

# J R D FINANCE LIMITED

Regd. Off. : 1/1A, Biplabi Anukul Chandra Street, 5<sup>th</sup> Floor, Room No. -5G, Kolkata - 700 072

Tel : +91 33 4006 6062; Email Id : fin.jrd@gmail.com; Website : www.jrdfinance.com

CIN : L65999WB1993PLC058107

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Date: 30.08.2022

To,  
Head – Listing & Compliance,  
**Metropolitan Stock Exchange of India Limited (MSEI)**  
Vibgyor Towers, 4th floor,  
Plot No C 62, G - Block,  
Opp. Trident Hotel,  
Bandra Kurla Complex, Bandra (E),  
**Mumbai – 400 098**

Symbol : MSEI- JFL

Sub.: Annual Report for the financial year ended 31st March, 2022 including Notice of 29<sup>th</sup> Annual General Meeting in terms of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Madam,

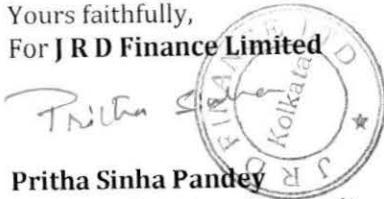
In terms of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit a copy of the Annual Report of the Company for the Financial Year 2021-22, including Notice of 29<sup>th</sup> Annual General Meeting ("AGM") of the members of the Company, scheduled to be held on Thursday, 29th Day of September, 2022 at 1:00 PM. The same is also available on the website of the Company at [www.jrdfinance.com](http://www.jrdfinance.com)

You are requested to kindly take the above information on your record and oblige.

Thanking you,

Yours faithfully,

For **J R D Finance Limited**



**Pritha Sinha Pandey**

Company Secretary & Compliance Officer

Encl.: As above

# **J R D FINANCE LIMITED**

**ANNUAL REPORT**

**2021-22**

**J R D FINANCE LIMITED**  
**CIN: L65999WB1993PLC058107**

**BOARD OF DIRECTORS  
& KMP**

Mr. Dilip Kumar Choudhary – Director  
Mr. Himangshu Mondal – Director  
Mrs. Ayeshi Chanak – Director  
Mr. Jitendra Kumar Bhagat – Additional Director  
Mr. Ashish Kumar Panda – Chief Financial Officer

**AUDITORS**

M/s. Gupta & Manglik  
Chartered Accountants  
Kolkata

**COMPANY SECRETARY &  
COMPLIANCE OFFICER**

Mrs. Pritha Sinha Pandey

**BANKERS**

Union Bank of India  
RBL Bank.

**REGISTERED OFFICE  
& SHARE DEPARTMENT**

“Electronic Centre”  
1/1A Biplabi Anukul Chandra Street,  
5<sup>th</sup> Floor, Room No. 5G, Kolkata – 700 072  
Tel No. (033) 2212 6083/4006 6062  
e-mail: fin.jrd@gmail.com  
website : jrdfinance.com

**REGISTRAR  
& SHARE TRANSFER AGENT**

S.K Infosolutions Pvt. Ltd.,  
D/42, Katju Nagar Colony, Ground Floor,  
Near South City Mall, Kolkata – 700032  
Phone no.: (033) 2412 0027/ 2412 0029  
Facsimile no.: (033) 2412 0027  
E Mail: contact@skcinfo.com  
Website : www.skcinfo.com

**NOTICE**

**NOTICE** is hereby given that the 29<sup>th</sup> Annual General Meeting of the Members of the **J R D Finance Limited** will be held at 1/1A Biplabi Anukul Chandra Street, 5<sup>th</sup> Floor, Room No. 5G, Kolkata – 700 072 on Thursday, the 29<sup>th</sup> day of September, 2022 at 1.00 P.M. to transact the following business:

**AS ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 with the reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Dilip Kumar Choudhary (DIN - 00080390), who retires by rotation and being eligible offers himself for re-appointment.

By order of the Board  
For **J R D FINANCE LTD.**

Pritha Sinha Pandey  
Company Secretary & Compliance Officer

**Registered Office:**

1/1A, Biplabi Anukul Chandra Street,  
5<sup>th</sup> Floor, Room No. 5G  
Kolkata – 700 072  
Date: 11<sup>th</sup> August, 2022

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY, TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. Proxies in order to be effective, must be received by the Company, duly filled, stamped and signed, at its Registered Office not less than 48 hours before the commencement of the Annual General Meeting.  
  
A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent 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 a proxy for any other person or shareholder.
3. Corporate members intending to send their authorized representatives 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. The Register of Members and Share Transfer books of the Company shall remain closed from 23<sup>rd</sup> September, 2022 to 29<sup>th</sup> September, 2022 (both days inclusive).
5. Members/proxies/authorized representatives are requested to bring the duly filled attendance slip to attend the Annual General Meeting along with their copy of Annual Report.
6. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote at the meeting.
7. Members who are holding shares in the demat form are requested to bring their Depository ID Number and Client ID Number to facilitate easier identification for attendance at the meeting.

8. Members holding shares in physical form are requested to inform the Company's Registrars and Transfer Agents, M/s. S.K Infosolutions Pvt. Ltd. (RTA), D/42, Katju Nagar Colony, ground floor, near South City Mall, Kolkata – 700032, immediately of any change in their address and bank details. Members holding shares in dematerialized form are requested to intimate all changes with respect to their address, bank details, mandate etc. to their respective Depository Participants. These changes will then be automatically reflected in the Company's records. This will help the Company to provide efficient and better service to the Members.
9. In terms of SEBI Notifications, requests for effecting transfer of securities (except in case of transmission or transposition of securities) are not being processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, the Shareholders are requested to take action to dematerialize the Equity Shares of the Company promptly. Members holding shares in physical form are advised to avail of the facility of dematerialization.
10. Members desirous of asking any questions at the Annual General Meeting and desiring any information as regards the Accounts are requested to write to the Company at least ten days before the date of Annual General Meeting so as to enable the Management to keep the information ready.
11. Keeping in view the “Green Initiative in Corporate Governance” of Ministry of Corporate Affairs, the Company proposes to continue to send notices / documents including annual reports, etc. to the members in electronic form. Members who have still not registered their email addresses are requested to register their email addresses, in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with the Company's Registrar and Share Transfer Agents, S.K Infosolutions Pvt. Ltd., D/42, Katju Nagar Colony, ground floor, near South City Mall, Kolkata – 700032. Further, the documents served through email are available on the Company's website [www.jrdfinance.com](http://www.jrdfinance.com).
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) and Bank particulars by every participant in the securities market. Shareholders holding shares in electronic form are therefore requested to submit their PAN and Bank details to their Depository Participant and shareholders holding shares in physical form are requested to submit their PAN and Bank details to the Company's Registrar and Share Transfer Agents, S.K Infosolutions Pvt. Ltd., D/42, Katju Nagar Colony, ground floor, near South City Mall, Kolkata – 700032. Those shareholders who has already updated/provided the above said details need not require sending the same again.
13. The Securities and Exchange Board of India (SEBI) has recently mandated furnishing of PAN, KYC details (i.e. Postal Address with Pin Code, email address, mobile number, bank account details) and nomination details by holders of securities. Effective from 1<sup>st</sup> January 2022, any service requests or complaints received from the members will not be processed by RTA till the aforesaid details / documents are provided to RTA. On or after 1<sup>st</sup> April 2023, in case any of the above cited details / documents are not available in the Folio(s), RTA shall be constrained to freeze such Folio(s). Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at <https://www.jrdfinance.com>.
14. The Financial Statements of the Company for the financial year ended 31<sup>st</sup> March 2022 and reports of the Board of Directors and the Auditors' Report thereon and all other documents required by law to be annexed or attached to the Financial Statements shall be available for inspection at the Registered Office of the Company on all working days during business hours between 11.00 a.m. and 2.00 p.m. up to the date of ensuing date of Annual General Meeting.
15. **Voting through Electronic means:**
  - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Securities And Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 29<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting 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 Central Depository Services (India) Limited (CDSL).

- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. 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.

**The process and manner for remote e-voting are as under:**

- i. The remote e voting period begins on Monday, 26<sup>th</sup> September, 2022 at 9.00 a.m. and ends on Wednesday, 28<sup>th</sup> September, 2022 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Thursday, 22<sup>nd</sup> September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
- iv. Pursuant to above said SEBI Circular, Login method for e-Voting for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will</li> </ol>

with NSDL	<p>open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>

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

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

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

Login method for e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

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

- v. After entering these details appropriately, click on “SUBMIT” tab.
- vi. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vii. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- viii. on the EVSN for the relevant J R D Finance Limited on which you choose to vote.
- ix. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- x. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xi. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xii. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xiii. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xiv. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xv. **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
  - a) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.



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

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders-please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Dematshareholders, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022-23058738 and 022-23058542/43.

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

16. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. Thursday, 22<sup>nd</sup> September, 2022.
17. The facility for voting through ballot paper shall also be made available for the members at the AGM and the members attending the meeting who have not casted their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. 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.
18. Any person who acquires shares of the Company and becomes member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. Thursday, 22<sup>nd</sup> September, 2022, may obtain the login Id and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
19. The Company has appointed CS Anand Khandelia, Practicing Company Secretary (Membership No. 5803; CP No: 5841), to act as the Scrutinizer for conducting the remote e-voting process as well as the voting at the AGM, in a fair and transparent manner.
20. The Chairman shall, at the 29<sup>th</sup> Annual General Meeting, 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.
21. The Scrutinizer shall, after the conclusion of voting at the general meeting, 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.

22. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.jrdfinance.com](http://www.jrdfinance.com) and on the website of CDSL [www.cdslindia.com](http://www.cdslindia.com) immediately after the declaration of results by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Metropolitan Stock exchange of India Limited, Mumbai, where the shares of the Company are listed.
23. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or arrangements in which Directors are interested under Section 189 of Companies Act, 2013 and Documents pertaining to the items referred to in the Notice will be available for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, Sundays and Public holidays, between 11.00 a.m. to 2.00 p.m. upto the date of the Annual General Meeting and also at the meeting, will be available for inspection.
24. Details of Directors seeking appointment/re-appointment at the Annual General Meeting as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

<b>Name of the Director</b>	<b>Mr. Dilip Kumar Choudhary (DIN: 00080390)</b>
Date of Birth	4 <sup>th</sup> June, 1975
Date of first Appointment	27 <sup>th</sup> May, 2017
Qualification	B.A.
Expertise in Specific Functional areas	He has an expertise of more than 20 years in the field of Accounts and Finance.
Directorship held in listed Companies	Nil
Committee Membership in other Listed Companies	Nil
Shareholding in the Company	Nil

By order of the Board

For **J R D FINANCE LTD.**

Pritha Sinha Pandey  
**Company Secretary & Compliance Officer**

**Registered Office:**

1/1A, Biplabi Anukul Chandra Street,  
 5<sup>th</sup> Floor, Room No. 5G  
 Kolkata – 700 072  
 Date: 11<sup>th</sup> August, 2022

**DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2021-22**

**To,  
The Members,**

Your directors' take pleasure in presenting the 29<sup>th</sup> Annual Report on the business and operations of the Company together with the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022.

**Financial Highlights**

During the year under review, performance of your company as under:

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March 2022	Year ended 31 <sup>st</sup> March 2021
Revenue from Operation	209.02	136.93
Other Income	34.18	0.32
Profit/(Loss) before Interest and Tax	110.12	35.05
Less: Interest Expenses	92.09	37.19
<b>Profit/(Loss) before Tax</b>	<b>18.03</b>	<b>(2.14)</b>
Less: Tax Expense (Current & Deferred)	0.41	(0.16)
<b>Profit/(Loss) after tax</b>	<b>17.62</b>	<b>(1.98)</b>
Other Comprehensive Income	-	5.14
<b>Total Comprehensive Income for the Period</b>	<b>17.62</b>	<b>3.16</b>
Transfer to Reserve Fund (U/s 45IC of RBI Act)	3.52	0.64

**State of Company's Affairs and Future Outlook**

Your Company has been mainly into loan and investment activities. There has been no change in the business activities of the Company during the financial year ended 31<sup>st</sup> March, 2022.

The Company achieved revenue from operation of ₹209.02 Lakhs compared to ₹136.93 Lakhs during previous year. Your company earned a net profit to the tune of ₹17.62 Lakhs as compared to last year's net profit of ₹3.16 Lakhs.

