



AAR Shyam India  
Investment Company  
Limited  
(Annual Report 2021-22)

# Contents



<b>Particulars</b>	<b>Page No.</b>
Notice	2
Corporate Information	16
Directors' Report	17
Management Discussion And Analysis Report	23
Report On Corporate Governance	36
Independent Auditor's Report	51
Financial Statements	60

# Vision



*To be a leading  
Financial services provider,  
admired and respected  
for  
Ethics, Values and Corporate  
Governance.*

**AAR SHYAM INDIA INVESTMENT COMPANY LIMITED**

Regd. off: B-42, Lower Ground Floor, Panchsheel Enclave, New Delhi -110 017

CIN: L67120DL1983PLC015266

Email ID: info@aarshyam.in | Website: www.aarshyam.in | Ph No. 91 11 45626909

**NOTICE**

NOTICE is hereby given that 39th Annual General Meeting of the members of **AAR Shyam India Investment Company Limited** will be held at **B-42, Lower Ground Floor, Panchsheel Enclave, New Delhi - 110017 on Friday, 30th September, 2022 at 11:00 a.m.** to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Financial Statements of the Company for the financial year ended 31st March, 2022  
“**RESOLVED THAT** the audited Financial Statements of the Company for the financial year ended 31st March, 2022 together with Directors’ Report and Auditors thereon, be and are hereby received, considered and adopted.
2. To appoint a Director in place of Ms. Beenu Agarwal (DIN: 00056062), who retires by rotation and being eligible, offers herself for re-appointment.  
“**RESOLVED THAT** Ms. Beenu Agarwal (DIN: 00056062), who retires by rotation and being eligible, offers herself for re-appointment, be and is hereby re-appointed as Director of the company liable to retire by rotation.

**SPECIAL BUSINESS**

To consider and, if thought fit, to pass with or without modification(s) the following resolutions as **ORDINARY RESOLUTIONS**:

1. To appoint Mrs. Shobha Rustagi (DIN: 03503850) as an Independent Director:  
“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modifications or re-enactment(s) thereof and any rules made thereunder, for the time being in force, Mrs. Shobha Rustagi (DIN: 03503850), who was appointed as an Additional & Non- Executive Independent Director of the Company with effect from August 10, 2022, and whose term expires at this AGM, and in respect of whom the Company has received a notice in writing along with a deposit from a member proposing her candidature for the office of an Independent Director not liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company to hold office for a period of 5 years with effect from August 10, 2022.  
**RESOLVED FURTHER** that any director of the company be and are hereby authorized to make the necessary filings with the registrar of companies and to do all things incidental and ancillary thereto.”

By Order of the Board  
**For AAR Shyam India Investment Company Limited**

**Regd. Office:**

B-42, Lower Ground Floor,  
Panchsheel Enclave,  
New Delhi-110017

Dated: 03/09/2022

Place: New Delhi

Sd/-  
**Princy Anand**  
Company Secretary

**NOTES:**

1. A member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend and on a poll to vote instead of himself. The proxy need not be a member of the company. A blank form of proxy is enclosed and if intended to be used, it should be deposited duly completed at the registered office of the company not less than forty eight hours before the scheduled time of the 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 ten percent 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.

2. 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.
3. In case of joint shareholder attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
4. Information required under SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 (relating to Corporate Governance) with respect to the Directors retiring by rotation and, being eligible, seeking re-appointment is given in the Corporate Governance Report annexed to the Annual Report.
5. The Registers of Members and Share Transfer Books of the Company will remain closed from Saturday, the 24th September, 2022 to Friday, September 30th, 2022 (both days inclusive).
6. Relevant documents referred to in the accompanying Notice and the Statement is open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
7. In terms of Section 72 of the Companies Act, 2013, the shareholders of the Company may nominate a person on whom the shares held by him/them shall vest in the event of his/their death. Shareholders desirous of availing this facility may submit nomination in SH-13.
8. The Company has entered into agreements with CDSL and NSDL to offer depository services to the Shareholders. Shareholders can open account with any of the depository participant registered with CDSL and NSDL.
9. In accordance with SEBI LODR (Listing Obligations and Disclosure Requirements) (4th amendment) Regulations, 2018 notified on June 07, 2018 and further notification dated 30/11/2018 any request for physical transfer of shares shall not be processed w.e.f. April 01,2019.

Further, in compliance with SEBI vide its circular SEBI/HO/ MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25th January 2022, the following requests received by the Company in physical form will be processed and the shares will be issued in dematerialization form only:-

- i. Issue of duplicate share certificate
- ii. Claim from unclaimed suspense account
- iii. Renewal/Exchange of securities certificate
- iv. Endorsement
- v. Sub-division / splitting of securities certificate
- vi. Consolidation of securities certificates/folios
- vii. Transmission
- viii. Transposition

For this purpose, the securities holder/claimant shall submit a duly filled up Form ISR-4 which is hosted on the website of the company as well as on the website of MAS Services Ltd, Registrar and share transfer agent (RTA) The aforementioned form shall be furnished in hard copy form.

***Members holding shares in physical form are requested to dematerialize their holdings at the earliest.***

10. Members are requested to bring their copies of Annual Report at the meeting, as extra copies will not be supplied.
11. Pursuant to the requirement of the SEBI Regulations, the Company declares that its equity shares are listed on the Bombay Stock Exchange. The Company has paid the annual listing fee for the year 2021-22 and advance fees for 2022-23 to the above stock exchanges.
12. The Securities and Exchange Board of India ('SEBI') vide its circular dated November 03, 2021 read with circular dated December 14, 2021 has made it mandatory for the shareholders holding securities in physical form to furnish PAN, KYC (complete address with pin-code, bank detail with MICR-CODE & IFS CODE, Email-ID, Mobile Number) and Nomination details to the Registrar and Transfer Agent ('RTA') of the Company. Effective from 1st January 2022. Registrar will not process, any service requests or complaints received from the member until unless above KYC and nomination will not be completed by shareholder and such shareholders holding will be fridge by RTA on or after 1st April 2023.

The shareholders holding shares in physical form are requested to note that in case of failure to provide required documents and details as per aforesaid SEBI circular, all folios of such shareholders shall be frozen on or after April 01, 2023 by the RTA. In view of the above, shareholders of the Company holding securities in physical form are requested to provide following documents/details to RTA:

- i. PAN; (using ISR-1)
- ii. Nomination in Form No.SH-13 or submit declaration to 'Opt-out' in Form ISR-3;
- iii. Contact details including Postal address with PIN code, Mobile Number, E-mail address;
- iv. Bank Account details including Bank name and branch, Bank account number, IFS code;
- v. Specimen signature. (using ISR-2)

Any cancellation or change in nomination shall be provided in Form No.SH-14

All of above required documents/details to be sent at the address of registered office of the RTA. The shareholders can download the forms mentioned in SEBI circular from the website of the Company or RTA website i.e [www.masserv.com](http://www.masserv.com).

***A separate communication has already been sent to the respective shareholders.***

13. Only registered members carrying the attendance slips and the holders of valid proxies registered with the Company will be permitted to attend the meeting.
14. As a part of "Green initiative in the Corporate Governance", The Ministry of Corporate Affairs vide its circular nos. 17/2011 and 1/2011 dated 21.04.2011 and 29.04.2011, respectively, has permitted the companies to serve the documents, namely, Notice of General Meeting, Balance Sheet, Statement of Profit & Loss, Auditors' Report, Directors' report, etc., to the members through e-mail. The shareholders holding shares in physical form are requested to register their e-mail address with the Registrar & Share Transfer Agents by sending duly signed request letter quoting their folio no., name and address. In case of shares held in demat form; the shareholders may register their e-mail addresses with their DPs (Depository Participants).
15. Members may also note that the Notice of the Annual General Meeting and the Annual Report for 2021-22 will also be available on the Company's website [www.aarshyam.in](http://www.aarshyam.in) and website of Stock Exchange [www.bseindia.com](http://www.bseindia.com) and website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) for their download.
16. Members who hold shares in dematerialized form and want to provide/change/correct the bank account details should send the same immediately to their concerned Depository Participant and not to the Company. Members are also requested to give the MICR Code of their bank to their Depository Participants. The Company will not entertain any direct request from such Members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. While making payment of Dividend, the Registrar and Share Transfer Agent is obliged to use only the data provided by the Depositories, in case of such dematerialized shares.



17. The e-voting period commences on Tuesday, The 27th September 2022 (9:00 a.m. IST) and ends on Thursday, 29th September, 2022 (5:00 p.m. IST). During this period, members holding share either in physical or dematerialized form, as on cut-off date, i.e. as on September 23rd, 2022 may cast their votes electronically. The e-voting module will be disabled by NSDL for voting thereafter. A member will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. as on September 23rd, 2022.
18. Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if an individual shareholder he / she can generate password as explain in e-voting instruction for casting the vote.
19. Members who have not yet registered their e-mail addresses are requested to register the same with their Depository Participants (“DP”) in case the shares are held by them in electronic form and with the Company/RTA in case the shares are held by them in physical form.

