

# **ANNUAL REPORT: 2020-21**

## **PREMIUM MERCHANTS LIMITED**

**(CIN: L51909DL1985PLC021077)**

**Regd. Office: Omaxe Square, Plot No. 14, 5<sup>th</sup> Floor, Jasola District Centre, Jasola  
New Delhi-110 025**

**Email id – premiummerchants123@gmail.com**

**Tel: 91 11 61119658**

**www.pmltd.in**

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<b>36<sup>th</sup> ANNUAL GENERAL MEETING</b>	
Day:-	THURSDAY
Date:-	30.09.2021
Time:-	2.00 P.M
Venue:-	<b>Omaxe Square, Plot no. 14, 5<sup>th</sup> Floor, Jasola District Centre, Jasola, New Delhi-110025</b>

# PREMIUM MERCHANTS LIMITED

Registered office: Omaxe Square, Plot No. 14, 5th Floor, Jasola District Centre, Jasola, New Delhi-110025

CIN: L51909DL1985PLC021077, Tel: +91 11 61119658

Email Id: [premiummerchants123@gmail.com](mailto:premiummerchants123@gmail.com), website:[www.pmltd.in](http://www.pmltd.in)

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Dr. Mrs Bina Modi	Director
Mr. Sanjay Kumar Gupta	Director
Ms. Babita Gupta	Woman Director
Mr. Balbir Singh	Independent Director
Mr. Rajeev Kapoor	Independent Director

### KEY MANAGERIAL PERSONNEL

Mrs. Shikha Mittal	Chief Executive Officer & Chief Financial Officer
Ms. Jyoti Bharti	Company Secretary

### BOARD COMMITTEES

#### AUDIT COMMITTEE

Mr. Balbir Singh	Chairman
Mr. Rajeev Kapoor	
Mr. Sanjay Kumar Gupta	

#### NOMINATION AND REMUNERATION COMMITTEE

Mr. Rajeev Kapoor	Chairman
Mr. Balbir Singh	
Mr. Sanjay Kumar Gupta	

#### STAKEHOLDER RELATIONSHIP COMMITTEE

Mr. Balbir Singh	Chairman
Mr. Rajeev Kapoor	
Mr. Sanjay Kumar Gupta	

#### STATUTORY AUDITORS

M/s R.C AGARWAL & CO. Chartered Accounts  
102, Laxman Palace, 19, Veer Savarkar Block, Madhuban Road  
Shakarpur, New Delhi-110092

#### SECRETARIAL AUDITORS

M/s Vishal Arora & Associates Company Secretary  
N-145A, Ground Floor, Greater Kailash - 1, New Delhi - 110 048

#### INTERNAL AUDITORS

M/s S K Shukla & Co., Chartered Accounts  
Chartered Accountants, 184, 2<sup>nd</sup> Floor, Jeewan Nagar, Near Tikona Park, New Delhi-110014

#### REGISTRAR AND SHARE TRANSFER AGENT

M/s MAS Services Limited  
T-34, 2<sup>nd</sup> Floor, Okhla Industrial Area, Phase-II, New Delhi-110020

#### REGISTERED OFFICE

Omaxe Square, Plot No. 14, 5th Floor, Jasola District Centre, Jasola, New Delhi-110025

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Centre, Jasola, New Delhi-110025

CIN: L51909DL1985PLC021077, Tel: +91 11 61119658

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## NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the 36<sup>th</sup> Annual General Meeting (AGM) of the Company will be held at the Registered Office of the Company at Omaxe Square, Plot No. 14, 5<sup>th</sup> Floor, Jasola District Centre, Jasola, New Delhi-110025 on 30<sup>th</sup> September, 2021 (Thursday) at 2.00 P.M to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt :-

The Audited Financial Statement of the Company for the financial year ended 31<sup>st</sup> March, 2021, together with the reports of the Board of Directors and Auditors thereon; and to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted”

2. To appoint a Director in place of Ms. Babita Gupta (DIN: 07135430) who retires by rotation and being eligible, offers herself for re-appointment and, in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** Ms. Babita Gupta (DIN: 07135430) who retires by rotation at this meeting and being eligible, be and is hereby re-appointed as a director of the Company.”

By order of the Board  
For Premium Merchants Limited



**Balbir Singh**  
Director  
DIN: 00027438  
Place: New Delhi  
Date: 12<sup>th</sup> August, 2021

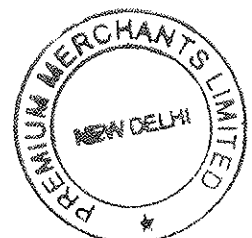


**Notes:**

1. The Register of Members and Share Transfer Register of the Company shall remain closed from Friday, 24<sup>th</sup> September, 2021 to Thursday, 30<sup>th</sup> September, 2021 (both days inclusive) for the purpose of taking record of the shareholders at the Annual General Meeting.
2. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. Proxy Form, in order to be effective, shall be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy form is annexed to this Notice. Proxy forms submitted on behalf of the limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
3. Corporate members intending to send their authorized representative to attend the meeting are requested to send the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. Securities and Exchange Board of India (“SEBI”) has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f. April 1, 2019. Accordingly, the Company and its Registrar and Transfer Agents (RTA) have stopped accepting any fresh lodgment of transfer of shares in physical form. Members holding shares in physical form are advised to avail the facility of dematerialization.
5. Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their name, address, bank details, ECS mandate, nominations, power of attorney, email ID, etc. to their depository participants only and not to the Company or its RTA. The said intimation will be automatically reflected in the Company’s records.
6. Securities and Exchange Board of India (“SEBI”) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant(s) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company’s RTA.
7. In terms of Section 72 of the Companies Act, 2013, the shareholders of the Company may nominate a person on whom the shares held by him/them shall vest in the event of his/their death. Shareholders desirous of availing this facility may submit nomination in form SH-13.
8. Members may contact **M/s. MAS SERVICES LIMITED**, the Registrars & Transfer Agents (RTA) for any investor related services .The address and other contact details of RTA are as under:

**MAS SERVICES LIMITED**

Address: T-34, 2<sup>nd</sup> Floor, Okhla Industrial Area,  
Phase-II, New Delhi-110020  
Tel. No.:011-26387281, 82, 83  
Fax No.: 011-26387384



9. The Statement of Profit and Loss for the financial year ended 31st March, 2021, the Balance Sheet as at that date, the Auditors' Report, the Directors' Report and all other documents annexed or attached thereto, are available for inspection by Members at the Registered Office and Corporate Office of the Company between 11:00 a.m. and 1:00 p.m. on working days up to the date of this AGM. Members may also visit the Company's website [www.pmltd.in](http://www.pmltd.in) for viewing various financial information including the quarterly results and annual report of the Company.
10. As a part of its 'Green Initiative' in the Corporate Governance and pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with the relevant Rules issued thereunder, companies can serve annual report and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with its depository participant. Therefore, electronic copy of the annual report along with the Notice is being sent to all those members whose e-mail addresses are registered with the Company/Depository Participant unless a member has requested for a physical copy of the same.
11. The requirement to place the matter relating to appointment of Auditors for ratification by members at every AGM is done away with vide notification dated 7<sup>th</sup> May, 2018 issued by the Ministry of Corporate Affairs. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were re-appointed in the AGM held on 30<sup>th</sup> September, 2019 for a period of five years.
12. Vide its Circular No. CIR/MRD/DP/10/2013 dated 21st March, 2013, the SEBI has instructed all the companies to use electronic mode of payment to the investors. Companies whose securities are listed on Stock Exchanges are directed to use, either directly or through their RTI & STA, any Reserve Bank of India approved electronic mode of payment such as ECS [LECS (Local ECS) / RECS (Regional ECS) / NECS (National ECS)], NEFT etc.
13. Members, who have not yet submitted their requisite bank account details, are once again requested to kindly provide these details by quoting their reference folio number(s) if shares are held in physical form. If shares are held in dematerialised form, Members may kindly provide the requisite bank account details to their Depository Participant to ensure that dividend payment is correctly credited to their account.
14. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
15. Members are requested to bring their attendance slip along with their copy of Annual Report to the meeting.
16. **Voting through electronic means**
  - A. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 44 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 the Company is pleased to provide its members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. 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).



- B. 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.
- C. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- D. The remote e-voting period commences on Monday, September 27, 2021 (09:00 am) and ends on Wednesday, 29<sup>th</sup> September, 2021 (05:00 pm). During this period the members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 23<sup>rd</sup>, 2021 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- E. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. 23<sup>rd</sup> September, 2021. 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 voting, either through remote e-voting or voting at the AGM through poll papers.
- F. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. 23<sup>rd</sup> September, 2021. 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 voting, either through remote e-voting or voting at the AGM through poll papers.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE ASUNDER:-**

The remote e-voting period begins on Monday, 27<sup>th</sup> September, 2021 at 9:00 A.M. and ends on Wednesday, 29<sup>th</sup> September, 2021 at 5:00P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 23<sup>rd</sup> September, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 23<sup>rd</sup> September, 2021.

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

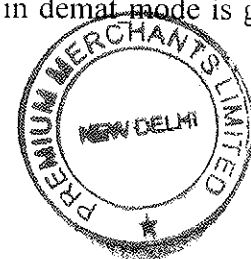
*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

**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 data-bbox="667 185 1540 734">1. If you are already registered for <b>NSDL IDeAS facility</b>, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “<b>Beneficial Owner</b>” icon under “Login” which is available under “<b>IDeAS</b>” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period.</li> <li data-bbox="667 763 1540 920">2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “<b>Register Online for IDeAS</b>” Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li data-bbox="667 972 1540 1563">3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.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 held 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 options available against company name or <b>e-Voting service provider - 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>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li data-bbox="667 1597 1540 1843">1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/loginor">https://web.cdslindia.com/myeasi/home/loginor</a> <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li data-bbox="667 1877 1540 2000">2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> </ol>





	<p>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</p>
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. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

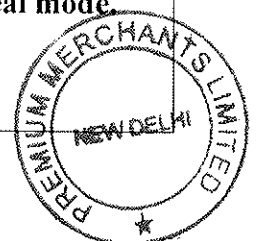
**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <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 shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

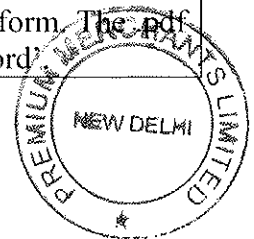
**How to Log-in to NSDL e-Voting website?**



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

<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 and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period. Now you are ready for e-Voting as the Voting page opens.
3. 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.
4. Upon confirmation, the message “Vote cast successfully” will be displayed.
5. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
6. 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 [kapahiassociates@yahoo.com](mailto:kapahiassociates@yahoo.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com).



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 at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories 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 [premiummerchants123@gmail.com](mailto:premiummerchants123@gmail.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to ([premiummerchants123@gmail.com](mailto:premiummerchants123@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.

**Other Instructions:**

- i. 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. 23<sup>rd</sup> September, 2021 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or RTA, MAS Services Limited. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote.
- ii. 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.
- iii. Mr. Surrinder Kishore Kapahi (CP No. 1118), Proprietor Kapahi and Associates, Company Secretaries has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting (i.e. remote e-voting and physical voting at the meeting) process in a fair and transparent manner.



- iv. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "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.
- v. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- vi. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.pmltd.in](http://www.pmltd.in) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the Metropolitan Stock Exchange of India Limited (formerly known as MCX Stock Exchange Limited).

By order of the Board  
**For Premium Merchants Limited**



**Balbir Singh**  
**Director**  
**DIN: 00027438**  
**Place: New Delhi**  
**Date: 12th August, 2021**



# PREMIUM MERCHANTS LIMITED

Registered office: Omaxe Square, Plot No. 14, 5th Floor, Jasola District Centre, Jasola, New Delhi-110025

CIN: L51909DL1985PLC021077, Tel: +91 11 61119658

Email Id: [premiummerchants123@gmail.com](mailto:premiummerchants123@gmail.com), website: [www.pmltd.in](http://www.pmltd.in)

## ATTENDANCE SLIP

36<sup>th</sup> Annual General Meeting to be held on 30th September, 2021 at 2.00 P.M

Name of the Attending Member (in Block Letters)	
Regd. Folio No./ DP ID/Client ID	
No. of Equity Shares held	
Name of the Shareholder(s)	
Joint Holder 1	
Joint Holder 2	

1. I/We hereby record my / our presence at the Annual General Meeting of the members of the Company held on Thursday, 30th September, 2021 at 2.00 P.M. at the registered office of the Company at New Delhi-110025

2. Signature of the Shareholder/Proxy Present

--

3. Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance duly signed.

4. Shareholder/Proxy holder desiring to attend the meeting may bring his/her copy of the Annual Report for reference at the meeting.

Note: PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING.

.....XXXXX.....XXXXXXXX.....XXXXX

## ELECTRONIC VOTING PARTICULARS

E Voting Event Number  
(EVEN)

User ID

Password

116848

Note: Please read the instructions provided in Notice dated 12<sup>th</sup> August, 2021 of the Annual General Meeting. The Voting period starts from 9.00 a.m. on Monday, September 27<sup>th</sup>, 2021 and ends at 5.00 p.m. on Wednesday, September 29<sup>th</sup>, 2021. The voting module shall be disabled by NSDL for voting thereafter.

# PREMIUM MERCHANTS LIMITED

**Registered office: Omaxe Square, Plot No. 14, 5th Floor, Jasola District Centre, Jasola, New Delhi-110025**

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## 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		
Email ID		
Folio No./ Client ID		
DP ID		No. of Shares

I/We, being the member(s) of..... shares of the above named Company, hereby appoint:

1.	Name		
	Address	Signature	
	Email ID		
	Or failing him/her		
2.	Name		
	Address	Signature	
	Email ID		
	Or failing him/her		
3.	Name		
	Address	Signature	
	Email ID		

As my/ our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 36<sup>th</sup> Annual General Meeting of the Company to be held on Thursday, 30<sup>th</sup> September, 2021 at 2.00 P.M. at the registered office of the Company at Omaxe Square, Plot No. 14, 5th Floor, Jasola District Centre, Jasola, New Delhi-110025 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	For*	Against*
	<b>Ordinary Business</b>		
1.	To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2021 and the Statement of Profit & Loss for the year ended on that date together with the reports of the Board of Directors and Auditors thereon.		
2.	To appoint a Director in place of Ms. Babita Gupta (DIN: 07135430) who retires by rotation and being eligible, offers herself for re-appointment.		

Affix Revenue Stamp

Signed this ----- day of ----- 2021

Signature of Member-----

Signature of Proxy-----

**Note:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the company, not less than 48 hours before the commencement of the Meeting.
2. A person can act as a proxy on behalf of Members, not exceeding fifty, and holding in the aggregate not more than 10% of the total share Capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting Rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. \* It is optional to put a "V" in the appropriate column against the resolution indicated in the box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she deems appropriate.



# PREMIUM MERCHANTS LIMITED

Registered office: Omaxe Square, Plot No. 14, 5th Floor, Jasola District  
Centre, Jasola, New Delhi-110025

CIN: L51909DL1985PLC021077, Tel: +91 11 61119658

Email Id: [premiummerchants123@gmail.com](mailto:premiummerchants123@gmail.com), website: [www.pmltd.in](http://www.pmltd.in)

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## DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 36<sup>th</sup> Annual Report together with the Audited Financial Statements for the year ended March 31, 2021.

### 1. Financial Highlights

The Company earned a profit of Rs. 85.28 lacs (before tax) during the year under report as against a profit of Rs. 23.95 lacs (before tax) in the previous year. The profit after tax and appropriations has been transferred to the Balance Sheet.