The COVID-19 pandemic outbreak which began in the middle of March 2020 continued to impact the economy throughout the financial year 2021-22. The year was full of uncertainties with slowdown in activities on the ground. Your Company has been strictly adhering to lockdown announcements in accordance with the directives issued by the Central, State Government and Local Administration. The Company will continue to closely monitor any material changes to the business and financial statements due to COVID-19. The Company took all necessary measures to mitigate the impact of the challenges being faced in the business. It is focused on controlling costs, maintaining liquidity and closely monitoring the operations.

**Change in nature of business**

The Company continues to operate only in one segment .i.e. Non-Banking Financial Activities and there is no change in nature of business of the Company.

**Dividend**

In order to plough back the profits for future requirements of the company, no dividend is being declared by the Board of Directors for the financial year under review.

**Transfer to Reserves**

The Company has transferred ₹3.52 Lakhs to Special Reserve created under Section 45-IC of the RBI Act, 1934. Except the said amount the Company has not transferred any amount to the Reserves for the year under review.

**Share Capital**

During the year under review, the Company has not issued any equity shares including equity shares with differential rights/ sweat equity shares/ employees stock options scheme/ bonus shares. There is no change in the Authorized share Capital nor any change in issued, subscribed and paid-up equity share capital of the Company.

However, on 14<sup>th</sup> February, 2022, the Company has allotted 8,00,000 (Eight Lacs) 5% Non-Cumulative Non-Convertible Redeemable Preference Shares (NCNCRPS) of face value of Rs. 100/- each at par in terms of special resolution passed by the members of the Company at 28<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> September, 2021.

Accordingly, as on 31<sup>st</sup> March, 2022, the Issued and Subscribed Share Capital of the Company is ₹23,50,00,000/- divided into 30,50,000 equity shares of ₹ 10/- each and 20,00,000 5% NCNCRPS of ₹100/- each and the Paid up share capital of the company is ₹ 22,72,03,000/- divided into 27,20,300 equity shares of ₹ 10/- each and 20,00,000 5% NCNCRPS of ₹ 100/- each.

#### Annual Return

Pursuant to the provisions of Section 92 (3) and 134 (3) read with Rule 12 of the Companies (Management and Administration) Rules, 2014, annual return of the company as on 31<sup>st</sup> March, 2022 in prescribed form MGT -7 is available at the website of the Company [www.jrdfinance.com](http://www.jrdfinance.com).

#### Directors and Key Managerial Personnel

During the financial year ended 31<sup>st</sup> March, 2022, Your Company's Board comprised of 5 Directors - 3 Non-Executive Independent Directors, 1 Non-Executive Director and 1 Non-Executive Woman Director.

Name of the Director	Category
Mr. Dilip Kumar Choudhary	Non Executive Director
Mr. Himangshu Mondal	Non Executive Independent Director
Mr. Nirmal	Non Executive Independent Director
Mr. Jitendra Kumar Bhagat	Non Executive Independent Director
Ms. Ayeshi Chanak	Non Executive Woman Director
Mr. Ashish Kumar Panda	Chief Financial Officer
Ms. Pritha Sinha Pandey	Company Secretary

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Dilip Kumar Choudhary (DIN- 00080390) director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The appointment of independent director Mr. Jitendra Kumar Bhagat, who was appointed as Additional Director of the Company in Independent Category with effect from 14<sup>th</sup> August, 2021, was duly approved by the members at their Annual General Meeting held on 29<sup>th</sup> September, 2021.

Further, the Board at their meeting held on 11<sup>th</sup> August, 2022 considered and approved the resignation of Mr. Nirmal with effect from 2nd August, 2022, who has resigned from the Board due to his personal reasons.

The management of the Company is in the process of filling vacancy of the post of Key Managerial Personnel (KMP) i.e. Chief Executive Officer/ Whole-time Director/Managing Director.

#### Declaration of Independent Directors

All the Independent Directors have submitted their disclosures to the Board that they fulfil all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### Details of Board Meetings

During the Financial Year ended 31<sup>st</sup> March, 2022, 6 (Six) Board Meetings were held respectively on 8<sup>th</sup> April, 2021, 29<sup>th</sup> June, 2021, 14<sup>th</sup> August, 2021, 12<sup>th</sup> November, 2021, 24<sup>th</sup> January, 2022, 14<sup>th</sup> February, 2022.

#### Attendance of the Directors in the Board Meetings:-

Name	Number of Meeting during the Financial Year 2021-22	
	Held	Attended
Mr. Himangshu Mondal	6	6
Mr. Dilip Kumar Choudhary	6	6
Ms. Ayeshi Chanak	6	6
Mr. Nirmal	6	3
Mr. Jitendra Kumar Bhagat	6	3

The intervening gap between the meetings was within the period prescribed under Section 173(1) of the Companies Act, 2013.

During the financial year ended 31<sup>st</sup> March, 2022, two meeting of the Independent Directors was held on 12<sup>th</sup> November, 2021 and 14<sup>th</sup> February, 2022 to discuss the followings:

- Evaluation of the performance of the Non Executive Directors and Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company; taking into account views of the Executive and Non executive Directors;
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

### Committees of the Board

#### AUDIT COMMITTEE

The Audit Committee comprises of 3 directors, out of which are two are independent. During the financial year ended on 31<sup>st</sup> March, 2022, the Audit Committee met 4 times, to deliberate on various matters, respectively on 29<sup>th</sup> June, 2021, 14<sup>th</sup> August, 2021, 12<sup>th</sup> November, 2021 and 14<sup>th</sup> February, 2022. The Composition of the Audit Committee and the attendance of each member at these meetings are as follows:-

Name	Position Held	Number of Meeting during the Financial Year 2021-22	
		Held	Attended
Mr. Himangshu Mondal	Chairperson	4	4
Mr. Nirmal	Member	4	2
Mr. Dilip Kumar Choudhary	Member	4	4
Mr. Jitendra Kumar Bhagat	Member	4	2

The Board at its meeting held on 14<sup>th</sup> August, 2021 has reconstituted the audit committee and thereby Mr. Nirmal ceased to be member and in place of him, Mr. Jitendra Kumar Bhagat was inducted as a member of the Audit Committee.

Statutory Auditors and Internal Auditors or their representatives are permanent invitees for the meetings of the Committee. The Company Secretary acts as the Secretary to the Committee.

The Chairman of the Audit Committee attended the Annual General Meeting of the Company held on 29<sup>th</sup> September, 2021 and he ensured that necessary clarifications and explanations were provided to the Members of the Company on issues regarding accounts and finance.

The Quarterly Un-audited Financial Results as well as the Annual Financial Statements are reviewed and examined by the members of the Audit Committee before recommendation of the same to the Board of Directors of the Company for their perusal and approval. The Audit Committee ensures an effective internal control system.

#### NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee was constituted to (a) formulate from time to time process for selection and appointment of new Directors and succession plans and (b) recommend to the Board from time to time, a compensation structure for Directors and other KMPs. The Committee consists of 2 (Two) Non-Executive Independent Directors and 1 (One) Non-Executive Non-Independent Director. During the financial year 2021-22, Nomination and Remuneration Committee met on 14<sup>th</sup> August, 2021.

The Composition and attendance of Nomination and Remuneration Committee as on 31<sup>st</sup> March, 2022 is given below:

Name	Position Held	Number of Meeting during the Financial Year 2021-22	
		Held	Attended
Mr. Himangshu Mondal	Chairperson	1	1
Mr. Dilip Kumar Choudhary	Member	1	1
Mr. Jitendra Kumar Bhagat	Member	1	0

The Board at its meeting held on 14<sup>th</sup> August, 2021 has reconstituted the Nomination and Remuneration committee and thereby Mr. Nirmal ceased to be member and in place of him, Mr. Jitendra Kumar Bhagat was inducted as a member of the Audit Committee.

### **Directors Responsibility Statement**

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

- a) in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2022 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 the Companies Act, 2013 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 devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively; and
- f) 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.

### **Particulars of Contracts or Arrangements Made With Related Parties**

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

### **Material Changes Affecting the Financial Position of the Company**

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year to which this financial statement relates and the date of this report.

### **Conservation of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo**

The provision of Section 134(3) (m) of the Companies Act, 2013, and the rules made there under relating to conservation of energy, technology absorption do not apply to the Company as its activities are not relevant for the same.

There was no foreign exchange earnings and outgo during the financial year under review.

### **Details of Subsidiary, Joint Venture or Associates**

The Company does not have any Subsidiary, Joint Venture or Associates Company.

### **Risk Management Policy**

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities. Considering the volume, size and business of the company no major risks have been identified by the Company. However measures have been formulated in the areas such as business, financial, human and statutory compliances. The Company's Internal control systems are commensurate with the nature of its and the size and complexity of its operation.

### **Prevention of Insider Trading**

The Company adopted a Code of Conduct as per the Guidelines issued by the Securities and Exchange Board of India as amended from time to time for prevention of Insider Trading which is applicable to the members of the Board and all employees in the course of day-to-day business operations of the Company. The code of conduct framed by the Company has helped in ensuring compliance with the requirements.

### **Statutory Disclosures**

None of the Directors of the Company are disqualified as per the provision of Section 164 of the Companies Act, 2013. All the Directors have made the necessary disclosures as required by the various provisions of the Act.

**Adequacy of Internal Financial Control with Reference to the Financial Statements**

The Company has an internal control system, commensurate with the size, scale & complexities of its operations. Internal Control measures and systems are established to ensure the correctness of the transactions and safe guarding of the assets. The Management ensures adherence to all internal control policies and procedures as well as compliance with regulatory guidelines. The audit committee of the Board of Directors reviews the adequacy of internal controls. This has improved the management of the affairs of the Company and strengthened transparency and accountability. During the year under review no reportable material weakness in the design or operation were observed.

**Deposits**

The Company has neither invited nor accepted any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 during the financial year under review.

**Corporate Social Responsibility (CSR) Policy**

Considering the turnover/ net worth / net profit, the provision of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility are not applicable to the Company.

**Particulars of Employees and KMP**

During the financial year under review, the Key Managerial Personnel of the Company as per the provisions of the Companies Act, 2013 are Mr. Ashish Kumar Panda as the Chief Financial Officer and Ms. Pritha Sinha Pandey as the Company Secretary and Compliance officer of the Company. The management of the Company is in the process of filling vacancy of the post of Key Managerial Personnel (KMP) i.e. Chief Executive Officer/ Whole-time Director/Managing Director.

**Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:**

- (i) The ratio of the remuneration of each director/KMP to the median employee's remuneration for the financial year as prescribed is as given below:

Sr. No.	Name of KMP	Remuneration of KMP for FY 2021-22 (₹)	Remuneration of KMP for FY 2020-21 (₹)	% Increase	Ratio of Remuneration of each director / to median remuneration of employees
1.	Pritha Sinha Pandey (Company Secretary)	6,00,000	5,52,000/-	8.70	0.00
2.	Mr. Ashish Kumar Panda (Chief financial officer)	3,30,000	2,73,000/-	20.88	0.00

Note: None of the directors received any remuneration during the financial year ended 31st March, 2022.

- (ii) Percentage increase in the median remuneration director, CEO and CFO during the financial year: N.A.  
 (iii) Percentage increase in the median remuneration Company Secretary is : N.A.  
 (iv) Percentage increase in median remuneration of employees in the financial year: N.A.  
 (v) The number of permanent employees on the rolls of the company as on 31<sup>st</sup> March, 2022: 3  
 (vi) Average percentage increase made in the salaries of employees other than KMP in the financial year – N.A.

It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, KMP and other employees.

There were no person employed by the Company during the Financial Year 2021-22 who draws remuneration as prescribed under Rule 5(2) of Companies (Appointment and Remuneration) Rules, 2014, hence details with respect to the same is not required to be given.

**Details of Significant and Material Orders Passed by the Regulators, Courts and Tribunals**

There have been no significant and material orders which have been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

**Compliance with Secretarial Standards**

The Company has complied with Secretarial Standards issued by Institute of Company Secretaries of India (ICSI) to the extent applicable to the Company.

**Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013**

In order to prevent sexual harassment of women at workplace your company has adopted a Policy for prevention of sexual harassment of women at workplace and no such complaints have been reported during the financial year under review.

**Details of the application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016**

During the period under review, no application was made by or against the company and accordingly, no proceeding is pending under the Insolvency and Bankruptcy Code, 2016.

**Statutory Auditors & Their Report**

Pursuant to the provisions of section 139 of the Companies Act, 2013, M/s. Gupta & Manglik, (Firm Registration No. 311118E), Chartered Accountants, were appointed as statutory auditors of the Company at the 28<sup>th</sup> Annual General Meeting (AGM) of the Company to hold office from the conclusion of the 28<sup>th</sup> Annual General Meeting for a tenure of consecutive 5 years till the conclusion of the 33<sup>rd</sup> Annual General Meeting.

