includes:



review all matters connected with the Company's transfer of securities;

- a) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- b) Review of measures taken for effective exercise of voting rights by shareholders;
- c) overseeing and re-materialization, consolidation of shares, etc.;
- d) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- e) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the company.

The Company Secretary of the Company and the Registrar and Share Transfer Agent, S.K. Infosolutions Private Limited attend to all grievances of the shareholders.

The Minutes of the Stakeholders Relationship Committee Meetings are circulated to the Board and noted by the Board of Directors at the Board Meetings.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their updated telephone numbers and e-mail addresses to facilitate prompt action.

The details of the complaints received during the FY 2020-21 and the status of the same are as

below:

- a) Number of pending complaints as on 01.04.2020 – Nil
- b) Number of complaints received during the year – 1
- c) Number of complaints disposed of during the year – 1
- d) Number of complaints not solved to the satisfaction of the shareholders during the year – Nil
- e) Number of complaints pending as at 31.03.2021 – Nil

The Company has acted upon all valid requests for share transfer received during 2020-21 and no such transfer is pending.

The Company obtains half-yearly certificate from a Company Secretary in Practice confirming the issue of certificates for transfer, sub-division, and consolidation etc. and submits a copy thereof to the Stock Exchanges in terms of Regulation 40(9) of the Listing Regulations. Further, the Compliance Certificate under Regulation 7(3) of the Listing Regulations, confirming that all activities in relation to both physical and electronic share transfer facility are maintained by Registrar and Share Transfer Agent is also submitted to the Stock Exchanges on a half yearly basis.

## **D. CORPORATE SOCIAL RESPONSIBILITY**

### **i. Composition of Stakeholders Relationship Committee:**

Pursuant to the provisions of section 135 of the Companies Act, 2013 the Company has constituted a Corporate Social Responsibility Committee for the purpose of formulating and recommending a Corporate Social Responsibility Policy to the Board and indicating activities to be undertaken by the Company as per Schedule VII of the Companies Act, 2013, recommending the budget and monitoring the activities.

As on 31st March, 2021, the Corporate Social Responsibility Committee comprises of two



Executive Directors and one Independent Director. The Company Secretary of the Company acts as the Secretary to the committee. The Committee held one meeting during the year i.e.

15th February, 2021. The composition and attendance of members during the year, is as under:

Name of the Director	Category	Position	No. of meeting held	No. of meeting attended
Mr. Rajeev Singh Dugal	Managing Director	Chairman	1	1
Ms. Upneet Dugal	Executive Director	Member	1	1
Mr. Sushil Kumar Khowala	Independent Director	Member	1	0

The CSR Policy of the Company is displayed on the website of the Company at the web-link: [www.rsdfinancelimited.com/policies\(path\)](http://www.rsdfinancelimited.com/policies(path))

#### ii. Terms of Reference:

The Committee's constitution and terms of reference are in compliance with the provisions of Section 135 of the Companies Act, 2013 read with rules issued thereunder.

- To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor process; and
- Recommend the amount of expenditure to be incurred on the activities as above.

### E. THE RISK MANAGEMENT COMMITTEE:

#### i. Composition of Risk Management Committee:

Regulation 21 of the Listing Regulations provides that top 500 listed entities determined on the market capitalisation as at the end of immediate previous financial year has to constitute a risk

management committee in accordance with the Regulation. However, pursuant to the recent amendment introduced by the SEBI (Listing Regulations and Disclosure Requirements) Second Amendment Regulations, 2021 the requirement has been shifted to top 1000 listed entities as per market capitalisation. Your Company does not rank among the top 1000 listed entities as per market capitalisation by BSE as on 31st March, 2021.

Accordingly the requirement of constitution of risk management committee is not applicable on the Company.

However, the Company has a Risk Management Committee. The composition of the Committee is in conformity with the Listing Regulations, with majority of members being Directors of the Company. The Committee held one meeting during the year i.e. 27th March, 2021. The composition and attendance of members during the year, is as under:

Name of the Director	Category	Position	No. of meeting held	No. of meeting attended
Mr. Malkeet Singh Saini*	Independent Director	Chairman	0	0
Mr. Sushil Kumar Khowala	Independent Director	Member	1	0
Ms. Upneet Dugal**	Executive Director	Member	0	0
Mr. Rajeev Singh Dugal***	Managing Director	Chairman	1	1
Mr. Harsh Kumar Pandey****	Independent Director	Member	1	1

\*Mr. Malkeet Singh Saini, Independent Director resigned as the member of the Committee w.e.f September 30, 2020

\*\*Ms. Upneet Dugal, Executive Director resigned as the member of the Committee w.e.f November 21, 2020

\*\*\*Mr. Rajeev Singh Dugal, Executive Director was appointed as a member of the Committee on September 15, 2020

\*\*\*\*Mr. Harsh Kumar Pandey, Independent Director was appointed as a member of the Committee on November 21, 2020

## ii. Terms of Reference:

The roles and responsibilities of the Risk Management Committee are as prescribed under Regulation 21 of the Listing Regulations and includes monitoring and review of risk management plan and reporting the same to the Board of Directors periodically as it may deem fit, in addition to any other terms as may be referred by the Board of Directors, from time to time.

The Company has formulated and implemented a Risk Management Policy covering key aspects as provided under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

## 16. SECRETARIAL AUDIT

Mr. Sital Prasad Swain, Company Secretaries in practice, has conducted a Secretarial Audit of the Company for the year 2020-21. The Audit Report confirms that the Company has complied with the applicable provisions of the Act and the Rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, applicable RBI Regulations, Listing Agreements with the Stock Exchanges, applicable SEBI Regulations and other laws applicable to the Company.

The Secretarial Audit Report forms part of the Board's Report.

## 17. RECONCILIATION OF SHARE CAPITAL AUDIT

In terms of Regulation 40(9) of the SEBI Listing Regulations, a certificate on half-yearly basis, have been issued by a Company Secretary in Practice with respect to due compliance of share transfer formalities by the Company.

The Company Secretary in Practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') (collectively 'Depositories') and the total issued and listed capital. The Audit confirms that the total paid-up capital is in agreement with the aggregate of the total number of shares in physical form and in dematerialised form (held with Depositories).

The Report is disseminated to the Stock Exchanges on quarterly basis and is also available on our website [www.rsdfinancelimited.com](http://www.rsdfinancelimited.com) under 'Investor Relations' section.

## 18. ANNUAL SECRETARIAL COMPLIANCE REPORT

Pursuant to SEBI Circular dated 8th February, 2019, the Annual Secretarial Compliance Report for the financial year 2020-21 issued by Mr. Sital Prasad Swain, Company Secretaries in practice, confirming compliance with all applicable SEBI Regulations and Circulars/Guidelines issued thereunder, has been submitted to the Stock Exchanges within the due date.

## 19. SUBSIDIARIES

As on 31st March, 2021, the Company has the following three subsidiaries:

- 1) SRP Oil Private Limited (material unlisted subsidiary)
- 2) Precision Automotive Private Limited (wholly owned, material unlisted subsidiary)
- 3) Sigma HTS LLP (Subsidiary of Precision Automotive Pvt. Ltd.)

The Subsidiaries of the Company function independently, with an adequately empowered Board of Directors and sufficient resources. The Financial Statements of the subsidiary Companies are reviewed by the Audit Committee. Minutes of the Board Meetings of the Company's subsidiary are placed before the Board of Directors of the Company regularly and the attention of the Directors is drawn to all significant transactions and arrangements entered into by them.

Regulation 24 of the Listing Regulations further stipulates that at least one Independent Director on the Board of Directors of the listed entity shall be a Director on the Board of Directors of an unlisted material subsidiary. As per the provisions, Mr. Sushil Kumar Khowala, Independent Director has been appointed as an Independent Director on the Board of Precision Automotive Private Limited and SRP Oil Private Limited. Further Mr. Khowala is the representative of Precision Automotive Private Limited in Sigma HTS LLP.

The Company has formulated a policy for determining its 'Material' Subsidiaries and the same is available on the website of the Company- [www.rsdfinancelimited.com](http://www.rsdfinancelimited.com)

## 20. GENERAL BODY MEETINGS

Details of the last three general body meetings held are given below:

### a) Locations and time of last 3 Annual General Meetings (AGMs) are given below:

Financial Year	Venue	Date & Time
2019-2020	Holding No. - 4, The Alcor Hotel, Ramdas Bhatta, Bistupur, Jamshedpur - 831001	11.00 AM, December 29, 2020
2018-2019	Holding No. - 4, The Alcor Hotel, Ramdas Bhatta, Bistupur, Jamshedpur - 831001	10.30 AM, September 30, 2019
2017-2018	Gyan Manch, 11, Pretoria St, Elgin, Kolkata, West Bengal - 700071	12.30 PM, September 26, 2018

### b) Particulars of Special Resolutions passed in the last three AGMs are given below:

2019-2020	Appointment of Mr. Rajeev Singh Dugal (DIN - 00052037) as the Managing Director of the Company for a term of five years.
2018-2019	Re-appointment of Mr. Malkeet Singh Saini as an Independent Director for a second term of 1 year. Payment of Managerial Remuneration under Section 197 of the Companies Act, 2013 and Regulation 17(6)(e) of the SEBI(LODR)(Amendment) Regulations, 2018
2017-2018	Re - appointment of Mr. Sushil Kumar Khowala as an Independent Director for a second term of 5 years. Shifting of Registered office from jurisdiction of one state to another.

Postal Ballot whenever conducted will be carried out as per the procedure mentioned in Rule 22 of the Companies (Management and Administration) Rules, 2014, including any amendment thereof.

## 21. MEANS OF COMMUNICATION

**i. Financial results:** Prior intimation of the Board Meeting to consider and approve Unaudited / Audited Financial Results of the Company is given to the Stock Exchanges and also disseminated on the website of the Company. The Company immediately after conclusion of the meetings of the Board of Directors, within the prescribed time, uploads the aforesaid Financial Results on the website "Listing Centre" of BSE Limited, "Compliance" of CSE Limited and simultaneously uploads the same on the Company's website [www.rsdfinancelimited.com](http://www.rsdfinancelimited.com).

The Company also publishes the audited/ unaudited financial results on a quarterly/Annual basis, in the prescribed format, in leading newspapers in English and in the Regional Language viz., Hindi, within the prescribed period.

**ii. Newspapers where in results normally published:** The Company's Quarterly Unaudited/ Audited Results are published in prominent daily newspapers, viz. Times of India, Sanmarg (English daily) and AAJ (vernacular newspaper) and are also posted on the Company's website [www.rsdfinancelimited.com](http://www.rsdfinancelimited.com).

**iii. Website:** The Company's website ([www.rsdfinancelimited.com](http://www.rsdfinancelimited.com)) contains a separate dedicated section "Investor Relations" where shareholders' information is available. The Company's Annual Report is also available in a downloadable form. All official news releases and filings made to the Stock

Exchanges are updated on the Company's website.

**iv. Presentations to institutional investors/ analysts:** There were no presentations made to institutional investors or to the analysts during the year under review.

**v. Annual Report:** The Annual Report containing, inter alia, Audited Standalone Financial Statement, Consolidated Financial Statement, Directors' Report (including Management Discussion & Analysis Report, Corporate Governance Report), Auditors' Report and other important information is circulated to members and forwarded to the stock exchanges and also available in downloadable form on the Company's website and can be accessed at [www.rsdfinancelimited.com/investorrelations/annualreport](http://www.rsdfinancelimited.com/investorrelations/annualreport).

**vi. BSE Corporate Compliance & Listing Centre (the "Listing Centre"):** BSE's Listing Centre is a web-based application designed for corporates. All price sensitive information and matters that are material to shareholders are disclosed to the respective Stock Exchanges where the securities of the Company are listed. All submissions to the Exchanges including periodical compliance filings are made through their respective electronic online filing systems. The same are also available on the Company's website.

**vii. SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are – Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

During the year 1 complaint was received which has been closed.

**viii. Designated Exclusive email-id:** The Company has designated [rsdfinance.ltd@gmail.com](mailto:rsdfinance.ltd@gmail.com) as an e-mail ID for the purpose of registering complaints/ queries/ requests by investors and the same is displayed on the Company's website.

**ix. Dematerialisation of shares:** The Company's Shares are tradable compulsorily in electronic form. The International Securities Identification Number ('ISIN') allotted to the Company's Equity shares is INE616F01022.

## 22. GENERAL SHAREHOLDER INFORMATION

### i. Annual General Meeting :

Date : September 28, 2021  
 Day : Tuesday  
 Time : 11:00 AM  
 Venue : Professional - I, The Alcor Hotel, 2nd Floor, H. No – 4, Ramdas Bhatta, Bistupur, Jamshedpur, Purbi Singhbhum, Jharkhand - 831001.

### ii. Corporate Identity Number

L17222JH1963PLC013316

### iii. Financial Calendar (tentative)

The Financial year is 1st April to 31st March every year and for the FY 2021-22, the financial results are proposed to be declared as per the following tentative schedule:

Particulars	Schedule
Financial results for the quarter ending June 30, 2021	on or before August, 2021
Financial results for the quarter ending September 30, 2021	on or before 14th November, 2021
Financial results for the quarter ending December 31, 2021	on or before 14th February, 2022
Financial results for the quarter ending March 31, 2022	on or before 30th May, 2022

Annual General Meeting for the year ending March 31, 2022	on or before 30 <sup>th</sup> September, 2022
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### iv. Book Closure Period

The Register of Members and Share Transfer Books of the Company will be closed from Wednesday, September 22, 2021 to Tuesday, September 28, 2021 (both days inclusive) for the purpose of the 58th Annual General Meeting.

### v. Dividend Payment Date

Your Directors have not recommended any dividend for the FY 2020-21.

### vi. Listing on Stock Exchange & Stock Code

The Company's shares are listed on the following Stock Exchanges:

- **BSE Limited (BSE)**  
 Floor – 25, PJ Towers, Dalal Street, Mumbai - 400 001  
**SCRIP CODE – 539875**
- **Calcutta Stock Exchange Limited (CSE)**  
 7, Lyons Range, Kolkata – 700 001  
**SCRIP CODE – 28123**

The listing fees for the year 2020-21 and 2021-22 have been paid to the above Stock Exchanges where the securities of the Company are listed. The Annual Custodial Fees for 2020-21 and 2021-22 to NSDL and CDSL has also been paid.

### vii. Demat ISIN numbers in NSDL and CDSL for equity shares -

INE616F01022

### viii. Market Price Data and Performance of Company's Share Prices

Monthly High and Low of Company's Shares during each month, in last financial year, is as below:

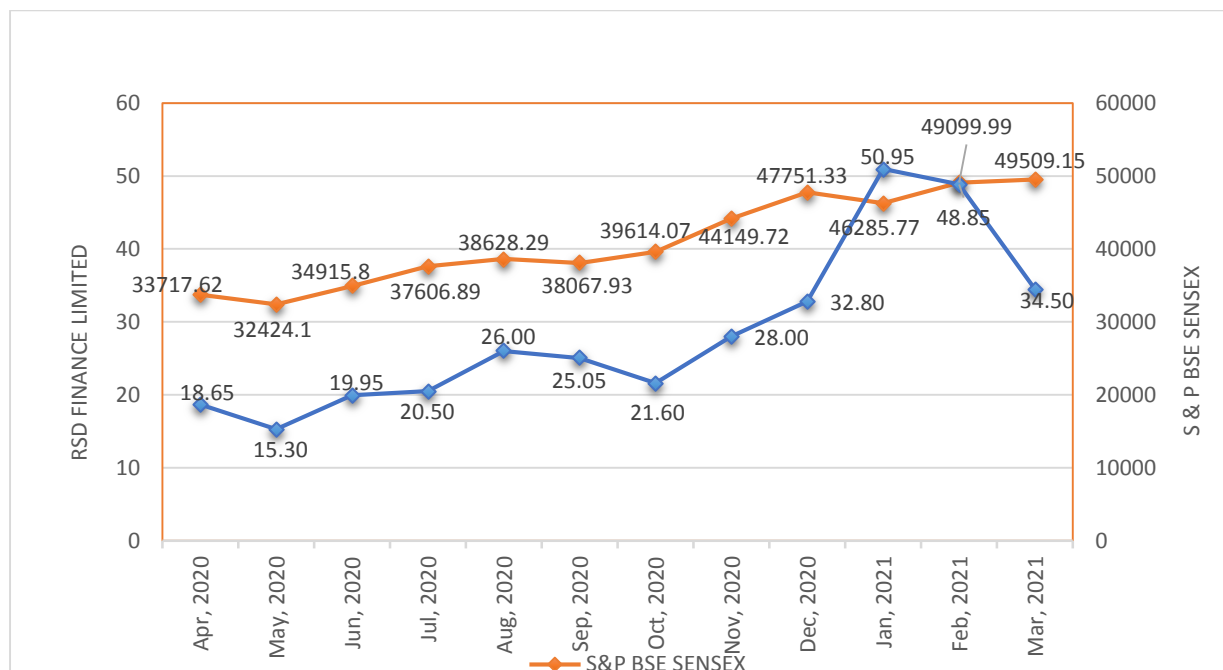
Month	CSE Limited (CSE)		BSE Limited (BSE)	
	Month's High Price	Month's Low Price	Month's High Price	Month's Low Price
Apr – 20	N.T	N.T	19.55	18.65
May – 20	N.T	N.T	17.75	15.30
June –20	N.T	N.T	25.55	16.00
July – 20	N.T	N.T	23.75	17.15
Aug – 20	N.T	N.T	29.00	21.00
Sep –20	N.T	N.T	27.65	24.00
Oct –20	N.T	N.T	24.00	20.60
Nov –20	N.T	N.T	28.35	22.65
Dec –20	N.T	N.T	34.55	25.95
Jan –21	N.T	N.T	51.95	34.20
Feb – 21	N.T	N.T	51.50	48.85
Mar – 21	N.T	N.T	46.70	31.85

Source: www.bseindia.com

Note: During the financial year ended March 31, 2021, there was no trading in the equity shares of the Company at CSE. (N.T denotes-No Trades)

### ix. Performance in comparison to broad based indices such as BSE Sensex, CRISIL Index etc. –

The chart below plots the monthly closing price of RSD Finance Limited versus the BSE - Sensex for the year ended March 31, 2021



x. The shares of the Company have not been suspended from trading.

xi. Registrar and Share Transfer Agents

M/s. S. K. Infosolutions Pvt. Ltd



D/42, Katju Nagar (Near South City Mall), Ground Floor,  
 Katju Nagar Bazar, Jadavpur  
 Kolkata -700032.  
 Contact No: 033-24120027, 2002  
 Email: [skcdilip@gmail.com](mailto:skcdilip@gmail.com)

## xii. Share Transfer

Effective April 1, 2019, SEBI has amended Regulation 40 of the Listing Regulations, which deals with transfer or transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialized form with a Depository. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. In view of the aforesaid amendment and in order to eliminate the risks associated with physical holding of shares, members who are holding shares in physical form are hereby requested to dematerialize their holdings.

The Company obtains half-yearly certificate from a Company Secretary in Practice under Regulation 40(9) of the Listing Regulations, confirming the issue of certificates for transfer, sub-division, consolidation etc. and submits a copy thereof to the Stock Exchanges in terms of Regulation 40(10) of the Listing Regulations.

The Company also obtains a compliance certificate under Regulation 7(3) of the Listing Regulations confirming that all activities in relation to both physical and electronic share transfer facility are maintained by Registrar and Share Transfer Agent and files the same with the Stock Exchanges on a half yearly basis. Reconciliation of Share Capital Audit is conducted every quarter by a Practicing Company Secretary to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with the total issued and listed capital. The report is submitted to the stock exchanges and is also placed before the Board of Directors.

## xiii. Distribution of Shareholding

Table 1 and Table 2 list the distribution of the shareholding of the Equity Shares of the Company by size and by ownership class as on 31st March, 2021.