### 2. State of Company's affair

The Company is an investment company and registered as Non-Banking Financial Company (NBFC) with Reserve Bank of India under Section 45-IA of the RBI Act, 1934.

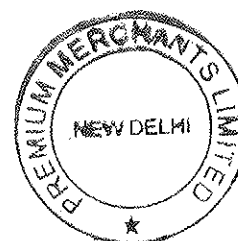
During the year under review, the income of the Company by way of Brokerage was Rs. 0.14 lacs as against Rs. 2.34 lacs in the previous year. The interest income was Rs. 7.81 lacs as against Rs. 7.04 lacs in the previous year. The income by way of dividend was Rs. 21.61 lacs as against 34.58 lacs in the previous year. The net gain on fair value changes was Rs. 55.21 lacs. The income by way of rent received was 6.75 lacs which was same in the previous year.

### 3. Covid-19

The COVID-19 has severally affected the businesses around the Globe including India. The Company has made assessment of Covid-19 on company's financial assets (investment). However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature, extent and duration. The management shall continue to monitor any material changes on a containing basis.

### 4. Dividend

In order to conserve the resources for future requirements, no dividend is proposed to be declared during the year under review.



## 5. Management Analysis and Review

The Company is registered with 'Association of Mutual Funds of India' (AMFI) as 'Mutual Fund Advisor' so as to provide financial services. The AMFI is dedicated to developing and promoting the Indian Mutual Fund Industry on Professional, healthy and ethical lines and to enhance and maintain standards in all areas with a view to protecting and promoting the interest of mutual funds and their unit holders. During the year under review one of the source of income of the Company was from mobilisation of mutual funds against which brokerage income of the Company was Rs. 0.14 lacs representing 0.15 % of the total income.

## 6. RBI Guidelines

Your Company has complied with all the applicable regulations prescribed by the Reserve Bank of India (RBI) from time to time. According to Section 45-IC of the Reserve Bank of India Act, 1934, every NBFC is required to create a reserve fund and transfer therein a sum not less than 20% of its Net Profit every year. Thus the requisite sum has been transferred to the Statutory Reserve under the provisions of Section 45 IC of the RBI Act, 1934.

The RBI vide its notification has issued directions to all NBFC's to make provision of 0.25% on standard assets and the same is being complied with.

## 7. Transfer to Reserves

During the year under review, an amount of Rs.13.28 lakhs was transferred to Statutory Reserve in pursuance of applicable regulation as prescribed by the Reserve Bank of India. No amount was transferred to General Reserve.

## 8. Detailed performance and financial position of Subsidiary/Joint Venture/ Associate Company

The Company does not have any Subsidiary/Joint Venture or Associate Company.

## 9. Extract of Annual Return

As required under Section 134(3) (a) and section 92(3) of the Act, the Annual Return has been uploaded on the Company's website and can be accessed at [www.pmltd.in](http://www.pmltd.in) . Further, the details forming part of the extract of Annual Return in form MGT- 9, as required under Section 92 of the Companies Act, 2013 is included in this report as per **Annexure 'A'**.

In accordance with Section 136 of the Companies Act, 2013, the Audited Financial Statements of the Company are available on our website.

## 10. Compliance relating to Secretarial Standards

The Company has complied with the applicable secretarial standards issued by Institute of Companies Secretaries of India for the Financial Year 2020-21.



## 11. Corporate Governance

The Company is listed with Metropolitan Stock Exchange of India limited (formerly known as MCX Stock Exchange Limited). The clauses of the Corporate Governance became applicable on the Company in the F.Y 2020-21 pursuant to increase in the net- worth of the Company due to adoption of Balance Sheet in the IND AS Format. The Company has for the first time filed its Corporate Governance report for the quarter ended on 31.12.2020.

The Company is committed to maximise the value for its stakeholders by adopting the principles of good Corporate Governance in line with the provisions of law and particularly those stipulated in the Listing Regulations. Certificate from the practicing Company Secretary regarding compliance of the conditions of Corporate Governance as stipulated in the Listing Regulations, is enclosed as per **Annexure B**

Certificate from Mrs. Shikha Mittal, Chief Executive Officer (CEO) and Chief Financial Officer (CFO) in relation to the financial statements for the year along with declaration by the CEO regarding compliance with the code of business conduct of the Company by the directors and the members of the senior management team of the Company during the year, were submitted to and taken note of by the Board.

## 12. Directors/ Key Managerial Personnel

In accordance with the provisions of the Act and the Articles of Association of the Company, Ms. Babita Gupta (DIN: 07135430), Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible has offered herself for re-appointment.

Apart from the above there is no change in the Director/ Key Managerial Personnel during the year under review. The Certificate of Non-Disqualification of Director is attached as per **Annexure 'C'**.

## 13. Declaration given by Independent Director

The Company has received declarations from Mr Balbir Singh (DIN: 00027438) and Mr. Rajeev Kapoor (DIN:03155896), Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013.

## 14. Annual Performance Evaluation

The Company in consultation with Nomination and Remuneration Committee has carried out the performance evaluation of Independent Directors, Board, Committees and other Individual Directors. Pursuant to the provisions of the Companies Act, 2013, a structured questionnaire was prepared after taking into consideration of the various aspects of the Board's functioning, composition of the Board and its committees, culture, execution and performance of specific duties, obligations and governance.



The performance evaluation of Independent Directors was completed. The performance evaluation of the other Board Members was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

#### 15. Number of Meetings of the Board

The details of the number of meetings of the Board held during the Financial Year 2020-21 are as follows:

S. No.	Date of Meeting	Name of Directors who attended the meeting
1	30.06.2020	Dr. Mrs. Bina Modi, Mr. Sanjay Kumar Gupta, Mr. Balbir Singh, Mr. Rajeev Kapoor and Ms. Babita Gupta
2	06.08.2020	Dr. Mrs. Bina Modi, Mr. Sanjay Kumar Gupta, Mr. Balbir Singh, Mr. Rajeev Kapoor and Ms. Babita Gupta
3	10.11.2020	Mr. Sanjay Kumar Gupta, Mr. Balbir Singh, Mr. Rajeev Kapoor and Ms. Babita Gupta
4	31.12.2020	Dr. Mrs. Bina Modi, Mr. Sanjay Kumar Gupta, Mr. Balbir Singh, Mr. Rajeev Kapoor and Ms. Babita Gupta
5	09.02.2021	Dr. Mrs. Bina Modi, Mr. Sanjay Kumar Gupta, Mr. Balbir Singh, Mr. Rajeev Kapoor and Ms. Babita Gupta

#### 16. Deposits

The Company has not accepted any public deposits during the year.

#### 17. Particulars of Loans, Guarantees or Investments by Company

The details of Investments covered under the provisions of section 186 of the Companies Act, 2013 are given in the notes to Financial Statements. (Please refer Note 5 of the Financial Statement). No guarantee or loan was given or taken by the company during the Financial Year 2020-21.

#### 18. Related Party Transactions

All related Party Transactions are placed before the Audit Committee for their approval. The transactions with the related parties are done at arm's length basis in the ordinary course of business. The outstanding balances, if any, of the



transactions with the related party at the year ended 31st March, 2021 as covered under section 188(1) of the Companies Act, 2013 have been reported in note number 26 to the Balance Sheet. Form AOC-2 is attached as per **Annexure 'D'**.

### 19. Whistle Blower Policy/ Vigil Mechanism

The Company has formulated a whistle blower policy to report genuine concerns or grievances and the said policy is available on the Company's website [www.pmltd.in](http://www.pmltd.in).

### 20. Audit Committee

The composition of audit committee of the Company is as follows:

S. No.	Name of Member	Designation
1.	Mr. Balbir Singh	Chairman (Independent Director)
2.	Mr. Rajeev Kapoor	Member (Independent Director)
3.	Mr. Sanjay Kumar Gupta	Member (Non-Executive Director)

The details regarding number of meetings held by Audit Committee during the year are as follows:

S. No.	Date of Meeting	Name of Directors who attended the meeting
1	30.06.2020	Mr. Balbir Singh, Mr. Rajeev Kapoor and Mr. Sanjay Kumar Gupta
2	06.08.2020	Mr. Balbir Singh, Mr. Rajeev Kapoor and Mr. Sanjay Kumar Gupta
3	10.11.2020	Mr. Balbir Singh, Mr. Rajeev Kapoor and Mr. Sanjay Kumar Gupta
4	09.02.2021	Mr. Balbir Singh, Mr. Rajeev Kapoor and Mr. Sanjay Kumar Gupta

The Board has accepted all the recommendations proposed by audit committee during the financial year.

### 21. Nomination and Remuneration Committee

The Nomination and Remuneration Committee was reconstituted in accordance with the provisions of regulation 19 of SEBI LODR Regulation, 2015. w.e.f 31<sup>st</sup> August, 2020. The composition of Nomination and Remuneration committee of the Company is as follows:



S. No.	Name of Member	Designation
1.	Mr. Rajeev Kapoor	Chairman (Independent Director)
2.	Mr. Balbir Singh	Member (Independent Director)
3.	Mr. Sanjay Kumar Gupta	Member (Non-Executive Director)

The detail regarding number of meetings held by Nomination and Remuneration Committee during the year are as follows:

S. No.	Date of Meeting	Name of Directors who attended the meeting
1.	06.08.2020	Mr. Balbir Singh, Mr. Rajeev Kapoor, Mr. Sanjay Kumar Gupta.
2.	31.08.2020	Mr. Balbir Singh and Mr. Rajeev Kapoor,
3.	22.03.2021	Mr. Balbir Singh and Mr. Rajeev Kapoor,

## 22. Remuneration and Nomination Policy

The Nomination and Remuneration Committee framed a Remuneration and Nomination Policy for selection and appointment of Directors, Senior Management and their remuneration.

The policy formulated by Nomination and Remuneration Committee is available on the Company's website: [www.pmltd.in](http://www.pmltd.in).

## 23. Stakeholder Relationship Committee

The Stakeholder Relationship Committee was constituted by the Company as per the provision of Regulation 20 of SEBI (LODR) Regulation, 2015 pursuant to the applicability of Corporate Governance on the Company.

The composition of Stakeholder Relationship committee of the Company is as follows:

S. No.	Name of Member	Designation
1.	Mr. Balbir Singh	Chairman (Independent Director)
2.	Mr. Rajeev Kapoor	Member (Independent Director)
3.	Ms. Babita Gupta	Member (Non-Executive Director)



The detail regarding number of meetings held by Stakeholder Relationship Committee during the year are as follows:

S. No.	Date of Meeting	Name of Directors who attended the meeting
1.	31.12.2020	Mr. Balbir Singh, Mr. Rajeev Kapoor, Ms. Babita Gupta

#### 24. Director's Responsibility Statement

To the best of their knowledge and in terms of the provisions of Section 134 (3) (c) of the Companies Act, 2013, the Directors make the following statements:

- a) that in the preparation of the Annual Accounts for the year ended March 31, 2021, the applicable accounting standards had been followed along with the proper explanation relating to material departures;
- b) the director 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 as at March 31, 2021 and of the profit of the Company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts 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.
- 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.

#### 25. Statutory Auditors

M/s. R.C Agarwal & Co., Chartered Accountants (Firm Registration No. 003175N) were appointed as Statutory Auditors of the Company at the Annual General Meeting held on 30<sup>th</sup> September, 2019 for another term of five years from the conclusion of 34<sup>th</sup> Annual General Meeting till the conclusion of 39<sup>th</sup> AGM to be held in calendar year 2024.



## **26. Auditor's Report**

There is no audit qualification on the Financial Statements by the statutory auditors for the year under review. Hence, there are no comments on the Auditor's Report.

## **27. Dividend Distribution Policy**

As per regulation 43A of SEBI Listing Obligation and Disclosure Requirement (LODR) Regulation, 2015, SEBI has mandated top 1000 listed entities based on market capitalization (calculated as on March 31 of every financial year) to formulate a dividend distribution policy which shall be disclosed in their annual reports and on their websites.

Hence, the Company does not fall under the criteria mentioned above, Dividend Distribution Policy was not formulated by the Company.

## **28. Business Responsibility Report**

As per Regulation 34 (2) (f) of SEBI LODR regulations, 2015, top 1000 listed entities based on market capitalization (calculated as on March 31 of every financial year) has to include Business Responsibility Report as a part of their Annual Report.

Hence, the Company does not fall under the criteria mentioned above, Business Responsibility Report has not been include as a part of Annual Report.

## **29. Unclaimed Share Certificates**

The Status of the unclaimed share certificates as on 31st March, 2021 has been mentioned in the report on Corporate Governance. (Refer point no. 15 of Corporate Governance report)

## **30. Cost Audit**

The provisions of cost audit are not applicable on the Company.

## **31. Consolidated Financial Statement**

The Company does not have any Subsidiary, Joint Venture and Associate Company. Hence, the preparation of Consolidated Financial statement is not applicable to the Company.

## **32. Secretarial Auditor**

The Board appointed 'M/s Vishal Arora & Associates', Practicing Company Secretaries, to conduct Secretarial Audit for the financial year 2020-21 pursuant to section 204 of the Companies Act, 2013. The Secretarial Audit report submitted by them in the prescribed form MR-3 is attached as per Annexure 'E' and forms part of this report.

The secretarial Audit report does not contain any qualification, reservation or adverse remark.





### **33. Internal Control System and their Adequacy**

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.

### **34. Risk Management**

The Company has formally adopted a Risk Management Policy to identify and assess the Key risk areas, monitor and report compliance and effectiveness of the policy and procedure. The Board periodically reviews the risks and suggest steps to be taken to control and mitigate the same through a properly defined framework.

### **35. Business Responsibility Reporting**

Pursuant to Regulation 34 of SEBI (Listing Obligation and disclosure Requirement) Regulation, 2015, Business Responsibility Reporting is applicable for top one thousand (1000) listed entities based on market capitalization calculated as on March 31<sup>st</sup> of every Financial Year. The above reporting is not applicable to the Company as it is not covered under the criteria given in the said Regulation. Therefore, no disclosure has been made on the items covered under Business Responsibility Reporting.

### **36. Corporate Social Responsibility (CSR)**

The provisions of Corporate Social Responsibility are not applicable to the Company as per the criteria laid down under section 135 of the Companies Act, 2013.

### **37. Remuneration to Directors and Key Managerial Personnel**

A statement of Particulars relating to remuneration details as per rule 5 of the Companies (Appointment and Remuneration of managerial Personnel) Rules, 2014 is annexed as per **Annexure 'F'**



### **38. Statutory information**

Being an Investment Company, there are no particulars which are required to be furnished under section 134 (3)(m) of the Companies Act, 2013 relating to Conservation of Energy and Technology Absorption, as these are not applicable. There were no foreign exchange earnings or outgo during the year.

### **39. Equity Share Capital**

The Equity share capital of the Company as at 31st March, 2021 stood at Rs. 99.80 lacs. During the year under report, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on 31st March, 2021, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

### **40. Code for Prevention of Insider-trading practices**

The Company has placed a Code of Conduct for Prevention of Insider Trading and a Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code of Conduct for Prevention of Insider Trading lays down guidelines advising the management and other connected persons, on procedures to be followed and disclosures to be made by them in dealing with the shares of the Company. The said code of Practices is also available on company's website: [www.pmltd.in](http://www.pmltd.in).

### **41. Disclosures**

- a. No significant and material orders were passed by the Regulators/ Courts that would impact the going concern status of the Company and its future operations. Further, there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016. There was no instance of one time settlement with any Bank or Financial Institution.
- b. There were no material changes and commitments during the year under report.
- c. There was no change in the nature of business during the year under report.
- d. During the year under review, no complaints were reported to the Board under Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013.