There are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors in their audit report for the financial year 2021-22. The notes on financial statements referred to in the Auditors' Report are self-explanatory and hence do not require any further explanation

The Statutory Auditors have not reported any incident of fraud of the Company during the financial year 2021-22.

**Secretarial Audit Report**

The Board has appointed Mr. Anand Khandelia, Practising Company Secretary, (FCS-5801), to carry out the Secretarial Audit pursuant to the provision of Section 204 of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the Financial Year 2021-22. The Secretarial Audit Report for the Financial Year ended 31<sup>st</sup> March, 2022 annexed as Annexure – I and forming part of this report.

Secretarial Auditor's observations, if any, in his report, have been suitably explained by way of appropriate notes to accounts and/or in the Board's Report wherever it was considered necessary.

**Maintenance of Cost Records**

The Company is not required to maintain cost records as prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

**Corporate Governance**

Pursuant to Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, report on Corporate Governance is not applicable to the Company for the financial year 2021-22 since the Net Worth is below ₹ 25.00 Crores and the Paid up equity share Capital of the Company is less than ₹ 10.00 Crores.

**Annual Evaluation by the Board**

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

- i. Attendance of Board Meetings and Board Committee Meetings
- ii. Quality of contribution to Board deliberations
- iii. Strategic perspectives or inputs regarding future growth of Company and its performance

The evaluation will involve self evaluation by the Board member and subsequently assessed by the Board based on the above criteria. A member of the Board will not participate in the discussion of his / her evaluation.

**Particulars of Loans, Guarantees or Investments under Section 186**

As the Company is a Non- Banking Finance Company being engaged in the business of financing and investment, provisions of section 186 of the Act is not applicable to the Company.

However, the particulars of Loans and Investments made under Section 186 of the Companies Act, 2013, during the financial year 2021-22 are provided in the notes to the financial statements.

**Vigil Mechanism:**

In pursuant to Section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concern has been established.



**Management Discussion and Analysis Report**

Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34(3) read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section forming part of the Annual Report.

**Listing**

The fully paid up Equity Shares of the Company are listed on the Metropolitan Stock Exchange of India Limited (MSEI). Annual Listing Fees for the year 2021-22 have been paid to the Metropolitan Stock Exchange of India Limited.

**General Shareholder Information****(i) 29<sup>th</sup> Annual General Meeting Details**

Day, Date & Time	Thursday, 29 <sup>th</sup> September, 2022, at 1.00 P.M.
Venue	1/1A, Biplabi Anukul Chandra Street, 5 <sup>th</sup> Floor, Room No. 5G, Kolkata – 700 072
Date of Book Closure	23 <sup>rd</sup> September, 2022 to 29 <sup>th</sup> September, 2022 (both days inclusive)

**(ii) The financial year of the Company covers 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022.****(iii) Listing of Shares on Stock Exchanges with Stock Code and other details****Metropolitan Stock Exchange of India (MSEI)**

205A, 2<sup>nd</sup> Floor, Piramal Agastya Corporate Park, Kamani Junction L.B.S Road, Kurla (West),  
Mumbai - 400 070

Telephone : +91 22 6112 9000;  
+91 22 41747000

Website : [www.msei.in](http://www.msei.in)

Scrip Code: JFL

ISIN No: INE517E01017

E-mail id of Investors: [fin.jrd@gmail.com](mailto:fin.jrd@gmail.com)

Company Website: [www.jrdfinance.com](http://www.jrdfinance.com)

**Registrar & Share Transfer Agent:****S.K. Infosolutions Pvt. Ltd.**

D/42, Katju Nagar Colony, Ground Floor, near South City Mall,  
Kolkata – 700032..

**(iv) DISTRIBUTION OF SHARE HOLDING AS ON 31<sup>ST</sup> MARCH 2022:****(a) According to Category of Equity Share Holding:**

Category of Shareholders	No. of shares held	% of holding
<b>Promoters</b>	Nil	Nil
Bodies Corporate		
<b>Non – Promoters</b>	Nil	Nil
Institutional Investors	Nil	Nil
Mutual Funds & UTI	Nil	Nil
Banks, FIs, Insurance Companies FIIs'	Nil	Nil
<b>Others</b>		
Private Corporate Bodies	5,97,800	21.98
Indian Public	21,22,500	78.02
NRIs/OCB	Nil	Nil
<b>Total</b>	<b>27,20,300</b>	<b>100</b>

**(b) ACCORDING TO NUMBER OF ORDINARY SHARES HELD:**

<b>Shareholding</b>	<b>Number of Share holders</b>	<b>% to total Shareholders</b>	<b>Number of shares</b>	<b>% to total Shares</b>
1 - 500	44	51.16	20,070	0.74
501 - 1000	5	5.81	3,400	0.12
1001 - 2000	9	10.47	12,400	0.46
2001 - 3000	6	6.97	15,000	0.55
3001 - 4000	0	0	0	0
4001 - 5000	1	1.16	5,000	0.19
5001 - 10000	2	2.33	14,500	0.53
10001 - 50000	0	0	0	0
50001 - 100000	17	19.77	15,99,930	58.81
100001 and above	2	2.33	10,50,000	38.60
<b>Total</b>	<b>86</b>	<b>100.00</b>	<b>27,20,300</b>	<b>100.00</b>

**Acknowledgment**

Your Directors place on record their sincere thanks to bankers, business associates, consultants, employees and various Government Authorities for their continued support extended to your Company's activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

**For and on behalf of the Board of Directors**  
**J R D FINANCE LIMITED**

Place: Kolkata  
Date: 11<sup>th</sup> August, 2022

**Himangshu Mondal      Dilip Kumar Choudhary**  
Director (DIN- 06984911)    Director (DIN-0080390)

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **Economic Outlook**

The financial year 2021-22 (FY22) started with the brutal 2<sup>nd</sup> Wave of the Covid-19 pandemic in the first quarter of the financial year. It closed with optimism of a post Covid-19 pandemic recovery but witnessed the invasion of Ukraine by Russia in February 2022. The conflict has triggered economic sanctions on Russia which has, in turn, escalated into a costly humanitarian crisis. At the same time, economic damage from the conflict has contributed to a significant slowdown in global growth in 2022 and added to inflation. Fuel and food prices have increased rapidly, hitting vulnerable populations in low-income countries hardest.

Global growth is projected to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023. The IMF states that beyond 2023, global growth is forecasted to decline to about 3.3 percent over the medium term. Volatility has risen sharply in both equity and debt markets following the Russian invasion of Ukraine, reflecting heightened uncertainty on the economic and policy outlook. On the interest rate front, market-implied volatility has remained elevated, reflecting uncertainties about the policy normalization process in advanced economies.

The outbreak of COVID-19 had a significant impact on the social and economic situation in India, putting its collective resilience to test. The Indian economy, which was recuperating well in early 2021 after the onset of COVID-19, was again impacted by the grueling second wave of the pandemic. To alleviate the impact of the second wave and revive businesses, the government had undertaken active measures and unveiled a range of macro-level reforms while developing a robust vaccination strategy. These initiatives played a pivotal role in the country's economic recovery. The measures combined with the pace of vaccinations enhanced the country's economic prospects considerably.

The GDP growth during financial year (FY) 2021-22 is estimated at 8.9% as against a contraction of 6.6% in FY 2020-21. For India, with a strong growth in agricultural output in FY 2021-22, going forward, adequate policy support for investment and consumer spending was expected to strengthen the growth momentum. The scenario, however, has been reshaped by the Russia-Ukraine war, the economic fallout of which has affected the overall global growth and price conditions sharply.

### **Industry Structure and Developments**

India has a diversified financial services sector undergoing rapid expansion. Expansion is in terms of strong growth of existing financial services firms and new entities entering the market.

In absence of any negative event, NBFCs would see normalization of business activities; it would begin the year with sufficient capital buffers, stable margins, and sizeable on-balance sheet provisioning. Also, the adequate system liquidity would aid funding. Nevertheless, an expected increase in systemic interest rates and asset quality issues in some segments due to the lagged impact of pandemic would be a drag on the operating performance.

After facing challenges in the past few years following the default by some NBFCs leading to liquidity challenges and then the COVID-19 pandemic, there was a visible growth in credit uptake in FY 2021-22, with agricultural and industrial sectors along with personal loans driving the uptick. Falling gross non-performing asset (GNPA) ratios in the industry sector contributed to a significant rise in lending to this sector. NBFCs have healthier balance sheets and provisions compared to the levels seen in 2018.

### **Opportunities and Threats**

Non-Banking Financial Companies ("NBFCs") remain one of the most important pillars for ushering financial inclusion in India, reaching out to a hitherto under/served populace and in the process leading to "formalization" of the credit demand. NBFCs cater to the needs of both the retail as well as commercial sectors and, at times, have been able to develop strong niches with their specialized credit delivery models that even larger players including banks, have found hard to match. This has further provided a fillip to employment generation and wealth creation and in the process, bringing in the benefits of economic progress to the weaker sections of the society.

Last two years were challenging on account of the pandemic during which both business and collections were severely impacted. However, from Q2 FY 2021-22, credit growth has picked up significantly due to receding impact of COVID shutdowns, the pent-up demand in the economy and an uptick in multiple economic indicators. This was evidenced as per RBI's 'Data on sectoral deployment of bank credit' wherein non-food bank credit registered a y-o-y growth of 9.7% in March 2022.

While the economy is on the path to recovery, there are certain headwinds that may impact the growth and credit off take. The NBFC sector may get impacted if elevated levels of retail inflation, crude oil prices and supply chain disruptions continue over a prolonged period. Borrowing rate is expected to rise in the wake of rate hikes announced by RBI in May 2022, which may lead to pressure on margins. Any loan re-pricing may lead to reduced demand as well as deterioration in credit quality for small borrowers.

However, there's room for optimism – receding pandemic impact along with large vaccinated population, rising private investments, higher consumption levels and thrust on capital expenditure in Union Budget 2022 shall in tandem lead to a higher growth trajectory for the economy. This shall also translate into a better performance vis-à-vis the year gone by for most of the leading financial services institutions including NBFCs.

With its strong parentage, brand recognition, liquidity and strong distribution network, TCFSL is poised to capitalize on this opportunity and foresee an increase in market share across all segments with the introducing new products and tapping deeper markets. Further, the Company's robust risk management framework with a deep understanding of underwriting and credit controls shall help to mitigate the risk of deterioration in asset quality.

### **Human Resources**

People remain the most valuable asset of your company. Your company continued to build on its capabilities in getting the right talent to support different products and geographies and is taking effective steps to retain talent. A highly evolved Human Resource Policy has ensured a minimal rate of attrition amongst executives.

### **Internal Control System**

Internal Control measures and systems are established to ensure the correctness of the transactions and safe guarding of the assets. The Company has put in place an adequate internal control system to safeguard all assets and ensure operational excellence. The system also meticulously records all transaction details and ensures regulatory compliance.

Your Management has put in place effective Internal Control Systems to provide reasonable assurance for:

- Safeguarding Assets and their usage.
- Maintenance of Proper Accounting Records and
- Adequacy and reliability of the information used for carrying on business operations.

### **Risks and Concerns**

The very nature of the Company's business makes it subject to various kinds of risks. The Company encounters credit risk and operational risks in its daily business operations. Further the performance of the Company is dependent on the capital markets for its returns. Even though it is envisaged that Indian stock market will continue to do well, global concerns can result in sharp corrections.

### **Cautionary Statement:**

Statement in the Management Discussion and Analysis and Directors Report describing the company's strengths, strategies, projections and estimates are forward-looking statements and progressive within the meaning of applicable laws and regulations. The actual results may vary from those expressed or implied, depending upon economic conditions, Government Policies and other incidental factors.

**For and on behalf of the Board of Directors**  
**J R D FINANCE LIMITED**

Place: Kolkata  
Date: 11<sup>th</sup> August, 2022

**Himangshu Mondal      Dilip Kumar Choudhary**  
Director (DIN- 06984911)    Director (DIN-0080390)

ANNEXURE -I

## FORM NO. MR-3

## SECRETARIAL AUDIT REPORT

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

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

To,  
The Members,  
**J R D Finance Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. J R D Finance Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

I have examined the books, papers, minute books, forms and returns filed and other records made available to me and maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **Not Applicable to the Company during the Audit Period.**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **Not Applicable to the Company during the Audit Period;**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not Applicable to the Company during the Audit Period;**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not Applicable to the Company during the Audit period;**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: **(Not applicable to the Company during the Audit Period).**
- vi) Other specific business/industry related laws that are applicable to the Company, viz. NBFC – The Reserve Bank of India Act, 1934 and all applicable Laws, Rules, Regulations, Guidelines, Circulars, Notifications issued by the Reserve Bank of India.