Type of Holder	Process to be followed
Physical	Please refer point 12 of Notes of Notice.
Demat	Please contact your DP and register your email address and bank account details in your demat account as per the process advised by your DP

20. SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA.
21. The documents referred to in the proposed resolutions are available for inspection at its Registered Office of the Company during normal business hours (11 A.M. to 5 P.M.) on any working day except Saturdays, upto the date of meeting.

#### Voting through electronic means:

- A. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (LODR), regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).
- B. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballotpaper.
- C. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- D. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at [www.aarshyam.in](http://www.aarshyam.in). The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-**

The remote e-voting period begins on Tuesday, 27th September, 2022 at 09:00 A.M. and ends on Thursday, 29th September, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday, 23rd September, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, 23rd September, 2022.

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

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

**Step 1: Access to NSDL e-Voting system**
**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li data-bbox="386 1024 1507 1312">1. If you are already registered for <b>NSDL IDeAS facility</b>, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/either">https://eservices.nsdl.com/either</a> on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “<b>Beneficial Owner</b>” icon under “Login” which is available under “<b>IDeAS</b>” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or <b>e-Voting service provider – NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li data-bbox="386 1333 1507 1423">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 “<b>Register Online for IDeAS</b>” Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li data-bbox="386 1444 1507 1730">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 digits demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>



<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>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>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<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. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</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 above mentioned website.

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

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

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

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

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- 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, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 1 and EVEN is 101456 then user ID is 101456000001, if folio number is B-1 the user id is 101456B000001.

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
- c) How to retrieve your ‘initial password’?
  - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
  - (ii) If your email ID is not registered, please follow steps mentioned below:

Type of Holder	Process to be followed
Physical	Please refer point 12 of Notes of Notice.
Demat	Please contact your DP and register your email address and bank account details in your demat account as per the process advised by your DP

6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:

- a) Click on “[Forgot User Details/Password?](#)”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) [Physical User Reset Password?](#)” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.

8. Now, you will have to click on “Login” button.

9. After you click on the “Login” button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically on NSDL e-Voting system.****How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to Mr. Kundan Agrawal at [agrawal.kundan@gmail.com](mailto:agrawal.kundan@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
  3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Amit Vishal at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
1. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
  2. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

By Order of the Board  
**For AAR Shyam India Investment Company Limited**

**Regd. Office:**

B-42, Lower Ground Floor,  
Panchsheel Enclave,  
New Delhi-110017

Dated: 03/09/2022  
Place: New Delhi

Sd/-  
**Princy Anand**  
Company Secretary

**Explanatory Statement pursuant to Section 102(1) of the companies Act, 2013**

Item No. 3

On recommendation by the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 10th August, 2022 has appointed Mrs. Shobha Rustagi as Additional Directors with immediate effect pursuant to section 161(1) of the Companies Act, 2013, to hold office up to the date of ensuing Annual general Meeting.

Accordingly, the company has received a Notice in writing pursuant to the provisions of Section 160 of the companies Act, 2013, from a member of the company proposing the candidature of Mrs. Shobha Rustagi for the office of Director. The company has received consent in writing in Form DIR-2 and intimation in Form DIR-8 to the effect that she is not disqualified u/s 164(2) of the Companies Act, 2013 to act as a director.

Subject to shareholders' approval, the Board of Directors of your company recommends the resolution no. 3 in relation to appointment of Mrs. Shobha Rustagi as Independent Director of the company respectively.

Accordingly, the Board/Committee recommends the resolution as set out in Item No. 3 for approval of the members.

By Order of the Board  
**For AAR Shyam India Investment Company Limited**

**Regd. Office:**

B-42, Lower Ground Floor,  
Panchsheel Enclave,  
New Delhi-110017

Dated: 03/09/2022

Place: New Delhi

Sd/-  
**Princy Anand**  
Company Secretary

Pursuant to Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 and Secretarial standards issued by Institute of Company Secretaries of India (ICSI), below given is the information about the Directors proposed to be appointed under item No. 3:

Name of the Director	Mrs. Shobha Rustagi
DIN	03503850
Date of Birth	17.06.1967
Qualification	BSc (Chemistry) 1987, PGDM-HRM 2009 & Master of Social work (MSW) 2015
Nature of Expertise	She has done BSc (Chemistry) form Ethiraj College, Madras University and PGDM, HRM IMT (Ghaziabad) MSW form Indira Gandhi National Open University. She has an experience of over 12 years with different social institutions in various roles such as Career facilitator with ETASHA, Coordinator of Skill development and Education Program with SWEA Delhi, Program In-charge and Facilitator with American India Foundation & Communication Manager with Vision for Health Welfare and Special Needs.
List of Public Companies in which outside Directorship held (including Foreign Companies)	N.A.
Chairman/ Member of the Committee of Board of Directors of other public companies	N.A.
No. of Shares owned	Nil
Relationship with Other Director	N.A.
Number of Meetings of the Board attended during the FY 2021-22	Nil

**AAR SHYAM INDIA INVESTMENT COMPANY LIMITED**

Regd. off: B-42, Lower Ground Floor, Panchsheel Enclave, New Delhi -110 017

CIN: L67120DL1983PLC015266

Email ID: info@aarshyam.in | Website: www.aarshyam.in | Ph No. 91 11 45626909

**ATTENDANCE SLIP****Annual General Meeting on 30th September 2022**

<b>Regd. Folio No./ *DP ID/* Client ID</b>	
No. of Equity Shares held	
Name of the Shareholder(s)	
Joint Holder1	
Joint Holder2	

I/We hereby record my / our presence at the Annual General Meeting of the members of the Company held at **B-42, Lower Ground Floor, Panchsheel Enclave, New Delhi-110017 on Friday, 30th September, 2022 at 11:00 a.m.**

.....  
Signature of Member/Proxy

**Notes:**

- a) **Only member/proxy can attend the Meeting. No minors would be allowed at the meeting.**
- b) **Member/proxy wish to attend the meeting must bring this attendance slip to the meeting and handover at the entrance duly filled in and signed.**
- c) **Members are informed that no duplicate attendance slips shall be issued at the meeting.**



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**FORM 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]

Name of the member (s):
Registered address:
Email Id: _____ Folio No./ Client Id: _____ DPID: _____

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

1.	Name
	Address:
	E-mail Id:
	Signature:
2.	Name
	Address:
	E-mail Id:
	Signature:
3.	Name
	Address:
	E-mail Id:
	Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual general meeting of the company to be held on September 30th, 2022 at 11.00 am at **B-42, Lower Ground Floor, Panchsheel Enclave, New Delhi-110017** and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution no.	Particulars	For	Against
<b>Ordinary Business</b>			
1	To receive, consider and adopt the audited Financial Statements of the Company for the financial year ended 31st March, 2022		
2	To appoint a Director in place of Ms. Beenu Agarwal (DIN:00056062), who retires by rotation and being eligible, offers herself for re-appointment.		
3	To appoint Mrs. Shobha Rustagi as Non-Executive Independent Director of the Company		

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

Signature of shareholder: .....

Signature of Proxyholder(s).....