The other relevant provisions/ sections of the Companies Act, 2013, are not applicable to the Company and therefore have not been reported above.

#### 42. Appreciation

Your directors wish to thank and express their sincere appreciation to the valued shareholders, bankers and clients for their continued support and faith reposed in the Company

Respectfully submitted on behalf of the Board

Place: New Delhi  
Dated: 12.08.2021

  
(Balbir Singh)  
Director  
(DIN-00027438)

  
(Rajeev Kapoor)  
Director  
(DIN-03155896)





# PREMIUM MERCHANTS LIMITED

Registered office: Omaxe Square, Plot No. 14, 5th Floor, Jasola District Centre, Jasola, New Delhi-110025

CIN: L51909DL1985PLC021077, Tel: +91 11 61119658

Email Id: [premiummerchants123@gmail.com](mailto:premiummerchants123@gmail.com), website: [www.pmltd.in](http://www.pmltd.in)

## Annual Return Extracts in MGT-9

Form No. MGT-9

### EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2021

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS:

1	CIN	L51909DL1985PLC021077
2	Registration Date	29.05.1985
3	Name of the Company	Premium Merchants Limited
4	Category/Sub-Category of the Company	Company Limited by shares (Indian Non- Government Company)
5	Address of the Registered office and contact details	Omaxe Square, Plot No.14, 5 <sup>TH</sup> Floor, Jasola District Centre, Jasola, New Delhi-110025.  Contact Details. 011-61119658
6	Whether listed Company	Yes
7	Name, Address and contact details of Registrar and Transfer Agent, if any	MAS Services Limited Address:T-34, 2 <sup>nd</sup> Floor, Okhla Phase-II Delhi-110020 Email Id:info@masserv.com Tel:011-26387281,82,83

#### II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

S. No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Net gain on fair value changes	66190	60.33%.
2	Dividend Income	66190	



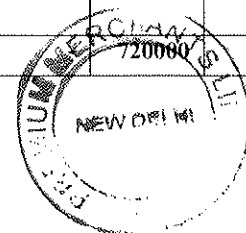
III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING / SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1	K .K Modi Investment And Financial Services Private Limited Regd. Office: Omaxe Square, Plot No.14, 5 <sup>th</sup> Floor, Jasola District Centr, Jasoa, New Delhi-110025	U65101DL1992PTC049846	Holding	72.14%	Section 2(46) of Companies Act, 2013

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

i) Category-wise Share Holding as on 31.03.2021

Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% of 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	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	720000	-	720000	72.14	720000	-	720000	72.14	-
e) Banks/ FI	-	-	-	-	-	-	-	-	-
f) Any other (Trusts)	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(I)</b>	<b>720000</b>	<b>-</b>	<b>720000</b>	<b>72.14</b>	<b>720000</b>	<b>-</b>	<b>720000</b>	<b>72.14</b>	<b>-</b>



ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) Others	-	-	-	-	-	-	-	-	-
Other Directors and relatives	-	-	-	-	-	-	-	-	-
Non-Resident Individuals	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2)</b>	<b>145385</b>	<b>132615</b>	<b>278000</b>	<b>27.86</b>	<b>145385</b>	<b>132615</b>	<b>278000</b>	<b>27.86</b>	-
<b>Total Public Shareholding (B) = (B)(1)+ (B)(2)</b>	<b>145385</b>	<b>132615</b>	<b>278000</b>	<b>27.86</b>	<b>145385</b>	<b>132615</b>	<b>278000</b>	<b>27.86</b>	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>865385</b>	<b>132615</b>	<b>998000</b>	<b>100</b>	<b>865385</b>	<b>132615</b>	<b>998000</b>	<b>100</b>	-

(ii) Shareholding of Promoters as on 31.03.2021

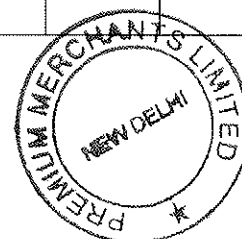
Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledge d / encumbered to total shares	
1.	K.K Modi Investment and Financial Services Private Limited	720000	72.14	-	720000	72.14	-	NIL
	<b>Total</b>	<b>720000</b>	<b>72.14</b>	<b>-</b>	<b>720000</b>	<b>72.14</b>	<b>-</b>	<b>NIL</b>

(iii) Change in Promoters' Shareholding (Please specify if there is no change): There is no change\*

Sl. No	Shareholding at the beginning of the year	Cumulative Shareholding during the year
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<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>Total shareholding of Promoter (A) = (A)(1) + (A)(2)</b>	<b>720000</b>	<b>-</b>	<b>720000</b>	<b>72.14</b>	<b>720000</b>	<b>-</b>	<b>720000</b>	<b>72.14</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/ FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FII's	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1)</b>	-	-	-	-	-	-	-	-	-
<b>(2) Non- Institutions</b>	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	145385	30000	175385	17.58	145385	30000	175385	17.58	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	102615	102615	10.28	-	102615	102615	10.28	-



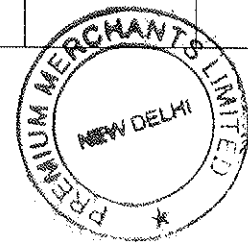


		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>At the beginning of the year</b>	<b>720000</b>	<b>72.14</b>	<b>720000</b>	<b>72.14</b>
	Date wise Increase / (Decrease) in Shareholding during the year and reasons	-	-	-	-
	<b>At the End of the year</b>	<b>720000</b>	<b>72.14</b>	<b>720000</b>	<b>72.14</b>

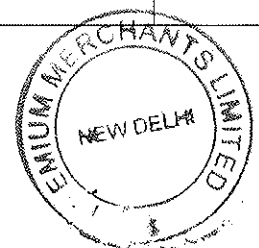
\* There is no change in the shareholding of promoters between April 1, 2020 to March 31, 2021.

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) as on 31.03.2021**

Sl. No	For each of the Top 10 shareholders	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
<b>1</b>	<b>Trend Agencies Private Limited</b>	<b>49000</b>	<b>4.91</b>	<b>49000</b>	<b>4.91</b>
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/bonus/swe at equity etc.):	<b>Nil movement during the year</b>			
	At the End of the year (or on date of separation, if separated during the year)	<b>49000</b>	<b>4.91</b>	<b>49000</b>	<b>4.91</b>
<b>2</b>	<b>Azure Products Private Limited</b>	<b>48985</b>	<b>4.91</b>	<b>48985</b>	<b>4.91</b>
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/bonus/swe at equity etc.):	<b>Nil movement during the year</b>			
	At the End of the year (or on date of separation, if separated during the year)	<b>48985</b>	<b>4.91</b>	<b>48985</b>	<b>4.91</b>
<b>3</b>	<b>Narayan Sales Private Limited</b>	<b>47400</b>	<b>4.75</b>	<b>47400</b>	<b>4.75</b>



	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/bonus/swe at equity etc.)	<b>Nil movement during the year</b>			
	At the End of the year (or on date of separation, if separated during the year)	<b>47400</b>	<b>4.75</b>	<b>47400</b>	<b>4.75</b>
<b>4</b>	<b>Soni Associates Private Limited</b>	<b>30000</b>	<b>3.01</b>	<b>30000</b>	<b>3.01</b>
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/bonus/swe at equity etc.):	<b>Nil movement during the year</b>			
	At the End of the year (or on date of separation, if separated during the year)	<b>30000</b>	<b>3.01</b>	<b>30000</b>	<b>3.01</b>
<b>5</b>	<b>Rajesh Kumar</b>	<b>2000</b>	<b>0.2</b>	<b>2000</b>	<b>0.2</b>
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/bonus/swe at equity etc.):	<b>Nil movement during the year</b>			
	At the End of the year (or on date of separation, if separated during the year)	<b>2000</b>	<b>0.2</b>	<b>2000</b>	<b>0.2</b>
<b>6</b>	<b>Rajesh Kumar Gupta</b>	<b>2000</b>	<b>0.2</b>	<b>2000</b>	<b>0.2</b>
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/bonus/swe at equity etc.):	<b>Nil movement during the year</b>			
	At the End of the year (or on date of separation, if separated during the year)	<b>2000</b>	<b>0.2</b>	<b>2000</b>	<b>0.2</b>
<b>7</b>	<b>Ram Dhari Gupta</b>	<b>2000</b>	<b>0.2</b>	<b>2000</b>	<b>0.2</b>
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/bonus/swe at equity etc.):	<b>Nil movement during the year</b>			



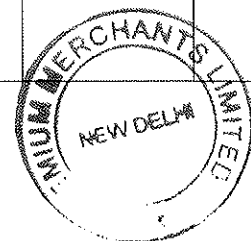
	At the End of the year (or on date of separation, if separated during the year)	2000	0.2	2000	0.2
<b>8</b>	<b>Sanjay Chaturvedi</b>	2000	0.2	2000	0.2
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/bonus/swe at equity etc.):	<b>Nil movement during the year</b>			
	At the End of the year (or on date of separation, if separated during the year)	2000	0.2	2000	0.2
<b>9</b>	<b>Satya Devi</b>	2000	0.2	2000	0.2
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/bonus/swe at equity etc.):	<b>Nil movement during the year</b>			
	At the End of the year (or on date of separation, if separated during the year)	2000	0.2	2000	0.2
<b>10</b>	<b>Satya Narain Bagri</b>	2000	0.2	2000	0.2
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/bonus/swe at equity etc.):	<b>Nil movement during the year</b>			
	At the End of the year (or on date of separation, if separated during the year)	2000	0.2	2000	0.2

**(v) Shareholding of Directors and Key Managerial Personnel as on 31.03.2021**

Sl. No	For each of the Directors and 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
<b>A</b>	<b>At the beginning of the Year</b>				
<b>1</b>	<b>Mr. Balbir Singh (DIN:00027438)</b>	-	-	-	-
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/bonus/swe at equity etc.):	-	-	-	-



	At the End of the year	-	-	-	-
<b>2</b>	<b>Dr. (Mrs) Bina Modi (DIN:00048606)</b>	-	-	-	-
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease(e.g. allotment/transfer/bonus/swe at equity etc.):	-	-	-	-
	At the End of the year	-	-	-	-
<b>3</b>	<b>Mr. Sanjay Kumar Gupta (DIN:00027728)</b>	-	-	-	-
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/bonus/swe at equity etc.):	-	-	-	-
	At the End of the year	-	-	-	-
<b>4</b>	<b>Mr. Rajeev Kapoor (DIN:03155896)</b>	-	-	-	-
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/bonus/swe at equity etc.):	-	-	-	-
	At the End of the year	-	-	-	-
<b>5</b>	<b>Ms. Babita Gupta (DIN:07135430)</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/bonus/swe at equity etc.):		-	-	-
	At the End of the year	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>
<b>B</b>	<b>Key Managerial Personnel (KMP)</b>				
<b>1</b>	<b>Mrs. Shikha Mittal (Chief Executive Officer &amp; Chief Financial Officer)</b>	-	-	-	-
	Datewise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/bonus/swe at equity etc.):	-	-	-	-



	At the End of the year	-	-	-	-
2	<b>Ms. Jyoti Bharti (Company Secretary)</b>	-	-	-	-
	Datewise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/bonus/swe at equity etc.):	-	-	-	-
	At the End of the year	-	-	-	-

#### V. INDEBTEDNESS

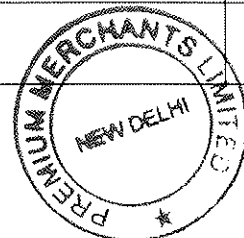
**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	Secured Loans excluding deposits	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the Financial year</b>			
i) Principal Amount	-	-	-
ii) Interest due but not paid			
iii) Interest accrued but not due			
<b>Total (i+ii+iii)</b>			
<b>Change in indebtedness during the Financial year</b>	-	-	-
• Addition			
• (Reduction)			
<b>Indebtedness at the end of the Financial year</b>	-	-	-
i) Principal Amount			
ii) Interest due but not paid			
iii) Interest accrued but not due			
<b>Total (i+ii+iii)</b>			

#### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
1.	Gross salary	NIL	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-



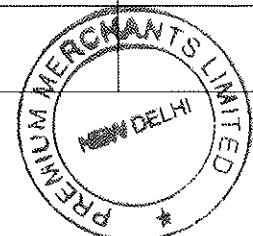
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission	-	-
	- as % of profit	-	-
	- others	-	-
5.	Others- Provident Fund	-	-
	<b>Total (A)</b>	-	-
	Ceiling as per the Act	-	-

**B. Remuneration to other directors:**

Sl. No	Particulars of Remuneration	Name of Directors			Total Amount
1.	Independent Directors	NIL			-
	• Fee for attending board / committee meetings				
	• Commission				
	• Others				
	<b>Total (1)</b>				
2.	Other Non-Executive Directors	-			-
	• Fee for attending board / committee meetings				
	• Commission				
	• Others				
	<b>Total (2)</b>				
	<b>Total (B)= (1+2)</b>				
	Total Managerial Remuneration	-			-
	Ceiling as per the Act				

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

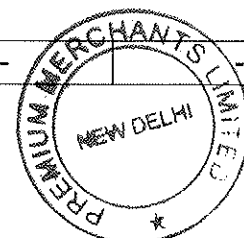
Sl. No	Particulars of Remuneration of Key Managerial Personnel	Chief Executive Officer & Chief Financial Officer	Company Secretary	Total
		Mrs. Shikha Mittal	Ms. Jyoti Bharti	



1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	180000	0	180000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	
2.	Stock Option	-	-	
3.	Sweat Equity	-	-	
4.	Commission	-	-	
	- as % of profit	-	-	
	- others	-	-	
5.	Others	-	-	
	<b>TOTAL</b>	<b>180000</b>	<b>0</b>	<b>180000</b>

**IV. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Brief Description	Authority [RD /NCLT/ COURT]	Appeal made, if any (give Details)
<b>A.COMPANY</b>					
Penalty	-	-	-	-	-
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-




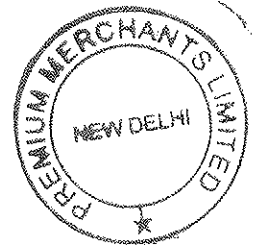
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Respectfully submitted on behalf of the Board

Place: New Delhi  
Dated: 12.08.2021

  
(Balbir Singh)  
Director  
(DIN-00027438)

  
~~(Rajeev Kapoor)~~  
Director  
(DIN-03155896)









# VISHAL ARORA & ASSOCIATES

## Company Secretaries

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,  
The Members  
**M/s Premium Merchants Limited**  
Omaxe Square, Plot No. 14, Jasola District Centre,  
Jasola, New Delhi-110025

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Premium Merchants Limited** (CIN L51909DL1985PLC021077) having its registered office at Omaxe Square, Plot No. 14, Jasola District Centre, Jasola, New Delhi-110025 (hereinafter referred to as 'the Company'). This assessment is based on documents given to us by the Company for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para-C Sub Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

S. No	Name of Director	DIN	Date of Appointment in the Company*
1	Mr. Balbir Singh	00027438	May 16, 2003
2	Mr. Sanjay Kumar Gupta	00027728	September 28, 2012
3	Mr. Rajeev Kapoor	03155896	August 30, 2010
4	Ms. Bina Modi	00048606	December 12, 2019
5	Ms. Babita Gupta	07135430	March 16, 2015

\*The date of appointment is as per the MCA Portal

Ensuring 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 matters, based on our verification. This certificate is neither an assurance on the future viability of the Company, nor on the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For Vishal Arora & Associates**  
Company Secretaries