**TABLE – 1 :- DISTRIBUTION OF SHARE HOLDING BY SIZE AS ON MARCH 31, 2021**

Distribution	Shareholders		Shareholding	
	No of Share holders	% to total no of holders	No. of shares	% to Total Shares
1 – 500	429	51.69%	92,389	0.71%
501 – 1000	251	30.24%	1,74,533	1.35%
1001 – 2000	106	12.77%	1,31,654	1.02%
2001 – 3000	8	0.96%	20,596	0.16%
3001 – 4000	5	0.60%	18,517	0.14%
4001 – 5000	10	1.20%	49,325	0.38%
5001 – 10000	4	0.48%	26,648	0.21%
10001 & Above	15	2.05%	124,32,818	96.03%
<b>TOTAL</b>	<b>828</b>	<b>100.00%</b>	<b>1,29,46,480</b>	<b>100.00%</b>



**TABLE – 2:- SHAREHOLDING PATTERN BY OWNERSHIP AS ON MARCH 31, 2021:**

Category of shareholder	Number of shareholders	Total number of shares	As a percentage (%)
Promoter and Promoter Group/Associate Companies, etc.	4	97,03,565	74.95%
Financial Institutions	0	0	0.00%
OCBs/Foreign Companies	0	0	0.00%
Other - Bodies Corporate/ Trusts	8	20,17,662	15.58%
General Public	816	12,25,253	9.46%
<b>TOTAL</b>	<b>828</b>	<b>1,29,46,480</b>	<b>100.00%</b>

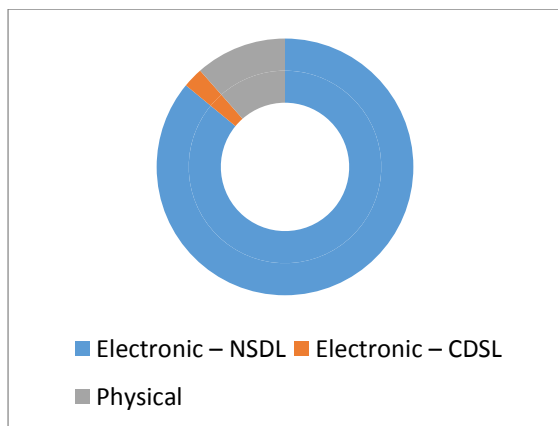
**xiv. Dematerialisation of Shares**

Based on a SEBI directive, the Equity shares of the Company are permitted to be traded only in dematerialised form and are available for demat under both the Depositories in India - National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

As on March 31, 2021, a total of 1,15,34,500 Equity shares of the Company representing 89.09% of the total Equity Share Capital were held in dematerialised form. The entire Promoters' Group shareholding of the Company is in dematerialised form. The bifurcation of shares held in Physical and Demat form as on March 31, 2021 is given below:

For any assistance in converting physical shares in electronic form, investors may approach S.K. Infosolutions Pvt. Ltd or the Company Secretary of the Company.

Nature of holding	No. of Shares	Shareholding
NSDL	1,11,53,179	86.14%
CDSL	3,81,321	2.95%
PHYSICAL	14,11,980	10.91%

**xv. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion Date and likely impact on equity**

As on 31st March, 2021, the Company did not have any outstanding GDRs/ADRs/Warrants or any Convertible Instruments.

**xvi. Commodity Price Risk/ Foreign Exchange Risk and Hedging activities**

Your Company does not deal in any commodity and hence is not directly exposed to any commodity price risk.

Accordingly, the disclosure pursuant to SEBI Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2018/ 0000000141 dated 15th November, 2018 is not required to be furnished by the Company.

**xvii. List of all credit ratings obtained by the entity:**

None

**xviii. Plant location:**

NS-13, 2<sup>nd</sup> Phase,  
Industrial Area  
Adityapur, Jamshedpur – 832 109

**xix. Registered Office**

Holding No. – 4, The Alcor Hotel  
Ramdas Bhatta, Bistupur,  
Jamshedpur, Purbi Singhbhum,  
Jharkhand – 831 001

**xx. Address For Correspondence**

Shareholders may correspond with the Registrar and Transfer Agents at:

M/s. S.K. Infosolutions Private Limited  
D/42, Katju Nagar (Near South City Mall)  
Ground Floor, Katju Nagar Bazar  
Jadavpur, Kolkata, West Bengal – 700 032  
Tel: 033-24120027/29  
Email id – [skcdilip@gmail.com](mailto:skcdilip@gmail.com)

on all matters relating to transfer, transmission, dematerialisation of shares, payment of dividend, change of address, change in bank details and any other query relating to the Equity Shares of the Company.

**For any query on the Annual Report please contact the Company Secretary & Compliance Officer of the Company:**

Ms. Puja Choudhary  
RSD Finance Limited  
Holding No. – 4, The Alcor Hotel  
Ramdas Bhatta  
Bistupur, Jamshedpur  
Jharkhand – 831001  
Tel No – +91 7280009199  
Email id: rsdfinance.ltd@gmail.com

Your Company can also be visited at its website:  
[www.rsdfinancelimited.com](http://www.rsdfinancelimited.com)

Shareholders are requested to quote their Folio No./DP ID & Client ID, e-mail address, telephone number and full address while corresponding with the Company and its RTA.

## **23. DISCLOSURES**

### **A. Disclosures of Transactions with Related Party**

The Company has put in place a policy for Related Party Transactions (RPT Policy) which has been approved by the Board of Directors. The Policy provides for identification of RPTs, necessary approvals by the Audit Committee/ Board/ Shareholders, reporting and disclosure requirements in compliance with Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The same can be assessed at the Company's website at [www.rsdfinancelimited.com](http://www.rsdfinancelimited.com).

During the Financial Year 2020-21, all the transactions with related parties have been made at arm's length basis. The Company did not have any material pecuniary relationship or transactions with Non- Executive Directors apart from paying Director's remuneration. Further, the Directors have not entered into any contracts with the Company or its subsidiaries, which will be in material conflict with the interest of the Company.

You may refer to Note no. 28 to the financial statement which contains related party disclosures. No materially significant related party transactions have been entered into during FY 2020-21 having potential conflict of interest.

### **B. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange(s) or SEBI or any statutory authority on any matter related to capital markets, during the last three years:**

The Company has always complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets.

There was no action initiated against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder. However, the Company had on August 10, 2020 received a mail from the Bombay Stock Exchange, regarding Non-Compliance of Number of Directors on the Board of RSD Finance Ltd is 5 which was less than 6 and via mail dated November 17, 2020 imposed a penalty on the Company under Regulation 17(1)( c) of the SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015.

The Company on receipt of the mail, on August 13, 2020, appointed an Additional Director on the Board to fulfil the requirement of the law and asked for remission.

Further, the Company on May 07, 2021 received a mail that the Company's representation has been approved and the fees has been waived.

There were no other instance of non-compliance with any legal requirements during the year under review or during the last three years.

None of the Company's listed securities are suspended from trading.

#### **C. Accounting treatment in preparation of Financial Statements:**

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 read with Section 133 of the Companies Act, 2013.

#### **D. Whistle Blower Policy/ Vigil Mechanism:**

The Company has a Vigil Mechanism/ Whistle-Blower Policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. A facility is available to report to the management, on a confidential basis, any practices or actions believed to be inappropriate or illegal under the Company's Code of Conduct. The Code provides for adequate safeguards against victimization of director(s)/employee(s) who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases.

This mechanism has been communicated to all concerned and posted on the Company's website [www.rsdfinancelimited.com](http://www.rsdfinancelimited.com).

During the year under review, no employee was denied access to the Audit Committee.

#### **E. Code for Prevention of Insider Trading Practices:**

In compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) the

Company has adopted a Code of Conduct called the "Internal Code of Practices & Procedures for prevention of Insider Trading" with a view to regulate trading in securities by its' Designated Persons and immediate relative of designated persons when in possession of Unpublished Price Sensitive Information ("UPSI").

The Code lays down guidelines for procedures to be followed and disclosures to be made while dealing with Securities of the Company and cautions them of the consequences of violations. The Insider Code is available on website of the company at [www.rsdfinancelimited.com/codes/policies](http://www.rsdfinancelimited.com/codes/policies).

All Designated person (as per code) submits the Annual disclosure in regard to the Trading done by them and their immediate relatives in the securities of the company. The intimation of closure of trading windows are informed to the designated person as and when applicable.

All the Board of Directors, designated employees and connected persons have affirmed compliance with the Code.

#### **F. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):**

The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

#### **G. Policy and procedure for inquiry in case of leak/ suspected leak of Unpublished Price Sensitive Information:**

The Company has formulated the "Policy and procedure for inquiry in case of leak/suspected leak of Unpublished Price Sensitive Information" in line with the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

The objective of this Policy is to inter alia, strengthen the internal control systems to prevent leak of Unpublished Price Sensitive Information ("UPSI"), restrict/prohibit communication of UPSI with unauthorized person(s) and curb the unethical practices of sharing sensitive information by persons having access to UPSI.

#### H. Familiarisation Programme:

The Company has conducted the Familiarisation Program for Independent Directors. The Program aims to provide insights into the Company to enable the Directors to understand its business in depth, to acclimatize them with the processes and business of the Company and to assist them in performing their role as Independent Directors of the Company. The Company's Policy of conducting the Familiarisation Program has been disclosed on the website of the Company at

<http://www.rsdfinancelimited.com/investorrelations/codes&policies> (Path)

#### I. Policy for determining Material Subsidiaries

Your Company has formulated a Policy for determining 'Material' Subsidiaries as defined in Regulation 16 of the Listing Regulations. This Policy has been hosted on the website of the Company and can be accessed through the web link

<http://www.rsdfinancelimited.com/investorrelations/codes&policies> (Path)

#### J. Recommendations of Committees:

During the financial year 2020-21, there have been no circumstances where the Board of Directors of the Company have not accepted any recommendation made by any of the committees of the Board.

#### K. Total fees paid to the Statutory Auditors and all entities in the network firm/ entities

The total fees for all services paid by the Company to the statutory auditor and all entities in the network firm/network entity of which the statutory auditors is a part is Rs. 1,88,500/-

#### L. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is committed to create a safe and healthy working environment that enables the employees to work without fear of sexual harassment at workplace.

Status of complaints for the Financial Year 2020-21 is as follows:

a.	Number of complaints received during the financial year	Nil
b.	Number of complaints disposed off during the financial year	Nil
c.	Number of complaints pending as at the end of the financial year	Nil

#### M. Compliance with Regulation 34(3) and Part F of Schedule V of the Listing Regulations

The Company does not have any shares in the demat suspense account or unclaimed suspense account.

#### N. Nomination Facility

Shareholders whose shares are in physical form and wish to make/change a nomination in respect of their shares in the Company, as permitted under Section 72 of the Companies Act, 2013, may submit to RTA the prescribed Forms SH-13/SH-14.

- O. During the year under review, the Company has complied with the mandatory requirements of listing regulations. Quarterly compliance report on Corporate Governance, in the prescribed format, duly signed by the Managing Director is submitted regularly with the Stock Exchanges where the shares of the Company are listed. Further, the Company has also put its best endeavor to comply non mandatory requirements.
- P. The Company ensures dissemination of applicable information under Regulation 46(2) of the Listing Regulations on the Company's website ([www.rsdfinancelimited.com](http://www.rsdfinancelimited.com)). The section on 'Investor Relations' on the website serves to inform the members by giving complete financial details, annual reports, press releases, shareholding patterns and such other information relevant to shareholders.
- Q. During the FY ended March 31, 2021 the Company did not engage in commodity price risk and commodity hedging activity.
- R. No funds have been raised through public issue of Equity or Debt in the form of public or right or preferential issue during the year under review.
- S. There has been no instance of non-compliance of any requirement of Corporate Governance Report as prescribed under SEBI (Listing Obligation and Disclosure Requirements).
- T. Adoption of Non - Mandatory Requirements of Regulation 27 read with Part E of Schedule II of SEBI Listing Regulations

#### (a) Shareholder Rights

Half-yearly and other quarterly financial statements are published in newspapers, uploaded on Company's website [www.rsdfinancelimited.com](http://www.rsdfinancelimited.com) and submitted to Stock exchanges on which Equity shares of the Company are listed viz., the BSE Limited and Calcutta Stock Exchange Limited;

#### (b) Modified opinion(s) in audit report

It has always been the Company's endeavor to present financial statements with unmodified audit opinion. The Statutory Auditors have issued an unmodified audit opinion on the Company's financial statements for the year ended 31st March, 2021.

#### (c) Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit Committee and they participate in the meetings of the Audit Committee of the Board and present their Internal Audit observations/reports to the Audit Committee.

**24. The Company has fully complied with the applicable requirements specified in Regulation 17 to 27 and Clause (b) to Clause (i) of sub-regulation 2 of Regulation 46 of Para C of Schedule V of the SEBI (Listing Obligation and Disclosure Requirements).**

#### **25. Compliance with the Code of Conduct**

The Company has adopted the "Code of Conduct for Directors & Senior Management Personnel" and "Code of Conduct for Independent Directors". The Code incorporates the duties of Directors and Employees. The Codes are available on the website of the Company at

<https://www.rsdfinancelimited.com/investorrelations/codes&policies> (path).

All the Board Members and Senior Management Personnel have affirmed compliance with the applicable Code of Conduct for the financial year 2020-21. A declaration to this effect, signed by the Managing Director forms part of this Report.

## 26. Certificates from Practicing Company Secretaries

As required by Regulation 34(3) and Schedule V Part E of the Listing Regulations, the certificate given by Sital Prasad Swain, Practicing Company Secretaries, is annexed to this report.

The Company has received declaration from all the Directors on the Board of the Company that they are not debarred or disqualified from being appointed or continuing as directors of companies by SEBI/MCA or any other such statutory authority. A certificate received from a company secretary in practice in this regard forms part of this report.

## 27. Certification by Managing Director and Chief Financial Officer:

In terms of Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure requirements) Regulation, 2015, a certificate from the Managing Director (MD) and the Chief Financial Officer (CFO) of the Company confirming, amongst other aspects, about the correctness of the financial statements, adequacy of internal control measures and matters to be reported to the Audit Committee, were taken on record at the Board meeting held on June 28, 2021 and the same is annexed hereinafter and forms a part of this Annual Report.

## 28. Auditors Certificate on Corporate Governance:

Certificate from the Company's Auditors, M/s. Prasad Kumar & Co., confirming compliance with conditions of Corporate Governance as stipulated under Regulation 34 read with Schedule V of the Listing Regulations, is annexed to the Directors' Report forming part of the Annual Report.

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

Sd/-  
**Rajeev Singh Dugal**  
Managing Director  
DIN - 00052037

Sd/-  
**Upneet Dugal**  
Director  
DIN - 07680726

**Place: Jamshedpur**  
**Date: August 14, 2021**



**CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE**

(Pursuant to Regulation 34(3) read with Para C [10(i)] of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members,

**RSD Finance Limited**

H. No – 4, The Alcor Hotel

Ramdas Bhatta, Opp. Indian Oil Petrol Pump

Bistupur, Jamshedpur - 831001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of RSD FINANCE LIMITED (CIN: L17222JH1963PLC013316) having its Registered Office at H. No. 4, The Alcor Hotel, Ramdas Bhatta, Bistupur, Jamshedpur, Purba Singhbhum - 831001 (hereinafter referred to as "The Company") as produced before us by the Company for the purpose of issuing this certificate, in accordance with Regulation 34 (3) read with Schedule V Part-C Sub clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

In our opinion and according to the verifications (including Director Identification Number (DIN) Status at the portal [www.mca.gov.in](http://www.mca.gov.in)) and based on such examination as well as information and explanations furnished to us, which to the best of our knowledge and belief were necessary for the purpose of issue of this certificate and based on such verification as considered necessary, we hereby certify that none of the Directors as stated below on the Board of the Company as on 31st March 2021 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board India, Ministry of Corporate Affairs, the Reserve Bank of India or any such other statutory authority.

S.NO	DIN	NAME OF THE DIRECTOR	DESIGNATION	DATE OF APPOINTMENT
1	00052037	RAJEEV SINGH DUGAL	Executive – Managing Director	10/04/1998
2	00052100	KAWALJEET KAUR DUGAL	Non – Executive Director	13/08/2020
3	00224539	SUSHIL KUMAR KHOWALA	Non – Executive – Independent Director	21/06/2013
4	07680726	UPNEET DUGAL	Executive Director	28/12/2016
5	08877286	HARSH KUMAR PANDEY	Non – Executive – Independent Director	15/09/2020
6	08967991	SUKANT BARI	Non – Executive – Independent Director	21/11/2020

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

Sd/-

**Sital Prasad Swain**  
**Practicing Company Secretary**  
**Membership No - F6338**  
**COP No.6814**  
**UDIN – F006338C000768726**

**Place: Jamshedpur**  
**Date: August 11, 2021**

## **CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT**

To,  
The Members  
**RSD Finance Limited**

Sub: Declaration by the Managing Director under Para D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Rajeev Singh Dugal, Managing Director of RSD Finance Limited, hereby affirm and declare, to the best of my knowledge and belief and on behalf of the Board of Directors of the Company and senior management personnel, that:

- The Board of Directors has laid down a code of conduct for all Board Members and senior management of the Company;
- The code of conduct has been posted on the website of the Company;
- The code of ethics code of conduct has been complied with.

**For RSD Finance Limited**

Sd/-  
**Rajeev Singh Dugal**  
**Managing Director**  
**DIN - 00052037**

**Place: Jamshedpur**  
**Date: June 28, 2021**

**PRACTISING CHARTERED ACCOUNTANTS CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To,  
The Members  
**RSD Finance Limited**

We have examined the compliance of the conditions of Corporate Governance by "RSD Finance Limited" (the Company) for the year ended on March 31, 2021, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations').

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2021.

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

**For M/s. Prasad Kumar & Co.  
Chartered Accountants**

Sd/-  
**Rajesh Prasad  
PARTNER**

**Firm Registration No. 008816C  
Membership No. 075409  
UDIN :21075409AAAAAU5478**

**Place: Jamshedpur  
Date: June 28, 2021**

# CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

(In Terms of Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015)

To,  
The Board of Directors  
**RSD Finance Limited**

We, Rajeev Singh Dugal and Rechan Chhabra, in our respective capacities as Managing Director and Chief Financial Officer of RSD Finance Limited ("the Company"), to the best of our knowledge and belief certify that –

- a. We have reviewed the financial statements and the cash flow statement of RSD Finance Limited for the financial year ended on 31st March, 2021 and that to the best of our knowledge and belief, we state that:
  - i) these statements do not contain any material untrue statement or omit any material fact nor do they contain statements that might be misleading;
  - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c. We accept responsibility for establishing and maintaining internal control system and that we have evaluated the effectiveness of the internal control system of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal control system, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee:
  - i) significant changes in internal control over financial reporting during the year;
  - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii) instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting..

Sd/-

**RAJEEV SINGH DUGAL**  
Managing Director

Sd/-

**RECHAN CHHABRA**  
Chief Financial Officer

**Place: Jamshedpur**  
**Date: June 28, 2021**

## SECRETARIAL COMPLIANCE REPORT OF RSD FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2021

To,

The Board of Directors  
**RSD Finance Limited**  
H. No. – 4, The Hotel Alcor  
Ramdas Bhatta, Bistupur  
Jamshedpur - 831001

I, FCS Sital Prasad Swain, Practicing Company Secretary, (FCS No. 6338, Certificate of Practice No. 6814) have examined:

- a) all the documents and records made available to me and explanation provided by **RSD FINANCE LIMITED** ("the listed entity"),
- b) the filings/ submissions made by the listed entity to the stock exchanges,
- c) the website of the listed entity,
- d) all other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended March 31, 2021 ("Review Period") in respect of compliance with the provisions of:

- a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (there were no events requiring compliance during the review period)
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (there were no events requiring compliance during the review period)
- e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the review period)
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (there were no events requiring compliance during the review period)
- g) Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013; (there were no events requiring compliance during the review period)
- h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and circulars/ guidelines issued thereunder;

and based on the above examination and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, We hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder.

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my examination of those records.

(c) There were no actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (*including under the Standard Operating Procedures issued by SEBI through various circulars*) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder in so far as it appears from my examination of those records.

Sr. No.	Action taken by	Details of violation	Details of action taken Eg. Fine, warning letter, debarment, etc.	Comments of the Practicing Company Secretary on the action taken by the listed entity
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There was no action initiated against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (*including under the Standard Operating Procedures issued by SEBI through various circulars*) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder. However, the Company had on August 10, 2020 received a mail from the Bombay Stock Exchange, regarding Non-Compliance of Number of Directors on the Board of RSD Finance Ltd is 5 which is less than 6 and via mail dated November 17, 2020 imposed a penalty on the Company under Regulation 17(1)( c) of the SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015.

The Company on receipt of the mail, on August 13, 2020, appointed an Additional Director on the Board to fulfil the requirement of the law and asked for remission.

Further, the Company on May 07, 2021 received a mail that the Company's representation has been approved and the fees has been waived.