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

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

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above subject to the following observation:

- A. That to the best of my understanding, the office of the **“Key Managerial Personnel” i.e. Chief Executive Officer/ Whole-time Director/Managing Director**, as required to be appointed by companies listed on stock exchanges, pursuant to the provision of Section 203(1) of the Companies Act, 2013 have not been appointed by the Company during the financial year.

#### **I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. Adequate notice was given to all Directors in advance to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at the Board Meetings, Committee Meetings as recorded in the minutes books of the Company were carried out unanimously.

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

I further report that during the audit period there were no instances of:

- (i) Public/Right/debentures/sweat equity;
- (ii) Redemption / buy-back of securities;
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- (iii) Merger / amalgamation / reconstruction, etc.
- (iv) Foreign technical collaborations

I further report that during the audit period the following instances occurred:

the Company allotted 8,00,000, 5% Non-Cumulative Non-Convertible Redeemable Preference Shares (NCNCRPS) of face value of Rs. 100/- each fully paid up for cash at par on 12<sup>th</sup> February, 2022 in terms of special resolution passed by the members of the Company at 28<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> September, 2021 which are not listed in any stock exchange.

There were no other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc. having a major bearing on the Company's affairs.

*For* **ANAND KHANDELIA**  
Company Secretaries

**ANAND KHANDELIA**  
Proprietor  
**C.P. No.: 5841**  
**UDIN: F005803D000780544**

Place: Kolkata  
Date: 11-08-2022

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

**Annexure – ‘A’**

To,  
The Members,  
**J R D Finance Limited**

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my report.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

*For* **ANAND KHANDELIA**  
Company Secretaries

**ANAND KHANDELIA**  
Proprietor  
**C.P. No.: 5841**  
**UDIN: F005803D000780544**

Place: Kolkata  
Date: 11-08-2022



**INDEPENDENT AUDITORS' REPORT****To the Members of JRD FINANCE LIMITED****Report on the Audit of the Standalone Financial Statements****Opinion**

We have audited the standalone financial statements of JRD FINANCE LIMITED ("the Company"), which comprise the standalone balance sheet as at March 31, 2022, and the standalone statement of Profit and Loss (including other Comprehensive Income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

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

**Basis for opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter**

We draw attention to Note 38 of the standalone financial statements, as regards the management's evaluation of COVID-19 impact on the future performance of the Company.

Our opinion is not modified in respect of the matter.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. We did not come across any matter of such material significance to be reported in this section.

**Information Other than the Standalone Financial Statements and Auditors' Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report and Management Discussion and Analysis Report but does not include the standalone financial statements and our auditors' report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Responsibilities of the Management and those charged with governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone financial statements that give a true and fair view of the state of affairs (financial position), Profit or Loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

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

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

### **Auditors' Responsibility for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit

evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and

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

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

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

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

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

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. Further to our comments in the annexure referred to in the paragraph above, as required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The standalone balance sheet, the standalone statement of profit and loss including other comprehensive income, the statement of changes in equity and the standalone cash flow statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act; and
  - f) Regarding adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal control with reference to financial statements.
3. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations and hence, there is no disclosure of the same in its financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
 (b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and  
 (c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
  - v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
4. With respect to the reporting under section 197(16) of the Act to be included in the Auditors' Report, In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid/provided for any managerial remuneration and as such the provisions of section 197 of the Act are not applicable.

For **GUPTA & MANGLIK**  
 Chartered Accountants  
 Firm Registration No.311118E

**CA RAHUL GUPTA, FCA**  
 Partner  
 ICAI Membership No.065761  
 UDIN : 22065761AJXJMZ9237  
 Kolkata, 30/05/2022

**ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT:**

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

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- (i) According to the information and explanations given to us, the Company does not have any Property, Plant and Equipment or Intangible Assets. Accordingly Clause 3(i) (a) to (d) of the Order are not applicable to the Company.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at 31<sup>st</sup> March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii)
  - (a) According to the information and explanations given to us, inventories in the form of shares and securities have been verified by the management at reasonable intervals to the extent possible and practical and no material discrepancies were noticed on physical verification.
  - (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3 (ii)(b) of the Order is not applicable.
- (iii)
  - (a) Since the Company’s principal business is to give loans. Accordingly, the provision of clause 3(iii)(a) of the Order is not applicable to it.
  - (b) The Company, being a Non-Banking Financial Company (‘NBFC’), registered under provisions of RBI Act, 1934. In our opinion and according to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees, provided during the year are, prima facie, not prejudicial to the Company’s interest.
  - (c) The Company, being a Non-Banking Financial Company (‘NBFC’), registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its customers as stipulated. In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and in cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer notes 6 and 15 to the Standalone Financial Statements for summarised details of such loans/advances which are not repaid by borrowers as per stipulations. According to the information and explanation made available to us, reasonable steps are taken by the Company for recovery thereof.
  - (d) The Company, being a NBFC, registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors and report total amount overdue including principal and/or payment of interest by its customers for more than 90 days. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer notes 6 and 15 to the Standalone Financial Statements for summarised details of such loans/advances which are not repaid by borrowers as per stipulations. According to the information and explanation made available to us, reasonable steps are taken by the Company for recovery thereof.
  - (e) Since the Company’s principal business is to give loans. Accordingly, the provision of clause 3(iii)(e) of the Order is not applicable to it.
  - (f) Based on our audit procedures, according to the information and explanation made available to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year.
- (iv) According to the information and explanations given to us in respect of loans, investments, guarantees, and security, the company was not required to comply with the provisions of section 185 and 186 of the Companies Act, 2013.

- (v) According to the information and explanation given to us, the Company has not accepted any deposits from the public.
- (vi) The Company is not required to maintain cost records as prescribed by the Central Government under sub-section (1) of section 148 of the Act.
- (vii) (a) In our opinion and according to the information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues relating to amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to it with the appropriate authorities during the year.  
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, Goods and Services Tax, duty of customs, cess and any other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of Goods and Services Tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) In our opinion, the Company has not defaulted in repayment of loans or other borrowings to financial institutions, banks, government and dues to debenture holders or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority or any other lender.
- (c) In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) & The company has not taken any funds from any entity or person on account of or to meet the obligations of its associate. The Company does not have any subsidiaries or joint ventures.
- (f)
- (x) (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (x)(a) of the Order is not applicable.
- (b) During the year, the Company has made private placement of 5% Non-Cumulative Non-Convertible Redeemable Preference shares. According to the information and explanations given to us, requirements of Section 42 of the Companies Act, 2013 have been complied with and the funds have been used for the purposes for which it was raised.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) In our opinion and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT -4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us, there were no whistle blower complaints received during the year by the Company.
- (xii) According to the explanation given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, the transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.  
 (b) We have considered, during the course of our audit, the reports of the Internal Auditor(s) for the period under audit, issued to the Company during the year till date, in determining the nature, timing and extent of our audit procedures in accordance with the guidance provided in SA 610 "Using the work of Internal Auditors".
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with its Directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and the Company has obtained the required registration.  
 (b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid CoR from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.  
 (c) According to the information and explanations given to us, the Company is not a Core Investment Company ('CIC') as defined under the Regulations by the Reserve Bank of India.  
 (d) As per information provided in course of our audit, the Company does not belong to any Group and accordingly clause 3 (xvi) (d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit but had incurred a cash loss of ` 0.53 lakh in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The provisions of Section 135 towards corporate social responsibility are not applicable on the company. Accordingly, the provisions of clause 3(xx) of the Order is not applicable.
- (xvi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **GUPTA & MANGLIK**  
 Chartered Accountants  
 Firm Registration No.311118E

**CA RAHUL GUPTA, FCA**  
 Partner  
 ICAI Membership No.065761  
 UDIN : 22065761AJXJMZ9237  
 Kolkata, 30/05/2022

**ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT**

**(Referred to in paragraph (f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)**

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

We have audited the internal financial controls with reference to financial statements of JRD FINANCE LIMITED (“the Company”) as at March 31, 2022 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

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

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors’ judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls with reference to financial statements**

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

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

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



### **Opinion**

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

For **GUPTA & MANGLIK**  
Chartered Accountants  
Firm Registration No.311118E

**CA RAHUL GUPTA, FCA**  
Partner  
ICAI Membership No.065761  
UDIN : 22065761AJXJMZ9237  
Kolkata, 30/05/2022

<b>BALANCE SHEET AS AT MARCH 31, 2022</b>				
<b>(₹ In Lakhs)</b>				
	<b>Particulars</b>	<b>Note No</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
	<b>ASSETS</b>			
(I)	<b>Financial Assets</b>			
(a)	Cash and Cash Equivalents	5	29.01	43.66
(b)	Loans	6	3,057.84	2,695.20
(c)	Investments	7	24.37	0.19
			3,111.22	2,739.05
(II)	<b>Non Financial Assets</b>			
(a)	Inventories	8	0.74	0.99
(b)	Current Tax Assets (Net)	9	26.31	12.49
(c)	Deferred Tax Assets (Net)	10	9.51	7.93
(d)	Other Financial assets	11	-	0.47
			36.56	21.88
	<b>Total Assets</b>		<b>3,147.78</b>	<b>2,760.93</b>
	<b>LIABILITIES AND EQUITY</b>			
	<b>LIABILITIES</b>			
(I)	<b>Financial Liabilities</b>			
(a)	Payables	12		
	(I) Trade Payables			
	(i) Total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) Total outstanding dues of creditors other than micro and small enterprises		-	-
	(II) Other Payables			
	(i) Total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) Total outstanding dues of creditors other than micro and small enterprises		83.95	17.86
(b)	Borrowings (Other than Debt Securities)	13	598.47	1,112.09
(c)	Subordinated Liabilities	14	2,000.00	1,200.00
			2,682.42	2,329.95
(II)	<b>Non Financial Liabilities</b>			
(a)	Provisions	15	15.33	6.74
(b)	Other Non Financial Liabilities	16	16.67	8.50
			32.00	15.24
(III)	<b>Equity</b>			
(a)	Equity Share Capital	17	272.03	272.03
(b)	Other Equity	18	161.33	143.71
			433.36	415.74
	<b>Total Liabilities and Equity</b>		<b>3,147.78</b>	<b>2,760.93</b>
Significant accounting policies and other accompanying notes (1 to 40) form an integral part of the financial statements				

As per our report of even date

**For GUPTA & MANGLIK**  
**Chartered Accountants**  
**Firm Registration No. 311118E**

On behalf of the Board of Directors

**Himangshu Mondal**  
**Director**  
**(DIN-06984911)**

**Dilip Kumar Choudhary**  
**Director**  
**(DIN-00080390)**

**(Rahul Gupta)**  
**Partner**  
**Membership No. 065761**  
**Place : Kolkata**  
**Dated: May 30, 2022**

**Ashish Kumar Panda**  
**Chief Financial Officer**

**Pritha Sinha Pandey**  
**Company Secretary**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022****(₹ In Lakhs)**

	Particulars	Note No	For the year ended March 31, 2022	For the year ended March 31, 2021
	<b>Revenue from Operations</b>			
(i)	Interest Income	19	209.02	136.93
<b>(I)</b>	<b>Total Revenue from Operations</b>		<b>209.02</b>	<b>136.93</b>
(II)	Other Income	20	34.18	0.32
<b>(III)</b>	<b>Total Income (I + II)</b>		<b>243.20</b>	<b>137.25</b>
	<b>Expenses</b>			
(i)	Finance Costs	21	92.09	37.19
(ii)	Purchase of Stock-in-trade	22	-	0.75
(iii)	Changes in Inventories	23	0.24	(0.75)
(iv)	Employee Benefits Expenses	24	11.01	8.25
(v)	Other Expenses	25	121.83	93.95
<b>(IV)</b>	<b>Total Expenses</b>		<b>225.17</b>	<b>139.39</b>
<b>(V)</b>	<b>Profit / (Loss) before tax (III - IV)</b>		<b>18.03</b>	<b>(2.14)</b>
(VI)	Tax Expenses	30		
	(i) Current Tax		1.98	0.30
	(ii) Deferred Tax		(1.57)	(0.46)
			<b>0.41</b>	<b>(0.16)</b>
<b>(VII)</b>	<b>Profit / (Loss) for the period (V - VI)</b>		<b>17.62</b>	<b>(1.98)</b>
(VIII)	Other Comprehensive Income			
	(i) Items that will not be reclassified to profit or loss		-	5.14
	(ii) Income Tax relating to above		-	-
	<b>Other Comprehensive Income (i - ii)</b>		<b>-</b>	<b>5.14</b>
<b>(IX)</b>	<b>Total Comprehensive Income for the period (VII + VIII)</b>		<b>17.62</b>	<b>3.16</b>
<b>(X)</b>	Earnings per equity share			
	- Basic (Rs.)	28	0.65	(0.07)
	- Diluted (Rs.)		0.65	(0.07)