**VISHHAL  
ARORAH**

VISHAL ARORA & ASSOCIATES  
Company Secretaries  
M. No. 5958, C.P. No. 5982  
New Delhi-110025  
UDIN: F005958C000784331  
PR No. 967/2020

**Vishhal Arorah**  
(Proprietor)  
M. No. F-5958, CP No. 5992  
UDIN: F005958C000784331  
PR No. 967/2020



# PREMIUM MERCHANTS LIMITED

Registered office: Omaxe Square, Plot No. 14, 5th Floor, Jasola District Centre, Jasola, New Delhi-110025

CIN: L51909DL1985PLC021077, Tel: +91 11 61119658

Email Id: [premiummerchants123@gmail.com](mailto:premiummerchants123@gmail.com), website: [www.pmltd.in](http://www.pmltd.in)

## Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

### 1. Details of contracts or arrangements or transactions not at arm's length basis:


(a)	Name(s) of the related party and nature of relationship	Not applicable
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts / arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any:	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

### 2. Details of contracts or arrangements or transactions at arm's length basis:

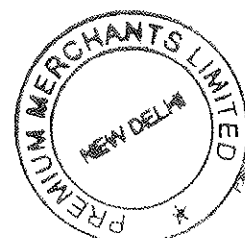
(a)	Name(s) of the related party and nature of relationship	Please refer point no. 18 of the Directors Report and Note No 26 of the Financial Statement.
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts / arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Date(s) of approval by the Board, if any	
(f)	Amount paid as advances, if any	

Respectfully submitted on behalf of the Board

Date: 12.08.2021  
Place: New Delhi

  
(Balbir Singh)  
Director  
(DIN-00027438)

  
(Rajeev Kapoor)  
Director  
(DIN-03155896)





**VISHAL ARORA & ASSOCIATES****Company Secretaries**

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**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2021**  
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**M/s Premium Merchants Limited**  
Omaxe Square, Plot No. 14,  
5<sup>th</sup> Floor Jasola District Centre,  
New Delhi-110025

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Premium Merchants Limited** (hereinafter called "the Company"). 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2021**, complied with the statutory provisions listed hereunder, 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, and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2021**, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under

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*N-145A, Ground Floor, Greater Kailash - 1, New Delhi - 110 048, India*  
*Telefax: +91 11 4987 2987, Tel.: +91 11 4987 2987*  
*E-mail: [info@legumamicuss.com](mailto:info@legumamicuss.com); Website: [www.legumamicuss.com](http://www.legumamicuss.com)*

**VISHAL**  
**ARORAH**

Digitally signed by Vishal Arora, DN: cn=Vishal Arora, o=Vishal Arora & Associates, ou=Vishal Arora & Associates, email=vishal@legumamicuss.com, c=IN

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under to the extent of Regulation 55A;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowing.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - (e) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
  - (g) Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009.
- (vi) We further report that there were no events / actions in pursuance of:
- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (c) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;





**Notes:**

1. Due to restricted movement amid COVID-19 pandemic, we conducted the secretarial audit by examining the Secretarial Records including Minutes, Documents, Registers and other records etc., and some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are the true and correct.
2. This Report is limited to the Statutory Compliances on laws / regulations / guidelines listed in our report which have been complied by the Company up to the date of this Report pertaining to Financial Year 2020- 21. We are not commenting on the Statutory Compliances whose due dates are extended by Regulators from time to time due to COVID- 19 or still there is time line to comply with such compliances.

*This Report is to be read with Annexure A, which forms an integral part of this report.*

**Annexure A**

To,  
The Members,  
**M/s Premium Merchants Limited**  
Omaxe Square, Plot No. 14,  
5<sup>th</sup> Floor Jasola District Centre,  
New Delhi-110025

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

1. Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures on random 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.

**For Vishal Arora & Associates  
Company Secretaries**



**VISHHAL  
ARORAH**

Chartered Accountants  
Firm No. 5958  
21, Kirti Vihar, Phase-1, Kirti Vihar, New Delhi-110017  
21, Kirti Vihar, Phase-1, Kirti Vihar, New Delhi-110017  
21, Kirti Vihar, Phase-1, Kirti Vihar, New Delhi-110017  
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21, Kirti Vihar, Phase-1, Kirti Vihar, New Delhi-110017  
21, Kirti Vihar, Phase-1, Kirti Vihar, New Delhi-110017

**Place: New Delhi  
Date: August 12, 2021**

**Vishhal Arorah  
Proprietor  
M. No. 5958; C P No.: 5992  
UDIN: F005958C000784395  
PR No. 967/2020**



# PREMIUM MERCHANTS LIMITED

Registered office: Omaxe Square, Plot No. 14, 5th Floor, Jasola District Centre, Jasola, New Delhi-110025

CIN: L51909DL1985PLC021077, Tel: +91 11 61119658

Email Id: [premiummerchants123@gmail.com](mailto:premiummerchants123@gmail.com), website: [www.pmltd.in](http://www.pmltd.in)

## STATEMENT OF PARTICULARS AS PER RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

- (i) **The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year**  
No remuneration was paid to the Directors of the Company during the Financial Year 2020-21
- (ii) **The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year:**

S.No	Name of Key Managerial Personnel	Remuneration paid during Financial Year 2020-21	%increase in the remuneration in the Financial Year 2020-21
1	Mrs. Shikha Mittal, CEO and CFO	180000	-
3	Ms. Jyoti Bharti (appointed w.e.f 17.08.2017 pursuant to the provisions of section 203 (3) of the Companies Act, 2013)	-	-
	<b>Total</b>	<b>180000</b>	<b>-</b>

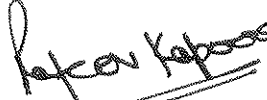
- (iii) **The percentage increase in the median remuneration of employees in the financial year**  
During the year under review, there is no increase in the remuneration paid. Hence, this clause is not applicable.
- (iv) **The number of permanent employees on the rolls of Company**  
The number of permanent employee on the roll of the Company is two (02).
- (v) **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**  
During the year under review, there is no increase in the remuneration paid. Hence, this clause is not applicable.
- (vi) **The key parameters for any variable component of remuneration availed by the directors**  
Not applicable as no remuneration was paid to the Directors.
- (vii) **Affirmation that the remuneration is as per the remuneration policy of the company**

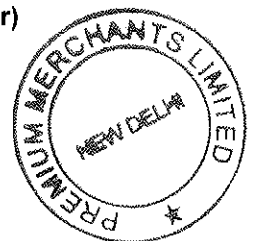
Yes

Respectfully submitted on behalf of the Board

Place: New Delhi  
Dated: 12.08.2021

  
(Balbir Singh)  
Director  
(DIN-00027438)

  
(Rajeev Kapoor)  
Director  
(DIN-03155896)





## **PREMIUM MERCHANTS LIMITED**

### **REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED MARCH 31, 2021**

**Pursuant to Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (hereinafter referred to as “SEBI Listing Regulations, 2015”) the Directors present the Company’s Report on Corporate Governance**

#### **1. COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE**

A good Corporate Governance system is key to meaningful and holistic growth of an organization and the foundation through which is nurtured its sustainable progress into the future. Corporate Governance aims at creating and enhancing long-term sustainable value for the stakeholders through ethically driven business process. It is imperative that our Company affairs are managed in a fair and transparent manner. We, therefore, ensure that we evolve and follow the Corporate Governance guidelines and best practices.

The Corporate Governance initiatives of the Company endeavor to achieve basic objective of wealth creation for the benefit of all its stakeholders i.e. shareholders, employees, business associates and the society at large. The Board of the Company is primarily responsible for protecting and enhancing shareholder’s value besides fulfilling the Company’s obligations towards other stakeholders. The role of the Board of Directors is to provide strategic superintendence and control over the Company’s management.

The day-to-day management of the Company is vested in the managerial personnel and sufficient authority is delegated at different levels. It is imperative that our Company affairs are managed in a fair and transparent manner.

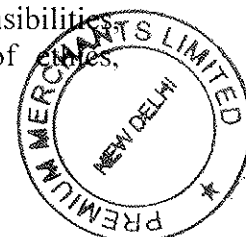
The Company is compliant with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of Sub-regulation (2) of Regulation 46 of SEBI Listing Regulations, 2015, as applicable, regarding corporate governance.

#### **2. BOARD OF DIRECTORS**

##### **i) Composition of the Board**

The Board consists of an optimal combination of Executive and Non-Executive Directors, including Independent Non-executive Directors, representing a judicious mix of business acumen, professionalism, knowledge and experience.

The Directors bring in expertise in the fields of strategy, management, finance and law, among others. They provide leadership, strategic guidance, objective and independent view to the Company’s management while discharging their fiduciary responsibilities, thereby ensuring that the management adheres to highest standards of transparency and compliance.



As on 31<sup>st</sup> March, 2021, the Board comprised of two independent directors & three non-independent, non-executive directors.

The Chairman of the Board is a non-executive and independent director and the minimum requirement of one-third of the Board consisting of independent directors is duly complied with.

The independent directors of the Company have already submitted their declarations affirming their status as independent directors as on March 31, 2021.

**ii) Details of the Board of Directors, their attendance at the Board Meetings/ last Annual General Meeting and their directorships/ memberships/chairmanships in Board/ Board Committees, respectively of other companies are as under:**

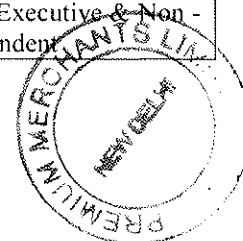
S. No.	Name of Director	Category	No. of Board Meetings attended	Attendance at last AGM	Directorship/ Chairmanship of Board of other Companies* as at March 31, 2021	Membership/ Chairmanship of other Board Committees** as at March 31, 2021
1	Dr. Bina Modi DIN: 00048606	Non-Executive & Non-Independent	4	No	5	Nil
2	Mr. Balbir Singh DIN 00027438	Non-Executive & Independent	5	Yes	6	2
3	Mr. Rajeev Kapoor DIN:03155896	Non-Executive & Independent	5	No	2	Nil
4	Mr. Sanjay Kumar Gupta DIN 00027728	Non-Executive & Non-Independent	5	Yes	6	2
5	Ms. Babita Gupta DIN 07135430	Non-Executive & Non-Independent	5	Yes	Nil	Nil

\* Excludes directorships in private limited companies, foreign companies, section 8 companies, alternate directorships and memberships of managing committees of various chambers/bodies.

\*\* Represents memberships/chairmanships of only Audit and Stakeholder Relationship Committees (excluding private companies and other non-corporate entities).

**Name of the listed entities in which the Directors are holding directorship including category of directorship:**

S. No.	Name of the Director	Name of the Listed entity	Category of directorship
1	Dr. Bina Modi	Godfrey Phillips India Limited Premium Merchants limited	Executive & Non – Independent Non - Executive & Non - Independent





2	Mr. Balbir Singh	Premium Merchants Limited	Non- Executive & Independent
		N K Textile Industries Limited	Non- Executive & Non - Independent
3.	Mr. Rajeev Kapoor	Premium Merchants Limited	Non – Executive & Independent
4.	Mr. Sanjay Kumar Gupta	Premium Merchants Limited	Non – Executive & Non-Independent
		N K Textile Industries Limited	Non – Executive & Independent
5.	Ms. Babita Gupta	Premium Merchants Limited	Non-Executive & Non - Independent

**(iv) Board Meetings held during the year**

5 (Five) Board Meetings were held during the financial year 2020-21. They were held on 30<sup>th</sup> June, 2020, 6<sup>th</sup> August, 2020, 10<sup>th</sup> November, 2020, 31<sup>st</sup> December 2020 and 9<sup>th</sup> February, 2021. The necessary quorum was present at all the meetings.

All information mentioned in Part A of Schedule II to Regulation 17(7) of SEBI Listing Regulations, 2015, was made available to the Board in addition to the regular business items.

**(v) Details of pecuniary relationship or transactions of the non-executive directors: Nil**

**(vi) Brief resume, experience and other directorships/board committee memberships of the Directors being appointed/re-appointed: Nil**

Ms. Babita Gupta (DIN: 07135430), being Non- Independent Director shall be retiring by rotation and being eligible offered herself for re-appointment in the ensuing Annual General Meeting (AGM) in accordance with the provisions of section 152 (6) of companies Act, 2013.

**(vii) Legal Compliances**

The Board periodically reviews compliance reports of applicable laws prepared by the Company as well as steps taken by it to rectify the instances of non-compliance.

**(viii) Familiarization Program for Directors**

The Company encourages and supports its Directors to update themselves with the rapidly changing regulatory environment.



In case of newly appointed Directors, the designated Board of Directors of the Company have one to one discussion with them in order to familiarize the new inductees with the Company's business operations. Upon appointment, Directors also receive a formal communication describing their roles, functions, duties and responsibilities as a Director and the same is uploaded on the Company's web-site at <http://www.pmltd.in/gallery/FPID.pdf>

From time to time the senior management personnel make presentations at the Board/Committee meetings about the Company's business and performance updates, strategy, operations, products, regulatory changes, opportunities, threats, etc.

During the year under report, the Directors of the Company were also familiarized in details about the industry in which Company is operating and the business & revenue models and various segments in which the Company has been operating. Further, they were also made conversant about their roles, duties and responsibilities.

**(ix) Code of Conduct**

The Company has laid down a Code of Conduct applicable to the directors and senior management team of the Company. The said Code has been communicated to the directors and senior management team personnel and is also posted on the website of the Company.

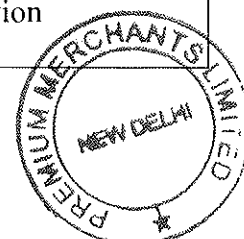
All the directors and senior management team personnel who are associated with the Company as on the date of this report, have affirmed compliance with the Code of Conduct for the financial year ended 31<sup>st</sup> March, 2021.

**(x) Key qualifications, expertise and attributes**

The Company's Board comprises qualified members who bring in the requisite skills, competence and expertise that allow them to make effective contributions to the Board and its committees. The Board members are committed to ensuring that the Company's Board is compliant with the highest standards of corporate governance.

The following are the skills/expertise/competencies that are required in the context of the company's business (es) and sector(s) and the directors who possess such skills/expertise/competencies:

S. No	Name of the Director	Skills/Expertise/Competencies
1.	Dr. Bina Modi	Leadership and Entrepreneurship skills
2.	Mr. Balbir Singh	Expertise in the field of Finance, Taxation and Company law matters.
3.	Mr. Rajeev Kapoor	Expertise in the field of Taxation



4.	Mr. Sanjay Kumar Gupta	Expertise in the field of Finance, Taxation, legal and Company law matters.
5.	Ms. Babita Gupta	Secretarial and Financial Skills

(xi) The Board of Directors of the Company has confirmed that in their opinion the Independent Directors fulfill the conditions specified in the SEBI Listing Regulations, 2015 and are independent of the management.

(xii) No Independent Director of the Company has resigned from the Company during the year under report.

### 3. AUDIT COMMITTEE

#### i) Composition and Terms of Reference

The Audit Committee of the Company has been constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, 2015 and Section 177 of the Companies Act, 2013.

The terms of reference of the Audit Committee cover all the areas specified in Section 177 of the Companies Act, 2013 as well as those specified in Part C of Schedule II to SEBI Listing Regulations, 2015, as amended from time to time and inter-alia include overseeing financial reporting process, reviewing the financial statements before submission to the Board for approval, reviewing internal control systems and procedures, approval or any subsequent modification of transactions of the Company with related parties, etc. The Audit Committee also reviews from time to time the information relating to management discussion and analysis of financial condition and result of operations, letters of internal control weaknesses, if any, issued by the statutory auditors and the reports issued by the internal auditors of the Company.