(d) The reporting of actions by the listed entity to comply with the observations made in previous reports does not arise during the review period.

I further report that, there was no event of appointment/re-appointment/resignation of statutory auditor of the Company during the review period. In this regard, I report that the Company has complied with Circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019.

**Place :JAMSHEDPUR**  
**Date: 19-06-2021**

**Signature: Sd/-**  
**Name – SITAL PRASAD SWAIN**  
**M. No. – FCS6338**  
**C P No. – 6814**  
**UDIN – F006338C000487115**

## STATUTORY AUDITORS CERTIFICATE

We have examined the books of accounts and other records of RSD FINANCE LIMITED for the Financial Year ended March 31, 2021 on the basis of the information submitted to us, we certify the following:

Sl. No.	Particulars	Details
1	Name of the company	RSD FINANCE LIMITED
2	Certificate of Registration No.	05.01970
3	Registered office Address	H. No-04,The Alcor Hotel, Ramdas Bhatta, Bistupur, Jamshedpur - 831001
4	Corporate office Address	H. No-04,The Alcor Hotel, Ramdas Bhatta, Bistupur, Jamshedpur - 831001
5	The company has been classified by RBI as: <i>(Investment Company / Loan Company / AFC / NBFC-MFI / NBFC- Factor / IFC / IDF- NBFC)</i>	Non – Deposit taking NBFC
6	Net Owned Fund (in Crore) <i>(Calculation of the same is given in the Annex)</i>	56.02 Crore
7	Total Assets (in Crore)	58.88 Crore
8	Asset-Income pattern:  (in terms of RBI Press Release 1998- 99/1269 dated April 8, 1999)	
	a) % of Financial Assets to Total Assets	96.43%
	b) % of Financial Income to Gross Income	89.17%
	<i>(NBFC-Factor / NBFC-MFI / AFC / IFC may also report separately below)</i>	



9	Whether the company was holding any Public Deposits, as on March 31, 2021?	No
10.	Has the company transferred a sum not less than 20% of its Net Profit for the year to Reserve Fund? (in terms of Sec 45-IC of the RBI Act, 1934).	Yes
11	Has the company received any FDI? If Yes, did the company comply with the minimum capitalization norms for the FDI?	No
12	If the company is classified as an NBFC- Factor; a) % of Factoring Assets to Total Assets b) % of Factoring Income to Gross Income	N.A.
13	If the company is classified as an NBFC- MFI; % of Qualifying Assets to Net Assets (refer to Notification DNBS.PD.No.234 CGM(US) 2011 dated December 02, 2011)	N.A.
14	If the company is classified as an AFC; a) % of Advances given for creation of physical / real assets supporting economic activity to Total Assets b) % of income generated out of these assets to Total Income	N.A.
15	If the company is classified as an NBFC- IFC % of Infrastructure Loans to Total Assets	N.A.
16	Has there been any takeover/acquisition of control/ change in shareholding/ Management during the year which required prior approval from RBI?	No

In terms of paragraph 2 of Notification No. DNBS.201/DG(VL) - 2008 dated September 18, 2008, a separate report to the Board of Directors of the company has been made.

I have read and understood paragraph 5 of Notification No. DNBS.201/DG (VL) - 2008 dated September 18, 2008.

**For M/s. Prasad Kumar & Co.  
Chartered Accountants**

**Sd/-**

**Rajesh Prasad  
Partner  
Firm Registration No. 008816C  
Membership No. 075409  
UDIN: 21075409AAAAAV6122**

**Place: Jamshedpur**

**Date: June 28, 2021**

## Annexure - 1

Capital Funds - Tier I	(Rs. In crore)
1. Paid up Equity Capital	6.47
2. Pref. shares to be compulsorily converted into equity	0.00
Free Reserves:	
a. General Reserve	1.19
b. Share Premium	0.00
c. Capital Reserves	0.02
3. d. Debenture Redemption Reserve	0.00
e. Capital Redemption Reserve	0.00
f. Credit Balance in P&L Account	38.88
g. Other free reserves	0.00
4. Special Reserves	9.34
Total of 1 to 4	55.90
5. <b>Less:</b> i. Accumulated balance of loss	0.00
ii. Deferred Revenue Expenditure	0.00
iii. Deferred Tax Assets (Net)	(0.12)
iv. Other intangible Assets	0.00
<b>Owned Fund</b>	<b>56.02</b>
6. Investment in shares of	0.00
(i) Companies in the same group	
(ii) Subsidiaries	2.08
(iii) Wholly Owned Subsidiaries	0.01
(iv) Other NBFCs	0.00
7. Book value of debentures, bonds outstanding loans and advances, bills purchased and is counted (including H.P. and lease finance) made to, and deposits with	
(i) Companies in the same group	
(ii) Subsidiaries	0.00
(iii) Wholly Owned Subsidiaries/Joint Ventures Abroad	0.00
8. Total of 6 and 7	2.09
9. Amount in item 8 in excess of 10% of Owned Fund	0.00
10. <b>Net Owned Fund</b>	<b>56.02</b>

**TO WHOM SO EVER IT MAY CONCERN**

This is to certify that M/s RSD Finance Limited having its registered office at H. No-04, the Alcor Hotel, Ramdas Bhatta, Bistupur, Jamshedpur, Purbi Singhbhum, Jharkhand – 831001 continues to do the business of NBFIs and was holding the Certificate of Registration issued u/s 45(1A) of the Reserves Bank of India Act, 1934, for the year ended 31.03.2021.

This is to further certify that the Financial Assets of the Company are 96.43% in Comparison to the Total Assets and that the Financial Income is 89.17% of the Total Income of the Company.

This is as per our examination of books of accounts of M/s RSD Finance Limited and as per information and explanations given to us by management in this regard.

**For M/s. Prasad Kumar & Co.  
Chartered Accountants**

Sd/-

**Rajesh Prasad  
Partner  
Firm Registration No. 008816C  
Membership No. 075409  
UDIN: 21075409AAAAAV6122**

**Place: Jamshedpur**

**Date: June 28, 2021**

### COMPUTATION OF FINANCIAL INCOME FOR FY 2020-21

<b>PARTICULARS</b>	<b>AMOUNT</b>
<b>Non – Financial</b>	
Job Work as per P& L Account	63,65,631.00
Other Income	-
Rent Income	3,16,000.00
Net Gain on sale of fixed assets	-
	<b>66,81,631.00</b>
<b>Financial Income</b>	
Interest Income	2,49,07,883.00
Dividend Income	2,78,159.00
Net Gain on sale of investments	2,16,90,875.00
Other Income	8,05,179.00
Net gain on fair value changes	73,51,216.00
	<b>5,50,33,312.00</b>
<b>Total Income</b>	<b>6,17,14,943.00</b>
<b>% of Financial Income to Total Income</b>	<b>89.17%</b>

### COMPUTATION OF FINANCIAL ASSET FOR FY 2020-21

<b>Break-up of Financial Asset</b>	<b>Amount</b>
Investment in Unquoted Shares	2,08,86,050.00
Investment in quoted Shares	32,03,400.00
Investments in Mutual Funds	17,31,70,016.00
Investments in Bonds	1,50,00,000.00
Investments in Debentures	24,30,50,140.69
Investments in PMS	5,11,20,456.82
Inter Corporate Deposits	4,88,79,746.00
Bank Balances	1,25,03,705.00
<b>Total Financial Assets</b>	<b>56,78,13,514.51</b>
Total Assets	<b>58,88,31,892.47</b>
<b>% of Financial Assets to Total Assets</b>	<b>96.43%</b>

**CERTIFICATE UNDER NON - BANKING FINANCIAL COMPANIES  
AUDITORS REPORT (RESERVE BANK) DIRECTIONS, 2016**

To  
The Board of Directors,  
**RSD FINANCE LIMITED**

As required under Non - Banking Financial Companies Auditors Report (Reserve Bank) Directions, 2016 and on the basis of information and explanation given to us, we report that:

**3A)**

1. The company is engaged in the business of non-banking financial institution as defined in section 45-I(a) of the RBI Act and meeting the Principal Business Criteria (Financial asset/income pattern) as laid down vide the Bank's press release dated April 08, 1999, and directions issued by DNBR, the company has obtained a Certificate of Registration from the Bank.
2. On the basis of Balance Sheet & Profit & Loss account for the year ended 31.03.2021 in our opinion the Company is entitled to continue to hold such certificate of Registration in terms of its Principal Business Criteria (Financial asset/income pattern).
3. On the basis of Balance Sheet & Profit & Loss account for the year ended 31.03.2021 in our opinion the company is meeting the required net owned fund requirement as laid down in Master Direction - Non-Banking Financial Company-Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

**3C)**

1. The Board of Directors has passed a resolution for Non Acceptance of any Public Deposits.
2. The Company has not accepted any deposit from the public during the year ended 31<sup>st</sup> March, 2021.
3. The Company has complied with the prudential Norm relating to the Income Recognition, Accounting Standards, assets classification and provisioning for bad and doubtful debts as applicable to it in terms of Non - Banking Financial (Non Deposits Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions – 2016.
4. The Company is not a systematically Important Company as defined in Paragraph 3(xxviii) of the Non - Banking Financial Company – Non systematically Important Company Non Deposit taking Company (Reserve Bank) Directions, 2016.

**For M/s PRASAD KUMAR & CO.  
Chartered Accountants**

Sd/-  
**RAJESH PRASAD**  
**PARTNER**  
**Membership No. 075409**  
**FRN: 008816C**  
**UDIN: 21075409AAAAAV6122**

**Place - Jamshedpur**  
**Date – 28.06.2021**





# STANDALONE FINANCIAL STATEMENTS

# INDEPENDENT AUDITOR'S REPORT

To the Members of RSD Finance Limited

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the standalone financial statements of RSD Finance Limited ("the Company"), which comprise the balance sheet as at 31st March 2021, the statement of profit and loss (including other comprehensive income), Statement of Changes in Equity and statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

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

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 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 opinion.

### Key Audit Matters

**Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.**

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

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

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

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the

Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance, change 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

That Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- a) We have sought and obtained all the information and explanations which to

the best of our knowledge and belief were necessary for the purposes of our audit.

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), The Statement Changes of Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i). The Company does not have any pending litigations which would impact its financial position.
  - (ii). The Company has made provision, as required under the applicable law or Indian accounting standards (IND AS), for material foreseeable losses, if any, on long term contracts including derivative contracts.

- (iii). There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Prasad Kumar & Co.  
Chartered Accountants  
(FRN – 008816C)**

**Sd/-**

**(Rajesh Prasad)  
Partner  
M. No.: 075409  
UDIN: 21075409AAAAAS7925**

**Date: The 28<sup>th</sup> day of June, 2021  
Place: Jamshedpur**

**'Annexure A' CARO 2016 Report on the standalone financial statement of RSD Finance Limited for the year ended March 31, 2021**

To the Members of RSD Finance Limited

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our Report of even date to the members of **RSD Finance Limited** on the accounts of the company for the year ended 31st March, 2021.

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

- i. In respect of its fixed assets:
  - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. In respect of its inventories:
 

The Company does not have any inventory during the year. Hence this point of report is not applicable.
- iii. The company has not granted unsecured loans to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013:
  - iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made.
  - v. According to the information and explanations given to us, the Company has not accepted any deposit from the public.
  - vi. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) (d) of the Companies Act, 2013 in respect of any of the products dealt with by the company.
  - vii. In respect of statutory dues:
    - a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Sales Tax, Wealth Tax, Service Tax, duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2021 for a period of more than six months from the date of becoming payable.
    - b) According to the information and explanations provided to us, by the management, there are no disputed dues of sales tax, income tax, custom tax, excise duty, service tax, and cess.
  - viii. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks and debenture holders.
  - ix. The Company did not raise any money by way of initial public offer or further public offer or loan.

- x. In our opinion and according to the information and explanation given to us, no material fraud by the company and no material fraud on the company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanation given to us, the Company is not a Nidhi company. Accordingly, Paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations provided to us and based on the examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transaction have been disclosed in the financial statements as required by the applicable Indian accounting standards (IND AS).
- xiv. According to the information and explanations provided to us and based on the examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations provided to us and based on the examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi. The Company is already a Non-Banking Financial Company and is registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For Prasad Kumar & Co.  
Chartered Accountants  
(FRN – 008816C)**

**Sd/-**

**(Rajesh Prasad)  
Partner  
M. No.: 075409  
UDIN: 21075409AAAAAS7925**

**Date: The 28<sup>th</sup> day of June, 2021  
Place: Jamshedpur**



## **Annexure B to the Auditors' Report**

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

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

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

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

### **Auditors' Responsibility**

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

India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with

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

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

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

**For Prasad Kumar & Co.  
Chartered Accountants  
(FRN – 008816C)**

**Sd/-**

**(Rajesh Prasad)  
Partner  
M. No.: 075409  
UDIN: 21075409AAAAAS7925**

**Date: The 28<sup>th</sup> day of June, 2021  
Place: Jamshedpur**

# Standalone Balance Sheet

as on March 31, 2021

Particulars	Note No.	Amount in Rs.	
		As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>(1) Financial Assets</b>			
(a) Cash and cash equivalents	3	125,03,705	20,28,029
(b) Trade Receivables	4	15,91,967	12,88,028
(c) Loans	5	496,09,919	14,20,506
(d) Investments	6	5064,30,063	4414,78,848
(e) Other Financial assets	7	70,28,884	40,30,191
<b>(2) Non-financial Assets</b>			
(a) Deferred tax Assets (Net)	8	(11,87,945)	33,53,299
(b) Property, Plant and Equipment	9	128,55,299	871,67,448
<b>Total Assets</b>		<b>5888,31,892</b>	<b>5407,66,349</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>(1) Financial Liabilities</b>			
(a) Payables			
Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	10	23,736	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		14,08,345	13,22,975
(b) Borrowings (Other than Debt Securities)	11	52,74,324	56,60,185
<b>(2) Non-Financial Liabilities</b>			
(a) Current tax liabilities (Net)	12	69,94,597	46,25,716
(b) Provisions	13	75,63,414	38,86,158
(c) Other non-financial liabilities(to be specified)	14	85,39,259	243,27,891
<b>Total Liabilities</b>		<b>298,03,675</b>	<b>398,22,924</b>
<b>(3) EQUITY</b>			
(a) Equity Share capital	15	647,32,400	647,32,400
(b) Other Equity	16	4942,95,817	4362,11,025
<b>Total Equity</b>		<b>5590,28,217</b>	<b>5009,43,425</b>
<b>Total Liabilities and Equity</b>		<b>5888,31,892</b>	<b>5407,66,349</b>

The accompanying notes are an integral part of standalone financial statements.  
As per our report of even date attached.

**For Prasad Kumar & Co.**  
Chartered Accountants  
FRN: 008816C

Sd/-

**Rajesh Prasad**  
Partner  
M. No. 075409

Date: 28.06.2021  
Place: Jamshedpur  
UDIN- 21075409AAAAAS7925

**For and on behalf of the Board of Directors of  
RSD Finance Limited**

Sd/-

**Rajeev Singh Dugal**  
Managing Director  
DIN: 00052037

Sd/-

**Rechan Chhabra**  
Chief Financial Officer

Sd/-

**Upneet Dugal**  
Director  
DIN: 07680726

Sd/-

**Puja Choudhary**  
Company Secretary

# Standalone Profit And Loss

as on March 31, 2021

Amount in Rs.

Particulars	Note No.	For the Year ended March 31, 2021	For the Year ended March 31, 2020
<b>Revenue from Operations</b>			
i	17	249,07,883	348,84,780
ii	18	2,78,159	4,22,214
iii	19	73,51,216	(81,63,595)
iv	20	66,81,631	56,61,533
<b>I</b>		<b>392,18,889</b>	<b>328,04,932</b>
<b>Other Income</b>			
i	21	216,90,875	63,28,713
ii	22	8,05,178	14,13,087
<b>II</b>		<b>224,96,053</b>	<b>77,41,800</b>
<b>III</b>		<b>617,14,942</b>	<b>405,46,732</b>
<b>Expenses</b>			
i		16,67,001	15,07,499
ii	23	59,12,186	71,70,329
iii	24	55,112	86,564
iv	9	9,33,150	11,60,406
v	13	36,77,256	38,86,158
vi	25	99,67,105	106,51,143
<b>IV</b>		<b>222,11,810</b>	<b>244,62,099</b>
<b>V</b>		<b>395,03,132</b>	<b>160,84,633</b>
<b>Profit / (Loss) before exceptional items and tax (III - IV)</b>			
Exceptional items		-	-
<b>VI</b>		<b>395,03,132</b>	<b>160,84,633</b>
<b>Profit / (Loss) before tax</b>			
Tax expense			
a) Current Tax		69,94,597	46,25,716
b) Deferred Tax		20,769	(16,67,523)
<b>VII</b>		<b>70,15,366</b>	<b>29,58,193</b>
<b>VIII</b>		<b>324,87,766</b>	<b>131,26,440</b>
<b>Net Profit/ (Loss) for the period (VI - VII)</b>			
<b>Other Comprehensive Income</b>			
Items that will not be classified to profit or loss			
(i) Items that will not be classified to profit or loss		281,74,535	(206,37,711)
(ii) Income tax relating to items that will not be classified to profit or loss		45,20,474	(42,48,686)
<b>IX</b>		<b>236,54,061</b>	<b>(163,89,025)</b>
<b>X</b>		<b>561,41,827</b>	<b>(32,62,586)</b>
<b>Total comprehensive income for the period (VIII + IX)</b>			
Paid-up Equity Share Capital (Face Value of Rs. 5 per share)		647,32,400	647,32,400
Earnings per share :(in Rs.)			
(a) Basic		4.34	(0.25)
(b) Diluted		4.34	(0.25)

The accompanying notes are an integral part of standalone financial statements.  
As per our report of even date attached.

**For Prasad Kumar & Co.**

Chartered Accountants  
FRN: 008816C

Sd/-

**Rajesh Prasad**

Partner  
M. No. 075409

**For and on behalf of the Board of Directors of  
RSD Finance Limited**

Sd/-

Sd/-

**Rajeev Singh Dugal**  
Managing Director  
DIN: 00052037

**Upneet Dugal**  
Director  
DIN: 07680726

Sd/-

Sd/-

**Rechan Chhabra**  
Chief Financial Officer

**Puja Choudhary**  
Company Secretary

Date: 28.06.2021  
Place: Jamshedpur  
UDIN- 21075409AAAAAS7925

# Cash Flow Statements

as on March 31, 2021

Sl. No.	Particulars	Amount in Rs. Current Year	Amount in Rs. Previous Year
<b>1</b>	<b>Cash Flow From Operating Activities</b>		
	Net Profit before Tax	<b>395,03,132</b>	<b>160,84,633</b>
	Add : Adjustments for		
	Depreciation	9,33,150	11,60,406
	Gain/(Loss) on Remeasurement of Financial Assets	281,74,535	(206,37,711)
	Provisions	36,77,256	38,86,158
	Less : Adjustment for		
	P/L Appropriation	(19,42,966)	4,12,955
	Profit on Sale of Investment	216,90,875	63,28,713
	Dividend Received	2,78,159	4,22,214
	Interest Income	249,07,883	348,84,780
	Operating Profit before Working Capital Changes	<b>273,54,123</b>	<b>(415,55,177)</b>
	Adjustments for:-		
	Trade Receivables	(3,03,939)	10,14,942
	Other Non-Financial Liabilities	(157,88,631)	(7,77,965)
	Other Financial Assets	(29,98,693)	67,74,105
	Trade Payables	1,09,106	(1,11,004)
	Net cash generated from operating activities	83,71,965	(346,55,099)
	Tax Paid/Provided	46,25,716	131,01,519
	<b>Net cash generated from operation [A]</b>	<b>37,46,249</b>	<b>(477,56,618)</b>
<b>2</b>	<b>Cash Flow From Investing Activities</b>		
	Profit on sale of Investment	216,90,874	63,28,713
	(Purchase)/Sale of Investments	(649,51,215)	(858,19,163)
	Loans	(481,89,412)	520,14,828
	Dividend Received	2,78,159	4,22,214
	Interest Received	249,07,883	348,84,780
	Sale/(Purchase) of Assets	733,79,000	366,96,000
	<b>Net cash from investing activities [B]</b>	<b>71,15,289</b>	<b>445,27,373</b>
<b>3</b>	<b>Cash Flow From Financing Activities</b>		
	Proceeds from Long Term Borrowings	(3,85,861)	(3,55,047)
	<b>Net cash from financing activities [C]</b>	<b>(3,85,861)</b>	<b>(3,55,047)</b>
	Net Increase/(Decrease) in Cash & Cash equivalents [A+B+C]	<b>104,75,677</b>	<b>(35,84,293)</b>
	<b>Cash &amp; Cash equivalents (Opening balance)</b>	<b>20,28,029</b>	<b>56,12,322</b>
	<b>Cash &amp; Cash equivalents (Closing balance)</b>	<b>125,03,705</b>	<b>20,28,029</b>

The accompanying notes are an integral part of standalone financial statements.  
As per our report of even date attached.