Significant accounting policies and other accompanying notes (1 to 40) form an integral part of the financial statements

As per our report of even date

**For GUPTA & MANGLIK****Chartered Accountants****Firm Registration No. 311118E****On behalf of the Board of Directors**

**Himangshu Mondal**  
**Director**  
**(DIN-06984911)**

**Dilip Kumar Choudhary**  
**Director**  
**(DIN-00080390)**

**(Rahul Gupta)****Partner****Membership No. 065761****Place : Kolkata****Dated: May 30, 2022**

**Ashish Kumar Panda**  
**Chief Financial Officer**

**Pritha Sinha Pandey**  
**Company Secretary**

## STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2022

(₹ In Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before Tax</b>	<b>18.03</b>	<b>(2.14)</b>
Adjustment for non cash and other items:		
<b>Add :</b> Finance Cost	92.09	37.19
Loans and Advances written off	10.00	-
Contingent Provision against Standard Assets	16.25	1.61
	118.34	38.80
	136.37	36.66
<b>Less:</b> Provision against standard assets written back	10.00	-
Net gain on Fair value changes	24.17	-
	34.17	-
<b>Operating Profit before Working Capital changes</b>	<b>102.20</b>	<b>36.66</b>
(Increase)/ Decrease in loans and advances and other assets	(378.42)	(646.93)
(Increase)/ Decrease in Inventories	0.24	(0.75)
Increase/ (Decrease) in Trade and Other Payables	66.09	15.23
Increase/ (Decrease) Liabilities/ Provisions	16.75	4.36
	(295.34)	(628.09)
<b>Cash generated from Operations</b>	<b>(193.14)</b>	<b>(591.43)</b>
<b>Less:</b> Direct Taxes paid (Net)	15.80	7.46
<b>Net cash flow from Operating activities</b>	<b>(208.94)</b>	<b>(598.89)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
(Purchase)/ Sale of Investments (Net)	-	34.47
<b>Net Cash flow from Investing activities</b>	<b>-</b>	<b>34.47</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/(Repayments) from short term borrowings (net)	(513.62)	598.54
Proceeds from Issue of Preference Share Capital	800.00	-
Interest and other borrowing costs paid	(92.09)	(37.19)
<b>Net cash flow from Financing activities</b>	<b>194.29</b>	<b>561.35</b>
<b>Cash and Cash equivalents (A+B+C)</b>	<b>(14.65)</b>	<b>(3.07)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>43.66</b>	<b>46.73</b>
<b>Cash and cash equivalents at the end of the year (Refer Note no. 5)</b>	<b>29.01</b>	<b>43.66</b>

Significant accounting policies and other accompanying notes (1 to 40) form an integral part of the financial statement:

Note :

- The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows' as notified under Companies Act 2013.
- Cash and cash equivalents as at the Balance Sheet date consists of:

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	7.37	2.70
Balances with banks:		
In current accounts	21.64	40.96
	29.01	43.66

- Change in Company's liabilities arising from financing activities:

(₹ In Lakhs)

Particulars	As at March 31, 2021	Cash Flow	Non-Cash Flow	As at March 31, 2022
Borrowings (Other than Debt Securities)	1,112.09	(513.62)	-	598.47

As per our report of even date

**For GUPTA & MANGLIK**  
Chartered Accountants  
Firm Registration No. 311118E

On behalf of the Board of Directors

Himangshu Mondal  
Director  
(DIN-06984911)

Dilip Kumar Choudhary  
Director  
(DIN-00080390)

(Rahul Gupta)  
Partner  
Membership No. 065761  
Place : Kolkata  
Dated: May 30, 2022

Ashish Kumar Panda  
Chief Financial Officer

Pritha Sinha Pandey  
Company Secretary

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

(₹ In Lakhs)

## (i) Equity Share Capital

Particulars	Amount
Balance as at April 1, 2020	280.35
Share forfeiture during the year	(8.32)
Balance as at March 31, 2021	272.03
Changes during the year	-
Balance as at March 31, 2022	272.03

## (ii) Other Equity

## As at March 31, 2022

Particulars	Reserve and Surplus					Total
	Capital Reserve	Securities Premium Account	Fair Valuation of Equity through Other Comprehensive Income	Special Reserve (in terms of Section 45IC of Reserve Bank of India Act, 1934)	Retained Earning	
Balance as at March 31, 2021	8.32	157.50	-	2.03	(24.14)	143.71
Profit/(Loss) for the year	-	-	-	-	17.62	17.62
Other Comprehensive Income	-	-	-	-	-	-
Total Comprehensive Income for the period	-	-	-	-	17.62	17.62
Transferred from Retained earnings to Special Reserve	-	-	-	3.52	(3.52)	-
Balance as at March 31, 2022	8.32	157.50	-	5.55	(10.04)	161.33

## As at March 31, 2021

Particulars	Reserve and Surplus					Total
	Capital Reserve	Securities Premium Account	Fair Valuation of Equity through Other Comprehensive Income	Special Reserve (in terms of Section 45IC of Reserve Bank of India Act, 1934)	Retained Earning	
Balance as at April 1, 2020	-	157.50	(0.70)	1.39	(25.96)	132.23
Profit/(Loss) for the year	-	-	-	-	(1.98)	(1.98)
Other Comprehensive Income	-	-	5.14	-	-	5.14
Total Comprehensive Income for the period	-	-	5.14	-	(1.98)	3.16
Transferred from Retained earnings to Special Reserve	-	-	-	0.64	(0.64)	-
Addition on forfeiture of Equity Share Capital	8.32	-	-	-	-	8.32
Other Comprehensive Income reclassified to Retained Earnings	-	-	(4.44)	-	4.44	-
Shares issued during the year	-	-	-	-	-	-
Balance as at March 31, 2021	8.32	157.50	-	2.03	(24.14)	143.71

Refer Note no. 18 for nature and purpose of reserves

Significant accounting policies and other accompanying notes (1 to 40) form an integral part of the financial statements

As per our report of even date

For GUPTA &amp; MANGLIK

Chartered Accountants

Firm Registration No. 311118E

On behalf of the Board of Directors

Himangshu Mondal  
Director  
(DIN-06984911)

Dilip Kumar Choudhary  
Director  
(DIN-00080390)

(Rahul Gupta)

Partner

Place : Kolkata

Dated: May 30, 2022

Ashish Kumar Panda  
Chief Financial Officer

Pritha Sinha Pandey  
Company Secretary

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022****1. CORPORATE INFORMATION**

**J R D FINANCE LIMITED** ("the Company"), is a Public Limited company incorporated in Kolkata, under the Companies Act, 1956 and its equity shares are listed on the Metropolitan Stock Exchange of India Limited. The company operates as an Investment and Credit Company (NBFC-ICC) and is registered as a Non-Banking Financial (Non-Deposit Accepting) Company with the Reserve Bank of India vide Registration no.: B-05.05299 dated August 29, 2003.

**2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS****2.1 Statement of Compliance**

These financial statements has been prepared in accordance with Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act"). The Company has complied with Ind AS issued, notified and made effective till the date of authorisation of the financial statements.

**Application of new and revised standards:**

Effective April 01, 2021, the company has adopted the amendment vide Companies (Indian Accounting Standards) Amendment Rules, 2021 notifying amendment to existing Ind AS 109 "Financial Instruments" and Ind AS 107 "Financial Instruments: Disclosures" related to practical expedient for modification of financial instruments due to Inter-Bank Offered Rate Reforms. Further, extension on practical expedient to rent concession was further continued under Ind AS 116 "Leases" and amendments were made consequent to issue of Conceptual Framework for financial reporting under Ind AS 102 "Share-based Payment", Ind AS 103 "Business Combinations", Ind AS 106 "Exploration for and Evaluation of Mineral Resources", Ind AS 114 "Regulatory Deferral Accounts", Ind AS 1 "Presentation of Financial Statements", Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", Ind AS 34 "Interim Financial Reporting", Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets" and Ind AS 38 "Intangible Assets".

There were other minor/clarificatory updates under Ind AS 101 "First-time Adoption of Indian Accounting Standards", Ind AS 104 "Insurance Contracts", Ind AS 105 "Non-current assets held for sale and discontinued operations", Ind AS 111 "Joint Arrangements", Ind AS 115 "Revenue from Contracts with Customers", Ind AS 12 "Income Taxes", Ind AS 16 "Property, Plant and Equipment", Ind AS 27 "Separate Financial Statements", Ind AS 28 "Investments in Associates and Joint Ventures" and Ind AS 40 "Investment Property".

Revision in these standards did not have any material impact on the profit/loss and earning per share for the year.

**2.2 Recent accounting pronouncements**

On April 04, 2022, Ministry of Corporate Affairs (MCA) has made certain ammendments to existing Ind AS vide Companies (Indian Accounting Standard) Ammendment Rules, 2022. These ammendments to the extent relevant to the company's operation include ammendment to Ind AS 16 "Property, Plant and Equipment" which clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment and Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets" which specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

There are other ammendments in various standards including Ind AS 101 "First-time Adoption of Indian Accounting Standards", Ind AS 103 "Business Combinations", Ind AS 109 "Financial Instruments", and Ind AS 41 "Agriculture" which have not been listed herein above since these are not relevant to the company.

Even though the company will evaluate the impact of above, none of these ammendments as such are vital in nature and are not likely to have material impact on the financial statements of the company.

**3 SIGNIFICANT ACCOUNTING POLICIES****A. BASIS OF PREPARATION**

The Financial Statements have been prepared under the historical cost convention on accrual basis excepting certain financial instruments which are measured in terms of relevant Ind AS at fair value/ amortized costs at the end of each reporting period.

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

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. All Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in Ind AS 1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013. Having regard to the nature of business being carried out by the Company, the Company has determined its operating cycle as twelve months for the purpose of current and non-current classification.

The Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakhs except otherwise stated.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022****Fair Value Measurement**

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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability.

Level 3: Inputs for the asset or liability which are not based on observable market data (unobservable inputs)

The company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements who regularly review significant unobservable inputs, valuation adjustments and fair value hierarchy under which the valuation should be classified.

**B. LEASES**

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options considered for arriving at ROU and lease liability when it is reasonably certain that they will be exercised.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment, whether it will exercise an extension or a termination option. Lease liability and ROU asset are separately presented in the Balance Sheet and lease payments are classified as financing cash flows. Lease liability obligations are presented separately under the head "Financial Liabilities".

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

**C. FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

Financial Assets and Financial Liabilities (financial instruments) are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within operating cycle of the company or otherwise these are classified as non-current.

The classification of financial instruments whether to be measured at Amortized Cost, at Fair Value through Profit and Loss (FVTPL) or at Fair Value through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

**(i) Cash and cash equivalents**

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022****(ii) Financial Assets and Financial Liabilities measured at amortised cost**

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

The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.

The effective interest rate is the rate that discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

**(iii) Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognised directly in other comprehensive income.

- (iv) For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

**(v) Financial Assets or Liabilities at Fair value through profit or loss**

Financial Instruments which does not meet the criteria of amortised cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

**(vi) Impairment of financial assets**

A financial asset is assessed for impairment at each balance sheet date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

The company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for loans and advances or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

**(vii) Derecognition of financial instruments**

The Company derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

On derecognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

**D. EQUITY SHARE CAPITAL**

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022****E. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses. The amount recognized 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.

Contingent liabilities are not recognized and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent assets are not recognised but disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

**F. EMPLOYEE BENEFITS**

Employee benefits are accrued in the year in which services are rendered by the employees. Short term employee benefits are recognized as an expense in the statement of profit and loss for the year in which the related service is rendered.

Contribution to defined contribution plans such as Provident Fund etc, are recognised as and when incurred.