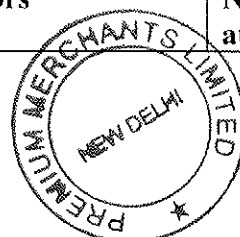
All the members of the Audit Committee are financially literate and the Chairman, Mr. Balbir Singh, possesses the required accounting and financial management expertise. Ms. Jyoti Bharti, Company Secretary, acts as the Secretary to the Committee.

Mr. Balbir Singh was present at the Annual General Meeting held on 30<sup>th</sup> September, 2020 to answer the shareholders' queries.

#### ii) Details of meetings and attendance of each member of the Committee

Audit Committee met 4 (Four) times during the financial year 2020-21 i.e. on 30<sup>th</sup> June, 2020, 6<sup>th</sup> August, 2020, 10<sup>th</sup>, 2020, 10<sup>th</sup> November, 2020 and 9<sup>th</sup> February, 2021.

S. No.	Name	Category of directors	No. of Meetings attended
--------	------	-----------------------	--------------------------



1	Mr. Balbir Singh	Non-Executive & Independent	4
2	Mr. Rajeev Kapoor	Non-Executive & Independent	4
3	Mr. Sanjay Kumar Gupta	Non-Executive & Non-Independent	4

#### 4. SUBSIDIARY COMPANIES:

The Company does not have any subsidiaries during the year under review.

#### 5. DISCLOSURES

##### (A) Basis of related party transactions

##### i) Transactions with related parties in the ordinary course of business:

Transactions with the related parties disclosed in note 26 to the standalone financial statements for the year ended 31<sup>st</sup> March, 2021 are in the ordinary course of business. The said transactions have no potential conflict with the interests of the Company at large. All details of such transactions are provided to the Audit Committee and Board, if required. It is also ensured that the interested directors neither participate in the discussions nor vote on such matters.

##### ii) Transactions with related parties not in the normal course of business:

There are no transactions entered into by the Company with the related parties during the financial year ended 31<sup>st</sup> March, 2021, whose terms and conditions are not in the ordinary course of business.

##### iii) Transactions with related parties not on arm's length basis:

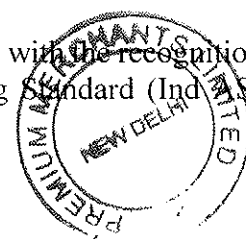
There are no transactions entered into by the Company with the related parties during the financial year ended 31<sup>st</sup> March, 2021, whose terms and conditions are not on an arm's length basis.

##### iv) Policy on dealing with related party transactions:

The Company has formulated a policy on dealing with related party transactions and the same is available on the website of the Company at web link:  
<http://www.pmltd.in/gallery/RPT.pdf>

##### (B) Disclosure of accounting treatment

The financial results for the year have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard (Ind AS)



prescribed under Section 133 of the Companies Act, 2013 as amended and other accounting principles generally accepted in India.

**(C) Risk management Policy**

The Company has formally adopted a Risk Management Policy to identify and assess the Key risk areas, monitor and report compliance and effectiveness of the policy and procedure. The Board periodically reviews the risks and suggest steps to be taken to control and mitigate the same through a properly defined framework. The said policy is available on the website of the Company at web link:

<http://www.pmltd.in/gallery/Risk-Management.pdf>

**(D) Whistle Blower Policy**

The Company has formulated and communicated the Whistle Blower Policy to all its directors and employees and the same is posted on the Company's Website

<http://www.pmltd.in/gallery/Whistle-Blower.pdf>

It provides opportunity to the directors and employees to report in good faith to the management about the unethical and improper practices, fraud or violation of Company's Code of Conduct. The vigil mechanism under the Policy provides for adequate safeguard against victimization of employees and directors who use such mechanism and make provision for direct access to the Chairman of the Audit Committee in exceptional cases. The Company affirms that none of the personnel of the Company has been denied access to the Audit Committee.

**(E) Proceeds from public issues, right issues, preferential issues, etc.**

The Company did not raise any funds through public, rights, preferential issues, qualified institutional placement, etc. during the year under report.

**(F) Strictures and penalties**

No strictures or penalties have been imposed on the Company by the stock exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matter related to capital markets during the last three years.

**(G) Certificate from Company Secretary in Practice**

M/s Vishal Arora & Associates, Practicing Company Secretaries and the Secretarial Auditors of the Company, have issued a certificate as required under the SEBI Listing Regulations, 2015, confirming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority. The certificate is attached with this report.



(H) There is no instance during the financial year 2020-21 where the Board has not accepted any recommendation of any committee of the Board which is mandatorily required to be accepted.

(I) **Details of Total fees paid to statutory auditors**

The details of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part, are as follows:

Type of service	Amount in Rs.
Audit and Related Service Fees (Audit & Review of Financial Statements and Certification)	29,400
Non-Audit Fees	0
Reimbursement of Out-of-Pocket Expenses	0
<b>Total</b>	<b>29,400</b>

(J) **Disclosures in relation to the Sexual Harassment of Women at Work-place (Prevention, Prohibition and Redressal) Act, 2013:**

During the year under report, no complaint was filed with the Company and no complaint is pending at the end of the financial year.

(K) **Adoption of discretionary requirements**

The Company has complied with all applicable mandatory requirements of Corporate Governance as specified in Regulations 17 to 27 and 46(2) of SEBI Listing Regulations, 2015. The Company has not adopted any discretionary requirements as prescribed in Part E of Schedule II to SEBI Listing Regulations, 2015.

(L) **Annual Secretarial Compliance Report**

The Company has undergone an audit for the financial year 2020-21 for all applicable compliances as per SEBI Listing Regulations, 2015 and Circulars/Guidelines issued thereunder.

The Annual Secretarial Compliance Report has been submitted to the stock exchanges within extended time limit as prescribed by SEBI.

**6. REMUNERATION TO DIRECTORS**

i) **Remuneration policy:** The Company has formulated a Nomination and Remuneration Policy and the same is posted on the website of the Company at <http://www.pmltd.in/gallery/Nomination.pdf>

ii) During the Financial Year 2020-21, No remuneration was paid to the Directors of the Company.



**(iii) Details of service contract, notice period, severance fees, etc. of directors: NIL**

**Details of shares/convertible instruments held in the Company by the non-executive directors.**

<b>S. No.</b>	<b>Name of the non-executive director</b>	<b>No. of shares held as on March 31, 2021</b>
1.	Ms. Babita Gupta	1

**(iv) Performance evaluation**

The performance evaluation of the Board, its Committees and individual Directors was carried out on the basis of duly filled-in self-evaluation questionnaire which was prepared under the guidance of Chairman of the Board and then circulated amongst the Directors.

Independent Directors in their separate meeting held on 22<sup>nd</sup> March, 2021 evaluated the replies/feedbacks received in response to the questionnaire circulated and expressed their satisfaction with the evaluation process.

**7. MANAGEMENT**

As per Regulation 26(5) of SEBI Listing Regulations, 2015, all members of the senior management team are required to disclose their interest in all the material financial and commercial transactions, which may have a potential conflict with the interests of the Company at large.

The senior management team comprises of CEO, CFO and Company Secretary of the Company and there are no material financial and commercial transactions that have taken place during the financial year ended 31<sup>st</sup> March, 2021 in which they had personal interest. These transactions include dealing in/holding of shares of the Company by them/their relatives, transactions entered into by them/their relatives with the Company, transactions entered into by the Company with the companies in which they/their relatives are Directors or Members and transactions entered into by them/their relatives with the subsidiary companies of the Company and these were placed at the Board Meeting held on 20<sup>th</sup> April, 2021.

**8. NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee comprises of Rajeev Kapoor, as its Chairman and Mr. Balbir Singh and Mr. Sanjay Kumar Gupta as its members.

The terms of reference of the Committee are as under:



- (i) To identify persons who are qualified to become directors and who may be appointed in senior management and recommend to the Board of Directors their appointment and removal.
- (ii) To carry out evaluation of every director's performance.
- (iii) To formulate the criteria for determining qualifications, positive attributes and independence of a director.
- (iv) To recommend to the Board a policy, relating to the remuneration for the directors, key management personnel and the employees in senior management.
- (v) To recommend to the Board, all remuneration, in whatever form, payable to senior management.
- (vi) Any other matter as may be assigned by the Board from time to time.

The Committee met three times during the financial year 2020-21 i.e. on 6<sup>th</sup> August, 2020, 31<sup>st</sup> August, 2020 and 22<sup>nd</sup> March, 2021.

S. No.	Name	Category of directors	No. of meetings attended
1.	Mr. Rajeev Kapoor	Non-Executive & Independent	3
2.	Mr. Balbir Singh	Non-Executive & Independent	3
3.	Mr. Sanjay Kumar Gupta	Non-Executive & Non-Independent	3

#### **Performance evaluation criteria for Independent and Non-Executive Directors**

As per Section 178 of the Companies Act, 2013 and Listing Regulations, the performance of Independent and Non-Executive Directors is evaluated using parameters such as their level of engagement and contribution, independence of judgement, safeguarding the interests of the Company and its minority shareholders, and the time devoted to the Company.

#### **Performance evaluation for the financial year 2020-21:**

The Board was satisfied with the overall performance, professional expertise and knowledge of each of its Directors. All Directors effectively contributed to the decision-making process by the Board. All Committees were duly constituted and functioned





effectively. The Board also expressed its satisfaction with the documents it received explaining Company processes and operations. The Board expressed its satisfaction with the decision-making and decision-implementing procedures followed by it.

## 9. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee comprises of Mr. Balbir Singh, as its Chairman and Mr. Rajeev Kapoor and Ms. Babita Gupta as its members

This Committee, besides sanctioning share transfers/transmissions and other related matters, looks into various aspects of interest of shareholders' and other investors' complaints. Further, the role of the committee has been specified in Part D of the Schedule II of SEBI Listing Regulations, 2015.

Ms. Jyoti Bharti, Company Secretary, is designated as Compliance Officer.

During the year, the Committee met once i.e. on 31<sup>st</sup> December, 2020 and the meeting was attended by Mr. Balbir Singh, Mr. Rajeev Kapoor and Ms. Babita Gupta.

The details of investor complaints received during the financial year 2020-21 are:

Opening Balance	Received during the year	Resolved during the year	Closing balance
0	0	0	0

## 10. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE: NOT APPLICABLE

## 11. INDEPENDENT DIRECTORS' MEETING

All the Independent Directors met on 22<sup>nd</sup> March 2021, to evaluate the:

- (i) Performance of Non-Independent Directors and the Board as a whole;
- (ii) Performance of the Chairman of the Board, taking into account the views of the Executive and Non-Executive Directors;
- (iii) Quality, content, and timeliness of flow of information between the Management and the Board that is necessary for the Board to act effectively and reasonably perform its duties.

### Declaration from Independent Directors



The Company has received declarations from all Independent Directors of the Company confirming they meet the criteria of independence as prescribed by Section 149 of the Companies Act, 2013, and Regulation 16 & 25 of the Listing Regulations.

The Board is of the opinion that its Independent Directors fulfil the conditions specified in these regulations and are independent of the Management

## 12. GENERAL BODY MEETINGS

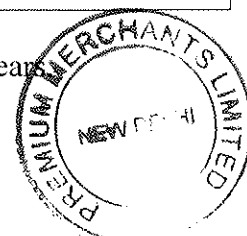
The Annual General Meeting (AGM) is the main platform for interaction between the Management and shareholders. Annual General Meetings are held in Delhi where registered office of the Company is located.

The Company ensures that the Notice for the AGM, along with the Annual Report of the Company, is sent to shareholders in advance.

Details of the last three Annual General Meetings (AGMs) are as follows:

Financial year	Date of the AGM	Time	Location	Particulars of special resolutions passed
2017-18	28 <sup>th</sup> September, 2018	11.00 A.M	Hotel, 'The Cameron', Plot No. 92, Pocket-1, Kalindi Kunj, Noida Road, Jasola Vihar, New Delhi- 110025	Continuation of Directorship of Mr. Krishan Kumar Modi (DIN: 00029407) since he has already attained the age of 75 (Seventy Five) years, as the Non-Executive Director of the Company pursuant to regulation 17 (1A) of Securities and Exchange Board of India (Listing Obligation And Disclosure Requirements) (Amendment) Regulations, 2018.
2018-19	30 <sup>th</sup> September, 2019	11.00 AM	Hotel, The Sentinel', 47, Pocket-1, Jasola, New Delhi-110025	Re-appointment of Mr. Balbir Singh (DIN 00027438) as an Independent Director for a term of 5 (five) consecutive years beginning from April 1, 2019 and ending March 31, 2024.
2019-20	31 <sup>st</sup> August, 2020	3.00 PM	Omaxe Square, Plot No.14, 5 <sup>th</sup> Floor, Jasola District centre, Jasola New Delhi-110025	Appointment of Dr. (Mrs.) Bina Modi (00048606) as a Non-Executive Director of the Company by way of special resolution as she has already attained the age of 75 years.

There was no other General Body Meeting held during the last three years



## Postal Ballot

There is no special resolution proposed to be passed through postal ballot at the ensuing Annual General Meeting scheduled on 30<sup>th</sup> September, 2021.

## 13. MEANS OF COMMUNICATION

The quarterly, half yearly and annual results are published by the Company in 'The Pioneer' (English) and in Pioneer (Hindi). The quarterly and yearly results are also available on the Company's website: www.pmltd.in. The half-yearly results are not sent to household of the shareholders.

The Management Discussion and Analysis forms part of the Directors' Report.

## 14. GENERAL SHAREHOLDER INFORMATION

### i) Annual General Meeting

Date and Time	:	30 <sup>th</sup> September, 2021 at 2.00 P.M.
Venue	:	at the registered office of the Company at Omaxe Square, Plot No. 14, Jasola District Centre, Jasola, New Delhi-110025

### ii) Financial Calendar for 2021-22

First Quarter Results	:	Latest by 14 <sup>th</sup> August, 2021
Second Quarter Results	:	Latest by 14 <sup>th</sup> November, 2021
Third Quarter Results	:	Latest by 14 <sup>th</sup> February, 2022
Annual Results	:	Latest by 30 <sup>th</sup> May, 2022

iii) **Date of Book Closure** : 24<sup>th</sup> September, 2021 to 30<sup>th</sup> September, 2021  
(both days inclusive)

iv) **Dividend Payment Date** : Not Applicable

### v) Listing on the Stock Exchanges:

The Company's shares are listed on Metropolitan Stock Exchange of India (MSEI)

#### **Metropolitan Stock Exchange of India Limited**

Vibgyor Towers, 501, 5th Floor, Plot No C-62, Opp. Trident Hotel  
Bandra Kurla Complex, Bandra (E), Mumbai – 400098

The Company has paid the listing fees to the above Stock Exchange for the financial year 2021-22.