**For Prasad Kumar & Co.**

Chartered Accountants  
FRN: 008816C

Sd/-

**Rajesh Prasad**

Partner

M. No. 075409

Date: 28.06.2021

Place: Jamshedpur

UDIN- 21075409AAAAAAS7925

**For and on behalf of the Board of Directors of  
RSD Finance Limited**

Sd/-

**Rajeev Singh Dugal**

Managing Director  
DIN: 00052037

Sd/-

**Rechan Chhabra**

Chief Financial Officer

Sd/-

**Upneet Dugal**

Director  
DIN: 07680726

Sd/-

**Puja Choudhary**

Company Secretary

# Statement Of Changes In Equity

for the year ended March 31 2021

Name of the Non-Banking Financial Company: **RSD FINANCE LIMITED**

Statement of Changes in Equity for the period ended : 31st March 2021

(In Rupees)

## A. Equity Share Capital

Particulars	Amount
<b>Balance as on April 1, 2019</b>	<b>647,32,400.00</b>
Changes in equity share capital during F.Y 2019-20	-
<b>Balance as at March 31, 2020</b>	<b>647,32,400.00</b>
<b>Balance as on April 1, 2020</b>	<b>647,32,400.00</b>
Changes in equity share capital during F.Y 2020-21	-
<b>Balance as at March 31, 2021</b>	<b>647,32,400.00</b>

## B. Other Equity

Amount in Rs.

Particulars	Statutory Reserves	Capital Reserve	Securities Premium	General Reserve	Surplus i.e. Balance in the Statement of Profit & Loss	Total
<b>Balance at April 01, 2019</b>	<b>821,02,800</b>	<b>2,36,775</b>	<b>-</b>	<b>119,21,558</b>	<b>3456,25,432</b>	<b>4398,86,565</b>
Add: Profit / (Loss) for the period	-	-	-	-	131,26,440	131,26,440
Add: Other Comprehensive Income for the year	-	-	-	-	-163,89,025	-163,89,025
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-32,62,586</b>	<b>-32,62,586</b>
Appropriation to Statutory Reserves	-	-	-	-	-	-
Other Appropriation	-	-	-	-	-4,12,955	-4,12,955
<b>Balance at March 31, 2020</b>	<b>821,02,800</b>	<b>2,36,775</b>	<b>-</b>	<b>119,21,558</b>	<b>3419,49,891</b>	<b>4362,11,025</b>
<b>Balance at April 01, 2020</b>	<b>821,02,800</b>	<b>2,36,775</b>	<b>-</b>	<b>119,21,558</b>	<b>3419,49,891</b>	<b>4362,11,025</b>
Add: Profit / (Loss) for the period	-	-	-	-	324,87,766	324,87,766
Add: Other Comprehensive Income for the year	112,28,365	-	-	-	236,54,061	348,82,426
<b>Total Comprehensive Income for the year</b>	<b>112,28,365</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>561,41,827</b>	<b>673,70,192</b>
Appropriation to Statutory Reserves	-	-	-	-	-112,28,365	-112,28,365
Other Appropriation	-	-	-	-	19,42,966	19,42,966
<b>Balance at March 31, 2021</b>	<b>933,31,166</b>	<b>2,36,775</b>	<b>-</b>	<b>119,21,558</b>	<b>3888,06,319</b>	<b>4942,95,817</b>



## Notes forming Integral part of the Standalone Financial Statements

### Note-1

#### Corporate Information

RSD Finance Limited (the "Company") is a public limited company incorporated under the provisions of the Erstwhile Companies Act, 1956. The Company is engaged in fund-based activities like providing loans and advances, inter-corporate deposits, loans against securities and investments in shares and securities. The Company also carries out job work activities. The shares of the Company are listed on The Calcutta Stock Exchange Limited and Bombay Stock Exchange. The Company holds a certificate of registration from the Reserve Bank of India ("RBI") to carry on the business of Non-Banking Financial Institution ("NBFI") under the category of Non-Deposit taking Company.

### Note-2

#### Summary of Significant Accounting Policies

##### 2.1 Statement of compliance:

The financial statements have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

##### 2.2 Accounting Policies:

The financial statements have been prepared and presented in accordance with Ind AS under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services. The Company complies with the Indian Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013, to the extent applicable and directions prescribed by the Reserve Bank of India. The financial statements are presented in Indian rupees.

##### 2.3 Use of estimates and judgments:

"The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods affected."

##### 2.4 Revenue Recognition:

The applicability of Ind AS 115, Revenue Recognition provides for a single model of accounting revenue from contracts with customers based on the identification and satisfaction of performance obligations.

Income and expenditure are accounted for on accrual basis, wherever ascertainable.

Dividend are recognised only when the right to receive is established

Interest Income is recognised as and when they become accrued.

##### 2.5 Trade receivables:

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment, if any.

##### 2.6 Cash and cash equivalents:

Cash and Cash equivalents includes cash on hand, cheques and drafts in hand, balances with bank and deposits held at call with financial institutions. These do not include bank balances earmarked / restricted for specific purposes.



## 2.7 Investments and other financial assets:

### (i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

### (ii) Measurement

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

#### -Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

### Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other gain or loss using the effective interest rate method.

### Fair value through other comprehensive income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest revenue are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised under other income. Interest income from these financial assets is included in other gain or loss using the effective interest rate method.

### Fair value through profit or loss (FVPL):

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented in the statement of profit and loss under other gain or loss in the period in which it arises. Interest or dividend income, if any from these financial assets is separately included in other gain or loss.

### -Equity investments (other than investments in subsidiaries)

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value

gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain or loss in the statement of profit and loss.

### Equity Investments (in subsidiaries)

Investments in subsidiaries, associates and joint venture are carried at cost less accumulated impairment losses, if any.

#### (iii) Derecognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

### Derivative financial instruments

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

### 2.8 Financial liabilities

**Classification:** Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

**Initial Recognition and Measurement:** Financial liabilities are recognised when the

Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

**Derecognition:** A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

### 2.9 Property, plant and equipment:

Property, plant and equipment are carried at cost of acquisition or construction less accumulated depreciation. The cost of fixed assets comprises of purchase price and all other attributable costs of bringing the assets to working condition for intended use.

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

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

### Transition to Ind-AS

On transition to IND AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2018 measured as per the previous GAAP and use that carrying value as deemed cost of the property, plant and equipment."

### 2.10 Depreciation:

On fixed assets, depreciation is provided on written down Value method. The rates of depreciation prescribed in Schedule II to the Companies Act, 2013, are considered as minimum rates.

Leasehold/Freehold Land is not depreciated or amortized.

## **2.11 Trade and other payables:**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial period which are unpaid. They are recognised at their fair value.

## **2.12 Impairment of non-financial assets:**

At the end of each reporting period, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. 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.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing 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.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of Profit and Loss.

## **2.13 Employee benefits:**

### **(i) Short-term employee benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. These benefits include salary, wages and bonus. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period of rendering of service by the employee.

### **(ii) Post-employment benefits:**

#### **Defined contribution plans**

The Company has defined contribution plans for post-employment benefits namely Provident Fund which are recognised by the income tax authorities. The Company contributes to a Government administered provident fund on behalf of its employees and has no further obligation beyond making its contribution. The Company makes contributions to state plans namely Employee's State Insurance Fund and has no further obligation beyond making the payment to them. The Company's contributions to the above funds are charged to the Statement of Profit and Loss every year.

## **2.14 Provisions and contingencies:**

**Provisions:** Provisions are recognised when there is a present obligation or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

**Contingent Liabilities:** Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

### 2.15 Earnings per share:

Basic EPS is computed by dividing the net profit attributable to shareholders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year-end, except where the results would be anti-dilutive.

### 2.16 Borrowings:

Borrowing Cost that are directly attributable to the acquisition/ construction of the qualifying asset are capitalised until the time all the substantial activities necessary to prepare such assets for the intended use are complete. All other borrowing costs are recognised as expenditure during the period in which they are incurred.

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed is recognised in profit or loss.

### 2.17 Foreign exchange transactions

The Company during the year did not have foreign exchange transaction.

### 2.18 Taxation

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with Income Tax Act, 1961) and

deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

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

Current and deferred tax expense is recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

**2.19** The Company has not accepted any Public Deposits during the year under review and the Board of Directors have passed resolution to the effect that the Company has neither accepted Public Deposit nor would accept any public Deposit during the year.

**Note-3**

Amount in Rs.

**Cash and Cash Equivalents**

Particulars	As on March 31, 2021	As on March 31, 2020
Balance with Banks:		
(a) IDBI Bank	20,62,143	17,21,187
(b) Punjab National Bank	9,476	10,066
(c) Bank of India	4,907	5,070
(d) Kotak Mahindra Bank	89,668	24,011
(e) State bank of India	11,785	36,898
(f) HDFC Bank	1,57,076	1,57,061
(g) ICICI Bank	100,80,461	58,941
	124,15,517	20,14,823
Cash in Hand	88,188	13,206
Cheques, drafts on hand	-	-
<b>Total</b>	<b>125,03,705</b>	<b>20,28,029</b>

**Note-4****Trade Receivables**

Particulars	As on March 31, 2021	As on March 31, 2020
Considered good-Secured	-	-
Considered good- Unsecured	15,91,967	12,88,028
<b>Total</b>	<b>15,91,967</b>	<b>12,88,028</b>

- Impairment allowance recognised on trade receivables is Nil (Previous year Nil).

- No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, director or a member except listed below:

Receivables from related parties	As on March 31, 2021	As on March 31, 2020
- BAN Infra & developers LLP	750	750
- Reflexallen India Private Limited	40,617	37,676
<b>Total</b>	<b>41,367</b>	<b>38,426</b>

**Note-5****Loans**

Particulars	As on March 31, 2021	As on March 31, 2020
<u>At Amortised Cost</u>		
Advance to Staff	77,038	80,883
Security Deposit	3,88,510	3,88,510
Corporate loan	488,79,746	7,81,250
Others	2,64,625	1,69,863
<b>Total(Gross)</b>	<b>496,09,919</b>	<b>14,20,506</b>
Less: Impairment Loss Allowance	-	-
<b>Total (Net)</b>	<b>496,09,919</b>	<b>14,20,506</b>
	(A)	
Secured	488,79,746	7,81,250
Unsecured	7,30,173	6,39,256
<b>Total(Gross)</b>	<b>496,09,919</b>	<b>14,20,506</b>
Less: Impairment Loss Allowance	-	-
<b>Total (Net)</b>	<b>496,09,919</b>	<b>14,20,506</b>
	(C)	
<b>Total</b>	<b>496,09,919</b>	<b>14,20,506</b>

These loans or advances are considered to have low risk based on credit evaluation undertaken by the Company. There is no history of any defaults on these loans or advances. The company regularly monitors to ensure that these entities have enough liquidity which safeguards the interest of the investors and lenders. Accordingly there is no Expected credit loss allowance on the aforesaid loans and advances.



Note-6

Investments

Particulars	As on March 31, 2021						
	Amortised cost	At Fair Value			Sub- Total	Other *	Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss			
	(1)	(2)	(3)	(4)	(5)=(2)+(3)+(4)	(6)	(7)=(1)+(5)+(6)
Mutual funds	1656,25,723	-	75,44,292	-	75,44,292	-	1731,70,016
Investment in PMS/AIF	2213,81,691	270,81,683	-	-	270,81,683	-	2484,63,374
Debt securities	457,07,224	-	-	-	-	-	457,07,224
Equity instruments	33,96,476	-	(1,93,076)	-	(1,93,076)	-	32,03,400
Subsidiaries	208,86,050	-	-	-	-	-	208,86,050
Bonds	150,00,000	-	-	-	-	-	150,00,000
<b>Total – Gross (A)</b>	<b>4719,97,164</b>	<b>270,81,683</b>	<b>73,51,216</b>	<b>-</b>	<b>344,32,899</b>	<b>-</b>	<b>5064,30,063</b>
(i)Investments outside India	-	-	-	-	-	-	-
(ii)Investments in India	4719,97,164	270,81,683	73,51,216	-	344,32,899	-	5064,30,063
<b>Total (B)</b>	<b>4719,97,164</b>	<b>270,81,683</b>	<b>73,51,216</b>	<b>-</b>	<b>344,32,899</b>	<b>-</b>	<b>5064,30,063</b>
Less: Allowance for Impairment loss (C)	-	-	-	-	-	-	-
<b>Total – Net D= (A)-(C)</b>	<b>4719,97,164</b>	<b>270,81,683</b>	<b>73,51,216</b>	<b>-</b>	<b>344,32,899</b>	<b>-</b>	<b>5064,30,063</b>

Particulars	As on March 31, 2020						
	Amortised cost	At Fair Value			Sub- Total	Other *	Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss			
	(1)	(2)	(3)	(4)	(5)=(2)+(3)+(4)	(6)	(7)=(1)+(5)+(6)
Mutual funds	1287,73,983	(11,97,592)	(50,57,823)	-	(62,55,415)	-	1225,18,567
Investment in PMS	2130,42,199	(194,40,118)	-	-	(194,40,118)	-	1936,02,081
Debt securities	860,63,600	-	-	-	-	-	860,63,600
Equity instruments	65,14,322	-	(31,05,772)	-	(31,05,772)	-	34,08,550
Subsidiaries	208,86,050	-	-	-	-	-	208,86,050
Bonds	150,00,000	-	-	-	-	-	150,00,000
<b>Total – Gross (A)</b>	<b>4702,80,154</b>	<b>(206,37,711)</b>	<b>(81,63,595)</b>	<b>-</b>	<b>(288,01,306)</b>	<b>-</b>	<b>4414,78,848</b>
(i)Investments outside India	-	-	-	-	-	-	-
(ii)Investments in India	4702,80,154	(206,37,711)	(81,63,595)	-	(288,01,306)	-	4414,78,848
<b>Total (B)</b>	<b>4702,80,154</b>	<b>(206,37,711)</b>	<b>(81,63,595)</b>	<b>-</b>	<b>(288,01,306)</b>	<b>-</b>	<b>4414,78,848</b>
Less: Allowance for Impairment loss (C)	-	-	-	-	-	-	-
<b>Total – Net D= (A)-(C)</b>	<b>4702,80,154</b>	<b>(206,37,711)</b>	<b>(81,63,595)</b>	<b>-</b>	<b>(288,01,306)</b>	<b>-</b>	<b>4414,78,848</b>

Amount in Rs.

**Note-7****Other Financial Assets**

<b>Particulars</b>	<b>As on March 31, 2021</b>	<b>As on March 31, 2020</b>
Balance with Revenue Departments	70,28,884	40,30,191
<b>Total</b>	<b>70,28,884</b>	<b>40,30,191</b>

**Note-8****Deferred tax Assets (Net)**

<b>Particulars</b>	<b>As on March 31, 2021</b>	<b>As on March 31, 2020</b>
Opening Balance	33,53,299	(25,62,909)
<u>Property, Plant and Equipment and Intangibles</u>		
Difference between book and tax depreciation	(20,769)	(13,117)
<u>Investment and other financial instruments</u>		
Recognised through OCI	(45,20,475)	42,48,686
Recognised through Profit & Loss	-	16,80,639
<b>Total</b>	<b>(11,87,945)</b>	<b>33,53,299</b>



**Note-9****Property, Plant and Equipment as on 31.03.2021****Amount in Rs.**

S.NO	PARTICULARS	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK		
		COST AS ON 01.04.2020	ADDITIONS DURING THE YEAR	SALE / DISPOSAL DURING THE YEAR	TOTAL AS ON 31.03.2021	UPTO 01.04.2020	FOR THE YEAR	UPTO 31.03.2021	NET CARRYING AMOUNT AS ON 31.03.2021	NET CARRYING AMOUNT AS ON 31.03.2020
1	Land(Freehold)	10,000	-	-	10,000	-	-	-	10,000	10,000
2	Land(Leasehold)	62,13,268	-	-	62,13,268	-	-	-	62,13,268	62,13,268
3	Plot Versalia	733,92,000	-	733,92,000	-	-	-	-	-	733,92,000
4	Building	14,68,848	-	-	14,68,848	13,56,222	12,624	13,68,846	1,00,002	1,12,626
5	Building (Staff Quarter)	57,51,184	-	-	57,51,184	15,88,162	3,95,487	19,83,649	37,67,535	41,63,022
6	Flat	30,32,300	-	-	30,32,300	15,31,467	1,31,384	16,62,851	13,69,449	15,00,833
7	Plant & Machinery	20,19,837	13,000	-	20,32,837	15,39,335	39,915	15,79,250	4,53,588	4,80,503
8	Electric Installation	10,37,957	-	-	10,37,957	10,12,957	-	10,12,957	25,000	25,000
9	Generator Set	3,04,562	-	-	3,04,562	3,02,562	-	3,02,562	2,000	2,000
10	Furniture & Fixtures	2,57,670	-	-	2,57,670	2,52,669	-	2,52,669	5,001	5,001
11	Computer	3,57,972	-	-	3,57,972	3,47,405	4,152	3,51,557	6,415	10,567
12	Motor Cycle	35,303	-	-	35,303	34,303	-	34,303	1,000	1,000
13	Motor Car (Mercedes Benz)	25,39,846	-	-	25,39,846	24,09,845	-	24,09,845	1,30,001	1,30,001
14	Motor Car (Toyota Fortuner)	48,39,296	-	-	48,39,296	38,46,746	3,09,973	41,56,719	6,82,577	9,92,550
15	Motor Car (Honda Amaze)	14,09,950	-	-	14,09,950	13,04,252	35,701	13,39,953	69,997	1,05,698
16	Air Conditioner	49,521	-	-	49,521	44,860	725	45,585	3,936	4,661
17	Printer	7,000	-	-	7,000	6,650	-	6,650	350	350
18	Refrigerator	33,000	-	-	33,000	23,521	1,675	25,196	7,804	9,479
19	Telephone & Mobile	29,750	-	-	29,750	20,859	1,514	22,373	7,377	8,891
	<b>TOTAL</b>	<b>1027,89,264</b>	<b>13,000</b>	<b>733,92,000</b>	<b>294,10,264</b>	<b>156,21,816</b>	<b>9,33,150</b>	<b>165,54,966</b>	<b>128,55,299</b>	<b>871,67,448</b>
	<b>As on 31.03.2020</b>	<b>1394,85,265</b>	<b>-</b>	<b>366,96,000</b>	<b>1027,89,265</b>	<b>144,61,410</b>	<b>11,60,406</b>	<b>156,21,816</b>	<b>871,67,449</b>	<b>1250,23,854</b>

**Note-10**  
**Trade Payables**

Amount in Rs.

Particulars	As on March 31, 2021	As on March 31, 2020
Payable to:		
total outstanding dues of micro enterprises and small enterprises	23,736	-
total outstanding dues of creditors other than micro enterprises and small enterprises	14,08,345	13,22,976
<b>Total</b>	<b>14,32,081</b>	<b>13,22,976</b>

The Group has not paid any interest in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, additionally there are no interest amounts due as at March 31, 2021.