Contribution to defined benefit plans consisting of contribution to gratuity are determined at close of the year at present value of the amount payable using actuarial valuation techniques. Actuarial gain and losses arising from experience adjustments and changes in actuarial assumptions are recognized immediately in the Balance Sheet with a corresponding debit or credit to Retained Earnings through Other Comprehensive Income ("OCI") in the period in which they occur.

Other long term employee benefits consisting of Leave Encashment are determined at close of the year at present value of the amount payable using actuarial valuation techniques. The changes in the amount payable including actuarial gain/loss are recognised in the Statement of profit and loss.

**G. REVENUE****Interest and Dividend**

The Company follows the accrual method of accounting for recognition of Income excepting in cases of uncertainties of collections, which are recognized on receipt basis.

- Interest Income from financing by way of loan is recognised in terms of the respective agreements with the borrowers using effective interest rate method.

- Dividend from Investments is accounted for when right to receive the same is established.

In accordance with the guidelines issued by the Reserve Bank of India (RBI), incomes against non-performing assets are recognised on receipt basis.

**H. BORROWING COSTS**

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property Plant Equipment (PPE) which are capitalized to the cost of the related assets. A qualifying PPE is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

**I. TAXES ON INCOME**

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted by the end of the reporting period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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

Deferred tax assets include Minimum Alternative Tax (MAT) measured in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability and such benefit can be measured reliably and it is probable that the future economic benefit associated with same will be realized.

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

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022****J. EARNINGS PER SHARE**

Basic earnings per share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

**K. SEGMENT REPORTING**

As the company has no activities other than those of a Non-Banking Financial Company, the segment reporting under Ind AS 108 is not applicable. The company does not have any reportable geographical segment.

**4 CRITICAL ACCOUNTING JUDGMENTS, ASSUMPTIONS AND KEY SOURCES OF ESTIMATION AND UNCERTAINTY**

The preparation of the financial statements in conformity with the measurement principle of Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the financial statements have been disclosed below. The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

**a) Impairment loss allowances of loans and advances**

Classification of loans and advances are made as per the guidelines prescribed by RBI. Provision against performing (standard) and non-performing assets are made as required in terms of prudential norms prescribed by RBI. Further, assets which are considered non recoverable are fully provided for / written off.

**b) Income taxes**

Significant judgment is required in determination of taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes.

**c) Provisions and Contingencies**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations/ against the Company as it is not possible to predict the outcome of pending matters with accuracy.

The carrying amounts of provisions and liabilities and estimation for contingencies are reviewed regularly and revised to take account of changing facts and circumstances.

**5 CASH AND CASH EQUIVALENTS**

Particulars	Note No	As at March 31, 2022	As at March 31, 2021
Cash on hand		7.37	2.70
Balances with banks:			
In current accounts		21.64	40.96
<b>TOTAL</b>		<b>29.01</b>	<b>43.66</b>

**6 LOANS**

Particulars	Note No	As at March 31, 2022	As at March 31, 2021
<b>Loans repayable on demand</b>			
<u>(Unsecured and Considered good , unless otherwise stated)</u>			
<u>Measured at amortised cost:</u>			
<b>Loans and Advances in India</b>			
Unsecured Business Loan		3,080.29	2,719.99
Less: Impairment allowances for doubtful loans and advances			
(Includes Contingent Provision on Standard Assets only in respect of the current year)	6.1	22.45	24.79
<b>TOTAL</b>		<b>3,057.84</b>	<b>2,695.20</b>

## 6.1 Movement of impairment allowances for doubtful loans and advances:

Particulars	Note No	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Balance as at the beginning of the year</b>		24.79	24.79
Reversal during the year		(10.00)	
Contingent Provision on Standard Assets (Refer Note - 15.1)	6.2	7.66	-
<b>Balance at the end of the year</b>		<b>22.45</b>	<b>24.79</b>

6.2 The amount recognised as provision includes Provision against Standard assets of ₹ 0.93 Lakhs measured at 0.25 percent of the outstanding amount of the standard assets during the year in terms of Para 10 of Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015. (Previous Year: ₹ 1.61 Lakhs included in Note No.15.1)

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(₹ In Lakhs)

**7 INVESTMENTS**

Particulars	Note No.	Face Value (in ₹)	As at March 31, 2022		As at March 31, 2021	
			Number/ Unit	Amount	Number/ Unit	Amount
<b>In India</b>						
<b>Investments in Equity Instruments</b>	7.1					
<b>Measured at fair value through Other Comprehensive Income</b>						
<b>(i) Quoted</b>						
(a) Cressanda Solutions Limited	7.2	10	1,27,000	24.17	-	-
			-	<b>24.17</b>	-	-
<b>Investments in Mutual Funds</b>						
<b>Measured at fair value through Profit and Loss</b>						
<b>(i) Quoted</b>						
LIC Mutual Fund Direct Plan-Growth ( <i>Actual Cost is ₹ 18,104</i> )			5.11	0.20	5.11	0.19
				<b>0.20</b>		<b>0.19</b>
				<b>24.37</b>		<b>0.19</b>

7.1 Particulars of investments as required in terms of Section 186(4) of Companies Act, 2013 are as given herein above.

7.2 During the year, the Board of Directors at its meeting held on 24th January, 2022 decided that w.e.f 1st January, 2022, certain Investments held as stock-in trade namely Investment in Cressanda Solutions Limited be converted to Long Term Investment and has made an irrevocable decision to value such Investment as Fair Value through Other Comprehensive Income . Accordingly, such Investment has been fair valued as on the date of conversion and resultant gain has been shown as "Income on Transfer of Stock-in-Trade to Capital Asset" under the head "Other Income".

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ In Lakhs)

## 8 INVENTORIES (Valued at lower of cost and net realisable value, unless otherwise stated)

Particulars	Note No.	As at March 31, 2022	As at March 31,
Shares held as Stock-in-Trade		0.74	0.99
<b>TOTAL</b>		<b>0.74</b>	<b>0.99</b>

## 9 CURRENT TAX ASSETS (NET)

Particulars	Note No.	As at March 31, 2022	As at March 31,
Advance Tax including Tax deducted at Source (Net of Provisions)		26.31	12.49
<b>TOTAL</b>		<b>26.31</b>	<b>12.49</b>

## 10 DEFERRED TAX ASSETS (NET)

Particulars	Note No.	As at March 31, 2022	As at March 31,
Deferred Tax Assets	10.1	9.51	7.93
Deferred Tax Liabilities	10.1	-	-
<b>TOTAL</b>		<b>9.51</b>	<b>7.93</b>

10.1 The following is the analysis of Deferred Tax Liabilities /Assets presented in the Balance Sheet:

Particulars	As at March 31, 2021	(Charge)/Credit in Profit and Loss	(Charge)/Credit in other Comprehensive Income	As at March 31, 2022
<b>Deferred Tax Assets</b>				
Difference in carrying value and tax base of Non Financial Assets	7.93	1.57		9.51
<b>Total Deferred Tax Assets</b>	<b>7.93</b>	<b>1.57</b>	-	<b>9.51</b>
<b>Deferred Tax Assets (Net)</b>	<b>7.93</b>	<b>1.57</b>	-	<b>9.51</b>

Particulars	As at March 31, 2020	(Charge)/Credit in Profit and Loss	(Charge)/Credit in other Comprehensive Income	As at March 31, 2021
<b>Deferred Tax Assets</b>				
Difference in carrying value and tax base of Non Financial Assets	7.48	0.46	-	7.93
<b>Total Deferred Tax Assets</b>	<b>7.48</b>	<b>0.46</b>	-	<b>7.93</b>
<b>Deferred Tax Assets (Net)</b>	<b>7.48</b>	<b>0.46</b>	-	<b>7.93</b>

## 11 OTHER FINANCIAL ASSETS

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
Other Advances		-	0.47
<b>TOTAL</b>		<b>-</b>	<b>0.47</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022****12 PAYABLES**

Particulars	Note No	As at March 31, 2022	As at March 31, 2021
<b>Trade Payables</b>			
- Dues of Micro and Small Enterprises	12.1	-	-
- Others		-	-
<b>Other Payables</b>			
- Dues of Micro and Small Enterprises		-	-
- Others		83.95	17.86
<b>TOTAL</b>		<b>83.95</b>	<b>17.86</b>

12.1 The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act) and hence disclosure relating to amounts unpaid as at the year end together with interest paid/payable under the Act has not been given.

**13 BORROWINGS (OTHER THAN DEBT SECURITIES)**

Particulars	Note No	As at March 31, 2022	As at March 31, 2021
<b>In India</b>			
<b>At Amortised Cost</b>			
<b>Unsecured</b>	13.1		
<b>Loan Repayable on demand</b>			
- From Other Parties		598.47	1,112.09
<b>TOTAL</b>		<b>598.47</b>	<b>1,112.09</b>

**14 SUBORDINATED LIABILITIES**

Particulars	Note No	As at March 31, 2022	As at March 31, 2021
<b>In India</b>			
<b>At Amortised Cost</b>			
<b>Unsecured</b>	[14.1, 14.2 & 14.3]		
<b>Preference Shares other than those that qualify as equity</b>			
20,00,000 (12,00,000) 5% Non-Cumulative Non-Convertible Redeemable Preference Shares (NCNCRPS) of ₹ 100/- each fully paid-up		2,000.00	1,200.00
<b>TOTAL</b>		<b>2,000.00</b>	<b>1,200.00</b>

14.1 The Company allotted 8,00,000, 5% Non-Cumulative Non-Convertible Redeemable Preference Shares (NCNCRPS) of face value of ₹ 100/- each fully paid up for cash at an issue price of Rs. 100/- each on March 25, 2019. The said Preference Shares are redeemable at the option of the Company within a period of 20 years from the date of its issue.

14.2 The Company allotted 4,00,000, 5% Non-Cumulative Non-Convertible Redeemable Preference Shares (NCNCRPS) of face value of ₹ 100/- each fully paid up for cash at an issue price of Rs. 100/- each on September 2, 2019. The said Preference Shares are redeemable at the option of the Company within a period of 20 years from the date of its issue.

14.3 The Company further allotted 8,00,000, 5% Non-Cumulative Non-Convertible Redeemable Preference Shares (NCNCRPS) of face value of ₹ 100/- each fully paid up for cash at an issue price of Rs. 100/- each on February 14, 2022. The said Preference Shares are redeemable at the option of the Company within a period of 20 years from the date of its issue.

**15 PROVISIONS**

Particulars	Note No	As at March 31, 2022	As at March 31, 2021
<b>Others</b>			
Contingent Provision against Standard Assets	15.1	15.33	6.74
<b>TOTAL</b>		<b>15.33</b>	<b>6.74</b>

**15.1 Movement of Contingent Provision against Standard Assets:**

Particulars	Note No	As at March 31, 2022	As at March 31, 2021
<b>Balance as at the beginning of the year</b>		6.74	5.13
Further provision made as per Para 14 of Master Direction - Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 issued by Reserve Bank of India		0.93	1.61
<b>Sub Total</b>		<b>7.66</b>	<b>6.74</b>
Regrouped during the year *	6.2	(7.66)	-
Additional Provision made during the year (on Conservative basis)		15.33	-
<b>Balance at the end of the year</b>		<b>15.33</b>	<b>6.74</b>

\* (The entire amount of Contingent Provision against Standard Assets (including current year provision) totalling to 7.66 Lakhs has been regrouped under Impairment Allowances for Doubtful Loans & Advances as referred to in Note No. 6.2)

**16 OTHER NON FINANCIAL LIABILITIES**

Particulars	Note No	As at March 31, 2022	As at March 31, 2021
<b>Others</b>			
Statutory Payables		16.67	8.50
<b>TOTAL</b>		<b>16.67</b>	<b>8.50</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022****(₹ In Lakhs)****17 EQUITY SHARE CAPITAL**

Particulars	Note No	As at March 31, 2022	As at March 31, 2021
<b>Authorised Shares</b>			
Equity Shares of ₹ 10/- each		350.00	350.00
35,00,000 (March 31, 2021: 35,00,000) equity shares		<b>350.00</b>	<b>350.00</b>
<b>Issued &amp; Subscribed Shares</b>			
Equity Shares of ₹ 10/- each		305.00	305.00
30,50,000 (March 31, 2021: 30,50,000) equity shares		<b>3,05,00,000.00</b>	<b>3,05,00,000.00</b>
<b>Fully Paid Up Shares</b>			
Equity Shares of ₹ 10/- each		272.03	272.03
27,20,300 (March 31, 2021: 27,20,300) equity shares		<b>272.03</b>	<b>272.03</b>

17.1 The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all Preferential amounts in proportion to the number of equity shares held by them.