Affix Revenue Stamp
---------------------------

**Note:**

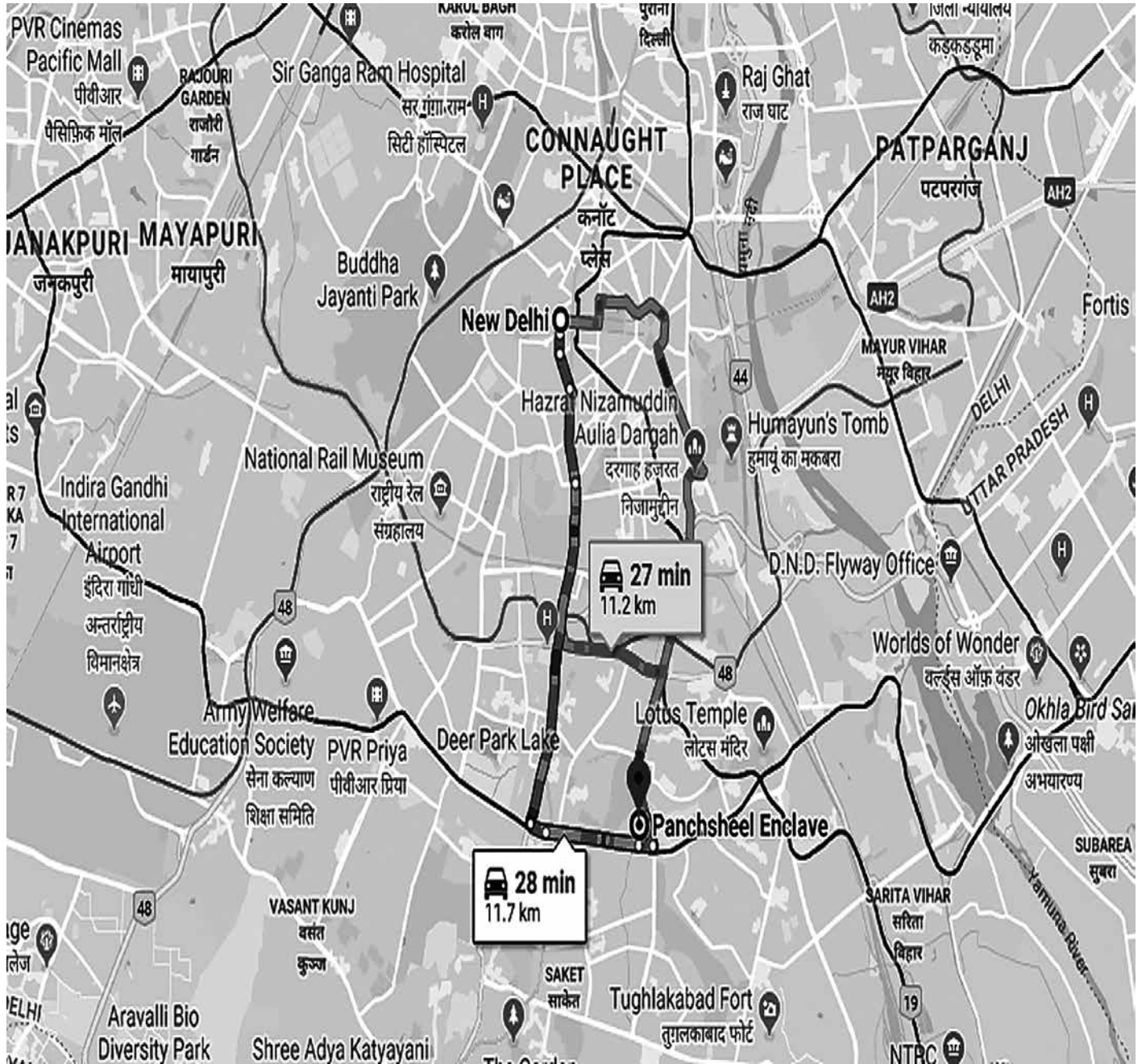
1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A proxy need not be a member of the company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than 10% of the total share capital of the company. Members holding more than 10% of the total share capital of the company may appoint a single person as a proxy, who shall not act as proxy for any other member.
3. It is optional to put a (✓) in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'against' column blank against any or all resolutions, your proxy may vote as he/she thinks appropriate.

ROUTE MAP

Venue of the Annual General Meeting of Aar Shyam India Investment Company Limited to be held on Friday, 30th September, 2022 at 11:00 A.M.

Venue Address: B-42, Lower Ground Floor, Panchsheel Enclave, New Delhi-110017

Landmark: Moolchand Metro Station



**CORPORATE INFORMATION****BOARD OF DIRECTORS**

Mr. Sanyam Tuteja	Whole-Time Director
Ms. Beenu Aggarwal	Non-Executive Director
Ms. Reena Gupta	Independent Director (up to 10.08.2022)
Mr. Manish	Independent Director
Mrs. Shobha Rustagi	Independent Director (w.e.f. 10.08.2022)

**CHIEF FINANCIAL OFFICER**

Mr. Abhay Nath Jha

**COMPANY SECRETARY**

Ms. Princy Anand

**STATUTORY AUDITORS**

M/s STRG & Associates  
348, 1st Floor, Tarun Enclave, Pitampura  
New Delhi- 110088

**REGISTRAR AND SHARE TRANSFER AGENT**

MAS Services Limited  
T-34, 2nd Floor, Okhla Industrial Area, Phase-II  
New Delhi-110020

**REGISTERED OFFICE**

B-42, Lower Ground Floor, Panchsheel Enclave,  
New Delhi-110017

**INTERNAL AUDITORS**

M/s Mangesh Popat Surwase & Co.  
5th Floor, Navmaharashtra Housing Society,  
43 Shanivar Path , Opp. shaniwarwada, Pune 411030

**SECRETARIAL AUDITORS**

M/s Kundan Agrawal & Associates  
E-21. Office No. 301, Jawahar Park,  
Laxmi Nagar, New Delhi – 110092

**BANKERS**

Union Bank of India  
Axis Bank Limited

**DIRECTORS' REPORT****DEAR MEMBERS,**

Your Directors have pleasure in presenting the Annual Report of the Company together with audited statements of Accounts for the financial year ended 31st March, 2022.

**FINANCIAL HIGHLIGHTS**

The summarized financial results of the Company for the financial year 2021-22 are given hereunder:

**(In '000)**

	<b>2021-22</b>	<b>2020-21</b>
Revenue from operations & other income	2415.27	3145.39
Operating Profit (EBIDTA)	496.22	2104.41
Finance Cost	1.58	1.53
Profit before tax	496.22	2104.41
Provision for Current Tax (net)	NIL	510.63
Net Profit	496.22	1593.78

**DIVIDEND**

In order to meet the future requirements of the Company, your Directors have decided not to recommend dividend for the Financial Year 2021-22.

**INCOME FROM OPERATIONS**

During the year under review, the revenue from operations was Rs.24.15 lakhs as compared to Rs.31.46 lakhs during the previous year.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

As required under SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 of the Listing Agreement entered into with the Stock Exchanges and Circular/Notifications/Directions issued by Reserve Bank of India from time to time, the Management Discussion and Analysis of the financial condition and result of operations of the Company for the year under review is presented in a separate section forming part of the Annual Report.

**CORPORATE GOVERNANCE**

The company is committed to maintain the highest standards of Corporate Governance and adhere to the corporate Governance requirements set out by SEBI. A Report on Corporate Governance as required under SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 of the Listing Agreement entered into with the Stock Exchanges is attached as Annexure of the Annual Report.

A Certificate from, M/s Kundan Agarwal & Associates, Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid SEBI Regulations 2015, also forms part of the Annual Report.

**FINANCE****(i) Share Capital**

The paid-up Share Capital as on 31st March, 2022 was Rs.300 Lakhs. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

**(ii) Public Deposits**

The Company being a Non-Deposit Accepting Non-Banking Finance Company, has not accepted any deposits from the public during the year under review and shall not accept any deposits from the public without obtaining prior approval of the Reserve Bank of India (RBI).

**DIRECTORS' REPORT Contd.**

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**(iii) Particulars of loans, guarantees or investments**

Particulars of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

**RBI GUIDELINES**

As a Non Deposit taking Non-Banking Finance Company, your Company always aims to operate in compliance with applicable RBI laws and regulations and employs its best efforts towards achieving the same.

**NUMBER OF MEETINGS OF THE BOARD**

During the financial year 2021-22, Four (4) Board Meetings were held on June 28, 2021, August 13, 2021, November 12, 2021 and January 17, 2022 and as per companies act, 2013, the maximum interval between any two meetings was not more than 120 days.

**COMMITTEES OF THE BOARD**

During the year, in accordance with the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 of Listing Agreement, the Board re-constituted some of its Committees. The Committees are as follows:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Risk Management Committee

Details of the said Committees along with their charters, composition and meetings held during the year, are provided in the "Report on Corporate Governance", a part of this Annual Report.

**CHANGES IN COMPOSITION OF BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL****a. Appointment/ Cessation**

During the year under review i.e. 2021-22, No Appointment / No. Cessation.

**b. Retire by Rotation**

In accordance with Section 152 and other applicable provisions of Companies Act, 2013, Ms. Beenu Agarwal, being Non-executive Director, retires by rotation and being eligible offers herself for reappointment at the ensuing Annual General Meeting. The Board recommends her appointment.

**c. Appointment of Women Director**

With coming into force of the provisions of Companies Act, 2013, the Board had already appointed Ms. Beenu Agarwal as Women Directors on the Board of the Company.

**d. Key Managerial Personnel**

During the year under review i.e. 2021-22, Mr. Sanyam Tuteja, Whole Time Director (DIN: 08139915); Mr. Abhay Nath Jha, Chief Financial Officer and Ms. Princy Anand, Compliance officer & Company Secretary were designated as the Key Managerial Personnel of the Company pursuant to the requirements of the applicable provisions of Companies Act, 2013 read with its Rules, by the Board of Directors and their terms and conditions of the appointment and remuneration was considered by the Board.



**DIRECTORS' REPORT Contd.****e. Board's Independence**

Our definition of 'Independence' of Directors is derived from SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 and Section 149(6) of the Companies Act, 2013. Based on the confirmation/ disclosures received from the Directors and on evaluation of the relationships disclosed, the following Non- Executive Directors are Independent in terms of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 of the Listing Agreement and Section 149(6) of the Companies Act, 2013:-

1. Ms. Shobha Rustagi (DIN: 03503850)
2. Mr. Manish (DIN: 08535552)

**DIRECTORS' RESPONSIBILITY STATEMENT**

In compliance of section 134(5) of the Act, the directors state that:

- a) In the preparation of the annual financial statements for the year under reporting, the applicable accounting Standards have been followed along with proper explanation relating to material departures, if any;
- b) Appropriate accounting policies have been selected, applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at reporting date and of the profit of the company for the year ended on that date;
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The annual financial statements have been prepared on a going concern basis;
- e) Proper internal financial controls were in place and the financial controls were adequate and operating effectively; and
- f) Proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

**COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION & EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, Policy on Nomination and Remuneration of Directors, Key Managerial Personnel, Senior Management and other employees has been formulated including criteria for determining qualifications, positive attributes, Independence of a Director and other matters as required under the said Act and Listing Agreement.