- vi) **Market Price Data of equity shares of the Company:** The High and low prices of the equity shares of the Company at Metropolitan Stock Exchange of India Limited (MSEI) for the year ended 31<sup>st</sup> March, 2021 are as under:-

Month	Share Price (Rs) at MSEI	
	High	Low
April, 20	10	10
May, 20	10	10
June, 20	10	10
July, 20	10	10
August, 20	10	10
September, 20	10	10
October, 20	10	10
November, 20	10	10
December, 20	10	10
January, 21	10	10
February, 21	10	10
March, 21	10	10

- vii) **Performance of the share price of the Company in comparison with BSE sensx, CRISIL etc.:** Not Applicable as shares are not frequently traded

viii) **Registrar and Share Transfer Agents**

**M/s Mas Services Limited.**  
T-34, 2<sup>nd</sup> Floor, Okhla Industrial Area,  
Phase- 11, New Delhi-110020  
Telephone No: 011-26387281  
E-mail id: info@masserv.com

ix) **Share Transfer System**

As Per Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, securities can be transferred only in dematerialized form with effect from April 1, 2019, except in case of a request received for transmission or transposition of securities. SEBI fixed March 31, 2021 as the cut-off date for re-lodgment of transfer deeds; the shares that are re-lodged for transfer must be issued only in demat mode. Requests for share transfers, rematerialization and transposition are attended to within the stipulated time period. The share certificate is returned/ issued in accordance with the time period as stipulated by the Listing Regulations and other applicable laws, rules and regulations.

The Company's share transfer and related operations are currently being handled by Mas Services Limited, Registrar and Share Transfer Agents (RTA) who are registered with the SEBI as a Category 1 Registrar.

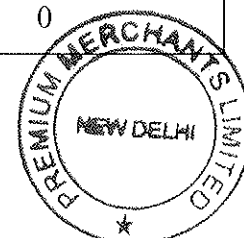
x) **Distribution of shareholding as on March 31, 2021**



Range of Shareholdings	Number of Shareholders	Percentage of Shareholders	Number of Shares	Percentage of Shares
1-5000	119	95.96	102615	10.62
5001-10000	0	0	0	0.99
10001-20000	0	0	0	0.64
20001-30000	1	0.81	0	0.51
30001-40000	0	0	30000	3.01
40001-50000	3	2.42	1,45,385	14.57
50001-100000	0	0	0	0
100001 and above	1	0.81	720000	72.14
<b>TOTAL</b>	<b>124</b>	<b>100.00</b>	<b>9,98,000</b>	<b>100.00</b>

**xi) Categories of shareholding as on March 31, 2021**

Category of Shareholder	Number of Shares	Percentage of Shares
<b>A. Promoter and Promoter Group</b>	<b>720000</b>	<b>72.14</b>
<b>B. Public Shareholding</b>		
Foreign Institutional Investors	0	0.00
Foreign Banks	0	0.00
Foreign Portfolio Investors – Corp.	0	0.00
Mutual Funds/UTI	0	0.00
Financial Institutions/Banks	0	0.00
Bodies Corporate	175385	17.58
Individuals	102615	10.28
Central Government/ State Government(s)	0	0
NRIs and OCBs	0	0
Other Directors & Relatives	0	0



Unclaimed Suspense Account	0	0
Others	0	0
<b>Total Public Shareholding</b>	<b>278000</b>	<b>27.86</b>
<b>Total Shareholding (A+B)</b>	<b>998000</b>	<b>100.00</b>

**xii) Dematerialisation of shares**

The shares of the Company are compulsorily traded in the dematerialised form and are available for trading under both the Depository Systems- NSDL (National Securities Depository Ltd.) and CDSL (Central Depository Services (India) Ltd). As on March 31, 2021, a total of 8,65,385 equity shares of the Company, which forms 86.71% of the share capital, stood dematerialised.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's equity shares of face value of Rs.10/- each is INE536R01019.

**xiii) Outstanding GDRs/ADRs/Warrants or other Convertible Instruments**

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments during the year and hence, as on March 31, 2021, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

**xiv) Plant Locations: Nil**

**xv) Address for Correspondence**

Shareholders are requested to address all their correspondence concerning shares to the Company's Registrar and Share Transfer Agents, Mas Services Limited at the following addresses mentioned below:

**Mas Services Limited**

T-34, 2<sup>nd</sup> Floor, Okhla Industrial Area, Phase-II,  
New Delhi-110020

Or at the registered office of the Company at:

**Premium Merchants Limited**

Omase Square, Plot No.14, 5<sup>th</sup> Floor,  
Jasola District Centre, Jasola, New Delhi-110025

**xvi) Corporate Identity Number (CIN): L51909DL1985PLC021077**

**15. DETAILS OF UNCLAIMED SHARES**

**Equity Shares in the Suspense Account**



The requisite disclosures under Schedule V of SEBI Listing Regulations, 2015, in respect of the Unclaimed Shares, pursuant to Regulation 39 read with Schedule VI of the SEBI Listing Regulations, 2015 are not applicable on the Company as there are no equity shares held in 'Unclaimed Suspense Account'.

#### 16. CEO/CFO CERTIFICATION

The Company maintains detailed internal controls to protect its assets and interests, and to ensure the integrity and fairness of its financial reporting. The Company has also engaged external consultants to check and coordinate and vet every aspect of this process.

The certificate required under Regulation 17(8) of the Listing Regulations, duly signed by Mrs. Shikha Mittal, CEO and CFO, was placed before the Board also it is enclosed to this report.

#### 17. REPORT ON CORPORATE GOVERNANCE

The Corporate Governance Report forms part of the Annual Report.

The Company is regularly filing the Quarterly Compliance Report on Corporate Governance with the Stock Exchanges as per the format specified in Regulation 27(2) of SEBI Listing Regulations, 2015.

#### 18. COMPLIANCE

Certificate from practicing Company Secretary with respect to compliance with the conditions of Corporate Governance as stipulated in Para E of Schedule V to SEBI Listing Regulations, 2015 forms part of the Annual Report.

**For Premium Merchants Limited**



**Balbir Singh**  
**Director**  
**DIN: 00027438**



**Rajeev Kapoor**  
**Director**  
**DIN: 03155896**

**Date : 12.08.2021**  
**Place: New Delhi**



100-1000



# PREMIUM MERCHANTS LIMITED

Registered office: Omaxe Square, Plot No. 14, 5th Floor, Jasola District  
Centre, Jasola, New Delhi-110025

CIN: L51909DL1985PLC021077, Tel: +91 11 61119658

Email Id: [premiummerchants123@gmail.com](mailto:premiummerchants123@gmail.com), website:[www.pmltd.com](http://www.pmltd.com)

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## CEO/CFO Certification

I, Shikha Mittal Chief Executive officer and Chief Financial Officer of the Company certify that:

1. I have reviewed the audited Financial Results of the Company for the Quarter and year ended on 31.03.2021 and to the best of our knowledge and belief:
  - i) These statement do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
  - ii) The audited financial result present a true and fair view of the Company's affair and are in compliance with existing Accounting Standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended on March 31, 2021 which are fraudulent, illegal or voliative of the Company's code of business conduct.
3. I am responsible for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting.
4. There has not been any significant change in internal control over financial reporting and in accounting policies and that there is no instance of any fraud involving management having significant role in the Company's internal control system over financial reporting.

*Shikha Mittal*

**Shikha Mittal**  
**CEO & CFO**

**New Delhi**  
**Date:30.06.2021**





**R. C. AGARWAL & CO.  
CHARTERED ACCOUNTANTS**

102, Laxman Palace, 19, Veer Savarkar Block, Madhuban Road, Shakarpur, Delhi-110092

Ph.: Off: 42445220 , Mob: 9810039548

E Mail - rcagg1944@gmail.com , rcagg2003@yahoo.com

**To the Members of PREMIUM MERCHANTS LIMITED**

**Report on the Financial Statements**

We have audited the accompanying standalone financial statements of **PREMIUM MERCHANTS LIMITED** ("the Company") which comprise the Balance Sheet as at 31 March 2021 and the Statement of Profit and Loss for the year ended on that date, and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

**Management's Responsibility for the Financial Statements**

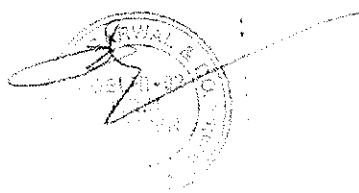
The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Accounting principles generally accepted in India, including the Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 ("the Act") read with the relevant rules issued there under. This responsibility includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the fraud and other irregularities; selection and application of appropriate accounting policies; making judgment and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation standalone Ind AS and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.



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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the standalone Ind AS, of the financial position of the company as at 31<sup>st</sup> March, 2021 and its financial performance including other comprehensive income, its cash flow and changes in equity for the year ended on that date..

**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 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 Companies Act, 2013 we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss and Cash Flows and statement of changes of equity dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid standalone Ind AS financial Statements comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with the relevant rules issued there under.
  - e. On the basis of written representations received from the directors as on 31 March 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020, from being appointed as a director in terms of sub-section (2) of Section 164 of the Companies Act, 2013.



**R. C. AGARWAL & CO.**  
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- f. With respect to the adequacy of the Internal Financial Controls over financial reporting of the company and the operating effectiveness of such control, refer to our separate report in "Annexure B"; and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies ( Audit and Auditors) Rules,2014 in our opinion and to the best of our information and according to the explanations given to us:
- i. the company has disclosed the impact of pending litigations, if any, on its financial position in its standalone Ind AS financial statements: Refer note to the standalone Ind As Financial statements
  - ii. the company has made provision, as required , if any, under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts: Refer note to the standalone Ind As Financial statements
  - iii. there is no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and

For **R C AGARWAL & CO.**

Chartered Accountants

Firm's registration number: 003175N

  
**R.C. AGARWAL**

Partner

Membership number: 010200

UDIN: **21010200AAAAAR4705**



Place: New Delhi

Date: 30.06.2021

**R. C. AGARWAL & CO.**  
**CHARTERED ACCOUNTANTS**

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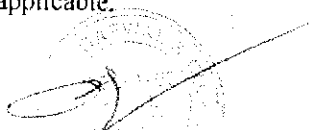
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**Annexure A to the Auditors' Report**

The Annexure referred to in our report to the members of **PREMIUM MERCHANTS LIMITED** ("the Company") for the year ended 31 March 2021. We Report that:

1. i) Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.  
ii) The Fixed Assets of the company are physically verified by the Management. As per the information given by the Management, no material discrepancies were noticed during such verification.  
iii) The title deeds of immovable properties are held in the name of the company.
2. As explained to us, the company did not have any inventory, hence paragraph 3 (ii) of the company's Auditors Report order 2016 are not applicable to the company.
3. During the year under review, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act.
4. In respect of loans, investments, guarantees and security necessary provision of section 185 and 186 of the Companies act, 2013 have been complied with.
5. The Company has not accepted any deposits from the public covered under section 73 to 76 of the Companies Act, 2013.
6. As per information & explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Act.
7. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, duty of Service Tax, duty of Custom, duty of Excise, value added tax cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31<sup>st</sup> of March, 2021 for a period of more than six months from the date they became payable.  
  
(b) According to information and explanations given to us there was no outstanding due of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess on account of dispute.
8. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders as the company has not taken any loans from financial institution, bank or debenture holders.
9. The company has not raised money by way of initial public offer or further public offer and term loan as such clause 9 of the order is not applicable.



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10. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.
11. No managerial remuneration has been paid or provided in accordance with requisite approvals mandated by the provisions of the section 197 read with schedule V of the companies Act, 2013.
12. The company is not a Nidhi Company,
13. Detail of all the transactions with related parties in compliance with section 177 and 188 of Companies act, 2013 have been disclosed in the financial statements.
14. Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. The company has not entered into any non cash transactions with the directors or persons connected with him.
16. The company is registered under section 451A of the Reserve Bank of India Act, 1934 and registration certificate has been obtained from Reserve Bank of India.

For **R.C. AGARWAL & CO.**

Chartered Accountants

Firm's registration number: 003175N

**R.C AGARWAL**

Partner

Membership number: 010200

UDIN: **21010200AAAAAR4705**

Place: New Delhi

Date: 30.06.2021



**R. C. AGARWAL & CO.**  
**CHARTERED ACCOUNTANTS**

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**ANNEXURE -B**

Annexure referred to in paragraph 2(i) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

**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 **PREMIUM MERCHANTS LIMITED** as of March 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 and the Standards on Auditing, both 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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





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**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For **R.C. AGARWAL & CO.**

Chartered Accountants

Firm's registration number: 003175N

**R.C. AGARWAL**

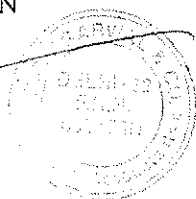
Partner

Membership number: 10200

UDIN: **21010200AAAAAR4705**

Place: Delhi

Date: 30.06.2021



Premium Merchants Limited  
Balance Sheet as at 31st March, 2021  
All amounts in INR unless otherwise stated

Particulars	Note	As at 31st March, 2021	As at 31st March, 2020
<b>ASSETS</b>			
<b>Financial Assets</b>			
- Cash and cash equivalents	2	2,12,091	14,93,637
- Other bank balances	3	1,51,70,916	1,14,87,007
- Trade receivables	4	10,690	94,788
- Investments	5	76,69,38,018	72,36,63,052
- Other financial assets	6	11,900	11,900
		<u>78,23,43,615</u>	<u>73,67,50,384</u>
<b>Non-financial assets</b>			
- Current tax assets (Net)	7	12,33,720	12,81,540
- Property, plant and equipment	8	1,84,67,735	1,85,25,968
		<u>1,97,01,455</u>	<u>1,98,07,508</u>
<b>Total Assets</b>		<u>80,20,45,070</u>	<u>75,65,57,892</u>
<b>LIABILITIES AND EQUITY</b>			
<b>Financial Liabilities</b>			
- Subordinated Liabilities	9	1,00,00,000	1,00,00,000
- Trade Payables	10	49,250	81,620
- Other financial liabilities	11	1,50,000	1,50,000
		<u>1,01,99,250</u>	<u>1,02,31,620</u>
<b>Non Financial Liabilities</b>			
- Provisions	12	7,632	7,632
- Deferred tax liability	13	16,29,29,318	15,34,25,791
- Other non financial liabilities	14	23,192	14,136
		<u>16,29,60,142</u>	<u>15,34,47,559</u>
<b>Total Liabilities</b>		<u>17,31,59,392</u>	<u>16,36,79,179</u>
<b>Equity</b>			
Equity share capital	15	99,80,000	99,80,000
Other equity	16	61,89,05,678	58,28,98,713
<b>Total Equity</b>		<u>62,88,85,678</u>	<u>59,28,78,713</u>
<b>Total Liabilities and Equity</b>		<u>80,20,45,070</u>	<u>75,65,57,892</u>

Notes forming part of the financial statements

1-30

In terms of our report attached

For R. C. Agarwal & Co.  
Chartered Accountants  
Firm Registration No: 003175N

For and on behalf of the Board of Directors

R. C. Agarwal  
Partner  
Membership No. 010200

Place: New Delhi  
Date: 30.06.2021



*Balbir Singh*

Balbir Singh  
Director  
DIN No. 00027438

*Rajesh Kapoor*

Rajesh Kapoor  
Director  
DIN No. 03155896

*Shikha Mittal*

Shikha Mittal  
Chief Financial Officer &  
Chief Executive Officer

*Jyoti Bharti*

Jyoti Bharti  
Company Secretary

Premium Merchants Limited  
Statement of profit and loss for the year ended 31st March, 2021  
All amounts in INR unless otherwise stated