**17.2 Reconciliation of the number of equity shares outstanding:**

Particulars	Note No	As at March 31, 2022	As at March 31, 2021
Number of shares at the beginning		27,20,300	30,50,000
Less: Forfeiture during the year	17.5	-	3,29,700
Number of shares at the end		27,20,300	27,20,300

**17.3 Details in respect of shares in the company held up by each shareholder holding more than 5% shares:**

Name of the Shareholders	As at March 31, 2022	As at March 31, 2021
<b>Galaxy Stocks &amp; Securities Ltd</b>		
- No of shares held:	4,00,000	4,00,000
- Percentage of shares held:	14.70%	14.70%
<b>Mrs. Rupam Banerjee</b>		
- No of shares held:	6,50,000	6,50,000
- Percentage of shares held:	23.89%	23.89%

17.4 There are no promoters in the company for the year ended March 31, 2022. Therefore, the disclosure requirement under Clause (n) of Note (S) of *General Instructions for Preparation of Balance Sheet* issued by the Ministry of Corporate Affairs is not applicable.

17.5 During the year ended March 31, 2021, the company had called for partly paid shares as per its resolution dated August 25, 2020. Subsequently, the Board of Directors in its Board Meeting held on October 21, 2020 decided to forfeit such shares and accordingly, partly paid amount has been transferred to Capital Reserve.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022****(₹ In Lakhs)****18 OTHER EQUITY**

Particulars	Note No	As at March 31, 2022	As at March 31, 2021
<b><u>Capital Reserve</u></b>	18.1		
As per last Balance Sheet		8.32	-
Forfeiture of Equity Share Capital	17.5	-	8.32
		<b>8.32</b>	<b>8.32</b>
<b><u>Securities Premium Account</u></b>	18.2		
As per last Balance Sheet		157.50	157.50
<b><u>Special Reserve (in terms of Section 45IC of Reserve Bank of India Act, 1934)</u></b>	18.3		
As per last Balance Sheet		2.03	1.39
Transferred from Retained earnings to Special Reserve		3.52	0.64
		<b>5.55</b>	<b>2.03</b>
<b><u>Retained Earnings</u></b>	18.4		
As per last Balance Sheet		(24.14)	(25.96)
Profit for the year		17.62	(1.98)
Other Comprehensive Income		-	-
Other Comprehensive Income transferred to Retained Earnings		-	4.44
Transferred from Retained earnings to Special Reserve		(3.52)	(0.64)
		<b>(10.04)</b>	<b>(24.14)</b>
<b><u>Other Comprehensive Income</u></b>	18.5		
<b><u>Fair Valuation of Equity Investment</u></b>			
As per last Balance Sheet		-	(0.70)
Other Comprehensive Income reclassified to Retained Earnings		-	(4.44)
Other Comprehensive Income		-	5.14
		-	-
<b>TOTAL</b>		<b>161.33</b>	<b>143.71</b>

**18.1 Capital Reserve**

The reserve was created mainly on account of forfeiture of partly paid up equity shares.

**18.2 Securities Premium Account**

Securities Premium Reserve represents the amount received in excess of par value of securities and is available for utilisation as specified under Section 52 of Companies Act, 2013.

**18.3 Special Reserve**

Special Reserve is created in terms of of section 45IC of Reserve Bank of India Act, 1934, which is 20% of profit of the year.

**18.4 Retained Earnings**

Retained earnings generally represents the undistributed profit/ amount of accumulated earnings of the company.

**18.5 Other Comprehensive Income**

(i) On equity investments

The company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income . These changes are accumulated in the FVTOCI equity investment reserve within equity. The company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ In Lakhs)

## 19 INTEREST INCOME

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
On Financial assets measured at amortised cost			
Loans		209.02	136.93
<b>TOTAL</b>		<b>209.02</b>	<b>136.93</b>

## 20 OTHER INCOME

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
Miscellaneous Income		-	0.32
Provision against standard assets written back		10.00	-
Income on Transfer of Stock in Trade to Capital Asset		7.76	-
Net gain on Fair value changes		16.42	-
<b>TOTAL</b>		<b>34.18</b>	<b>0.32</b>

## 21 FINANCE COSTS

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
On financial liabilities measured at amortised cost:			
Interest on Short-term borrowing		92.09	37.19
<b>TOTAL</b>		<b>92.09</b>	<b>37.19</b>

## 22 PURCHASE OF STOCK-IN-TRADE

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
Shares and Securities		-	0.75
<b>TOTAL</b>		<b>-</b>	<b>0.75</b>

## 23 CHANGES IN INVENTORIES

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening Stock of Shares and Securities		0.99	0.24
Closing Stock of Shares and Securities		0.75	0.99
<b>TOTAL</b>		<b>0.24</b>	<b>(0.75)</b>

## 24 EMPLOYEE BENEFITS EXPENSES

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, Wages and Bonus, etc.	24.1	10.55	8.25
Staff Welfare expenses		0.46	-
<b>TOTAL</b>		<b>11.01</b>	<b>8.25</b>

24.1 There is no liability towards Gratuity, leave pay, PF, ESI and/or any other type of retirement benefits. Hence, the requirements prescribed under Indian Accounting Standard-19 are not applicable to the Company.

## 25 OTHER EXPENSES

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
Rent		15.75	15.00
Rates and Taxes		0.80	0.75
<b>Auditors Remuneration</b>			
Statutory Audit Fee		0.35	0.35
Certification Charges		-	0.03
Legal and Professional Fees		51.12	57.40
Brokerage and Commission		24.00	18.00
Filing Fees		0.16	0.05
Travelling Expenses		2.75	-
Advertisement		0.23	0.30
Contingent Provision on Standard Assets		16.26	1.61
Loans and Advances written off		10.00	-
Miscellaneous Expenditure		0.41	0.46
<b>TOTAL</b>		<b>121.83</b>	<b>93.95</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ In Lakhs)

**26 Contingent Liabilities and Commitments:**

(to the extent not provided for)

**(a) Contingent Liabilities:**

The Company's pending litigations comprised of claims against the company and proceedings pending with Statutory/ Government Authorities. There are no pending litigations and/or proceedings against the company.

- 27** In terms of Para 14 of Master Direction - Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 issued by Reserve Bank of India, a provision of 0.25 percent of the outstanding amount of the standard assets during the year is required to be made. Accordingly, the closing provision on such assets is ₹ 0.93 lakhs (March 31, 2021: ₹ 6.74 lakhs) and is shown as "Contingent Provision against Standard Assets" in these accounts covered in Note 15.1 and Note No 6.2 respectively.

- 28** Calculation of Earning Per Share is as follows:

Particulars	Note No	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Net profit for basic and diluted earnings per share as per Statement of Profit and Loss		17.62	(1.98)
<b>Net profit for basic and diluted earnings per share</b>		<b>17.62</b>	<b>(1.98)</b>
(b) Weighted average number of equity shares for calculation of basic and diluted earnings per share (Face value ₹ 10/- per share)		28,03,512	21,81,218
Number of equity shares outstanding as on 31st March		27,20,300	27,20,300
<b>Number of equity shares considered in calculating basic and diluted EPS</b>		<b>28,03,512</b>	<b>21,81,218</b>
(c) Earnings per share (EPS) of Equity Share of ₹ 10 each:			
i) Basic (₹)		0.65	(0.07)

**29 RELATED PARTY TRANSACTIONS**

Disclosures pursuant to Indian Accounting Standard (Ind AS) 24 " Related Party Disclosures"

**A) Names of related parties and description of relationship****(i) Key Management Personnel (KMP) and their close member**

Mr. Himangshu Mondal – Independent Director  
 Mr. Dilip Kumar Choudhary – Director  
 Mrs. Ayeshi Chanak – Woman Director  
 Mr. Nirmal – Independent Director  
 Mrs. Pritha Sinha Pandey – Company Secretary  
 Mr. Ashish Kumar Panda – Chief Financial Officer  
 Mr. Jitendra Kumar Bhagat – Independent Director w.e.f August 14, 2021

**B) Related Party Transactions**

Particulars	KMP and their close members	TOTAL
<b>I. TRANSACTIONS DURING THE YEAR:</b>		
<b>Remuneration</b>		
Pritha Sinha Pandey	6.00	6.00
Ashish Kumar Panda	3.30	3.30
<b>Total</b>	<b>9.30</b>	<b>9.30</b>
<b>Previous Year</b>		
Ashish Kumar Panda	5.52	-
Pritha Sinha Pandey	2.21	2.21
<b>Total</b>	<b>7.73</b>	<b>2.21</b>
<b>II. OUTSTANDING BALANCES:</b>		
<b>Payable of Expenses</b>		
Pritha Sinha Pandey	-	-
Ashish Kumar Panda	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Previous Year</b>		
Ashish Kumar Panda	-	-
Pritha Sinha Pandey	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note:**

- a. The above related party information is as identified by the management and relied upon by the auditor
- b. All transactions with related parties are made in ordinary course of business. For the year ended March 31 2022, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**30 Tax Expenses- Current Tax**

Particulars	Note No	For the year ended March 31, 2022	For the year ended March 31, 2021
Provision for Current Tax		1.98	0.3
		<b>1.98</b>	<b>0.30</b>

**30.1 Components of Tax Expense:**

Particulars	Note No	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Current tax</b>			
In respect of the current year		1.98	0.30
<b>Total Current tax expense recognised in the current year</b>		<b>1.98</b>	<b>0.30</b>
<b>Deferred tax</b>			
In respect of the current year		(1.57)	(0.46)
<b>Total Deferred tax expense recognised in the current year</b>		<b>(1.57)</b>	<b>(0.46)</b>
<b>Total Tax expense recognised in the current year</b>		<b>0.41</b>	<b>(0.16)</b>

**30.2 Reconciliation of Tax expense and the accounting profit multiplied by domestic tax rate**

Particulars	Note No	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit/ (Loss) before tax		18.03	(2.14)
<b><u>Income Tax Charge/(Credit) thereon based on tax rate @ 26.00%</u></b>		<b>4.69</b>	<b>(0.56)</b>
Fees for Increase in Authorised Share Capital		-	-
Net gain on Fair value changes		(4.27)	-
Others		(0.01)	0.40
		<b>0.41</b>	<b>(0.16)</b>

**31 Components of Other Comprehensive Income**

Particulars	Note No	For the year ended March 31, 2022	For the year ended March 31, 2021
Items that will not be reclassified to Statement of Profit and Loss			
Equity Instrument Fair Valued through Other Comprehensive Income		-	5.14
		<b>-</b>	<b>5.14</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(₹ In Lakhs)

**32. FINANCIAL INSTRUMENTS**

The accounting classification of each category of financial instrument, their carrying amount and fair value are as follows:-

Particulars	As at March 31, 2022		As at March 31, 2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets</b>				
<b>Financial Assets measured at Amortised Cost</b>				
Cash and cash equivalents	29.01	29.01	43.66	43.66
Loans	3,057.84	3,057.84	2,695.20	2,695.20
Investments	24.37	24.37	0.19	0.19
<b>Financial Liabilities</b>				
<b>Financial Liabilities measured at Amortised Cost</b>				
Trade Payables	-	-	-	-
Other Payables	83.95	83.95	17.86	17.86
Borrowings (Other than Debt Securities)	598.47	598.47	1,112.09	1,112.09
Subordinated Liabilities	2,000.00	2,000.00	1,200.00	1,200.00

**Fair Valuation Techniques**

The fair values of the financial assets and liabilities are included at the amount 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 following methods and assumptions were used to estimate the fair values:

- The fair value of cash and cash equivalents, loans, current trade payables, current financial liabilities and assets approximate their carrying amount largely due to the short-term nature of these instruments. The management considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/amortised cost in the financial statements approximate their fair values.

- The Company's long-term debt has been contracted at floating rates of interest. Fair value of variable interest rate borrowings approximates their carrying value subject to adjustments made for transaction cost. In respect of fixed interest rate borrowings, fair value is determined by using discount rates that reflects the present borrowing rate of the company.

**Fair value hierarchy**

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:-

**i) Level 1 :-** Quoted prices / published NAV (unadjusted) in active markets for identical assets or liabilities. It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value (NAV) is published by mutual fund operators at the balance sheet date.

**ii) Level 2 :-** Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the Company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.

**iii) Level 3 :-** Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at balance sheet date:

Particulars	As at March 31	Fair value measurements at reporting date using		
		Level 1	Level 2	Level 3
<b>Financial Assets</b>				
Investments	24.37 (0.19)	-	24.17 (0.19)	-

(\*) Figures in round brackets ( ) indicate figures as at March 31, 2021

During the year ended March 31, 2022 and March 31, 2021, there were no transfers between Level 1, Level 2 and Level 3.