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

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

The evaluation involves Self-Evaluation by the Board Member and subsequently assessment by the Board of Directors. A member of the Board will not participate in the discussion of his / her evaluation.

**DIRECTORS' REPORT Contd.**

Accordingly a process of evaluation was followed by the Board for its own performance and that of its Committees and individual Directors and also the necessary evaluation was carried out by Nomination and Remuneration Committee and Independent Director at their respective meetings held for the purpose.

**RELATED PARTY TRANSACTIONS**

No Related Party Transactions were entered into during the financial year 2021-22. All Related Party Transactions entered in to in the past were on an arm's length basis and were in the ordinary course of business. There are no materially significant Related Party Transactions made by the Company with promoters, directors, Key Managerial Personnel or other designated persons which may have potential conflict with the interest of the Company at large.

On the recommendation of the Audit Committee, the Board of Directors has adopted a policy on Related Party Transactions. The Policy envisages the procedure governing related party transactions required to be followed to ensure compliance with the applicable laws and regulations as well as to ensure that the Related Party Transactions are managed and disclosed in accordance with the strict legal and accounting requirements.

A statement of all related party transactions, if any, is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms & conditions of the transactions. The statement is supported by a certificate from the CFO.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

**REMUNERATION OF THE DIRECTORS/KMP/EMPLOYEES:**

The information required under Section 197 of the Act read with Rule 5(1), clause (i) and (ii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below.

Sr. No.	Name of Director/KMP and Designation	Ratio of remuneration of each director to the median remuneration of the employees	% increase in remuneration in the FY 2021-22
1	Sanyam Tuteja Whole-Time Director	-	None
2	Manish Independent Director	-	None
3	Abhay Nath Jha Chief Financial Officer	1.33 : 1	None
4	Princy Anand Company Secretary	1 : 1	None
5	Reena Gupta Independent Director	-	None
6	Beenu Agarwal Non-Executive Director	-	None

Clause Under Rule 5(1)	Prescribed Requirement	Particulars
(iii)	Percentage increase in the median remuneration of employees in the financial year	Nil
(iv)	Number of permanent employees on the rolls of company as on the date of Annual Report	3

**DIRECTORS' REPORT Contd.**

Clause Under Rule 5(1)	Prescribed Requirement	Particulars
(viii)	Average Percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Nil
(xii)	Affirmation that the remuneration is as per the remuneration policy of the company	It is hereby confirmed that remuneration paid to Director/KMP and other employees is as per the remuneration policy of the company.

**EXTRACT OF ANNUAL RETURN**

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, as amended, the Annual Return (Form MGT-7) of the company for the financial year ended March 31, 2022, is available on the website of the Company at <https://www.aarshyam.in/reports/annualret21-22.pdf>.

**STATUTORY AUDITORS & THEIR REPORT**

M/s. STRG & Associates, Chartered Accountants, having ICAI Firm Registration No.014826N auditor of the company, audited the annual accounts of the company.

The Auditor's Report does not contain any qualification, reservation or adverse remark.

**SECRETARIAL AUDITORS & THEIR REPORT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rules made there under, the Company had appointed M/s. Kundan Agarwal & Associates, Practicing Company Secretaries, to undertake the Secretarial Audit of the Company for the financial year 2021-22. The Secretarial Audit Report for financial year 2021-22, has been appended as Annexure2 to this Report.

The Auditor's Report does not contain any qualification, reservation or adverse remark.

The Board of the Directors at their Meeting held on 30th May, 2022 has appointed M/s. Kundan Agarwal & Associates, Practicing Company Secretaries, to undertake the Secretarial Audit of the Company for the FY 2022-23.

**INTERNAL AUDITORS & THEIR REPORT**

Pursuant to provisions of Section 138 of Companies Act 2013 and rules made there under, the company had appointed MAKS & Co. as Internal Auditor for the year 2022-23 but due some other important commitments they resigned on 03.09.2022. Further M/s. Mangesh Popat Surwase & Co. has been appointed as Internal Auditors w.e.f. 03.09.2022 for the year 2022-23.

**PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, EXPENDITURE ON RESEARCH AND DEVELOPMENT, FOREIGN EXCHANGE INFLOW/OUTFLOW, ETC.**

The requirements of disclosure with regard to Conservation of Energy in terms of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, are not applicable to the Company since it doesn't own any manufacturing facility.

However, the Company makes all efforts towards conservation of energy, protection of environment and ensuring safety. There are no earnings and outgoing Foreign Exchange during the year under review.

**DIRECTORS' REPORT Contd.****VIGIL MECHANISM**

Your Company has established a 'Whistle Blower Policy and Vigil Mechanism' for directors and employees to report to the appropriate authorities concerns about unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct policy and provides safeguards against victimization of employees who avail the mechanism and also provide for direct access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the Company.

**MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

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

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

**RISK MANAGEMENT POLICY AND INTERNAL CONTROL**

The Company has adopted a Risk Management Policy duly approved by the Board and also has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Risk Management Committee, Audit Committee and the Board of Directors of the Company. The Company's internal control systems are commensurate with the nature of its business and the size and complexity.

**DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013 READ WITH RULES**

Pursuant to the requirements of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013 read with Rules there under, the Company has not received any complaint of sexual harassment during the year under review.

**ACKNOWLEDGEMENT**

We are grateful to the Government of India, the Reserve Bank of India, the Securities and Exchange Board of India, the Stock Exchanges, and other regulatory authorities for their valuable guidance and support and wish to express our sincere appreciation for their continued co-operation and assistance. We look forward to their continued support in future.

We wish to thank our bankers, investors, rating agencies, customers and all other business associates for their support and trust reposed in us. Your Directors express their deep sense of appreciation for all the employees whose commitment, co-operation, active participation, dedication and professionalism has made the organization's growth possible.

Finally, the Directors thank you for your continued trust and support.

For and on behalf of  
**AAR Shyam India Investment Company Limited**

**Dated: 03/09/2022**

**Place: New Delhi**

**Sd/-  
Manish  
Director**

(DIN:08535552)

**Sd/-  
Sanyam Tuteja  
Director**

(DIN:08139915)

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **1. Overview**

Non-banking financial companies (NBFCs) form an integral part of the Indian financial system. They play an important role in nation building and financial inclusion by complementing the banking sector in reaching out credit to the unbanked segments of society, especially to the micro, small and medium enterprises (MSMEs), which form the cradle of entrepreneurship and innovation. NBFCs' ground level understanding of their customers' profile and their credit needs give them an edge, as does their ability to innovate and customize products as per their clients' needs. This makes them the perfect conduit for delivering credit to the unbanked and SMEs. However, NBFCs operate under certain regulatory constraints, which put them at a disadvantage position vis-à-vis banks. While there has been a regulatory convergence between banks and NBFCs on the asset side, on the liability side, NBFCs still do not enjoy a level playing field. This needs to be addressed to help NBFCs realize their full potential and there by perform their duties with greater efficiency.

#### **Industry Structure and Developments**

India has a diversified financial sector undergoing rapid expansion, both in terms of strong growth of existing financial services firms and new entities entering the market. The sector comprises of commercial banks, insurance companies, non-banking financial companies, co-operatives, pension funds, mutual funds and other smaller financial entities.

So far, Non-banking Finance Companies NBFC(s) have scripted a great success story. Their contribution to the economy has grown in leaps and bounds. In terms of financial assets, NBFC(s) have recorded a healthy growth. With the ongoing stress in the public sector banks due to mounting of bad debts, their appetite to lend (especially in rural areas) is deteriorating.

#### **Opportunities**

NBFCs have served the unbanked customers by pioneering into retail asset-backed lending, lending against securities and microfinance. Following variables in the external environment may be seen as opportunities for the Company:

- NBFCs aspire to emerge as a one-stop shop for all financial services
- The sector has witnessed moderate consolidation activities in recent years, a trend expected to continue in the near future
- New banking license-related guidelines issued by RBI place NBFCs ahead in competition for licenses owing largely to their rural network
- New RBI guidelines on NBFCs with regard to capital requirements, provisioning norms & enhanced disclosure requirements are expected to benefit the sector in the long run.

#### **Challenges**

- Competitive rivalry between big players is intense in the industry
- Financial services companies often compete on the basis of offering lower financing rates, higher deposit rates and investment services;
- Stringent regulatory norms prevent new entrants;
- Customers prefer to invest their money with a reputed financial services company offering a wide range of services;
- Low bargaining power of suppliers as the industry is highly regulated by RBI;
- Medium bargaining power of customers. Although customers do not have much bargaining power, they can easily switch to another company based on the terms and quality of services provided.

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**MANAGEMENT DISCUSSION AND ANALYSIS Contd.**

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**STRENGTH:**

The existing management has a strong technical, finance and administrative expertise in various industries and corporate sectors including the business of the Company.