Particulars	Note	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>Revenue from Operations</b>			
Dividend Income	17	21,61,133	34,57,814
Interest Income	18	7,80,636	7,03,579
Sale of Services	19	13,653	2,34,580
Net gain on fair value changes	20	55,20,866	-
<b>Total Revenue from Operations</b>		<b>84,76,288</b>	<b>43,95,973</b>
Other Income	21	6,75,000	6,75,000
<b>Total Income</b>		<b>91,51,288</b>	<b>50,70,973</b>
<b>Expenses</b>			
Net loss on fair value changes	22	-	19,42,673
Employee benefit expenses	23	1,80,000	2,47,500
Depreciation	8	58,233	58,233
Other expenses	24	3,85,087	4,27,546
<b>Total Expenses</b>		<b>6,23,320</b>	<b>26,75,952</b>
<b>Profit before tax</b>		<b>85,27,968</b>	<b>23,95,021</b>
<b>Tax Expense:</b>			
Current tax		7,10,000	2,82,000
Current tax- earlier years		61,577	(2,13,012)
Deferred tax		11,16,021	(4,04,495)
<b>Total tax Expense</b>		<b>18,87,598</b>	<b>(3,35,507)</b>
<b>Profit for the period</b>		<b>66,40,370</b>	<b>27,30,528</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not to be reclassified to profit or loss</b>			
Equity Instruments through Other Comprehensive Income		3,77,54,101	(10,47,80,421)
Income tax relating to items that are not to be reclassified to profit and loss		(83,87,506)	2,47,15,413
<b>Total Other Comprehensive Income</b>		<b>2,93,66,595</b>	<b>(8,00,65,008)</b>
<b>Total Comprehensive Income for the year</b>		<b>3,60,06,965</b>	<b>(7,73,34,480)</b>
<b>Earnings per equity share- Basic/Diluted</b> (Face value of share ₹ 10 each)	25	6.65	2.74
<b>Notes forming part of the financial statements</b>	1-30		

in terms of our report attached

For R. C. Agarwal & Co.  
Chartered Accountants  
Firm Registration No: 003175N

R. C. Agarwal  
Partner  
Membership No. 010200

Place: New Delhi  
Date: 30.06.2021

For and on behalf of the Board of Directors

Balbir Singh  
Director  
DIN No. 00027438

Rajeev Kapoor  
Director  
DIN No.03155896

Shikha Mittal  
Shikha Mittal  
Chief Financial Officer &  
Chief Executive Officer

Jyoti Bharti  
Jyoti Bharti  
Company Secretary

Premium Merchants Limited  
Statement of Changes in Equity for the year ended 31st March, 2021  
All amounts in INR unless otherwise stated

(a) Equity share capital

Particular	Amount
Balance at March 31, 2019	99,80,000
Changes in equity share capital during the year	-
Balance at March 31, 2020	99,80,000
Changes in equity share capital during the year	-
Balance at March 31, 2021	99,80,000

(b) Other equity

Particular	Special reserves	Statutory Reserve*	Fair value through Other Comprehensive Income (FVTOCI) Reserve	Retained earnings	Total
Balance at March 31, 2019	6,43,250	89,13,782	59,61,51,607	5,45,24,553	66,02,33,192
Profit for the year	-	-	-	27,30,528	27,30,528
Other Comprehensive income for the year, net of Income tax	-	-	(8,00,65,008)	-	(8,00,65,008)
Transfer from/(to) during the year	-	5,46,106	-	(5,46,106)	-
Balance at March 31, 2020	6,43,250	94,59,888	51,60,86,600	5,67,08,975	58,28,98,713
Profit for the year	-	-	-	66,40,370	66,40,370
Other Comprehensive income for the year, net of Income tax	-	-	2,93,66,595	-	2,93,66,595
Transfer from/(to) during the year	-	13,28,074	-	(13,28,074)	-
Balance at March 31, 2021	6,43,250	1,07,87,962	54,54,53,195	6,20,21,271	61,89,05,678

\* Created under section 45-IC(i) of Reserve Bank of India Act, 1934 as a Statutory Reserve.

Notes forming part of the Financial Statements

1-30

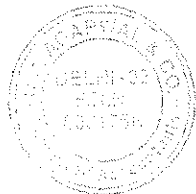
In terms of our report attached

For R. C. Agarwal & Co.  
Chartered Accountants  
Firm Registration No: 003175N

For and on behalf of the Board of Directors

R. C. Agarwal  
Partner  
Membership No. 010200

Place: New Delhi  
Date: 30.06.2021



Balbir Singh  
Director  
DIN No. 00027438

Shikha Mittal  
Chief Executive Officer &  
Chief Financial Officer

Rajeev Kapoor  
Director  
DIN No. 03155896

Jyoti Bharti  
Company Secretary

Premium Merchants Limited  
Statement of Cash Flows for the year ended 31st March, 2021  
All amounts in INR unless otherwise stated

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>A. Cash flow from operating activities</b>		
Net profit/(loss) before tax	85,27,968	23,95,021
Adjustments for:		
Gain/Loss on fair value changes	(55,20,866)	19,42,673
Depreciation	58,233	58,233
<b>Operating Profit Before Working Capital Changes</b>	<u>30,65,335</u>	<u>43,95,927</u>
Working capital changes:		
Decrease/(increase) in trade receivables	84,099	3,99,453
Decrease/(increase) in other bank balances	(36,83,909)	(1,14,87,007)
Increase/(decrease) in trade payable	(32,370)	10,400
Increase/(decrease) in other non financial liabilities	9,056	(65,605)
<b>Cash used/(generated) from operations</b>	<u>(5,57,789)</u>	<u>(67,46,832)</u>
Direct Tax paid	(7,23,757)	(3,72,859)
<b>Net cash flow from operating activities (A)</b>	<u>(12,81,546)</u>	<u>(71,19,691)</u>
<b>B. Cash Flows from investing activities (B)</b>	-	-
<b>C. Cash Flows from financing activities (C)</b>	-	-
<b>Net increase / (decrease) in cash and cash equivalents (A + B + C)</b>	<u>(12,81,546)</u>	<u>(71,19,691)</u>
Cash and cash equivalents at the beginning of the year	14,93,637	86,13,328
Cash and cash equivalents at the end of the year	2,12,091	14,93,637
<b>Components of cash and cash equivalents:</b>		
Cash and cheques on hand	-	-
With banks - in current account	2,12,091	14,93,637
	<u>2,12,091</u>	<u>14,93,637</u>

Notes forming part of the Financial Statements 1-30

In terms of our report attached  
For R. C. Agarwal & Co.  
Chartered Accountants  
Firm Registration No: 003175N

R. C. Agarwal  
Partner  
Membership No. 010200

Place: New Delhi  
Date: 30.06.2021

For and on behalf of the Board of Directors

Balbir Singh  
Director  
DIN No. 00027438

Rajeev Kapoor  
Director  
DIN No.03155896

Shikha Mittal  
Shikha Mittal  
Chief Financial Officer &  
Chief Executive Officer

Jyoti Bharti  
Jyoti Bharti  
Company Secretary

**Note-1:**

**I. Corporate information**

Premium Merchants Limited ('the Company') is a company limited by shares, incorporated in India on 9th February, 1983. The Company is fully owned by its shareholders. The addresses of its registered office is Omaxe Square, Plot No. 14, 5th Floor, Jasola, New Delhi-110025

**II. Statement of compliance**

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 and as amended. The financial statements are presented in rupees except as otherwise stated.

**III. Basis of preparation and presentation**

**a. Basis of preparation and presentation**

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

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

**b. Use of Estimates**

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the Management of the Company to make estimates and assumptions that affect the reported balance of assets and liabilities, revenues and expenses and disclosures relating to contingent liabilities.

The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results may differ from these estimates. Any revision to the accounting estimates or difference between the estimates and the actual results are recognised in the periods in which the results are known/materialise or the estimates are revised.

**IV. Significant accounting policies**

**a. Revenue from Contracts with Customers**

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

**Interest Income**

Interest income from investments is recognised when it is certain that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the interest rate applicable.

**Dividend Income**

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

**Rental Income**

Rental income arising from operating leases on investment properties/property, plant & equipment is accounted for on a straight line basis over the lease terms and is included in revenue in statement of profit or loss due to its operating nature.

**b. Taxation**

**Current tax**

Provision for current tax for the period is based on taxable income computed in accordance with the provisions of the Income-tax Act, 1961.

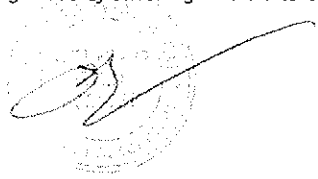
The tax currently payable is based on taxable profits for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

**Deferred tax**

Deferred tax resulting from "temporary differences" between book and taxable profit is accounted for using the tax rates and laws that have been enacted as on balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is reasonable accertainty that the asset will be realised in future. Deferred tax that relates to items that are recognised in other comprehensive income is recognised in other comprehensive income.

**c. Finance Costs**

Finance costs comprise interest expense on loans and borrowings. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the Statement of Profit and Loss using effective interest rate (EIR). Borrowing cost may include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.



#### d. Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

#### e. Earnings per share (EPS)

Basic earnings per share is computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year.

#### f. Provisions

##### General

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When the provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value is material).

#### g. Financial instruments

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

##### Financial assets

##### Initial recognition and measurement

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

##### Subsequent measurement

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

##### Financial assets at amortised cost:

A financial asset is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

##### Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI):

A financial asset is classified as at the FVTOCI if both of the following criteria are met unless the asset is designated at fair value through profit or loss under fair value option:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial asset, and
- The asset's contractual cash flows represent SPPI.

##### Financial assets at Fair Value Through Profit or Loss (FVTPL):

FVTPL is a residual category for financial assets. Any asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

##### Equity investments:

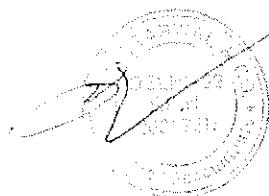
All equity investments, except investments in subsidiaries and associates and non current investment in unquoted equity shares, in scope of Ind AS 109 are measured at fair value, with all changes recognized in the Statement of profit and loss. The investments in shares of subsidiaries and associates valued at cost. Non current investments in unquoted equity shares are measured at fair value, with all changes recognized in the other comprehensive income.

##### Derecognition

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

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.



## Financial liabilities

### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

### Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not

### h. Fair value measurement

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability

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

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

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

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

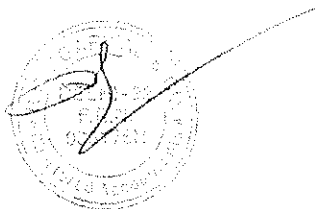
External valuers are involved, wherever required, for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the Board of directors and the selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Board of directors, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the board of directors analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the board of directors verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The board of directors, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

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





Premium Merchants Limited  
Notes to Financial Statements for the year ended 31st March 2021  
All amounts in INR unless otherwise stated

	<b>As at 31st March, 2021</b>	<b>As at 31st March, 2020</b>
<b>2 Cash and cash equivalents</b>		
Cash on hand	-	-
Balances with Banks		
- In current accounts	2,11,642	3,74,989
- In Fixed deposits upto 3 months	-	11,18,199
- Stamps in hand	449	449
	<u>2,12,091</u>	<u>14,93,637</u>
<b>3 Other bank balances</b>		
Fixed Deposit with a period of more than 3 months but upto 12 months	1,51,70,916	1,14,87,007
	<u>1,51,70,916</u>	<u>1,14,87,007</u>
<b>4 Trade receivables</b>		
Considered good- unsecured:		
- Receivables due for a period exceeding six months from the date they became due	-	94,788
- Others	10,690	-
	<u>10,690</u>	<u>94,788</u>

Premium Merchants Limited  
Notes to Financial Statements for the year ended 31st March 2021  
All amounts in INR unless otherwise stated

	Face Value	As at 31st March, 2021 Quantity	As at 31st March, 2021 Amount	As at 31st March, 2020 Quantity	As at 31st March, 2020 Amount
<b>5 Investments</b>					
<b>Fair Value through profit and loss:</b>					
Fully paid up Equity Shares- quoted					
- Modi Naturals Limited	10	4200	3,06,600	4,200	75,390
- Subrose Limited	2	4900	15,12,434	4,900	6,33,080
<b>Mutual Funds</b>					
- NIFL Cash Opportunities fund		1002888	1,34,00,694	10,02,888	89,90,392
Fully paid up preference shares- unquoted					
- Colorbar Cosmetics Private Limited	10	654800	65,64,370	6,54,800	65,64,370
- Rajputana Developers Limited	10	450000	45,00,000	4,50,000	45,00,000
- Premium Tradelinks Private Limited	10	100000	10,02,500	1,00,000	10,02,500
<b>Fair Value through other comprehensive income:</b>					
Fully paid up Equity Shares- unquoted					
- Bharat Hotels	10	400	5,31,508	400	5,86,292
- Vandana Dealers Private Limited	10	330000	2,24,87,878	3,30,000	2,22,82,725
- Indofill Industries Limited	10	418284	69,35,14,872	4,18,284	65,71,24,164
Partly paid up equity shares- unquoted					
- Indofill Industries Limited ( Par value Rs. 10/- per share and paid up Rs. 3/- per share)	10	46476	2,31,17,162	46,476	2,19,04,139
			<u>76,69,38,018</u>		<u>72,36,63,052</u>
Investments in India			76,69,38,018		72,36,63,052
Investments outside India			<u>76,69,38,018</u>		<u>72,36,63,052</u>

Premium Merchants Limited  
Notes to Financial Statements for the year ended 31st March 2021  
All amounts in INR unless otherwise stated

	<b>As at 31st March, 2021</b>	<b>As at 31st March, 2020</b>
<b>6 Other financial assets</b>		
Security deposits	11,900	11,900
	<u>11,900</u>	<u>11,900</u>
<b>7 Current tax assets</b>		
Income tax paid ( Net of provisions)	12,33,720	12,81,540
	<u>12,33,720</u>	<u>12,81,540</u>
<b>8 Property, plant and equipment</b>		
	<b>Land</b>	<b>Building</b>
<b>Cost</b>		
As at 1.4.2019	1,62,25,100	26,50,266
Additions/deletions	-	-
As at 31.3.2020	1,62,25,100	26,50,266
Additions/deletions	-	-
As at 31.3.2021	<u>1,62,25,100</u>	<u>26,50,266</u>
<b>Accumulated Depreciation</b>		
As at 1.4.2019	-	2,91,165
Depreciation during the year	-	58,233
As at 31.3.2020	-	3,49,398
Depreciation during the year	-	58,233
As at 31.3.2021	<u>-</u>	<u>4,07,631</u>
<b>Net book value</b>		
As at 1.4.2019	1,62,25,100	23,59,101
As at 31.3.2020	1,62,25,100	23,00,868
As at 31.3.2021	<u>1,62,25,100</u>	<u>22,42,635</u>

Premium Merchants Limited  
Notes to Financial Statements for the year ended 31st March 2021  
All amounts in INR unless otherwise stated

	As at 31st March, 2021	As at 31st March, 2020
<b>9 Subordinated liabilities</b>		
9% Redeemable, non cumulative preference shares at amortised cost	40,00,000	40,00,000
6% Redeemable, non cumulative preference shares at amortised cost	60,00,000	60,00,000
	<u>1,00,00,000</u>	<u>1,00,00,000</u>
The above preference shares are redeemable to KK Modi Investment and Financial Services.		
<b>10 Trade payable</b>		
Outstanding dues of micro and small enterprises	-	-
Outstanding dues of other than micro and small enterprises	49,250	81,620
	<u>49,250</u>	<u>81,620</u>
<b>11 Other financial liabilities</b>		
Security deposits	1,50,000	1,50,000
	<u>1,50,000</u>	<u>1,50,000</u>
<b>12 Provisions</b>		
Contingent provisions against standard assets	7,632	7,632
	<u>7,632</u>	<u>7,632</u>
<b>13 Deferred Taxes</b>		
Deferred Tax liabilities on financial instruments	16,29,29,318	15,34,25,791
	<u>16,29,29,318</u>	<u>15,34,25,791</u>
<b>14 Other non financial liabilities</b>		
Statutory dues	23,192	14,136
	<u>23,192</u>	<u>14,136</u>