The Inputs used in fair valuation measurement are as follows:

Fair valuation of Financial assets and liabilities not within the operating cycle of the company is amortised based on the Effective Interest Rate.

**FINANCIAL RISK FACTORS**

The Company's activities are exposed to variety of financial risks. The key financial risks includes market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors reviews and approves policies for managing these risks. The risks are governed by appropriate policies and procedures and accordingly financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

**MARKET RISK**

Market risk is the risk or uncertainty arising from possible market fluctuations resulting in variation in the fair value of future cash flows of a financial instrument. The major components of Market risks are currency risk, interest rate risk and other price risk. Financial instruments affected by market risk includes investments and trade and other payables.

**Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company doesn't have exposure to the risk of changes in foreign exchange rates and hence is not subjected to such risk.

**Interest rate risk**

Interest rate risk arises when there is a mismatch between positions, which are subject to interest rate adjustment within a specified period. The Company's lending and funding activities give rise to interest rate risk.

The immediate impact of variation in interest rate is on the Company's net interest income, while a long term impact is on the Company's net worth since the economic value of the assets, liabilities and off-balance sheet exposures are affected. While assessing interest rate risks, signals given to the market by RBI and government departments from time to time and the financial industry's reaction to them shall be continuously monitored.

Interest Rate Risk arises due to:

- Changes in Regulatory or Market Conditions affecting the interest rates
- Short term volatility
- Prepayment risk translating into a reinvestment risk
- Real interest rate risk.

In short run, change in interest rate affects Company's earnings and in long run it affects Market Value of Equity (MVE) or net worth. It is essential for the Company to not only quantify the interest rate risk but also to manage it proactively. The Company mitigates its interest rate risk by keeping a balanced portfolio of fixed and variable rate loans and borrowings. Further Company carries out Earnings at risk analysis and maturity gap analysis at quarterly intervals to quantify the risk.

With all other variables held constant, the following table demonstrates the impact of the Interest Rate on floating rate portion of loans and borrowings and Advances are given as under:

Particulars	Effect on Profit before tax	
	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Increase in 50 basis points</b>		
Borrowings- Floating Rate	2.99	5.56
<b>Increase in 50 basis points</b>		
Loans and Advances- Floating Rate	15.29	13.48

A decrease in 0.50 basis point would have an equal and opposite effect on the Company's financial statements.

**Other price risk**

The company's non-current investments which are fair valued through other comprehensive income are dependent upon the volatility of the market and business in which the said company operates.

**CREDIT RISK**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily loans or interest accrued balances). The management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The Company periodically assesses the financial reliability of its borrowers, taking into account the financial condition and current economic trends.

The carrying amount of respective financial assets recognised in the financial statements, (net of impairment losses) represents the Company's maximum exposure to credit risk.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of doubtful loans and advances. Receivables from its borrowers are reviewed/evaluated periodically by the management and appropriate provisions are made to the extent recovery there against has been considered to be remote.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022****(₹ In Lakhs)****Financial assets that are neither past due nor impaired**

Cash and cash equivalents are neither past due nor impaired. Cash and cash equivalents with banks are held with reputed and credit worthy banking institutions.

**LIQUIDITY RISK**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's objective is to maintain optimum level of liquidity to meet its cash and collateral requirements at all times. The company relies on borrowings and internal accruals to meet its fund requirement. The current committed line of credit are sufficient to meet its short to medium term fund requirement.

**Maturity Analysis of Financial Liabilities****As at March 31, 2022**

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 year	Total
Borrowings (Other than Debt Securities)	598.47	598.47	-	-	-	598.47
Subordinated Liabilities	2,000.00	-	-	-	2,000.00	2,000.00
Trade and other payables	83.95	83.95	-	-	-	83.95

**As at March 31, 2021**

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 year	Total
Borrowings (Other than Debt Securities)	1,112.09	1,112.09	-	-	-	1,112.09
Subordinated Liabilities	1,200.00	-	-	-	1,200.00	1,200.00
Trade and other payables	17.86	17.86	-	-	-	17.86

The company has current financial assets which will be realised in ordinary course of business. The Company ensures that it has sufficient cash on demand to meet expected operational expenses. The company relies on operating cash flows to meet its need for funds.

**33. CAPITAL MANAGEMENT**

The primary objective of the Company's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholder value. The Company's objective when managing capital is to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stake holders. The Company is focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without where the risk profile of the Company. The Company monitors capital using a capital adequacy ratio as prescribed by the RBI guidelines.

**34. RATIOS**

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

Particulars	Numerator	Denominator	As at / For the year ended March 31, 2022	As at / For the year ended March 31, 2021	Reason for Variance more than 25%	Remarks
Capital to risk-weighted assets ratio (CRAR)	Tier I Capital + Tier II Capital	Risk Weighted Assets	13.70%	15.02%	-	
Tier I CRAR	Tier I Capital	Risk Weighted Assets	13.70%	15.02%	-	
Tier II CRAR	Tier II Capital	Risk Weighted Assets	-	-	-	
Liquidity Coverage Ratio	Cash and Cash Equivalent + Liquid Assets	Total Net cash outflows over the next 30 calendar days	-0.00	244.51	100.00%	Decrease in Cash and Cash Equivalents

**35. Additional regulatory information required by Schedule III of Companies Act, 2013**

(i) Details of Benami property: No proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (prohibition) Act, 1988 (45 of 1988) and the made thereunder.

(ii) Utilisation of borrowed funds and share premium: The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or  
(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or  
(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

(iii) Compliance with number of layers of companies: The Company has not invested in any company, and therefore is not required to comply with the number of layers prescribed under the Companies Act, 2013.

(iv) Compliance with approved scheme(s) of arrangements: The Company has not entered into any scheme of arrangement which has any accounting impact on current or previous financial year.

(v) Undisclosed Income: There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(vi) Details of crypto currency or virtual currency: The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(vii) Valuation of PP&E, intangible asset and investment property: The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

36. There are no immovable properties that are held by company whose title deeds are not held in the name of the company

37. **Relationship with Struck-off Companies:** Based on information available with the company from the website of Ministry of Corporate Affairs, there were no transaction during the current year with such companies.

38. The COVID -19 pandemic and the long drawn lockdown has resulted in significant decrease in economic activities globally as well as across our country. The extent of impact of COVID - 19 on our country is difficult to predict and will mainly depend on the future developments in containment of COVID - 19 and the actions taken for resumption of operations, which is highly uncertain. Based on the current indicators of future economic conditions, the Company expects to recover the carrying amount of its financial assets. Given the uncertainty over the potential macro-economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions, which will be given effect to in the respective future periods.

39. Schedule III to the Companies Act, 2013 vide notification dated March 24, 2021 issued by Ministry of Corporate Affairs has been amended with effect from April 01, 2021 and these financial statement have been prepared giving effect to the said amendments. Accordingly, comparative figures for the previous year have been regrouped wherever applicable to make them comparable with those of the current year's figure.

40. These financial statements have been approved by the Board of Directors of the Company on May 30, 2022 for issue to the shareholders for their adoption.

As per our report of even date

**For GUPTA & MANGLIK**

**Chartered Accountants**

**Firm Registration No. 311118E**

**(Rahul Gupta)**

**Partner**

**Membership No. 065761**

**Place : Kolkata**

**Dated: May 30, 2022**

**On behalf of the Board of Directors**

**Himangshu Mondal**  
**Director**  
**(DIN-06984911)**

**Dilip Kumar Choudhary**  
**Director**  
**(DIN-00080390)**

**Ashish Kumar Panda**  
**Chief Financial Officer**

**Pritha Sinha Pandey**  
**Company Secretary**

# J R D FINANCE LIMITED

Reg.Off. : 1/1A, Biplabi Anukul Chandra Street, 5<sup>th</sup> Floor, Room No. 5G, Kolkata – 700 072  
Tel: +91 33 4006 6062; Email Id: fin.jrd@gmail.com; Website: www.jrdfinance.com  
CIN: L65999WB1993PLC058107

## ATTENDANCE SLIP

(29<sup>TH</sup> ANNUAL GENERAL MEETING HELD ON THURSDAY, 29<sup>TH</sup> SEPTEMBER, 2022 AT 1.00 P.M.)

Registered Folio/ DP & Client ID No.	
Name and Address of the Shareholder(s)	

I/We hereby record my/our presence at the 29<sup>th</sup> Annual General Meeting of the Company held on Thursday, 29<sup>th</sup> September, 2022 at 1.00 P.M. at 1/1A Biplabi Anukul Chandra Street, 5th Floor, Room No. 5G, Kolkata - 700072.

Member's Folio/ Dp ID/ Client ID No.

Member's / Proxy's name in Block Letters

Member's / Proxy's Signature

Note: Please complete the Folio/DP ID & Client ID No. and name, sign this attendance slip and hand it over at the Attendance verification Counter at the entrance of the Meeting Hall.

.....\*\*tearhere\*\*.....

FORM NO. MGT-11

### PROXY FORM

[Pursuant To Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L65999WB1993PLC058107

Name of the Company : J R D Finance Limited

Registered Office : 1/1A Biplabi Anukul Chandra Street, 5th Floor, Room No. 5G, Kolkata - 700072

Name of the Member(s)	:	
Registered Address	:	
E-mail ID	:	
Folio No./ Client ID	:	
DP ID	:	

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

- Name: .....  
Address: .....  
E-mail ID: ..... Signature: .....or failing him/her,
- Name: .....  
Address: .....  
E-mail ID: ..... Signature: .....or failing him/her,
- Name: .....  
Address: .....  
E-mail ID: ..... Signature: .....

As my/our proxy to attend and vote (on a poll) for me/ us on my/ our behalf at the 29<sup>th</sup> Annual General Meeting of the Company, to be held on the 29<sup>th</sup> Day of September, 2022 at 1.00 p.m. at 1/1A Biplabi Anukul Chandra Street, 5th Floor, Room No. 5G, Kolkata - 700072 and at any adjournment thereof in respect of such resolution(s) as are indicated below:

Resolution No.	Resolution Proposed	For	Against
1.	Adoption of Audited Financial Statements for the year ended 31st March, 2022.		
2.	Approval to re-appoint Mr. Dilip Kumar Choudhary, Director, who retires by rotation.		

Signed this ..... day of ..... 2022

Signature of the Shareholder(s) ..... Signature of Proxy (s).....

Note: The 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.

Affix  
Revenue  
Stamp

# J R D FINANCE LIMITED

Reg.Off. : 1/1A, Biplabi Anukul Chandra Street, 5<sup>th</sup> Floor, Room No. 5G, Kolkata – 700 072  
Tel: +91 33 4006 6062; Email Id: fin.jrd@gmail.com; Website: www.jrdfinance.com  
CIN: L65999WB1993PLC058107

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**(ANNEXURE TO THE NOTICE FOR THE 29<sup>TH</sup> ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD ON THURSDAY, THE 29<sup>TH</sup> DAY OF SEPTEMBER, 2022 AT 1.00 P.M)**

Name & Registered Address  
of Sole/First named Member :

Joint Holders Name (If any) :

Folio No. / DP ID & Client ID :

No. of Equity Shares Held :

Dear Shareholder,

**Subject: Process and manner for availing E-voting facility:**

Pursuant to Provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Company is pleased to provide E-voting facility to the members to cast their votes electronically on all resolutions proposed to be considered at the 29<sup>th</sup> Annual General Meeting (AGM) to be held at 1/1A, Biplabi Anukul Chandra Street, 5<sup>th</sup> Floor, Room No. 5G, Kolkata – 700 072 on Thursday, the 29<sup>th</sup> September, 2022 at 1.00 P.M. and at any adjournment thereof.

The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facility. The e-voting facility is available at the link <https://www.evotingindia.com>.

The Electronic Voting Particulars are set out below:

EVS (Electronic Voting Sequence Number)	User ID	PAN / Sequence No.
220827013		

The E-voting facility will be available during the following voting period:

Remote e-Voting Start On	Remote e-Voting End On
26 <sup>th</sup> September, 2022 at 9:00 A.M.	28 <sup>th</sup> September, 2022 at 5:00 P.M.

Please read the instructions mentioned in the Notice of the AGM before exercising your vote.

By Order of the Board  
For J R D Finance Limited

**Pritha Sinha Pandey**  
**Company Secretary & Compliance Officer**  
Place: Kolkata  
Date : 11/08/2022