**Internal Control Systems and their adequacy**

Given the magnitude and nature of its business, the Company has maintained sound and commercial practice with an effective internal control system. The system ensures that all transactions are authorized, recorded and reported correctly to safeguard the assets of the Company and protect them from any loss due to unauthorized use or disposition. The adequate internal information system is in place to ensure proper information flow for the decision-making process. The Company also has well-established processes and clearly defined roles and responsibilities for people at various levels. The control mechanism also involves well documented policies, authorization guidelines commensurate with the level of responsibility and standard operating procedures specific to the respective businesses, adherence to which is strictly ensured. Internal audit is carried out frequently to create awareness and to take corrective actions on the respective units or areas, which need rectification.

**Outlook, risks and concerns**

This section lists forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these statements as a result of certain factors our Outlook, risks and Concerns inter-alia follows:

1. Our revenues and expenses are difficult to predict and can vary significantly from period to period.
2. Our success depends in large part upon our management team and key personnel, and our ability to attract and retain them.

**Segment-wise or product-wise performance.**

Please refer financial statement for this.

**Exchange Rate Fluctuation**

The functional currency of your Company is the Indian rupee.

**Human Resources**

The Company regards its human resources as amongst its most valuable assets and proactively reviews policies and processes by creating a work environment that encourages initiative, provides challenges and opportunities and recognizes the performance and potential of its employees attracting and retaining the best manpower available by providing high degree of motivation.

Your Company believes in trust, transparency & team work to improve employees productivity at all levels.

**Discussion on Financial Performance With Respect To Operational Performance**

The financial statements have been prepared in accordance with the requirements of the Companies Act, 2013 and applicable accounting standards issued by the Institute of Chartered Accountants of India. The details of the financial performance of the Company is appearing in the Balance Sheet, Profit & Loss Accounts and other financial statements forming part of this annual report.



**MANAGEMENT DISCUSSION AND ANALYSIS Contd.****Significant Change in Financial Ratios**

Based on the reported financial statements, following are the key financial ratios with respective variations:

<b>Particular</b>	<b>31.03.2022 (%)</b>	<b>31.03.2021 (%)</b>
Current Ratio	1462.00	419.49
Debt Equity Ratio	8.16	9.40
Operating Profit Margin	20.55	66.90
Net Profit Margin	20.55	66.90
Return on Net Worth	1.19	5.82
Net Interest Margin	4.81	4.30

The several ratios presented under 'Key Ratios', over the previous year Operating Profit Margin Ratio, Net Profit Margin Ratio, Return on Net Worth Ratio have declined by more than 25% and Current Ratio has appreciated by more than 25% due to lessor turnover and increase in other expenses in comparison to previous year.

**Disclosures**

During the year the Company has not entered in to any transaction of material nature with its promoters, the directors or the management, their subsidiaries or relatives etc that may have potential conflict with the interest of the Company at large.

All details of transaction covered under related party transaction are given in the notes to account.

**Cautionary Statement**

The management discussion and analysis report containing your Company's objectives, projections, estimates and expectation may constitute certain statements, which are forward looking within the meaning of applicable laws and regulations. The statements in this management discussion and analysis report could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operation include changes in the governmental regulations, tax regimes, forex markets, economic developments within India and the countries with which the Company conducts business and other incidental factors.

**2. Disclosure of Accounting Treatment**

The Company has prepared their annual financial results for the year ended March 31, 2022 in accordance with the applicable Indian Accounting Standards (IndAS).

## MANAGEMENT DISCUSSION AND ANALYSIS Contd.

**ANNEXURE “1” TO DIRECTORS’ REPORT**

Form No. MGT-9(EXTRACT OF ANNUAL RETURN)

As on the financial year ended on 31.03.2022

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

**I. REGISTRATION AND OTHER DETAILS**

i.	CIN	L67120DL1983PLC015266
ii.	Registration Date	24/02/1983
iii.	Name of the Company	Aar Shyam India Investment Company Limited
iv.	Category / Sub-Category of the Company	Public Company
v.	Address of the Registered office and contact details	B-42, Lower Ground Floor, Panchsheel Enclave, New Delhi-110017
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	MAS Services Limited T-34, 2nd Floor, Okhla Industrial Area, Phase-II New Delhi-110020 Tel.No.:011-26387281/82/83 FaxNo.:011-26387384

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Other Credit Granting	64920	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

S. No.	Name and Address of the company	CIN	% of shares held	Applicable Section
1.	Not Applicable	Not Applicable		

**IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)**
**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year	
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares		
<b>A. Promoters</b>										
<b>1. Indian</b>										
1. Individual/ HUF	-	-	-	-	-	-	-	-	-	-
2. Central Govt	-	-	-	-	-	-	-	-	-	-
3. State Govt(s)	-	-	-	-	-	-	-	-	-	-
4. Bodies Corp.	257440	-	257440	8.581	257440	-	257440	8.581	-	-
5. Banks /FI	-									
6. Any Other	-									
<b>Sub-total (A) 1</b>	<b>257440</b>	<b>-</b>	<b>257440</b>	<b>8.581</b>	<b>257440</b>	<b>-</b>	<b>257440</b>	<b>8.581</b>	<b>-</b>	<b>-</b>

## MANAGEMENT DISCUSSION AND ANALYSIS Contd.

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
<b>2. Foreign</b>									
a. NRIs-Individuals	-	-	-	-	-	-	-	-	-
b. Other-Individuals	-	-	-	-	-	-	-	-	-
c. Bodies Corp.	-	-	-	-	-	-	-	-	-
d. Banks / FI	-	-	-	-	-	-	-	-	-
e. Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) 2</b>	-	-	-	-	-	-	-	-	-
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a. Mutual Funds	-	-	-	-	-	-	-	-	-
b. Banks/FI	-	-	-	-	-	-	-	-	-
c. Central Govt.	-	-	-	-	-	-	-	-	-
d. State Govt(s)	-	-	-	-	-	-	-	-	-
e. Venture Capital Funds	-	-	-	-	-	-	-	-	-
f. Insurance Companies	-	-	-	-	-	-	-	-	-
g. FIIs	-	-	-	-	-	-	-	-	-
h. Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i. Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B) 1</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									
a. Bodies Corp.	1367528	-	1367528	45.58	1367528	-	1367528	45.58	0.00
b. Individuals									
i. Individual shareholders holding nominal share capital up to Rs. 1 lakh	403	15000	15403	0.51	403	15000	15403	0.51	0.00
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1359629	-	1359629	45.32	1359629	-	1359629	45.32	0.00
c. Others									
i. NRI	-	-	-	-	-	-	-	-	-
ii. Clearing Members	-	-	-	-	-	-	-	-	-
iii. Trust	-	-	-	-	-	-	-	-	-
<b>Sub-total (B) 2</b>	<b>2727560</b>	<b>15000</b>	<b>2742560</b>	<b>91.42</b>	<b>2727560</b>	<b>15000</b>	<b>2742560</b>	<b>91.42</b>	<b>0.000</b>
<b>Total Public Shareholding (B) = (B) 1+(B) 2</b>	<b>2727560</b>	<b>15000</b>	<b>2742560</b>	<b>91.42</b>	<b>2727560</b>	<b>15000</b>	<b>2742560</b>	<b>91.42</b>	<b>0.000</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	--	--	--	--	--	--	--	--	--
<b>Grand Total (A+B+C)</b>	<b>2985000</b>	<b>15000</b>	<b>3000000</b>	<b>100</b>	<b>2985000</b>	<b>15000</b>	<b>3000000</b>	<b>100</b>	<b>--</b>

## MANAGEMENT DISCUSSION AND ANALYSIS Contd.

**ii) Shareholding of Promoters**

S. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the Year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of total Shares Pledged / encumbered Shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	K.K. Modi Investment & Fin Serv .Pvt .Ltd.	2,57,440	8.581	-	2,57,440	8.581	-	-

**iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total share of the company
1.					
	At the beginning of the year	2,57,440	8.581	2,57,440	8.581
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ Sweat equity, etc.)	No change during the year			
	At the End of the year	2,57,440	8.581	2,57,440	8.581

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

S. No.	For each of Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
1.	Plus Corporate Ventures Pvt. Ltd.	3,50,000	11.67	3,50,000	11.67
2.	Venera Property Pvt Ltd	1,42,500	4.75	1,42,500	4.75
3.	Kalyani Barter Pvt Ltd.	1,25,000	4.17	1,25,000	4.17
4.	Rakesh Kumar Bansal	5,62,503	18.75	5,62,503	18.75
5.	Shreyans Logistics Private Ltd.	3,50,000	11.67	3,50,000	11.67
6.	CN Flour Mills Private Ltd.	2,00,000	6.67	2,00,000	6.67
7.	Supriyo Bandyopadhyay	2,00,000	6.67	2,00,000	6.67
8.	Sanjeev Gupta	1,45,000	4.84	1,45,000	4.84
9.	Harsimrat Investments Private Limited	1,00,000	3.34	1,00,000	3.34
10.	Dhiru Real Estates Private Ltd.	1,00,000	3.34	1,00,000	3.34