**Note-11**  
**Borrowings (Other than Debt Securities)**

	As on March 31, 2021				As on March 31, 2020			
	At Amortised Cost	At fair value Through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value Through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4)=(1)+(2)+(3)	(1)	(2)	(3)	(4)=(1)+(2)+(3)
(a)Term loans								
(i)from banks	4,55,897			4,55,897	8,41,758	-	-	8,41,758
(b)Loans repayable on demand								
(i)from banks								
(ii)from other parties	48,18,427			48,18,427	48,18,427	-	-	48,18,427
<b>Total (A)</b>	<b>52,74,324</b>	<b>-</b>	<b>-</b>	<b>52,74,324</b>	<b>56,60,185</b>	<b>-</b>	<b>-</b>	<b>56,60,185</b>
Secured Borrowings	4,55,897			4,55,897	8,41,758			8,41,758
Unsecured Borrowings	48,18,427			48,18,427	48,18,427			48,18,427
<b>Total (B)</b>	<b>52,74,324</b>	<b>-</b>	<b>-</b>	<b>52,74,324</b>	<b>56,60,185</b>	<b>-</b>	<b>-</b>	<b>56,60,185</b>
Borrowings in India	52,74,324			52,74,324	56,60,185			56,60,185
Borrowings outside India	-			-	-			-
<b>Total (C)</b>	<b>52,74,324</b>	<b>-</b>	<b>-</b>	<b>52,74,324</b>	<b>56,60,185</b>	<b>-</b>	<b>-</b>	<b>56,60,185</b>

**Out of the above loans , the following loans are secured by hypothecation of vehicle.**

Particulars	As on March 31, 2021	As on March 31, 2020
Term loans	4,55,897	8,41,758

- The borrowings have not been guaranteed by directors or others.
- The vehicle loan is financed by way of hypothecation of The vehicle financed.
- The vehicle loan to be repaid at an EMI of Rs. 36801/-
- There has been no default in repayment of principal and interest.

**Note-12**

Amount in Rs.

**Current tax liabilities (Net)**

Particulars	As on March 31, 2021	As on March 31, 2020
Provision for Tax	69,94,597	46,25,716
<b>Total</b>	<b>69,94,597</b>	<b>46,25,716</b>

**Note-13****Provisions**

Particulars	As on March 31, 2021	As on March 31, 2020
Provision for Substandard Assets	75,63,414	38,86,158
<b>Total</b>	<b>75,63,414</b>	<b>38,86,158</b>

**Note-14****Other non-financial liabilities**

Particulars	As on March 31, 2021	As on March 31, 2020
Liability Against Salary	4,14,603	4,68,520
TDS Payable	2,12,085	80,054
EPF/ESIC Payable	15,755	13,888
GST Payable	47,495	7,338
Audit fees payable	1,74,321	-
Other Liabilities	76,75,000	237,58,091
<b>Total</b>	<b>85,39,259</b>	<b>243,27,891</b>

**Note-15****Equity Share capital**

Particulars	As on March 31, 2021	As on March 31, 2020
<b>Authorised Capital</b>		
1,30,00,000 Equity Shares of Rs. 5/- each <i>(P.Y. 1,30,00,000 Equity Shares of Rs. 5/- each)</i>	<b>650,00,000</b>	<b>650,00,000</b>
<b>Issued, Subscribed and Paid up</b>		
1,29,46,480 Equity Shares of Rs. 5/- each <i>(P.Y. 1,29,46,480 Equity Shares of Rs. 5/- each)</i>	<b>647,32,400</b>	<b>647,32,400</b>
	<b>647,32,400</b>	<b>647,32,400</b>

**15.1 Reconciliation of the number of shares and amount outstanding at the beginning & end of the Reporting Period.**

Particulars	As on March 31, 2021		As on March 31, 2020	
	No of shares	Amount	No of shares	Amount
Balance at the beginning of the year	129,46,480	647,32,400	64,73,240	647,32,400
Add: Shares Split (From FV of Rs.10/- each to FV of Rs. 5/- each)	-	-	64,73,240	-
<b>Balance outstanding at the end of the year</b>	<b>129,46,480</b>	<b>647,32,400</b>	<b>129,46,480</b>	<b>647,32,400</b>

## 15.2 Shares held by each shareholder holding more than 5% shares, specifying the number of shares held.

Name of the Shareholder	As on March 31, 2021		As on March 31, 2020	
	No of shares	% holding	No of shares	% holding
Rajeev Singh Dugal	80,89,080	62.48%	80,89,080	62.48%
K U Benefit Trust	15,82,000	12.22%	15,82,000	12.22%

## 15.3 Rights, preferences and restrictions attached to shares

The company has one class of equity shares having a par value of Rs. 5 per share (P.Y. Rs. 5 per share). Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

### Note-16

Amount in Rs.

### Other Equity

Particulars	As on March 31, 2021	As on March 31, 2020
Capital reserve account	2,36,775	2,36,775
Statutory reserve account	933,31,166	821,02,800
Surplus i.e. Balance in the Statement of Profit & Loss	3888,06,319	3419,49,891
General reserve account	119,21,558	119,21,558
<b>Total</b>	<b>4942,95,817</b>	<b>4362,11,025</b>

### Movement in other equity

Particulars	As on March 31, 2021	As on March 31, 2020
(a) Capital Reserve		
As per last Balance Sheet	2,36,775	2,36,775
Addition during the year	-	-
	<b>2,36,775</b>	<b>2,36,775</b>
(b) Statutory Reserve		
As per last Balance Sheet	821,02,800	821,02,800
Addition during the year	112,28,365	-
	<b>933,31,166</b>	<b>821,02,800</b>
(c) Surplus i.e. Balance in the Statement of Profit & Loss		
As per last Balance Sheet	3419,49,891	3456,25,432
Add: Total Comprehensive Income during the year	561,41,827	(32,62,586)
Add: P/L Appropriation	19,42,966	(4,12,955)
Less: Transfer to Statutory Reserve	(112,28,365)	-
	<b>3888,06,319</b>	<b>3419,49,891</b>
(d) General Reserve		
As per last Balance Sheet	119,21,558	119,21,558
Addition during the year	-	-
	<b>119,21,558</b>	<b>119,21,558</b>
<b>Total</b>	<b>4942,95,817</b>	<b>4362,11,025</b>

**Note-17**

**Interest Income**

Particulars	As on March 31, 2021	As on March 31, 2020
<b>On Financial assets measured at Amortised cost</b>		
Interest on Loans	61,31,356	116,22,951
Interest income Debenture/AIF/Bonds	187,73,694	231,64,151
Other interest Income	2,833	97,678
<b>Total</b>	<b>249,07,883</b>	<b>348,84,780</b>

**Note-18**

**Dividend Income**

Particulars	As on March 31, 2021	As on March 31, 2020
Dividend Income	2,78,159	4,22,214
<b>Total</b>	<b>2,78,159</b>	<b>4,22,214</b>

**Note-19**

**Net gain on fair value changes**

Particulars	As on March 31, 2021	As on March 31, 2020
Investments		
Net gain/(loss) on fair value changes	73,51,216	(81,63,595)
<b>Total</b>	<b>73,51,216</b>	<b>(81,63,595)</b>

**Note-20**

**Sale of Service**

Particulars	As on March 31, 2021	As on March 31, 2020
Job work service	63,65,631	53,52,033
Rent on Flat	1,42,000	1,35,500
Rent on Motor vehicle	1,74,000	1,74,000
<b>Total</b>	<b>66,81,631</b>	<b>56,61,533</b>

**Note-21**

**Net Gain on sale of Financial Instruments**

Particulars	As on March 31, 2021	As on March 31, 2020
Net Gain on Sale of Financial Instruments/AIFs	216,90,875	63,28,713
<b>Total</b>	<b>216,90,875</b>	<b>63,28,713</b>

**Note-22**

**Other Income**

Particulars	As on March 31, 2021	As on March 31, 2020
Other Finance Income	8,05,178	14,13,087
<b>Total</b>	<b>8,05,178</b>	<b>14,13,087</b>

**Note-23**

Amount in Rs.

**Employee Benefit Expenses**

Particulars	As on March 31, 2021	As on March 31, 2020
Salaries and Wages	20,27,843	26,45,714
Stipend / Training Expenses	4,09,714	9,84,089
Director Remuneration	31,80,000	31,80,000
Contribution to provident and other Statutory funds	93,792	1,12,921
Staff welfare expenses	2,00,837	2,47,605
<b>Total</b>	<b>59,12,186</b>	<b>71,70,329</b>

**Note-24****Finance Cost**

Particulars	As on March 31, 2021	As on March 31, 2020
Interest on borrowings	55,112	86,564
<b>Total</b>	<b>55,112</b>	<b>86,564</b>

**Note-25****Other Expenses**

Particulars	As on March 31, 2021	As on March 31, 2020
Advertisement Expenses	45,980	1,17,281
Auditors' Remuneration	57,500	52,500
Bank Charges & Interest	6,124	15,069
Business Promotion Expenses	-	42,342
Conveyance & Travelling	69,526	4,14,344
CSR Welfare Expenses	7,06,000	-
Demat Charges	18,726	3,54,772
Directors Sitting Fees	84,000	52,000
Fees & Subscription	52,264	1,35,215
General Expenses	14,045	7,717
Insurance Charges	92,663	5,10,683
Job Charges	11,31,793	9,43,054
Legal Expenses	14,85,620	15,73,768
Listing Fees & Stock Exchange Charges	4,33,650	4,23,161
Loading & Unloading Charges	32,445	49,345
Management and Upfront Fees	30,08,365	19,42,427
Office Maintenance	2,36,151	3,25,811
Postage ,Telegram & Telephone	15,623	20,117
Power & Fuel	7,12,561	7,08,010
Printing & Stationery	87,537	1,42,176
Professional Fees & Consultancy Expenses	5,49,680	8,63,773
Rent, Rates & Taxes	2,25,686	7,06,853
Repair & Maintenance	3,81,531	3,22,087
ROC Charges	4,856	1,40,850
Security Charges	3,93,840	7,51,641
Security Transaction Tax	92,776	3,633
Telephone & Mobile Expenses	28,162	32,513
<b>Total</b>	<b>99,67,105</b>	<b>106,51,143</b>

**Additional Notes****Note : 26****Auditors Remuneration**

Particulars	As on March 31, 2021	As on March 31, 2020
Audit Services	57,500.00	52,500.00
<b>Total</b>	<b>57,500.00</b>	<b>52,500.00</b>

**Note-27****Risk Management**

Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework including on-going identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is mainly exposed to market risk, liquidity risk and credit risk. It is also subject to various operating and business risks.

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

The Company has a robust Risk management framework to identify, evaluate business risk and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the competitive advantage. The framework has a different risk model which helps in identifying risk trends, exposure and potential impact analysis at a company level.

**a. Market Risk**

The Company's Financial Instruments are exposed to market changes as are summarised below:

**Foreign currency risk**

The Company does not have any exposure to foreign currency. Hence, any fluctuations on account of foreign currency has not arisen.

**Equity price risk**

The Company is exposed to equity price risk arising from its investments in equity instruments. Equity price risk is related to the change in market reference price of the investment in equity securities.

**Interest rate risk**

The Company is not exposed to interest rate risk as it has borrowings at fixed rate of interest. There are no long term borrowings at floating interest rate which would affect the profitability of the Company due to fluctuation in interest rate.

**b. Liquidity Risk**

Liquidity risk is the risk that the Company does not have sufficient financial resources to meet its obligations as they fall due, or will have to do so at an excessive cost. This risk arises from mismatches in the timing of cash flows which is inherent in all finance driven organisations and can be affected by a range of Company-specific and market-wide events.



**Note-28****Related party disclosures as required under IND AS - 24 on "Related Party Disclosure" notified by the Central Government.**

<b>Subsidiaries Companies</b>	Precision Automotive Pvt Ltd. S R P Oil Private Limited
<b>Step Down Subsidiary</b>	Sigma HTS LLP
<b>Key Management Personnel</b>	Rajeev Singh Dugal (Managing Director) Upneet Dugal (Executive Director) Kawaljeet Kaur Dugal (Non-Executive, Non-Independent Director) Harsh Kumar Pandey (Independent Director) Sukant Bari (Independent Director) Sushil Kumar Khowala (Independent Director) Rechan Chhabra (Chief Financial Officer) Puja Choudhary (Company Secretary)
<b>Relative of Key Management Personnel</b>	Kashvi Dugal
<b>Enterprise Over Which KMP is able to Exercise Significant Influence:</b>	Premium Residency Pvt Ltd. Reflexallen India Pvt Ltd Jharkhand Agro Farms Ban Infra & Developers LLP

<b>Transactions during the Year</b>	<b>Current Year (Rs. in Lacs)</b>	<b>Previous Year (Rs. in Lacs)</b>
<b>Services Availed</b>	<b>1.80</b>	<b>1.08</b>
a. Rajeev Singh Dugal	-	-
b. Precision Automotive Pvt Ltd.	-	-
c. SRP Oil Pvt Ltd	1.80	1.08
<b>Managerial Remuneration</b>	<b>47.47</b>	<b>48.46</b>
a. Rajeev Singh Dugal	12.00	12.00
b. Upneet Dugal	19.80	19.80
c. Rechan Chhabra	12.32	12.63
d. Puja Choudhary	3.35	4.03
<b>Sitting Fees</b>	<b>0.84</b>	<b>0.52</b>
a. Sushil Kumar Khowala	0.28	0.18
b. Malkeet Singh Saini	0.14	0.16
c. Jayesh Taunk	0.16	0.18
d. Harsh Kumar Pandey	0.18	-
e. Sukant Bari	0.08	-
<b>Outstanding balance as on 31.03.2021</b>		
a. Precision Automotive Pvt Ltd.	-	<b>160.83</b>
	-	160.83

**Note-29**

On the basis of information available with the company, there are no small-scale industrial undertakings to which the Company owes any sum which is outstanding for more than 30 days.

**Note-30****Ind AS 108 - Segment Reporting:****Information about Primary Business Segments****(Rs. In Lacs)**

<b>Particulars</b>	<b>Finance</b>	<b>Job Work</b>	<b>Unallocable</b>	<b>Total</b>
<b>Total Revenue</b>	<b>550.33</b>	<b>66.82</b>	-	<b>617.15</b>
<i>P.Y.</i>	<i>348.85</i>	<i>56.62</i>	-	<i>405.47</i>
<b>Segment Result before Interest, Exceptional Items and Tax</b>	<b>380.17</b>	<b>15.41</b>	-	<b>395.58</b>
<i>P.Y.</i>	<i>155.82</i>	<i>5.90</i>	-	<i>161.72</i>
Less : Interest Expenses				<b>0.55</b>
<i>P.Y.</i>				<i>0.87</i>
<b>Profit before Taxes</b>				<b>395.03</b>
				<i>160.85</i>
Taxes				<b>70.15</b>
				<i>29.59</i>
<b>Profit after Taxes</b>				<b>324.88</b>
				<i>131.26</i>
Segment Assets	<b>5,729.33</b>	<b>158.99</b>	-	<b>5,888.32</b>
	<i>5,250.45</i>	<i>157.21</i>	-	<i>5,407.66</i>
Segment Liabilities	<b>205.63</b>	<b>92.41</b>	-	<b>298.04</b>
	<i>302.10</i>	<i>96.13</i>	-	<i>398.23</i>
Capital Expenditure	<b>0.13</b>	-	-	<b>0.13</b>
	-	-	-	-
Depreciation	<b>4.06</b>	<b>5.27</b>	-	<b>9.33</b>
	<i>6.60</i>	<i>5.00</i>	-	<i>11.60</i>

**Note-31****Earnings Per Share (EPS):**

	<b>Current Year</b>	<b>Previous Year</b>
No of Ordinary Shares at the Beginning of the year	64,73,240	64,73,240
No. of Ordinary Shares at the End of the year	129,46,480	129,46,480
Weighted Average No. of Ordinary Shares Outstanding during the year	129,46,480	129,46,480
Profit (Loss) after tax for calculation of Basic EPS (Rs.)	561,41,827	(32,62,586)
Profit (Loss) after tax for calculation of Diluted EPS (Rs.)	561,41,827	(32,62,586)
Basic Earnings per share (Rs.)	4.34	(0.25)
Diluted Earnings per share (Rs.)	4.34	(0.25)

**Note-32****Deferred tax Assets (Net)**

	<b>Amount in Rs.</b>	
<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
Opening Balance	33,53,299	(25,62,909)
<b>Property, Plant and Equipment and Intangibles</b>		
Difference between book and tax depreciation	(20,769)	(13,117)
	-	-
<b>Investment and other financial instruments</b>		
Recognised through OCI	(45,20,475)	42,48,686
Recognised through Profit & Loss	-	16,80,639
<b>Total</b>	<b>(11,87,945)</b>	<b>33,53,299</b>

**Note-33****Directors Remuneration**

	<b>Current Year</b>	<b>Previous Year</b>
Mr. Rajeev Singh Dugal	12,00,000	12,00,000
Ms. Upneet Dugal	19,80,000	19,80,000
	<b>31,80,000</b>	<b>31,80,000</b>

**Note-34****RBI Schedule for NBFC'S :**

Schedule to the Balance Sheet of a non-deposit taking Non-Banking Financial Company as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.

**As at 31st March, 2021**

	<b>Amount Outstanding (Rs. in Lacs)</b>	<b>Amount Overdue</b>
<b>Liabilities Side:</b>		
<b>1. Loans and Advances availed by the NBFC'S inclusive of interest accrued thereon but not paid :</b>		
(a) Debentures :                      Secured	NIL	NIL

	Unsecured	NIL	NIL
	(other than falling within the meaning of public deposits)		
(b)	Deferred Credits	NIL	NIL
(c)	Term Loans	4.56	NIL
(d)	Inter-Corporate Loans & Borrowings	48.18	NIL
(e)	Commercial Paper	NIL	NIL
(f)	Other Loan (specify nature)	NIL	NIL

**2. Break-up (1)(f) above (Outstanding public deposits inclusive of Interest accrued thereon but not paid) :**

(a)	In the form of Unsecured Debentures	NIL	NIL
(b)	In the form of partly secured debentures where there is a shortfall in the value of security	NIL	NIL
(c)	Other Public Deposits	NIL	NIL

**Amount Outstanding  
As on 31.03.2021  
(Rs. in Lacs)**

**Assets Side:**

**3. Break-up of Loans and Advances including bills receivable [other than those including in (4) below]:**

(a)	Secured	488.80
(b)	Unsecured	7.30

**Break-up of Leased Assets and Stock on hire and other assets counting Towards AFC activities:**

(I)	Lease Assets including lease rentals under sundry debtors :	NIL
(a)	Financial Lease	NIL
(b)	Operating Lease	NIL
(II)	Stock on hire including hire charges under sundry debtors :	NIL
(a)	Assets on hire	NIL
(b)	Repossessed Assets	NIL
(III)	Other Loans counting towards AFC activities :	NIL
(a)	Loans where Assets have been repossessed	NIL
(b)	Loans other than (a) above	NIL

**4. Break-up of Investments:**

**Current Investments**

(I)	Quoted	
(a)	Shares :	
	(i) Equity	32.03
	(ii) Preference	NIL
(b)	Debentures & Bonds	NIL
(c)	Units of Mutual Funds	1731.70

(d)	Government Securities		NIL	
(e)	Other (please specify)		NIL	
(II)	Unquoted			
(a)	Shares :	(i)	Equity	NIL
		(ii)	Preference	NIL
(b)	Debentures & Bonds		NIL	
(c)	Units of Mutual Funds		NIL	
(d)	Government Securities		NIL	
(e)	Other (please specify)		NIL	

### Long Term Investments

(I)	Quoted			
(a)	Shares :	(i)	Equity	NIL
		(ii)	Preference	NIL
(b)	Debentures & Bonds		607.07	
(c)	Units of Mutual Funds		0.00	
(d)	Government Securities		NIL	
(e)	Other (PMS)		2484.63	
(II)	Unquoted			
(a)	Shares :	(i)	Equity	208.86
		(ii)	Preference	NIL
(b)	Debentures & Bonds		NIL	
(c)	Units of Mutual Funds		NIL	
(d)	Government Securities		NIL	
(e)	Other (please specify)		NIL	

### 5. Borrower group-wise classification of assets financed as in (2) and (3) above:

Category	Rs. In Lacs		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	NIL	NIL	NIL
(b) Companies in the same group	NIL	NIL	NIL
(c) Other Related Parties	NIL	NIL	NIL
2. Other than Related Parties	488.80	7.30	496.10

### 6. Investor group-wise classification of all Investments (current and long term) in shares and Securities (both Quoted and Unquoted) :

Category	Market Value / Break Up or fair Value or NAV	Book Value (Net of Provisions)
1. Related Parties		

(a)	Subsidiaries	208.86	208.86
(b)	Companies in the same group	NIL	NIL
(c)	Other Related Parties	NIL	NIL
2.	Other than Related Parties	4,855.44	4,855.44

**7. Other Information:**

	<b>Particulars</b>	<b>Amount</b>
(I)	Gross Non-Performing Assets	NIL
(a)	Related Parties	NIL
(b)	Other than Related Parties	NIL
(II)	Net Non-Performing Assets	NIL
(a)	Related Parties	NIL
(b)	Other than Related Parties	NIL
(III)	Assets acquired in satisfaction of debt.	NIL

**Note-35**

Previous year's figure have been regrouped/reclassified / re-arranged wherever necessary to correspond with the current year's classification/disclosure.