Premium Merchants Limited  
Notes to Financial Statements for the year ended 31st March 2021  
All amounts in INR unless otherwise stated

15. Equity Share Capital

	As at 31st March, 2021		As at 31st March, 2020	
	Number of Shares	Amount in Rs.	Number of Shares	Amount in Rs.
<b>Authorised</b>				
Equity Shares of Re 10/- each	10,00,000	1,00,00,000	10,00,000	1,00,00,000
Preference Shares of Rs. 10/- each	10,00,000	1,00,00,000	10,00,000	1,00,00,000
	20,00,000	2,00,00,000	20,00,000	2,00,00,000
<b>Issued, subscribed &amp; paid up capital</b>				
Equity Shares of Re 10/- each	9,98,000	99,80,000	9,98,000	99,80,000
	9,98,000	99,80,000	9,98,000	99,80,000

15.1 Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Number of Shares	Amount in Rs.	Number of Shares	Amount in Rs.
Equity Shares outstanding at the beginning of the year	9,98,000	99,80,000	9,98,000	99,80,000
Subscription money received during the year	-	-	-	-
Equity Shares outstanding at the end of the year	9,98,000	99,80,000	9,98,000	99,80,000

15.2 Details of Equity shareholders holding more than 5% shares in the company

Name of shareholder	As at 31st March, 2021		As at 31st March, 2020	
	Number of Shares	Amount in Rs.	Number of Shares	Amount in Rs.
K.K.Modi Investment & Financial Services Pvt Ltd	7,20,000	72.14%	7,20,000	72.14%

Premium Merchants Limited  
Notes to Financial Statements for the year ended 31st March 2021  
All amounts in INR unless otherwise stated

	As at 31st March, 2021	As at 31st March, 2020
<b>16 Other equity</b>		
Special reserve	6,43,250	6,43,250
Statutory reserve	1,07,87,962	94,59,888
Fair value through Other Comprehensive Income (FVTOCI) Reserve	54,54,53,195	51,60,86,600
Retained Earning	6,20,21,271	5,67,08,975
	<u>61,89,05,678</u>	<u>58,28,98,713</u>
Special reserve		
Opening Balance	6,43,250	6,43,250
	<u>6,43,250</u>	<u>6,43,250</u>
Statutory reserve		
Opening Balance	94,59,888	89,13,782
During the year transfer	13,28,074	5,46,106
	<u>1,07,87,962</u>	<u>94,59,888</u>
Fair value through Other Comprehensive Income (FVTOCI) Reserve		
Opening Balance	51,60,86,600	59,61,51,607
Add: Other Comprehensive Income for the year	2,93,66,595	(8,00,65,008)
	<u>54,54,53,195</u>	<u>51,60,86,600</u>
Retained Earning		
Opening balance	5,67,08,975	5,45,24,553
Net profit/(Loss) for the year	66,40,370	27,30,528
During the year transfer to statutory reserve	(13,28,074)	(5,46,106)
	<u>6,20,21,271</u>	<u>5,67,08,975</u>

**Nature and purpose of other equity:**

- (i) Amount set aside from retained earnings as a reserve to be utilised for permissible general purposes as per law.
- (ii) Reserve created under section 45-IC(I) of Reserve Bank of India Act, 1934 as a Statutory Reserve.
- (iii) Reserve for financial instruments measured at FVTOCI: The company has elected to recognise changes in fair value investments in equity securities in other comprehensive income.
- (iv) Retained Earnings: Retained earnings represents the surplus in statement in profit and loss and appropriations.

Premium Merchants Limited

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

All amounts in INR unless otherwise stated

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>17 Dividend Income</b>		
On Equity Investments measured at FVTOCI	21,61,133	34,57,814
	<u>21,61,133</u>	<u>34,57,814</u>
<b>18 Interest Income</b>		
On Fixed Deposit with bank	7,80,636	7,03,579
	<u>7,80,636</u>	<u>7,03,579</u>
<b>19 Sale of Services</b>		
Brokerage	13,653	2,34,580
	<u>13,653</u>	<u>2,34,580</u>
<b>20 Net Gain on Fair Value Changes</b>		
On Instruments measured at FVTPL		
Mutual Funds	44,10,302	-
Equity Shares	11,10,564	-
	<u>55,20,866</u>	<u>-</u>
Fair Value Changes		
Realised	-	-
Unrealised	55,20,866	-
	<u>55,20,866</u>	<u>-</u>
<b>21 Other Income</b>		
Rental income	6,75,000	6,75,000
	<u>6,75,000</u>	<u>6,75,000</u>
<b>22 Net Loss on Fair Value Changes</b>		
On Instruments measured at FVTPL		
Mutual Funds	-	10,09,608
Equity Shares	-	9,33,065
	<u>-</u>	<u>19,42,673</u>
Fair Value Changes		
Realised	-	-
Unrealised	-	19,42,673
	<u>-</u>	<u>19,42,673</u>
<b>23 Employee benefit expenses</b>		
Salary and wages	1,80,000	2,47,500
	<u>1,80,000</u>	<u>2,47,500</u>
<b>24 Other Expenses</b>		
Advertisement	35,000	37,230
Payment to auditor as auditor	29,400	10,000
Listing fees	55,000	55,000
Professional charges	61,420	92,680
Depository charges	9,000	9,000
Custodial Charges	9,000	9,000
Insurance charges	36,639	26,046
Filing fees & Subscription	36,418	77,112
Rate & Taxes	73,693	74,578
Misc. expenses	5,316	32,699
Edp charges	34,201	4,201
	<u>3,85,087</u>	<u>4,27,546</u>



25 Disclosure as per Ind AS 33 regarding earnings per share:

Particulars	Amount in ₹	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Profit for the period	66,40,370	27,30,528
Weightage average number of shares (for Basic/diluted)	9,98,000	9,98,000
Face Value per share	10	10
Earnings per share (Basic and diluted)	6.65	2.74

26 Disclosures of transactions with related party as required by Ind AS- 24

(A) Name of Related parties and nature of relationships:

S.No.	Name of related party	Relationship
1	K.K.Modi Investment & Financial Services Pvt Ltd	Holding Company
2	Integrated Technology Solutions Private Limited	Fellow Subsidiary Company
3	KKM Management Centre Private Limited	Fellow Subsidiary Company
4	MWC Market Services Private Limited	Fellow Subsidiary Company
5	Neon Solutions Private Limited	Fellow Subsidiary Company
6	Premium Bidi Company Limited	Fellow Subsidiary Company
7	Sapphire Insurance Agencies Limited	Fellow Subsidiary Company (Applied for struck off)
8	Vandana Dealers Private Limited	Fellow Subsidiary Company
10	Indofil Industries Limited	Enterprises over which KMP or their relatives are able to exercise significant influence

(B) Key Managerial Personnel (KMP)

1	Dr. (Mrs) Bina Modi	Director
2	Mr. Balbir Singh	Director
3	Mr. Rajeev Kapoor	Director
4	Mr. Sanjay Kumar Gupta	Director
5	Mrs. Babita Gupta	Director
6	Mrs. Shikha Mittal	Chief Executive Officer & Chief Financial Officer
7	Ms. Jyoti Bharti	Company Secretary

Transactions and balances lying with related party

S. No.	Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(I)	Transactions with Indofil Industries Limited		
1	Dividend received	21,61,133	34,57,814
2	Rent received	6,75,000	6,75,000
(II)	Outstanding balances as at year end		
1	Receivable against rental income	-	60,751
(III)	Saransy to key Managerial Personnel (KMP)		
1	Mrs Shikha Mittal	180000	180000
2	Mrs. Ramesh chandee	-	67500



27 Financial instruments

A Fair value hierarchy

The Company determines fair values of its financial instruments according to the following hierarchy:

Level 1: Valuation based on quoted market price: financial instruments with quoted prices for identical instruments in active markets that the Company can access at the measurement date.

Level 2: Valuation based on using observable inputs: financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments and financial instruments valued using models where all significant inputs are observable.

Level 3: Valuation technique with significant unobservable inputs: financial instruments valued using valuation techniques where one or more significant inputs are unobservable. Equity investments designated under FVTOCI has been valued using the asset approach valuation technique.

The following table provides an analysis of financial instruments that are measured at fair value and have been grouped into Level 1, Level 2 and Level 3 below:

As at March 31, 2021	Carrying Value	Level 1	Level 2	Level 3
<b>Financial assets</b>				
<b>Financial instruments at amortised cost:</b>				
Cash and cash equivalents	2,12,091	-	-	-
Other bank balances	1,51,70,916	-	-	-
Trade Receivables	10,690	-	-	-
Other Financial Assets	11,900	-	-	-
<b>Financial instruments at FVTPL:</b>				
Investment in				
-Equity Shares	18,19,034	18,19,034	-	-
-Preference Share	1,20,66,870	-	1,20,66,870	-
-Mutual Funds	1,34,00,694	1,34,00,694	-	-
<b>Financial instruments at FVTOCI:</b>				
Investment in				
-Equity Shares - Unquoted	73,96,51,421	-	73,96,51,421	-
<b>Total financial assets</b>	<b>78,23,43,615</b>	<b>1,52,19,728</b>	<b>75,17,18,291</b>	<b>-</b>
<b>Financial liabilities</b>				
<b>Financial instruments at amortised cost:</b>				
- Subordinated Liabilities	1,00,00,000	-	-	-
- Trade Payables	49,250	-	-	-
Other financial liabilities	1,50,000	-	-	-
<b>Total financial liabilities</b>	<b>1,01,99,250</b>	<b>-</b>	<b>-</b>	<b>-</b>
As at March 31, 2020	Carrying Value	Level 1	Level 2	Level 3
<b>Financial assets</b>				
<b>Financial instruments at amortised cost:</b>				
Cash and cash equivalents	14,93,637	-	-	-
Other bank balances	1,14,87,007	-	-	-
Trade Receivables	94,788	-	-	-
Other Financial Assets	11,900	-	-	-
<b>Financial instruments at FVTPL:</b>				
Investment in				
-Equity Shares	7,08,470	7,08,470	-	-
-Preference Share	1,20,66,870	-	1,20,66,870	-
-Mutual Funds	89,90,392	89,90,392	-	-
<b>Financial instruments at FVTOCI:</b>				
Investment in				
-Equity Shares - Unquoted	70,18,97,320	-	70,18,97,320	-
<b>Total financial assets</b>	<b>73,67,50,385</b>	<b>96,98,862</b>	<b>71,39,64,190</b>	<b>-</b>



**Financial liabilities**

**Financial instruments at Amortised Cost:**

Subordinated Liabilities	1,00,00,000	-	-	-
Trade Payables	81,620	-	-	-
Other financial liabilities	1,50,000	-	-	-
<b>Total financial liabilities</b>	<b>1,02,31,620</b>	<b>-</b>	<b>-</b>	<b>-</b>

**B Financial risk management objectives and policies**

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by its Senior Management.

**Market rate risk**

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments, deposits and foreign currency receivables, payables, loans and borrowings.

The Company manages market risk through its finance department, which evaluates and exercises independent control over the entire process of market risk management. The finance department recommends risk management objectives and policies, which are approved by Senior Management. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest in order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, the finance department undertakes the interest rate risk management exercise from time to time.

The Company is not exposed to significant interest rate as at the respective reporting dates.

**Credit risk**

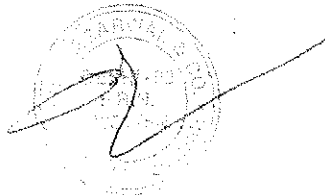
Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of trade receivables.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss in the subsequent reporting period. The management believes that there are no significant exposure of credit risk due to the nature of company's business.

**Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligation on time or at a reasonable price. The Company's finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by Senior Management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.



**Premium Merchants Limited**

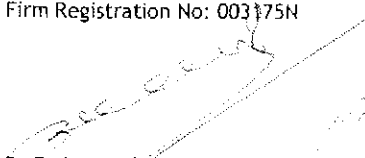
**Notes to Financial Statements for the year ended 31st March 2021**

All amounts in INR unless otherwise stated

- 28 In opinion of the Board, the current assets are approximately of the value stated, if realized, in the ordinary course of business. There are no contingent liabilities outstanding at the end of the year.
- 29 The Company is primarily engaged in the business of investments which is the only operating segment as per IND AS 108.
- 30 Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosures.

In terms of our report attached

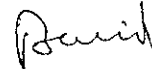
For R. C. Agarwal & Co.  
Chartered Accountants  
Firm Registration No: 003175N


  
R. C. Agarwal  
Partner  
Membership No. 010200



Place: New Delhi  
Date: 30.06.2021

For and on behalf of the Board of Directors

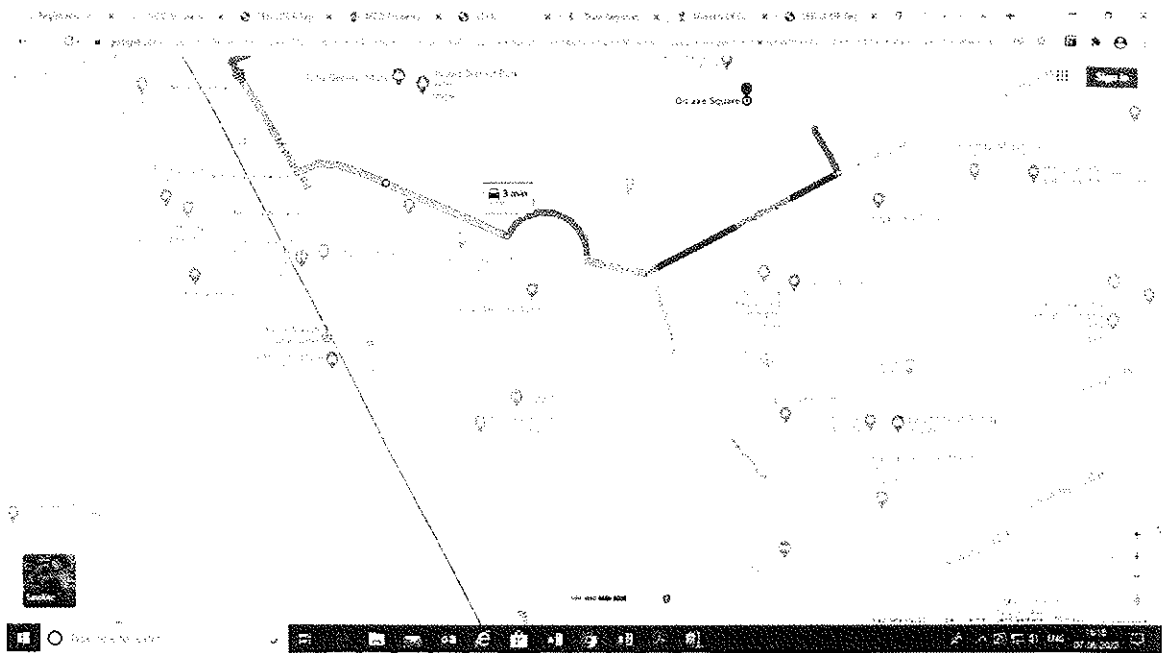
  
Balbir Singh  
Director  
DIN No. 00027438

  
Rajeew Kapoor  
Director  
DIN No. 03155896

  
Shikha Mittal  
Chief Financial Officer &  
Chief Executive Officer  
Company Secretary

  
Jyoti Bharti  
Company Secretary





Route Map from  
Red light in front of Apollo Hospital  
to Omore Square