## MANAGEMENT DISCUSSION AND ANALYSIS Contd.

**v) Shareholding of Directors and Key Managerial Personnel**

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>Sanyam Tuteja</b> Whole-Time Director				
	At the beginning of the year				
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/ Bonus / sweat equity, etc.)			NIL	
	At the End of the year				
2.	<b>Manish</b> Independent Director				
	At the beginning of the year				
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/ Bonus / sweat equity, etc.)			NIL	
	At the End of the year				
3.	<b>Beenu Agarwal</b> Non-Executive Director				
	At the beginning of the year				
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/ Bonus / sweat equity, etc.)			NIL	
	At the End of the year				
4.	<b>Reena Gupta</b> Independent Director				
	At the beginning of the year				
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/ Bonus / sweat equity, etc.)			NIL	
	At the End of the year				
5.	<b>Ms. Princy Anand</b> Company Secretary				
	At the beginning of the year				
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/ Bonus / sweat equity, etc.)			NIL	
	At the End of the year				

**MANAGEMENT DISCUSSION AND ANALYSIS Contd.**

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6.	<b>Mr. Abhay Nath Jha</b> Chief Financial Officer	NIL			
	At the beginning of the year				
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/ Bonus / sweat equity, etc.)				
	At the End of the year				

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

(Amount in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	34,00,000	-	34,00,000
ii) Interest due but not paid	-		-	-
iii) Interest accrued but not due	-		-	-
<b>Total (i+ii+iii)</b>	-	<b>34,00,000</b>	-	<b>34,00,000</b>
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Change in Indebtedness during the financial year</b>				
• Addition	-	-	-	-
• Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	34,00,000	-	34,00,000
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	-	<b>34,00,000</b>	-	<b>34,00,000</b>

**REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-Time Director and/or Manager**

S. No.	Particulars of Remuneration	Name of CEO/ MD/WTD	Total Amount (in Rs.)
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	NIL	NIL
	(b) Value of perquisites u/s17(2) Income-tax Act,1961	-	-
	(c) Profits in lieu of salary under section17(3) Income-taxAct,1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-



**MANAGEMENT DISCUSSION AND ANALYSIS Contd.**

4.	Commission <ul style="list-style-type: none"> <li>• As a % of profit</li> <li>• Others, specify</li> </ul>	-	-
5.	Others	-	-
	<b>TOTAL (A)</b>	<b>NIL</b>	<b>NIL</b>
<b>Ceiling as per the Act</b>			

**B. Remuneration to other Directors Independent Directors**

S. No.	Particulars of Remuneration	Name of Directors	Total Amount (in Rs.)
1.	<ul style="list-style-type: none"> <li>• Fee for attending Board/Committee Meetings</li> <li>• Commission</li> <li>• Others, please specify</li> </ul>	No Director is drawing any remuneration from the Company	
	<b>TOTAL</b>	<b>NIL</b>	

**Other Non-Executive Directors**

S. No.	Particulars of Remuneration	Name of Directors	Total Amount (in Rs.)
2.	<ul style="list-style-type: none"> <li>• Fee for attending Board/Committee Meetings</li> <li>• Commission</li> <li>• Others, please specify</li> </ul>	No Director is drawing any remuneration from the Company	
	<b>TOTAL</b>	<b>NIL</b>	
	<b>TOTAL (B) = 1+2</b>	<b>NIL</b>	
<b>Overall Ceiling as per the Act</b>			

**C. Remuneration To Key Managerial Personnel other Than MD/CEO/WTD**

S. No.	Particulars of Remuneration	Company Secretary	Chief Financial Officer
		<b>Princy Anand</b>	<b>Abhay Nath Jha</b>
1.	Grosssalary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,80,000	2,40,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission <ul style="list-style-type: none"> <li>• As a % of profit</li> <li>• Others, specify</li> </ul>	-	-
5.	Others, please specify	-	-
	<b>TOTAL</b>	<b>1,80,000</b>	<b>2,40,000</b>

## MANAGEMENT DISCUSSION AND ANALYSIS Contd.

**VI. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees Imposed	Authority (RD/ NCLT/Court)	Appeal made, if any
<b>A. COMPANY</b>					
Penalty			None		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			None		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			None		
Punishment					
Compounding					

**Annexure 2 to Directors' Report****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 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To  
The Members  
**M/S AAR SHYAM INDIA INVESTMENT COMPANY LIMITED**  
B-42, Lower Ground Floor, Panchsheel Enclave,  
New Delhi-110017

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

We report that:

- a) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion. We have not verified the correctness and appropriateness of the financial records and Books of the Company.
- c) Where ever required, we have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc. The compliance of the provisions of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of management.

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

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

**MANAGEMENT DISCUSSION AND ANALYSIS Contd.**

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): —
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- (vi) Indian Stamp Act, 1899;
- (vii) Indian Contract Act, 1872;
- (viii) Income Tax Act, 1961 and indirect tax laws;
- (ix) Applicable Labour Laws; and
- (x) Rules, regulations and guidelines issued by the Reserve Bank of India as are applicable to Non-Deposit taking Non-Banking Financial Companies; which are specifically applicable to the Company.
- (xi) Other applicable Laws;

Having regard to the compliance system prevailing in the Company and on the basis of presentation and Reports made by Compliance Auditors of the Company, we further report that the Company has adequate system to ensure the compliance of the other applicable laws specifically to the Company.

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

- Secretarial Standards issued by The Institute of Company Secretaries of India.
- Listing Agreements with Stock Exchanges in India.

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

We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Key managerial personnel that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. But some documents, registers, files are needed to be maintained in more improvised and updated manner and should be in more consonance with the secretarial standards and provisions of The Companies Act 2013.

**MANAGEMENT DISCUSSION AND ANALYSIS Contd.**

- All decisions at Board Meetings and Committee Meetings are carried out by majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be. But further adherence to the rules and provisions of the act for drafting of minutes and registers will be appreciated.
- The company being NBFC, the RBI compliances have been done on time. The updation of CIC reporting shall be further appreciated.
- Due to Covid-19 pandemic, and various preventive and safety guild lines laid down by government, there was a limited access to documents, registers, files etc. of the company. We had received all the necessary information over mails and via other electronic means from the company. So, as per the due-diligence done by us of the available records and documents of company, maintenance of minutes of board meeting and committees and Statutory Registers of the company are in compliance with the applicable secretarial standards and various provisions of The Companies Act, 2013 to much extent, however further improvement will be appreciated.

We further report that based on the information received and records maintained 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.

**Disclaimer:-**

- 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.
- We have not verified the correctness and appropriateness of financial records and books of accounts of the company.

**For Kundan Agrawal & Associates  
Company Secretaries  
FRN: S2009DE113700**

**Sd/-  
Kundan Agrawal  
Company Secretary  
Membership No.:- 7631  
C.P. No. 8325**

**Place: Delhi**

**Date: 01/08/2022**

**UDIN: F007631D000722367**

## REPORT ON CORPORATE GOVERNANCE

### Introduction

In terms of Regulation 34(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a report on Corporate Governance for the year ended 31st March, 2022 is presented below:

### Company's philosophy on Code of Corporate Governance

The principles of Corporate Governance and the Code of Business Conduct & Ethics are the cornerstones of your Company. Your Company has consistently striven to implement best corporate governance practices reflecting its strong value system and ethical business conduct. The Company's philosophy on Corporate Governance envisages attainment of highest levels of transparency, accountability and integrity in the functioning of the Company with a view to create value that can be sustained continuously for the benefit of its stakeholders. All employees are bound by a Code of Conduct that sets forth Company's policies on important issues including our relationship with consumers, shareholders and Government.

### Board of Directors

The Board of Directors includes the Executive, Non-Executive and Independent Directors so as to ensure proper governance and management.

The Corporate Governance principles of the Company have been formulated to ensure that the Board remains informed, independent and participates actively in the affairs of the Company. The Company also strives to enhance stakeholders' value by taking measures to continuously improve Corporate Governance standards.

The Directors at Aar Shyam India Investment Company Limited possess the highest personal and professional ethics, integrity and values and are committed to represent the long-term interest of the stakeholders.

The Company's Corporate Governance framework is based on having a composition where in a majority of Directors are Independent Board Members. Further, the constitution of Board Committee meet all statutory requirements of various regulatory authorities including the Reserve Bank of India, SEBI and MCA, and committees are chaired by Independent Directors, wherever required by law. Committees have been suitably constituted for significant and material matters and also have a blend of Executive Management Members to assist the Committees.

The Board plays an effective supervisory role through the above governance framework.

### Composition of the Board

During the year under review, the Board of Directors of the Company had an optimum combination of Professional and Independent Directors with excellent knowledge and experience in various fields relating to the business activities of the Company.

As at March 31st, 2022, the Board of Directors of the Company consisted of two Independent Directors, one Whole-time director and one Non-Executive Director.

None of the Directors hold directorship in more than ten public limited companies or act as an Independent Director in more than seven Listed Companies. None of the Directors acts as a member of more than ten or Chairman of more than five Committees as on March 31, 2022 across all public limited companies in which they are Directors.