As per our report of even date attached.

**For Prasad Kumar & Co.**

Chartered Accountants  
FRN: 008816C

Sd/-

**Rajesh Prasad**

Partner  
M. No. 075409

Date: 28.06.2021

Place: Jamshedpur

UDIN- 21075409AAAAAS7925

**For and on behalf of the Board of Directors of  
RSD Finance Limited**

Sd/-

**Rajeev Singh Dugal**

Managing Director  
DIN: 00052037

Sd/-

**Rechan Chhabra**

Chief Financial Officer

Sd/-

**Upneet Dugal**

Director  
DIN: 07680726

Sd/-

**Puja Choudhary**

Company Secretary

# CONSOLIDATED FINANCIAL STATEMENTS



## INDEPENDENT AUDITOR'S REPORT

To the Members of RSD Finance Limited

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

#### Opinion

We have audited the consolidated financial statements of RSD Finance Limited (herein refer to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March 2021, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated financial statements, including a summary of significant accounting policies and other explanatory information (herein referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, and its consolidated total comprehensive income (comprising of profit and comprehensive loss), consolidated change in equity, its consolidated profit/loss and its consolidated cash flows for the year then ended.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group, its associates and jointly

controlled entities in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Companies Act, 2013 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 opinion on the consolidated financial statements.

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

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

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

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

If, based on the work we have performed, we conclude that there is a material

misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated change in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting Standards (IND AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities is responsible for assessing the ability of the Group and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going

concern and using the going concern basis of accounting unless the Board of Directors 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 and of its associates and jointly controlled entities is responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

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

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

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

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

appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and of its associates and jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and of its associates and jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, 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 entities included in the consolidated financial statements of which we are the independent auditors. For other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit.

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

#### Other Matters

1. We did not audit the financial statements / financial information of three subsidiaries whose financial statements / financial information reflect total asset of Rs. 1,89,37,74,986/- as at 31<sup>st</sup> March, 2021, total revenues of Rs. 49,29,24,972/- and net cash inflows amounting to Rs. 40,84,285/-

for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of other auditors.

2. Our opinion on the consolidated 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 other auditors and the financial statements / financial information certified by the management.

#### Report on Other Legal and Regulatory Requirements

- 1) As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes of Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.

- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2021 taken on record by the Board of Directors the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group Company, its associates companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i). There were no pending litigations which would impact its consolidated financial position of the Group Company, its associates companies and jointly controlled entities.
  - (ii). The Group Company, its associates companies and jointly controlled entities has made provision, as required under the applicable law or accounting standards (IND AS), for material foreseeable losses, if any, on long term

contracts including derivative contracts.

- (iii). There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its associates companies and jointly controlled companies incorporated in India.

**For Prasad Kumar & Co.  
Chartered Accountants  
(FRN – 008816C)**

**Sd/-**

**(Rajesh Prasad)  
Partner  
M. No.: 075409  
UDIN: 21075409AAAAAT8138**

**Date: The 28<sup>th</sup> day of June, 2021  
Place: Jamshedpur**



## **Annexure A to the Auditors' Report**

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

We have audited the internal financial controls over financial reporting of RSD Finance Limited (herein referred to as the "the Holding Company") as of 31 March 2021 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

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

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

### **Auditors' Responsibility**

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

we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Ind AS. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with Ind AS and that receipts and expenditures of the Company are being made only in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a

material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

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

**For Prasad Kumar & Co.  
Chartered Accountants  
(FRN – 008816C)**

**Sd/-**

**(Rajesh Prasad)  
Partner  
M. No. – 075409**

**UDIN: 21075409AAAAT8138**

**Date: The 28<sup>th</sup> day of June, 2021  
Place: Jamshedpur**



# Consolidated Balance Sheet

as on March 31, 2021

Amount in Rs.

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
<b>(A) ASSETS</b>			
<b>(1) Financial Assets</b>			
(a) Cash and cash equivalents	3	4,17,891	75,73,610
(b) Bank Balance other than cash and cash equivalents	3A	310,66,535	93,50,855
(c) Trade Receivables	4	226,66,476	349,05,920
(d) Loans	5	525,31,513	16,36,732
(e) Investments	6	13979,85,070	12634,45,708
(f) Other Financial assets	7	36,37,804	69,86,708
<b>(2) Non-financial Assets</b>			
(a) Inventories	8	305,15,977	368,82,768
(b) Property, Plant and Equipment	9		
(i) (i) Tangible Assets		4084,91,432	5144,72,002
(ii) Capital WIP		1553,56,788	615,84,286
(iii) Intangible Assets		32,30,858	41,98,863
(c) Other Non-Financial Assets	10	363,75,227	917,89,886
<b>Total Assets</b>		<b>21422,75,571</b>	<b>20328,27,338</b>
<b>(B) LIABILITIES AND EQUITY</b>			
<b>(1) LIABILITIES</b>			
<b>(1.1) Financial Liabilities</b>			
(a) Payables			
Trade Payables	11		
(i) total outstanding dues of micro enterprises and small enterprises		63,89,996	227,80,045
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		588,29,786	305,84,629
(b) Borrowings (Other than Debt Securities)	12	2020,02,691	2082,85,526
<b>(1.2) Non-Financial Liabilities</b>			
(a) Current tax liabilities (Net)	13	134,78,186	248,75,624
(b) Provisions	14	243,02,837	206,25,581
(c) Deferred tax Liability (Net)	15	165,17,473	48,70,896
(d) Other non-financial liabilities (to be specified)	16	432,48,118	653,40,416
<b>Total Liabilities</b>		<b>3647,69,087</b>	<b>3773,62,717</b>
<b>(2) EQUITY</b>			
(a) Equity Share capital	17	647,32,400	647,32,400
(b) Other Equity	18	15001,02,358	13904,56,220
<b>Total Equity attributable to owners of parent</b>		<b>15648,34,758</b>	<b>14551,88,620</b>
<b>Non-controlling interest</b>		<b>2126,71,726</b>	<b>2002,76,001</b>
<b>Total Equity</b>		<b>17775,06,484</b>	<b>16554,64,621</b>
<b>Total Liabilities and Equity</b>		<b>21422,75,571</b>	<b>20328,27,338</b>

As per our report of even date attached.

**For Prasad Kumar & Co.**

Chartered Accountants  
FRN: 008816C

Sd/-  
**Rajesh Prasad**  
Partner  
M. No. 075409

Date: 28.06.2021  
Place: Jamshedpur  
UDIN- 21075409AAAAAT8138

**For and on behalf of the Board of Directors of RSD Finance Limited**

Sd/-  
**Rajeev Singh Dugal**  
Managing Director  
DIN: 00052037

Sd/-  
**Upneet Dugal**  
Director  
DIN: 07680726

Sd/-  
**Rechan Chhabra**  
Chief Financial Officer

Sd/-  
**Puja Choudhary**  
Company Secretary

# Consolidated Profit And Loss

as on March 31, 2021

Amount in Rs.

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
<b>Revenue from Operations</b>			
i	19	494,73,706	540,29,217
ii	20	57,24,051	103,34,999
iii	21	280,38,387	(82,16,885)
iv	22	2692,22,553	3353,39,468
v	23	1504,65,593	2825,66,717
<b>I</b>		<b>5029,24,290</b>	<b>6740,53,516</b>
<b>Other Income</b>			
i	24	394,95,629	333,01,969
ii	25	103,92,880	176,49,978
<b>II</b>		<b>498,88,509</b>	<b>509,51,947</b>
<b>III</b>		<b>5528,12,799</b>	<b>7250,05,463</b>
<b>Expenses</b>			
i	26	2049,92,358	2985,53,181
ii	27	252,57,218	310,79,096
iii	28	367,44,082	503,18,239
iv	29	169,70,611	165,55,222
v	9	501,13,449	541,49,164
vi	31	91,17,256	93,26,158
vii	30	1143,46,988	1346,97,397
<b>IV</b>		<b>4575,41,962</b>	<b>5946,78,457</b>
<b>Profit / (Loss) before exceptional items and tax</b>			
		<b>952,70,837</b>	<b>1303,27,006</b>
	32	-	-
<b>VI</b>		<b>952,70,836</b>	<b>1303,27,006</b>
<b>Other Comprehensive Income</b>			
Items that will not be classified to profit or loss			
(i) Items that will not be classified to profit or loss			
		495,67,825	(246,72,933)
(ii) Income tax relating to items that will not be classified to profit or loss			
		90,74,914	(52,64,270)
<b>IX</b>		404,92,911	(194,08,663)
<b>X</b>		<b>1197,13,898</b>	<b>877,31,506</b>
<b>XI</b>		<b>Profit for the period attributable to</b>	
		Owners of the company	709,45,235
		Non-Controlling interest	82,75,752
<b>XII</b>		<b>Other Comprehensive Income attributable to</b>	
		Owners of the company	363,72,937
		Non-Controlling interest	41,19,973
<b>XIII</b>		<b>Total Comprehensive Income attributable to</b>	
		Owners of the company	1073,18,172
		Non-Controlling interest	123,95,725
<b>XIV</b>		<b>Paid-up Equity Share Capital (Face Value of Rs. 5 per share)</b>	
			647,32,400
<b>XV</b>		<b>Earnings per share : (in Rs.)</b>	
	35	8.29	4.37
	35	8.29	4.37

The accompanying notes are an integral part of Consolidated financial statements. As per our report of even date attached.

**For Prasad Kumar & Co.**

Chartered Accountants  
FRN: 008816C

Sd/-

**Rajesh Prasad**  
Partner  
M. No. 075409

Date: 28.06.2021  
Place: Jamshedpur  
UDIN- 21075409AAAAAT8138

**For and on behalf of the Board of Directors of  
RSD Finance Limited**

Sd/-

**Rajeev Singh Dugal**  
Managing Director  
DIN: 00052037

Sd/-

**Rechan Chhabra**  
Chief Financial Officer

Sd/-

**Upneet Dugal**  
Director  
DIN: 07680726

Sd/-

**Puja Choudhary**  
Company Secretary

# Consolidated Cash Flow Statements

as on March 31, 2021

Sl. No.	Particulars	Amount in Rs. Current Year	Amount in Rs. Previous Year
<b>1</b>	<b>Cash Flow From Operating Activities</b>		
	Net Profit before Tax	<b>952,70,837</b>	<b>1303,27,006</b>
	Add : Adjustments for		
	Depreciation	501,13,449	541,49,164
	Gain/(Loss) on Remeasurement of Financial Assets	495,67,825	(246,72,933)
	Provisions	91,17,256	93,26,158
	Less : Adjustment for		
	P/L Appropriation	(23,27,966)	5,20,397
	Profit on Sale of Investment	394,95,629	333,01,969
	Dividend Received	57,24,051	103,34,999
	Interest Income	494,73,705	540,29,217
	Operating Profit before Working Capital Changes	<b>1117,03,947</b>	<b>709,42,813</b>
	Adjustments for:-		
	Inventories	63,66,792	(200,08,448)
	Trade Receivables	122,39,443	(107,77,628)
	Other Non-Financial Liabilities	(220,92,299)	451,77,903
	Other Non-Financial Assets	554,14,659	(131,58,315)
	Other Financial Assets	33,48,904	48,22,356
	Trade Payables	118,55,108	3,29,745
	Net cash generated from operating activities	<b>1788,36,555</b>	<b>773,28,427</b>
	Tax Paid/Provided	303,15,624	412,72,000
	<b>Net cash generated from operation [A]</b>	<b>1485,20,931</b>	<b>360,56,427</b>
<b>2</b>	<b>Cash Flow From Investing Activities</b>		
	Profit on sale of Investment	394,95,629	333,01,969
	(Purchase)/Sale of Investments	(1279,22,587)	(2100,24,561)
	Loans	(508,94,781)	503,92,765
	Dividend Received	57,24,051	103,34,999
	Interest Received	494,73,705	540,29,217
	Sale/(Purchase) of Assets	(435,54,151)	(250,40,811)
	<b>Net cash from investing activities [B]</b>	<b>(1276,78,134)</b>	<b>(870,06,423)</b>
<b>3</b>	<b>Cash Flow From Financing Activities</b>		
	Proceeds from Long Term Borrowings	(62,82,836)	341,34,318
	Capital introduction in Subsidiary	-	12,00,000
	<b>Net cash from financing activities [C]</b>	<b>(62,82,836)</b>	<b>353,34,318</b>
	Net Increase/(Decrease) in Cash & Cash equivalents [A+B+C]	<b>145,59,962</b>	<b>(156,15,678)</b>
	<b>Cash &amp; Cash equivalents (Opening balance)</b>	<b>169,24,465</b>	<b>325,40,144</b>
	<b>Cash &amp; Cash equivalents (Closing balance)</b>	<b>314,84,427</b>	<b>169,24,465</b>

The accompanying notes are an integral part of Consolidated financial statements.

As per our report of even date attached.

**For Prasad Kumar & Co.**

Chartered Accountants  
FRN: 008816C

Sd/-  
**Rajesh Prasad**  
Partner  
M. No. 075409

Date: 28.06.2021  
Place: Jamshedpur  
UDIN- 21075409AAAAAT8138

For and on behalf of the Board of  
Directors of RSD Finance Limited

Sd/- Sd/-

**Rajeev Singh Dugal**  
Managing Director  
DIN: 00052037

**Upneet Dugal**  
Director  
DIN: 07680726

Sd/- Sd/-

**Rechan Chhabra**  
Chief Financial Officer

**Puja Choudhary**  
Company Secretary

# Statement Of Changes In Equity

for the year ended March 31 2021

Name of the Non-Banking Financial Company: **RSD FINANCE LIMITED**

Statement of Changes in Equity for the period ended : 31st March 2021

(In Rupees)

## A. Equity Share Capital

Particulars	Amount
<b>Balance as on April 1, 2019</b>	<b>647,32,400</b>
Changes in equity share capital during F.Y 2019-20	-
<b>Balance as at March 31, 2020</b>	<b>647,32,400</b>
<b>Balance as on April 1, 2020</b>	<b>647,32,400</b>
Changes in equity share capital during F.Y 2019-20	-
<b>Balance as at March 31, 2020</b>	<b>647,32,400</b>

Amount in Rs.

## B. Other Equity

Particulars	Statutory Reserves	Capital Reserve	General Reserve	Surplus i.e. Balance in the Statement of Profit & Loss	Total
<b>Balance at April 01, 2019</b>	<b>821,02,800</b>	<b>1287,56,063</b>	<b>5468,32,921</b>	<b>5766,61,078</b>	<b>13343,52,862</b>
Add: Total Comprehensive Income for the year	-	-	-	566,24,036	566,24,036
<b>Total Comprehensive Income for the year</b>	-	-	-	<b>566,24,036</b>	<b>566,24,036</b>
Appropriation to Statutory Reserves	-	-	-	-5,20,678	-5,20,678
Other Appropriation	-	-	-	-	-
<b>Balance at March 31, 2020</b>	<b>821,02,800</b>	<b>1287,56,063</b>	<b>5468,32,921</b>	<b>6327,64,436</b>	<b>13904,56,220</b>
<b>Balance at April 01, 2020</b>	<b>821,02,800</b>	<b>1287,56,063</b>	<b>5468,32,921</b>	<b>6327,64,436</b>	<b>13904,56,220</b>
Add: Total Comprehensive Income for the year	-	-	-	1073,18,172	1073,18,172
<b>Total Comprehensive Income for the year</b>	-	-	-	<b>1073,18,172</b>	<b>1073,18,172</b>
Appropriation to Statutory Reserves	112,28,365	-	-	-112,28,365	-
Other Appropriation	-	-	-	23,27,966	23,27,966
<b>Balance at March 31, 2021</b>	<b>933,31,166</b>	<b>1287,56,063</b>	<b>5468,32,921</b>	<b>7311,82,209</b>	<b>15001,02,358</b>

## Notes forming Integral part of the Consolidated Financial Statements

### Note-1

#### Corporate Information

RSD Finance Limited (the "Company") is a public limited company incorporated under the provisions of the Erstwhile Companies Act, 1956. The Company is engaged in fund-based activities like providing loans and advances, inter-corporate deposits, loans against securities and investments in shares and securities. The Company also carries out job work activities. The shares of the Company are listed on The Calcutta Stock Exchange Limited and Bombay Stock Exchange. The Company holds a certificate of registration from the Reserve Bank of India ("RBI") to carry on the business of Non-Banking Financial Institution ("NBFI") under the category of Non-Deposit taking Company.

### Note-2

#### Summary of Significant Accounting Policies

##### 2.0. Principles of Consolidation:

The Consolidated Financial statements consists of RSD Finance Limited ("the Company") and its subsidiary company (collectively referred to as "the Group"). The consolidated financial statements have been prepared on the following basis:

- The financial statements of the company and its subsidiary company have been combined on a line-by-line basis by adding together the book values (measures at fair value as per IND AS) of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses as per IND AS 110 - "Consolidated financial statements" notified by companies (Indian accounting standards) Rules, 2015, as amended.

- The financial statements of the subsidiary used in the consolidation are drawn up to the same reporting date as that of the company i.e. 31st march, 2021.

The List of Subsidiary Company which is included in the consolidation and the Group Holdings therein are as under.

Name of the Company / Body Corporate		Precision Automotive Pvt Ltd	SRP OIL Pvt Ltd	Sigma HTS LLP
Ownership in %	2020-21	100	52.55	65
	2019-20	100	52.55	65
Country of Incorporation		India	India	India

##### 2.1. Statement of compliance:

The financial statements have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

##### 2.2. Accounting Policies:

The financial statements have been prepared and presented in accordance with Ind AS under the historical cost convention on the

accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services. The Company complies with the Indian Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013, to the extent applicable and directions prescribed by the Reserve Bank of India. The financial statements are presented in Indian rupees.

### 2.3. Use of estimates and judgments:

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates. Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods affected.

### 2.4. Revenue Recognition:

The applicability of Ind AS 115, Revenue Recognition provides for a single model of accounting revenue from contracts with customers based on the identification and satisfaction of performance obligations.

Income and expenditure are accounted for on accrual basis, wherever ascertainable.

Dividend are recognised only when the right to receive is established

Interest Income is recognised as and when they become accrued.

### 2.5. Trade receivables:

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment, if any.

### 2.6. Cash and cash equivalents:

Cash and Cash equivalents includes cash on hand, cheques and drafts in hand, balances with bank and deposits held at call with financial institutions. These do not include bank balances earmarked / restricted for specific purposes.

### 2.7. Investments and other financial assets:

#### (i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

#### (ii) Measurement

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

-Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories



into which the group classifies its debt instruments:

**Amortised cost:**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other gain or loss using the effective interest rate method.

**Fair value through other comprehensive income (FVOCI):**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest revenue are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised under other income. Interest income from these financial assets is included in other gain or loss using the effective interest rate method.

**Fair value through profit or loss (FVPL):**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented in the statement of profit and loss under other gain or loss in the period in which it arises. Interest or dividend income, if any from these financial assets is separately included in other gain or loss.

-Equity investments (other than investments in subsidiaries)

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain or loss in the statement of profit and loss.

-Equity Investments (in subsidiaries)

Investments in subsidiaries, associates and joint venture are carried at cost less accumulated impairment losses, if any.

**(iii) Derecognition**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

**Derivative financial instruments**

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



## 2.8. Financial liabilities

**Classification:** Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

### **Initial Recognition and Measurement:**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

**Derecognition:** A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

## 2.9. Property, plant and equipment:

Property, plant and equipment are carried at cost of acquisition or construction less accumulated depreciation. The cost of fixed assets comprises of purchase price and all other attributable costs of bringing the assets to working condition for intended use. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

## Transition to Ind-AS

On transition to IND AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2018 measured as per the previous GAAP and use that carrying value as deemed cost of the property, plant and equipment.

## 2.10. Depreciation:

On fixed assets, depreciation is provided on written down Value method. The rates of depreciation prescribed in Schedule II to the Companies Act, 2013, are considered as minimum rates.

Leasehold Land is not depreciated or amortized.

## 2.11. Trade and other payables:

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial period which are unpaid. They are recognised at their fair value.

## 2.12. Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. 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. Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing 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.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of Profit and Loss.

## **2.13. Employee benefits:**

### **(i) Short-term employee benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. These benefits include salary, wages and bonus. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period of rendering of service by the employee.

### **(ii) Post-employment benefits:**

Defined contribution plans

The Company has defined contribution plans for post-employment benefits namely Provident Fund which are recognised by the income tax authorities. The Company contributes to a Government administered provident fund on behalf of its employees and has no further obligation beyond making its contribution. The Company makes contributions to state plans namely Employee's State Insurance Fund and has no further obligation beyond making the payment to them. The Company's contributions to the above funds are charged to the Statement of Profit and Loss every year.

## **2.14. Provisions and contingencies:**

**Provisions:** Provisions are recognised when there is a present obligation or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

**Contingent Liabilities:** Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

## **2.15. Earnings per share:**

Basic EPS is computed by dividing the net profit attributable to shareholders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year-end, except where the results would be anti-dilutive.

## **2.16. Borrowings:**

Borrowing Cost that are directly attributable to the acquisition/construction of the qualifying asset are capitalised until the time all the substantial activities necessary to prepare such assets for the intended use are complete. All other borrowing costs are recognised as expenditure during the period in which they are incurred.

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed is recognised in profit or loss.

### **2.17. Foreign exchange transactions**

The Company during the year did not have foreign exchange transaction.

### **2.18. Taxation**

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realization of such

assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

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

Current and deferred tax expense is recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

**2.19.** The Company has not accepted any Public Deposits during the year under review and the Board of Directors have passed resolution to the effect that the Company has neither accepted Public Deposit nor would accept any public Deposit during the year.

**Note-3**

**Cash and Cash Equivalents**

Particulars	As on March 31, 2021	As on March 31, 2020
- In current Account	-	70,63,939
Cash in Hand	4,17,891	5,09,671
<b>Total</b>	<b>4,17,891</b>	<b>75,73,610</b>

**Note-3A**

**Bank balances other than cash and cash equivalent**

Fixed deposits with banks	310,66,535	93,50,855
<b>Total</b>	<b>310,66,535</b>	<b>93,50,855</b>

**Note-4**

**Trade Receivables**

Particulars	As on March 31, 2021	As on March 31, 2020
Considered good-Secured	-	-
Considered good- Unsecured	226,66,476	349,05,920
<b>Total</b>	<b>226,66,476</b>	<b>349,05,920</b>

– Impairment allowance recognised on trade receivables is Rs. Nil (Previous year Rs. Nil).

**Note-5**

**Loans**

Particulars	As on March 31, 2021	As on March 31, 2020
At Amortised Cost		
Security Deposit	36,01,142	8,04,857
Others	50,625	-
Corporate loan	488,79,746	8,31,875
<b>Total(Gross)</b>	<b>525,31,513</b>	<b>16,36,732</b>
Less: Impairment Loss Allowance	-	-
<b>Total (Net) (A)</b>	<b>525,31,513</b>	<b>16,36,732</b>
Secured	488,79,746	8,31,875
Unsecured	36,51,767	8,04,857
<b>Total(Gross) (B)</b>	<b>525,31,513</b>	<b>16,36,732</b>
Less: Impairment Loss Allowance	-	-
<b>Total (Net) (C)</b>	<b>525,31,513</b>	<b>16,36,732</b>
<b>Total</b>	<b>525,31,513</b>	<b>16,36,732</b>

Note-6

Amount in Rs.

Investments

As at March 31,2021							
At Fair Value							
Particulars	Amortised cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Sub- Total	Others *	Total
	(1)	(2)	(3)	(4)	(5)=(2)+(3)+(4)	(6)	(7)=(1)+(5)+(6)
Mutual funds	4817,81,490	214,82,877	75,44,292	-	290,27,169	-	4988,04,257
Investment in PMS	6693,29,317	516,11,927	-	-	516,11,927	-	7209,41,245
Debt securities	457,07,224	-	-	-	-	-	457,07,224
Equity instruments	299,80,860	(8,44,841)	(1,93,076)	-	(10,37,917)	-	289,42,942
Subsidiaries	-	-	-	-	-	-	3415,19,250
Other Group Company	300,00,000	-	-	-	-	-	300,00,000
Property	-	-	-	-	-	-	-
Bonds	646,72,820	(30,87,820)	-	-	(30,87,820)	-	615,85,000
<b>Total – Gross (A)</b>	<b>13214,71,711</b>	<b>691,62,143</b>	<b>73,51,216</b>	<b>-</b>	<b>765,13,359</b>	<b>-</b>	<b>13979,85,070</b>
(i)Investments outside India	-	-	-	-	-	-	-
(ii)Investments in India	13214,71,711	691,62,143	73,51,216	-	765,13,359	-	13979,85,070
<b>Total (B)</b>	<b>13214,71,711</b>	<b>691,62,143</b>	<b>73,51,216</b>	<b>-</b>	<b>765,13,359</b>	<b>-</b>	<b>13979,85,070</b>
Less: Allowance for Impairment loss ( C )	-	-	-	-	-	-	-
<b>Total – Net D= (A)-(C)</b>	<b>13214,71,711</b>	<b>691,62,143</b>	<b>73,51,216</b>	<b>-</b>	<b>765,13,359</b>	<b>-</b>	<b>13979,85,070</b>

As at March 31,2020							
At Fair Value							
Particulars	Amortised cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Sub- Total	Others *	Total
	(1)	(2)	(3)	(4)	(5)=(2)+(3)+(4)	(6)	(7)=(1)+(5)+(6)
Mutual funds	4619,99,532	(11,97,592)	(51,11,112)	-	(63,08,704)	-	4556,90,828
Investment in PMS	5534,23,067	(219,67,015)	-	-	(219,67,015)	-	5314,56,052
Debt securities	2219,75,416	(5,20,049)	-	-	(5,20,049)	-	2214,55,368
Equity instruments	82,64,109	(9,88,277)	(31,05,772)	-	(40,94,049)	-	41,70,060
Subsidiaries	256,73,400	-	-	-	-	-	256,73,400
Property	-	-	-	-	-	-	-
Bonds	250,00,000	-	-	-	-	-	250,00,000
<b>Total – Gross (A)</b>	<b>12963,35,525</b>	<b>(246,72,933)</b>	<b>(82,16,884)</b>	<b>-</b>	<b>(328,89,817)</b>	<b>-</b>	<b>12634,45,708</b>
(i)Investments outside India	-	-	-	-	-	-	-
(ii)Investments in India	12963,35,525	(246,72,933)	(82,16,884)	-	(328,89,817)	-	12634,45,708
<b>Total (B)</b>	<b>12963,35,525</b>	<b>(246,72,933)</b>	<b>(82,16,884)</b>	<b>-</b>	<b>(328,89,817)</b>	<b>-</b>	<b>12634,45,708</b>
Less: Allowance for Impairment loss ( C )	-	-	-	-	-	-	-
<b>Total – Net D= (A)-(C)</b>	<b>12963,35,525</b>	<b>(246,72,933)</b>	<b>(82,16,884)</b>	<b>-</b>	<b>(328,89,817)</b>	<b>-</b>	<b>12634,45,708</b>

Amount in Rs.

**Note-7****Other Financial Assets**

Particulars	As on March 31, 2021	As on March 31, 2020
Fixed Deposits	36,37,804	69,86,708
<b>Total</b>	<b>36,37,804</b>	<b>69,86,708</b>

**Note-8****Inventories**

Particulars	As on March 31, 2021	As on March 31, 2020
Raw Material	103,21,864	267,09,789
Stores & Spares	201,94,113	101,72,979
<b>Total</b>	<b>305,15,977</b>	<b>368,82,768</b>

Amount in Rs.

## Note-9

## Property, Plant and Equipment as on 31.03.2021

S.NO	PARTICULARS	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
		COST AS ON 01.04.2020	ADDITIONS DURING THE YEAR	SALE / DISPOSAL DURING THE YEAR	TOTAL AS ON 31.03.2021	UPTO 01.04.2020	FOR THE YEAR	Deductions during the year	UPTO 31.03.2021	NET CARRYING AMOUNT AS ON 31.03.2021	NET CARRYING AMOUNT AS ON 31.03.2020
1	Land(Freehold) #	538,58,989	-	-	538,58,989	-	-	-	-	538,58,989	538,58,989
2	Land(Leasehold)	62,13,268	-	-	62,13,268	-	-	-	-	62,13,268	62,13,268
3	Plot Versalia	733,92,000	-	733,92,000	-	-	-	-	-	-	733,92,000
4	Shed & Building	2366,56,885	2,81,650	-	2369,38,535	678,59,506	109,02,044	-	787,61,550	1581,76,985	1687,97,379
5	Building (Staff Quarter)	57,51,184	-	-	57,51,184	15,88,162	3,95,487	-	19,83,649	37,67,535	41,63,022
6	Flat	30,32,300	-	-	30,32,300	15,31,467	1,31,384	-	16,62,851	13,69,449	15,00,833
7	Plant & Machinery	2616,85,199	142,54,746	6,508	2759,33,437	1076,28,890	266,55,004	-	1342,83,894	1416,49,544	1540,56,309
8	Electric Installation	471,75,845	26,636	291	472,02,190	283,66,621	32,29,981	-	315,96,602	156,05,588	188,09,224
9	Generator Set	3,04,562	-	-	3,04,562	3,02,562	-	-	3,02,562	2,000	2,000
10	Furniture & Fixtures	461,12,998	5,34,768	-	466,47,766	402,71,003	16,43,155	-	419,14,158	47,33,608	58,41,995
11	Computer	93,82,288	33,051	1,12,668	93,02,671	77,87,972	5,23,145	72,212	82,38,905	10,63,766	15,94,316
12	LED Television	56,43,834	-	-	56,43,834	41,52,385	2,69,952	-	44,22,337	12,21,497	14,91,449
13	Vehicle	174,30,845	-	-	174,30,845	126,83,985	13,50,148	-	140,34,133	33,96,712	47,46,860
14	Office Equipment	32,36,597	58,995	-	32,95,592	26,41,716	1,60,035	-	28,01,751	4,93,841	5,94,881
15	Solar Power plant	343,00,000	-	-	343,00,000	148,90,522	24,70,827	-	173,61,348	169,38,652	194,09,478
	<b>SUB TOTAL (A)</b>	<b>8041,76,794</b>	<b>151,89,845</b>	<b>735,11,467</b>	<b>7458,55,173</b>	<b>2897,04,792</b>	<b>477,31,161</b>	<b>72,212</b>	<b>3373,63,741</b>	<b>4084,91,432</b>	<b>5144,72,002</b>
<b>II</b>	<b>Intangible Assets</b>										
1	ROC Filing Fees	8,99,470	-	-	8,99,470	8,99,470	-	-	8,99,470	-	-
2	Copyright	60,674	-	-	60,674	60,674	-	-	60,674	-	-
3	Pre-Operative Expenses	59,48,962	-	-	59,48,962	19,82,987	19,82,987	-	39,65,974	19,82,988	39,65,975
4	Pre-Incorporation Expenses	3,49,332	-	-	3,49,332	1,16,444	1,16,444	-	2,32,888	1,16,444	2,32,888
5	Pre-Incorporation Expenses-2	-	14,14,283	-	14,14,283	-	2,82,857	-	2,82,857	11,31,427	-
	<b>SUB TOTAL (B)</b>	<b>72,58,438</b>	<b>14,14,283</b>	<b>-</b>	<b>86,72,721</b>	<b>30,59,575</b>	<b>23,82,288</b>	<b>-</b>	<b>54,41,863</b>	<b>32,30,858</b>	<b>41,98,863</b>
<b>III</b>	<b>Capital Work-in-progress</b>										
1	Building & Shed	294,89,092	119,37,732	-	414,26,824	-	-	-	-	414,26,824	294,89,092
2	Electrical Installation	48,82,913	31,33,715	-	80,16,628	-	-	-	-	80,16,628	48,82,913
3	Plant & Machinery	260,46,261	766,93,702	-	1027,39,962	-	-	-	-	1027,39,962	260,46,261
4	Computer Hardware & Software	11,66,020	20,07,354	-	31,73,374	-	-	-	-	31,73,374	11,66,020
	<b>SUB TOTAL (C)</b>	<b>615,84,286</b>	<b>937,72,503</b>	<b>-</b>	<b>1553,56,788</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1553,56,788</b>	<b>615,84,286</b>
	<b>TOTAL</b>	<b>8730,19,518</b>	<b>1103,76,631</b>	<b>735,11,467</b>	<b>9098,84,682</b>	<b>2927,64,367</b>	<b>501,13,449</b>	<b>72,212</b>	<b>3428,05,604</b>	<b>5670,79,078</b>	<b>5802,55,151</b>
	<b>As on 31.03.2020</b>	<b>8480,73,264</b>	<b>733,28,869</b>	<b>549,99,390</b>	<b>8664,02,744</b>	<b>2387,09,762</b>	<b>541,49,164</b>	<b>-</b>	<b>2928,58,925</b>	<b>5736,38,377</b>	<b>6093,63,502</b>



**Note-10**

Amount in Rs.

**Other Non - Financial Assets**

Particulars	As on March 31, 2021	As on March 31, 2020
Prepaid Expenses	6,92,705	9,53,517
Other Advances	25,44,830	210,48,242
Advance to Staff	1,47,352	1,75,189
Advance against capital goods	46,29,622	331,45,302
Balance with Revenue Departments	283,60,718	364,67,636
	<b>363,75,227</b>	<b>917,89,886</b>

**Note-11****Trade Payables**

Particulars	As on March 31, 2021	As on March 31, 2020
Payable to:		
total outstanding dues of micro enterprises and small enterprises	63,89,996	227,80,045
total outstanding dues of creditors other than micro enterprises and small enterprises	588,29,786	305,84,629
<b>Total</b>	<b>652,19,782</b>	<b>533,64,674</b>

The Group has not paid any interest in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, additionally there are no interest amounts due as at March 31, 2021.

Amount in Rs.

## Note 12

## Borrowings (Other than Debt Securities)

Particulars	(Current Year)				(Previous Year)			
	At Amortised Cost	At fair value Through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value Through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4)=(1)+(2)+(3)	(1)	(2)	(3)	(4)=(1)+(2)+(3)
(a) Term loans								
(i) from banks	1702,29,428	-	-	1702,29,428	1784,33,320	-	-	1784,33,320
(b) Loan repayable on demand								
(i) from other parties	120,44,085	-	-	120,44,085	73,39,612	-	-	73,39,612
(c) Loans from related parties	97,35,576	-	-	97,35,576	97,35,576	-	-	97,35,576
(d) Cash Credit	99,93,601	-	-	99,93,601	127,77,018	-	-	127,77,018
<b>Total (A)</b>	<b>2020,02,690</b>	-	-	<b>2020,02,690</b>	<b>2082,85,526</b>	-	-	<b>2082,85,526</b>
Secured Borrowings	1802,23,030	-	-	1802,23,030	1912,10,338	-	-	1912,10,338
Unsecured Borrowings	217,79,661	-	-	217,79,661	170,75,188	-	-	170,75,188
<b>Total (B)</b>	<b>2020,02,690</b>	-	-	<b>2020,02,690</b>	<b>2082,85,526</b>	-	-	<b>2082,85,526</b>
Borrowings in India	2020,02,690	-	-	2020,02,690	2082,85,526	-	-	2082,85,526
Borrowings outside India	-	-	-	-	-	-	-	-
<b>Total (C)</b>	<b>2020,02,690</b>	-	-	<b>2020,02,690</b>	<b>2082,85,526</b>	-	-	<b>2082,85,526</b>

## Cash Credit is secured by way of

## Primary Security

Exclusive charge by way of hypothecation on entire current assets of company both present & future.

Cash Credit from Axis Bank are secured by exclusive hypothecation charge on stock, book debts and all other current assets present and future, exclusive hypothecation charge on entire movable assets present & future, equitable mortgage of leasehold land admeasuring area around 0.88 acres located at Ramdas Bhatta Area, Bistupur, Jamshedpur along with building of "The Alcor Hotel" & admeasuring area around 8.09 acres located at Mouza-Tiruldih, Khata No-62, Plot No-2, Saraikela Thana No. 148, Jharkhand in the name of "SIGMA HTS LLP"

## Personal Guarantee

Personal guarantee of Mr. Rajeev Singh Dugal (Director) and Mrs. Kawaljeet Dugal.

These loans are considered to have low risk based on credit evaluation undertaken by the Company. There is no history of any defaults on these loans. The company regularly monitors to ensure that these entities have enough liquidity which safeguards the interest of the investors and lenders. Accordingly there is no Expected credit loss allowance on the aforesaid loans.

a) Term Loans from Axis Bank are secured by exclusive hypothecation charge on stock, book debts and all other current assets present and future, exclusive hypothecation charge on entire movable assets present & future, equitable mortgage of leasehold land admeasuring area around 0.88 acres located at Ramdas Bhatta Area, Bistupur, Jamshedpur along with building of "Hotel The Alcor" & admeasuring area around 8.09 acres located at Mouza-Tiruldih, Khata No-62, Plot No-2, Saraikela Thana No. 148, Jharkhand in the name of "SIGMA HTS LLP".

i. Term Loan having a limit of Rs. 100 Lacs, repayable in 96 monthly instalments commenced from Mar'2016.

ii. Term Loan having a limit of Rs. 1450 Lacs, repayable in 120 monthly instalment's commenced from Dec'2018.

b) Term Loans from IDBI Bank are secured by exclusive hypothecation charge on Solar Plant located at Newai Rajasthan.

i. Term Loan having a limit of Rs. 150 Lacs, repayable in 29 Quarterly instalments commenced from Jan'2017.

c) Vehicle Loan from HDFC Bank are secured by hypothecation charge on Vehicles

i. Term Loan sanctioned for Toyota Fortuner Rs. 18 Lacs, EMI of Rs. 36801/- commenced from May' 2017.

ii. Term Loan sanctioned for Maruti Breeza Rs. 7 Lacs, EMI of Rs. 14446/- commenced from Sep' 2017.

iii. Term Loan sanctioned for Toyota Camry Rs. 25 Lacs, EMI of Rs. 51,112/- commenced from Sep' 2017.

iv. Term Loan sanctioned for Winger Rs. 7 Lacs, EMI of Rs. 18,569/- commenced from Feb' 2017.

v. Term Loan sanctioned for Yaris Rs. 10 Lacs, EMI of Rs. 16,358/- commenced from Sep' 2019.

**Note-13**

Amount in Rs.

**Current tax liabilities (Net)**

Particulars	As on March 31, 2021	As on March 31, 2020
Provision for Tax	134,78,186	248,75,624
<b>Total</b>	<b>134,78,186</b>	<b>248,75,624</b>

**Note-14****Provisions**

Particulars	As on March 31, 2021	As on March 31, 2020
Provision for Substandard Assets	75,63,414	38,86,158
Provision for dividend	54,40,000	54,40,000
Provision for expenses	112,99,423	112,99,423
<b>Total</b>	<b>243,02,837</b>	<b>206,25,581</b>

**Note-15****Deferred tax Liabilities (Net)**

Particulars	As on March 31, 2021	As on March 31, 2020
Opening Balance	48,70,896	118,23,953
Property, Plant and Equipment and Intangibles Difference between book and tax depreciation	1,05,500	30,919
Investment and other financial instruments Recognised through OCI	90,74,914	-52,64,270
Recognised through Profit & Loss	24,66,164	-17,19,706
<b>Total</b>	<b>165,17,473</b>	<b>48,70,895</b>

**Note-16****Other Non-Financial Liabilities**

Particulars	As on March 31, 2021	As on March 31, 2020
Liability Against Salary	49,19,996	52,74,325
TDS Payable	6,30,479	3,99,236
EPF/ESIC Payable	1,86,925	1,33,168
GST Payable	23,32,388	9,04,411
Audit fees payable	4,61,886	4,42,540
Others Payables	98,26,616	337,80,138
Professional tax payable	4,975	6,598
Advance for sale of plot	248,84,854	244,00,000
<b>Total</b>	<b>432,48,118</b>	<b>653,40,416</b>

**Note-17****Amount in Rs.****Equity Share capital**

Particulars	As on March 31, 2021	As on March 31, 2020
Authorised Capital		
1,30,00,000 Equity Shares of Rs. 5/- each (P.Y. 1,30,00,000 Equity Shares of Rs. 5/- each)	650,00,000	650,00,000
Issued, Subscribed and Paid up		
1,29,46,480 Equity Shares of Rs. 5/- each (P.Y. 1,29,46,480 Equity Shares of Rs. 5/- each)	647,32,400	647,32,400
<b>Total</b>	<b>647,32,400</b>	<b>647,32,400</b>

**17.1 Reconciliation of the number of shares and amount outstanding at the beginning & end of the Reporting Period.**

Particulars	As on March 31, 2021		As on March 31, 2020	
	No of shares	Amount	No of shares	Amount
Balance at the beginning of the year	129,46,480	647,32,400	64,73,240	647,32,400
Add: Shares Split (From FV of Rs. 10/- each to FV of Rs. 5/- each)	-	-	64,73,240	-
<b>Balance outstanding at the end of the year</b>	<b>129,46,480</b>	<b>647,32,400</b>	<b>129,46,480</b>	<b>647,32,400</b>

**17.2 Shares held by each shareholder holding more than 5% shares, specifying the number of shares held.**

Name of the Shareholder	As on March 31, 2021		As on March 31, 2021	
	No of shares	% holding	No of shares	% holding
Rajeev Singh Dugal	80,89,080	62.48%	80,89,080	62.48%
K U Benefit Trust	15,82,000	12.22%	15,82,000	12.22%

**17.3 Rights, preferences and restrictions attached to shares**

The company has one class of equity shares having a par value of Rs. 5 per share (P.Y. Rs. 5 per share). Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**Note-18**

Amount in Rs.