The details of the number of Board and General Meeting(s) attended by each Director during the year 2021-22 and Directorship and/or Membership/Chairmanship of the Committees of Board (except private companies, Non Profit companies and foreign companies) held by each of them as on March 31, 2022, are given below:



## REPORT ON CORPORATE GOVERNANCE Contd.

**(a) Composition of the Board:**

Name of Director	Category	No. of Board Meetings during 2021-22		Whether attended the last AGM	No. of Directorships in other public companies	No. of committees Membership in other public Cos. Including Chairmanship	Shareholding of Directors
		Held during tenure	Attended				
Ms. Beenu Aggarwal	Non-Executive Director	4	1	No	2	3	NIL
Mr. Sanyam Tuteja	Whole Time Director	4	4	Yes	-	-	NIL
Ms. Reena Gupta	Independent, Non-Executive	4	4	Yes	1	1	NIL
Mr. Manish	Independent, Non-Executive	4	2	Yes	-	-	NIL

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

During the financial year 2021-2022, Four (4) Board Meetings were held on June 28, 2021, August 13, 2021, November 12, 2021 and January 17, 2022 and as per companies act, 2013, the maximum interval between any two meetings was not more than 120 days.

**(c) Information supplied to the Board:**

The Board of Directors has complete access to any information within the Company. At the Board Meetings, directors are provided with all relevant information on important matters, working of the Company as well as all related details that require deliberations by the members of the Board.

Information regularly provided to the Board inter-alia include:

- Annual operating plans, budgets & updates;
- Expansion/capital expenditure plans & updates;
- Production, sales & financial performance data;
- Business-wise operational review;
- Quarterly and annual financial results with segment-wise information;
- Minutes of the meetings of the Audit and other committees as well as circular resolutions passed;
- Significant initiatives and developments relating to labor/human resource relation and/or problems and Their proposed solutions;
- Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and Company Secretary;
- Materially important show cause/demand/prosecution/penalty notices and legal proceedings by or against the Company;
- Fatal or serious accidents or dangerous occurrences;
- Material default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company;
- Non-compliances of any regulatory or statutory provision or listing requirement on non-payment of dividend or delay in share transfers;
- Compliance reports of all laws applicable to the Company;
- Details of any joint-venture or collaboration agreement;
- Transactions that involve substantial payment towards good will, brand equity or intellectual property;

**REPORT ON CORPORATE GOVERNANCE Contd.**

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- Proposals for investments, divestments, loans, guarantees, mergers and acquisitions;
- Sale of material nature of investments, subsidiaries and assets which is not in the normal course of business;
- Quarterly details of foreign exchange exposure and the steps taken by the management to limit the risk of adverse exchange rate movement;
- Any other information which is relevant for decision-making by the Board.

**(d) Induction & Familiarization Programs for Independent Directors:**

On appointment, the concerned Directors is issued a letter of Appointment setting out in detail, the terms of appointment, duties and responsibilities. Each newly appointed Independent Director is taken through a familiarization program. The programs aim to familiarize the Directors with the Company, their role and responsibilities, business model of the Company etc. are available on the website of the company at <https://www.aarshyam.in/fpid.htm>.

**(e) Performance Evaluation:**

In compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 of the Listing Agreement, the Board during the year adopted a formal mechanism for evaluation of its performances as well as that of its committees and individual Directors, including the Chairman of the Board. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders, etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

**(f) Independent Directors' Meeting:**

In compliance with Section 149 (8) of the Companies Act, 2013, read along with Schedule IV of the Companies Act, 2013 and the listing agreement with the stock exchange, the Independent Directors met on February 12, 2021, inter alia, to discuss:

- a) Evaluation of the performance of non-Independent Directors and the Board as a whole;
- b) Evaluation of the performance of the Chairperson of the company, taking in to account the views of executive directors and non-executive directors;
- c) Evaluation of the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors were present at the meeting.

**(g) Code of Conduct:**

The Board of Directors of the Company has adopted Code of Business Conduct & Ethics. This Code is based on three fundamental principles, viz. good corporate governance, good corporate citizenship and exemplary conduct and is applicable to all the Directors and senior management personnel.

In terms of the requirements of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, the Code of Business Conduct & Ethics, as approved by the Board of Directors, has been displayed at the website of the company, [www.aarshyam.in](http://www.aarshyam.in). All the members of the Board and senior management personnel have affirmed compliance with the Code for the year ended 31st March, 2022.

**REPORT ON CORPORATE GOVERNANCE Contd.****(h) Declaration regarding compliance of Code of Conduct:**

All the Board Members and senior management personnel of the Company have affirmed compliance of the Code of Conduct for the year ended 31st March, 2022. A declaration to that effect signed by the Chairman & Managing Director is attached and forms part of the Annual Report of the Company.

**Committees of the Board**

Under the aegis of the Board of Directors, several committees have been constituted which have been delegated powers for different functional areas. The Audit Committee, Stakeholder Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility (CSR) Committee have been constituted pursuant to and in accordance with the provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, rules & regulations prescribed by Reserve Bank of India read with requirements of the Companies Act, 2013 and other applicable laws.

**(a) Audit Committee****Terms of Reference**

The terms of reference of the Audit Committee has been revised in compliance with Companies Act, 2013 and revised SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 of Listing Agreement as amended from time to time. In addition to the matters provided in SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 and requirements of Section 177 of the Companies Act, 2013 and Reserve Bank of India, the Committee reviews the reports of the Internal Auditors, periodically meets the Statutory Auditors of the Company and discusses their findings observations, suggestions, scope of audit etc. and also reviews internal control systems and accounting policies followed by the Company. The Committee also reviews the financial statements with the management, before their submission to the Board.

The terms of reference of the Audit Committee of the Board of Directors of the Company, inter alia includes;

1. Overseeing the Company's financial reporting process and reviewing with the management, the financial Statement before submission to the Board for approval;
2. Recommending to the Board the appointment, re-appointment and replacement of the Statutory Auditor and Fixing their fees;
3. Reviewing the internal audit function of the Company; and
4. Such other matters as specified under SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 and requirements of Section 177 of the Companies Act, 2013 and Reserve Bank of India or as may be delegated by the Board of Directors of the Company.

**Composition and Attendance of Meeting:**

The Audit Committee comprises of following three Members and two of them are Independent Directors:

- Ms. Reena Gupta—Chairman
- Mr. Manish—Member
- Ms. Beenu Agarwal—Member

All the Members of the Committee have vast experience and knowledge of finance, accounts and corporate laws; and possess finance, accounting and taxation related expertise. The quorum for the Meeting of the Audit Committee is as per applicable laws. During the financial year 2021-22, Audit Committee met four (4) times and the attendance of the Directors on the above meetings was as follows:-

Director	No. of meetings held during tenure	No. of meetings attended
Ms. Reena Gupta	4	4
Mr. Manish	4	4
Ms. Beenu Aggarwal	4	4

**REPORT ON CORPORATE GOVERNANCE Contd.**

The Managing Director, Executive Director and other senior executives (when required) are invited to the meetings. Representatives of the statutory auditors and internal auditors are also invited to the meetings, when required. All the meetings are attended by the statutory auditors. The Company Secretary acts as the Secretary of the Committee. All the recommendations of the Audit Committee during the year were accepted by the Board of Directors.

**Whistle Blower Policy**

The Company has been formulated Whistle Blower Policy to establish a Vigil Mechanism for directors and employees of the Company.

This Policy covers mal practices and events which have taken place, suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies and other matters or activity on account of which the interest of the company is affected and formally reported by whistle blowers. This Policy is intended to encourage and enable employees to raise serious concerns within the Company prior to seeking resolution outside the company.

The purpose and objective of this Policy is to provide a framework to promote responsible and secure whistle blowing. It protects the employees wishing to raise a concern about serious irregularities within the Company. The Company encourages its directors and employees who have genuine concern about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. A Vigil (Whistle Blower) mechanism provides a channel to the employees and directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and directors to avail of the mechanism and also provide for direct access to the Chairperson of the Audit Committee in exceptional cases.

This policy, however, neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations against people in authority and/ or colleagues in general. It is affirmed that no personnel has been denied access to the Audit Committee.

The Whistle Blower Policy of the Company has been uploaded and can be viewed on the Company's website [www.aarshyam.in](http://www.aarshyam.in)

**(b) Nomination and Remuneration Committee:**

In compliance with Section 178 of the Companies Act, 2013, read along with the applicable Rules thereto and Regulation 19 of SEBI ( Listing Obligation and Disclosure Requirements) Regulation 2015, the Board has constituted "Nomination and Remuneration Committee" consisting of Non-Executive Directors with two members, including Chairman, as Independent Directors.

The objective of this Policy is to lay down a framework and set standards in relation to nomination, remuneration and evaluation of Directors, Key Managerial Personnel (KMP) and such other senior management personnel as may be prescribed so as to achieve a balance of merit, experience and skills in the organization.