**Other Equity**

Particulars	As on March 31, 2021	As on March 31, 2020
Capital reserve account	1287,56,063	1287,56,063
Statutory reserve account	933,31,166	821,02,800
Surplus i.e. Balance in the Statement of Profit & Loss	7311,82,209	6327,64,436
General reserve account	5468,32,921	5468,32,921
<b>Total</b>	<b>15001,02,358</b>	<b>13904,56,220</b>

**Movement in other equity**

Particulars	As on March 31, 2021	As on March 31, 2020
<b>(a) Capital Reserve</b>		
As per last Balance Sheet	1287,56,063	1287,56,063
Addition during the year	-	-
	<b>1287,56,063</b>	<b>1287,56,063</b>
<b>(b) Statutory Reserve</b>		
As per last Balance Sheet	821,02,800	821,02,800
Addition during the year	112,28,365	-
	<b>933,31,166</b>	<b>821,02,800</b>
<b>(c) Surplus i.e. Balance in the Statement of Profit &amp; Loss</b>		
As per last Balance Sheet	6327,64,436	5766,61,078
Add: Total Comprehensive Income during the Year	1073,18,172	566,24,036
Add: P/L Appropriation	23,27,966	-5,20,678
Less: Transfer to Statutory Reserve	-112,28,365	-
	<b>7311,82,209</b>	<b>6327,64,436</b>
<b>(d) General Reserve</b>		
As per last Balance Sheet	5468,32,921	5468,32,921
Addition during the year	-	-
	<b>5468,32,921</b>	<b>5468,32,921</b>
<b>Total</b>	<b>15001,02,358</b>	<b>13904,56,220</b>

**Note-19****Interest Income**

Particulars	As on March 31, 2021	As on March 31, 2020
On Financial assets measured at Amortised cost:-		
Interest on deposits with Banks	8,60,926	11,93,775
Interest on Loans	61,31,356	116,22,951
Interest income from investments	227,80,903	271,06,502
Interest on security deposit/ securities	196,97,688	128,88,183
Other interest Income	2,833	12,17,806

<b>Total</b>	<b>494,73,706</b>	<b>540,29,217</b>
<b>Note-20</b>		<b>Amount in Rs.</b>

### Dividend Income

<b>Particulars</b>	<b>As on March 31, 2021</b>	<b>As on March 31, 2020</b>
Dividend Income	57,24,051	103,34,999
<b>Total</b>	<b>57,24,051</b>	<b>103,34,999</b>

### Note-21

### Net gain on fair value changes

<b>Particulars</b>	<b>As on March 31, 2021</b>	<b>As on March 31, 2020</b>
Net Gain/(Loss) on investments at FVTPL		
Investments		
Fair value loss- through P&L -Equity and Debt Mutual Fund	280,38,387	(82,16,885)
<b>Total</b>	<b>280,38,387</b>	<b>(82,16,885)</b>

### Note-22

### Sale of Finished Goods

<b>Particulars</b>	<b>As on March 31, 2021</b>	<b>As on March 31, 2020</b>
Finished goods	2692,22,553	3353,39,468
<b>Total</b>	<b>2692,22,553</b>	<b>3353,39,468</b>

### Note-23

### Sale of Service

<b>Particulars</b>	<b>As on March 31, 2021</b>	<b>As on March 31, 2020</b>
Job work service	970,29,146	764,10,913
Room rental	108,86,275	679,44,060
Foods, Restaurant and banquet income	440,61,288	1383,20,383
Rent on Flat	1,42,000	1,35,500
Rent on Motor vehicle	1,74,000	1,74,000
	1522,92,709	2829,84,857
Less: Inter Company transactions	18,27,116	4,18,140
	<b>1504,65,593</b>	<b>2825,66,717</b>

**Note-24****Net Gain on sale of Financial Instruments**

Particulars	As on March 31, 2021	As on March 31, 2020
Net Gain on Sale of Financial Instruments	394,95,629	333,01,969
<b>Total</b>	<b>394,95,629</b>	<b>333,01,969</b>

**Note-25****Other Income**

Particulars	As on March 31, 2021	As on March 31, 2020
Agriculture Income	1,54,468	2,12,259
Other Income	102,38,412	177,43,719
	103,92,880	179,55,978
Less: Inter Company transactions	-	3,06,000
<b>Total</b>	<b>103,92,880</b>	<b>176,49,978</b>

**Note-26****Cost of Materials Consumed**

Particulars	As on March 31, 2021	As on March 31, 2020
Opening Stock of Material	185,44,876	93,54,077
Add: Material Purchases	1967,69,345	3163,27,032
Less: Closing Stock of Material	103,21,864	267,09,789
	2049,92,358	2989,71,320
Less: Inter company transactions		4,18,140
<b>Total</b>	<b>2049,92,358</b>	<b>2985,53,181</b>

**Note-27****Cost of Stores Consumed**

Particulars	As on March 31, 2021	As on March 31, 2020
Opening Stock of Material	101,72,979	75,20,243
Add: Material Purchases	279,05,781	337,31,833
Less: Closing Stock of Material	128,21,542	101,72,979
<b>Total</b>	<b>252,57,218</b>	<b>310,79,096</b>



**Note-28****Amount in Rs.****Employee Benefit Expenses**

<b>Particulars</b>	<b>As on March 31, 2021</b>	<b>As on March 31, 2020</b>
Salaries	229,21,980	283,64,524
Stipend	74,74,822	141,50,923
Contribution to PF and Other Funds	9,15,640	13,34,544
Director Remuneration	45,80,000	55,80,000
Staff & Labour Welfare Expenses	7,58,620	8,88,248
Other Benefits	93,020	-
<b>Total</b>	<b>367,44,082</b>	<b>503,18,239</b>

**Note-29****Finance Cost**

<b>Particulars</b>	<b>As on March 31, 2021</b>	<b>As on March 31, 2020</b>
Interest on borrowings	7,79,771	-
Interest on Cash Credit / Overdraft facilities	6,28,031	4,56,451
Interest on Term Loan	155,51,525	159,31,335
Other interest expense	11,284	1,67,436
<b>Total</b>	<b>169,70,611</b>	<b>165,55,222</b>

**Note-30****Other Expenses**

<b>Particulars</b>	<b>As on March 31, 2021</b>	<b>As on March 31, 2020</b>
Administrative Expenses	3,45,980	3,00,000
Advertisement Expenses	-	1,87,943
Agricultural Expenses	3,81,688	95,822
Audit fees	1,88,500	1,82,500
Bad Debts	36,945	1,45,545
Bank Charges	10,36,438	26,10,539
Business Promotion Expenses	22,749	3,21,862
Calibration Charges	1,98,240	2,04,280
Canteen Expenses	2,83,486	2,93,961
Carriage Inward & Freight Charges	25,16,779	27,48,868
Consultancy & Retainership fees	-	7,87,542
Conveyance & Travelling	18,18,131	51,64,669
CSR Expenses	17,66,000	-
Director Sitting Fees	84,000	52,000
Discount Allowed	19,755	86,517
Demat Charges	29,463	7,09,549
Fees & Subscription	14,33,598	17,44,963
Fooding & Lodging Expenses	92,533	4,25,557
General Expenses	8,07,033	10,61,524

Insurance Charges	17,06,601	25,15,926
Interest on Statutory Dues	5,27,352	-
Job Charges	221,23,750	133,64,305
Lab Expenses	5,120	52,610
Listing Fees & Annual Charges	4,33,650	4,23,161
Management and Upfront Fees	37,27,505	26,59,046
Municipal Maintenance Expenses	4,50,924	-
Office Maintenance	21,51,205	5,55,032
Operation & Maintenance Charges for Solar	6,79,470	15,76,102
Postage ,Telegram & Telephone	8,01,108	14,38,660
Power & Fuel	449,43,613	562,27,737
Printing & Stationery	1,21,284	2,00,675
Professional Fees & Legal Expenses	83,12,762	84,86,272
Quality Service Charges	-	2,71,195
Rent, Rates & Taxes	34,39,083	57,46,897
Repair & Maintenance	102,37,472	182,99,972
ROC charges	8,456	2,04,100
Security Charges	35,07,473	38,85,589
Transportation, Loading & Unloading Charges	19,35,959	19,72,478
	<b>1161,74,104</b>	<b>1350,03,397</b>
Less: Inter company transactions	18,27,116	3,06,000
<b>Total</b>	<b>1143,46,988</b>	<b>1346,97,397</b>

**Amount in Rs.**

### Note-31

#### Provision

Particulars	As on March 31, 2021	As on March 31, 2020
Provision for substandard assets	36,77,256	38,86,158
Provision for proposed dividend	54,40,000	54,40,000
<b>Total</b>	<b>91,17,256</b>	<b>93,26,158</b>

### Note : 32

#### Exceptional Items

Particulars	As on March 31, 2021	As on March 31, 2020
Profit on Sale of Land	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### Note-33

On the basis of information available with the company, some of the suppliers have confirmed to be registered under "The Micro Small and Medium Enterprises Development ('MSMED') Act, 2006". The unpaid amount has been disclosed in Note No. 11 of the Financial Statement.

**Note-34****Indian Accounting Standard (IND AS) 108- Segment Reporting:****Information about Primary Business Segments****(Rs. In Lacs)**

<b>Sl. No.</b>	<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
	<b>Segment Revenue</b>		
	(a) Investment & Finance related activities	1,006.29	790.17
	(b) Job work & Manufacturing activities	66.82	56.62
	(c) Hotel business related activities	835.59	2,304.52
	(d) Heat Treatment Activity	3,637.70	4,105.99
<b>1</b>	<b>Total</b>	<b>5,546.40</b>	<b>7,257.30</b>
	Less: Inter segment Revenue	18.27	7.24
	<b>Net Sale/ Income from operations</b>	<b>5,528.13</b>	<b>7,250.06</b>
	<b>Segment Results (Profit) (+) / (-) Loss before tax &amp; Interest</b>		
	(a) Investment & Finance related activities	690.60	433.65
	(b) Job work & Manufacturing activities	15.41	5.90
	(c) Hotel business related activities	7.50	723.48
	(d) Heat Treatment Activity	408.90	305.80
<b>2</b>	<b>Total</b>	<b>1,122.41</b>	<b>1,468.83</b>
	Less: Interest	169.70	165.56
	<b>Total Profit before Tax</b>	<b>952.71</b>	<b>1,303.27</b>
	<b>Segment Assets (Including Goodwill)</b>		
	(a) Investment & Finance related activities	12,013.48	11,404.32
	(b) Job work & Manufacturing activities	158.99	157.21
	(c) Hotel business related activities	4,904.25	4,963.69
	(d) Heat Treatment Activity	4,334.15	3,836.58
<b>3</b>	(e) Unallocable	-	-
	<b>Total Segment Assets</b>	<b>21,410.87</b>	<b>20,361.80</b>
	Less: Intersegment Elimination	-	-
	Add: Unallocated Corporate Assets	-	-
	<b>Total Assets</b>	<b>21,410.87</b>	<b>20,361.80</b>
		<b>Current Year</b>	<b>Previous Year</b>
	<b>Segment Liabilities</b>		
	(a) Investment & Finance related activities	1,266.58	1,413.49
	(b) Job work & Manufacturing activities	92.41	96.13
	(c) Hotel business related activities	518.83	638.36
	(d) Heat Treatment Activity	1,758.00	1,659.18
<b>4</b>	(e) Unallocable	-	-
	<b>Total Segment Liabilities</b>	<b>3,635.82</b>	<b>3,807.16</b>
	Less: Intersegment Elimination	-	-
	Add: Unallocated Corporate Liabilities	-	-
	<b>Total Liabilities</b>	<b>3,635.82</b>	<b>3,807.16</b>

<b>Earnings Per Share (EPS):</b>	<b>Current Year</b>	<b>Previous Year</b>
No of Ordinary Shares at the Beginning of the year	64,73,240	64,73,240
No of Ordinary Shares at the End of the year	129,46,480	129,46,480
Weighted Average No. of Ordinary Shares	129,46,480	129,46,480
Outstanding during the year		
Profit (Loss) after tax for calculation of Basic EPS	1073,18,172	566,24,036
Profit (Loss) after tax for calculation of Diluted EPS	1073,18,172	566,24,036
Basic Earnings per share (Rs.)	8.29	4.37
Diluted Earnings per share (Rs.)	8.29	4.37

**Note-36**

**Deferred tax Assets (Net)**

**Amount in Rs.**

<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
Opening Balance	48,70,895	118,23,953
<u>Property, Plant and Equipment and Intangibles</u>		
Difference between book and tax depreciation	1,05,500	30,919
<u>Investment and other financial instruments</u>		
Recognised through OCI	90,74,914	(52,64,270)
Recognised through Profit & Loss	24,66,164	(17,19,706)
<b>Total</b>	<b>165,17,473</b>	<b>48,70,895</b>

**Note-37**

**Directors Remuneration**

**Current Year**

**Previous Year**

**Salaries**

Mr. Rajeev Singh Dugal	12,00,000	12,00,000
Ms. Upneet Dugal	19,80,000	19,80,000
Ms. Kashvi Dugal	14,00,000	24,00,000

**Note-38**

Previous year's figure have been regrouped/reclassified / re-arranged wherever necessary to correspond with the current year's classification/disclosure.

As per our report of even date attached.

**For and on behalf of the Board of Directors  
of RSD Finance Limited**

**For Prasad Kumar & Co.**

Chartered Accountants

FRN: 008816C

Sd/-

Sd/-

**Rajeev Singh Dugal**

Managing Director

DIN: 00052037

Sd/-

**Upneet Dugal**

Director

DIN: 07680726

**Rajesh Prasad**

Partner

M. No. 075409

Date: 28.06.2021

Place: Jamshedpur

UDIN: 21075409AAAAAT8138

Sd/-

**Rechan Chhabra**  
Chief Financial Officer

**Puja Choudhary**  
Company Secretary



**R S D FINANCE LIMITED****CIN: L17222JH1963PLC013316****Registered Office:** H. No – 4, The Alcor Hotel, Ramdas Bhatta,  
Bistupur, Jamshedpur, Purbi Singhbhum, Jharkhand -831001Tel. No: +91 7280009199, Email address: [rsdfinance.ltd@gmail.com](mailto:rsdfinance.ltd@gmail.com), [complianceofficer@rsdfinancelimited.com](mailto:complianceofficer@rsdfinancelimited.com)  
Website: [www.rsdfinancelimited.com](http://www.rsdfinancelimited.com)**ATTENDANCE SLIP***(To be signed and handed over at the entrance of the meeting hall)*Registered Folio / DP ID  
& Client ID :Name and Address  
of the Shareholder :

Joint Holder(s) :

No. of Shares :

I/ We hereby record my/ our presence at the **58<sup>th</sup> ANNUAL GENERAL MEETING** of the members of the Company held on **Tuesday, 28<sup>th</sup> September 2021 at 11.00 A.M.** at H. No- 4, The Hotel Alcor, Ramdas Bhatta, , Bistupur, Jamshedpur Purbi Singhbhum, Jharkhand -831001

-----  
-----  
Member's Folio/DP ID- Client ID No.  
signature-----  
-----  
Member's/proxy name in Block letters-----  
-----  
Member's/ proxy's**Notes:**

1. A member/proxy/authorised representative wishing to attend the meeting must complete this Admission Slip before coming to the Meeting and hand it over at the entrance.
2. If you intend to appoint a proxy, please complete, stamp, sign and deposit the Proxy Form at the Company's Registered Office at least 48 hours before the Meeting.

**ELECTRONIC VOTING PARTICULARS****EVEN (EVOTING EVENT  
NO.)****User ID****Password/PIN****117489**

Note: Members are requested to read "Note No. 29" in the Notice of the 58th Annual General Meeting, being sent herewith, in respect of the instruction for voting through electronic means. The voting period starts from 9:00 am on September 24, 2021 and ends at 5:00 pm on September 27, 2021.





**RSD FINANCE LIMITED****CIN: L17222JH1963PLC013316****Registered Office:** H. No – 4, The Alcor Hotel, Ramdas Bhatta,  
Bistupur, Jamshedpur, Purbi Singhbhum, Jharkhand -831001Tel. No: +91 7280009199, Email address: [rsdfinance.ltd@gmail.com](mailto:rsdfinance.ltd@gmail.com), [complianceofficer@rsdfinancelimited.com](mailto:complianceofficer@rsdfinancelimited.com)  
Website: [www.rsdfinancelimited.com](http://www.rsdfinancelimited.com)**PROXY FORM***[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]***Name of the Member(s) :****Registered Address :****E-mail Id :****Folio No./Client Id:****DP ID :**I/We, being the member(s) of **RSD Finance Limited** holding \_\_\_\_\_ shares, hereby appoint:

- 1) Name \_\_\_\_\_  
Address: \_\_\_\_\_  
Email Id : \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him/ her
- 2) Name \_\_\_\_\_  
Address: \_\_\_\_\_  
Email Id : \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him/ her
- 3) Name \_\_\_\_\_  
Address: \_\_\_\_\_  
Email Id : \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him/ her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 58th Annual General Meeting of the members of the Company to be held on Tuesday, 28th September 2021 at 11.00 A.M. at H. No- 4, The Hotel Alcor, Ramdas Bhatta, Bistupur, Jamshedpur, Purbi Singhbhum, Jharkhand -831001 and at any adjournment thereof in respect of such resolution as are indicated below:

Resolutions	For	Against
<b>ORDINARY BUSINESS</b>		
1. To receive, consider and adopt (a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2021 together with the reports of the Board of Directors and Auditors thereon; and  (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2021 together with the reports of the Auditors thereon.		
2. To appoint Mrs. Kawaljeet Kaur Dugal (DIN: 00052100), who retires by rotation and being eligible, offers herself for re-appointment as a Director		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ of 2021

(Affix Revenue Stamp)

Signature of the Shareholder: \_\_\_\_\_

Signature of Proxy holder : \_\_\_\_\_

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

Note:

- 1) A proxy need not be a member of the Company and shall prove his identity at the time of attending the Meeting.
- 2) Appointment of a proxy does not prevent a member from attending the meeting in person if he wishes so. When a Member appoints a Proxy and both the Member and Proxy attend the Meeting, the proxy will stand automatically revoked.
- 3) This is only optional. Please put a 'V' in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any of the resolutions, your proxy will be entitled to vote at the meeting in the manner he/she thinks appropriate.\*\*
- 4) In case of Joint holders, the signature of any one holder will be sufficient but names of all the joint holders should be stated.
- 5) Undated proxy form will not be considered valid.
- 6) This form will be valid only if it is duly completed in all respects, properly stamped and submitted as per the applicable law. Incomplete form or form which remains unstamped or inadequately stamped or form upon which the stamps have not been cancelled will be treated as invalid.
- 7) This form of proxy shall be signed by the appointer or his attorney duly authorized in writing, or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorized by it.
- 8) If Company receives multiple proxies for the same holding of a member, the proxy which is dated last will be considered valid; if they are not dated or bear the same date without specific mention of time, all such multiple proxies will be treated as invalid.

## ROUTE MAP AND PROMINENT LAND MARK FOR EASY LOCATION OF THE VENUE OF THE 58TH ANNUAL GENERAL MEETING