The terms of reference of the committee inter alia, include the following:

- a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and senior management personnel;
- b) To evaluate the performance of the members of the Board as well as Key Managerial Personnel and senior management personnel and to provide rewards linked directly to their efforts, performance, dedication and achievement relating to Company's operations;
- c) To recommend to the Board on remuneration payable to the Directors, Key Managerial Personnel and senior management personnel;
- d) Assessing the independence of Independent Directors;
- e) To make recommendation to the Board concerning any matters relating to the continuation in office of any

**REPORT ON CORPORATE GOVERNANCE Contd.**

Director at any time including the suspension or termination of service of the Managing/Whole-Time Directors, subject to the provision of law and their service contract;

- f) To retain, motivate and promote talent and to ensure long term sustainability of talented management personnel and create competitive advantage;
- g) To devise a policy on Board diversity;
- h) To develop a succession plan for the Board and to regularly review the plan.

The Nomination & Remuneration Committee comprised of the following directors of the Company:

Name	Designation	Whether Non-Executive/Independent
Mr. Manish	Chairman	Independent
Ms. Reena Gupta	Member	Independent
Ms. Beenu Agarwal	Member	Non-Executive

During the financial year 2021-22, the Nomination & Remuneration Committee met once, on 17th January, 2022. The attendance of the members' of the Committee was as follows:-

Director	No. of meetings held	No. of meetings attended
Mr. Manish	1	1
Ms. Beenu Agarwal	1	1
Ms. Reena Gupta	1	1

**Appointment & Remuneration Policy:****A. Policy for appointment and removal of directors, KMP and senior management personnel****(i) Appointment Criteria and Qualifications**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as director, KMP or senior management personnel and recommend to the Board his/her appointment.
- b) A person should possess adequate qualifications, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualifications, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Managing/Whole-time Director who has attained the age of seventy years, provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of the shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond eventy years.

**(ii) Term/Tenure****a) Managing Director/Whole-time Director**

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

**b) Independent Director**

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

No Independent Director shall hold office for more than two consecutive terms of up to a maximum

**REPORT ON CORPORATE GOVERNANCE Contd.**

of five years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director, provided that the Independent Director shall not, during the said period of three years be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

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

**c) Evaluation**

The Committee shall carry out evaluation of performance of every Director, Key Managerial Personnel and senior management personnel at regular intervals.

**(iii) Removal**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, Rules & Regulations thereunder, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, Key Managerial Personnel or senior management personnel subject to the provisions and compliance of the said Act, Rules & Regulations.

**(iv) Retirement**

The Directors, KMP and senior management personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP and senior management personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**B. Policy for remuneration to directors, KMP and senior management personnel****(i) Remuneration to Managing/Whole-time Directors, KMP and senior management personnel**

The remuneration/ compensation/ commission etc. to be paid to Managing/Whole-time Directors shall be governed as per provisions of the Companies Act, 2013 and Rules made there under or any other enactment for the time-being in force.

**(ii) Remuneration to Non-Executive/ Independent Director**

The non-executive Independent/Non-Independent Director may receive remuneration/compensation/ commission as per the provisions of the Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/limits as provided under the Companies Act, 2013 and Rules made thereunder or any other enactment for the time being in force.

**C. Details of remunerations paid to the Directors during the financial year 2021-22:**

Remuneration paid to the Director(s) forms part of the extract of Annual Return, which forms part of Directors' report.

**(c) Stakeholders Relationship Committee:**

The Board of Directors of the Company reconstituted Shareholders Grievance Committee consisting of the following Directors:

- Ms. Beenu Agarwal (Chairman)
- Mr. Manish (Member)

The role of the Committee is to consider and resolve the grievances of the security holders of the Company, including complaints relating to transfer and transmission of securities, non-receipt of dividends, and such other grievances as may be raised by the security holders from time to time.



**REPORT ON CORPORATE GOVERNANCE Contd.**

One meeting of the Committee was held during the year on January 17, 2022. Details of Meeting have been given below.

Director	No. of meetings held	No. of meetings attended
Ms. Beenu Agarwal	1	1
Mr. Manish	1	1

**Annual General Meetings**

The last three Annual General Meetings of the Company were as under:

Financial Year	Date	Time	Place
2018-19	26.09.2019	10:00 a.m.	B-42, Lower Ground Floor, Panchsheel Enclave, New Delhi -110 017
2019-20	27.09.2020	1:00 P.m.	Through VC/OVAM
2020-21	30.09.2021	5:00 P.m.	Through VC/OVAM

**Special Resolution passed by the company in last three Annual General Meeting:**

Financial Year	Special Resolution passed in the Annual General Meeting
2018-19	1. To appoint Mr. Sanyam Tuteja (DIN: 08139915) as a Whole-time Director of the Company. 2. To appoint Mr. Manish (DIN: 08535552) as an Independent Director
2019-20	NO
2020-21	NO

**Disclosures**

- (i) There were no transactions of material nature with the directors or the management or their subsidiaries or relatives etc. during the year that had potential conflict with the interests of the Company at large. The details of related party transactions have been reported in the Notes to Accounts.
- (ii) The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and in conformity, in all material respects, with the generally accepted accounting principles and standards in India. The estimates/judgments made in preparation of these financial statement are consistent, reasonable and on prudent basis so as to reflect true and fair view of the state of affairs and results/operations of the Company.
- (iii) The Company has formulated Whistle Blower Policy to establish a Vigil Mechanism for directors and employees of the Company and the details are provided at page 40 of this report. The Company affirms that no personnel has been denied access to the audit committee.
- (iv) The Company has well-defined Risk Management Policies for each of the businesses, duly approved by the Board, which are periodically reviewed to ensure that the executive management controls risk by means of a properly defined framework.
- (v) The Company has not raised any funds from the capital market (public/rights/preferential issues etc.) during the financial year under review.
- (vi) There was no instance of non-compliance of any matter relating to the capital markets by the Company. No penalties or strictures have been imposed on the Company by the stock exchanges, SEBI or any other statutory authorities on any matter relating to the capital market during the last three years.
- (vii) The details of the equity shares of the Company held by the Directors as on 31st March, 2022 are as under:

S.No.	Name of the Director	No. of shares held
1	Mr. Sanyam Tuteja	Nil

**REPORT ON CORPORATE GOVERNANCE Contd.**

S.No.	Name of the Director	No. of shares held
2	Mr. Manish	Nil
3	Ms. Beenu Aggarwal	Nil
4	Ms. Reena Gupta	Nil

- (viii) The Company is complying with all mandatory requirements of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015.
- (ix) The company has not paid the any remuneration to its any Director such as salary, benefits, bonuses, stock options, pension etc.
- (x) (a) Policy for determining ‘material’ subsidiaries is disclosed and are available on the website of the company at <https://www.aarshyam.in/pdms.htm>.
- (b) Policy on dealing with related party transactions are available on the website of the company at <https://www.aarshyam.in/rtp.htm>

**Means of communication**

The Quarterly, Half Yearly and Annual Results are communicated to the BSE Limited, where the Company’s shares are listed as soon as they are approved and taken on record by the Board of Directors of the Company. Further, the quarterly and half-yearly results are published in leading newspapers such as ‘Financial Express (English) and ‘Haribhoomi’ (Hindi). The results are not sent individually to the shareholders. The financial results are also displayed on the website of the Company at [www.aarshyam.in](http://www.aarshyam.in) Pursuant to circular no. CIR/CFD/DIL/10/2010 dated 16th December, 2010 issued by Securities & Exchange Board of India (SEBI), the Company has maintained website namely [www.aarshyam.in](http://www.aarshyam.in) providing the basic information about the Company such as details of our business, financial information, shareholding pattern, compliance with corporate governance, company policies, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, etc. The information provided on the website is being updated regularly.

The Company has an Investor Grievance Cell in the Share Department to redress the grievances/queries of the shareholders. In order to redress shareholders’ queries and grievances, the Company has a separate e-mail ID [info@aarshyam.in](mailto:info@aarshyam.in)

**Auditors’ Certificate on Corporate Governance**

A certificate has been obtained from the Auditors of the Company regarding compliance with the provisions relating to Corporate Governance laid-down in SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015. The same is annexed to this report.

**CEO/CFO Certification**

The CEO and the CFO have issued certificate pursuant to the provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 certifying that the financial statements do not contain any untrue statements and these statements represent a true and fair view of the Company’s’ affair. The said certificate is annexed and forms part of the Annual Report.

**GENERAL SHAREHOLDERS INFORMATION**

- Annual General Meeting:**

Date	Friday, 30th September, 2022
Time	11:00 A.M.
Venue	Registered Office at B-42, Lower Ground Floor, Panchseel Enclave, New Delhi-110017

## REPORT ON CORPORATE GOVERNANCE Contd.

- Listing:**

Sl. No.	Name & address of stock exchanges
1	<b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001

The Company has paid the Annual listing fee for the year 2022-23 to BSE;

“Our Company is listed at BSE Ltd hence in our opinion Company is no longer required to comply with The Calcutta Stock Exchange Ltd. requirements including payment of Listing and other Fees to The Calcutta Stock Exchange Ltd.”

- Stock Code:**

- BSE Limited, Mumbai : 542377
- Demat ISIN in NSDL and CDSL for equity shares : INE512R01010

- Share Transfer Agents and Demat Registrar:**

The Company has appointed M/s MAS Services Ltd., New Delhi as the Registrar & Share Transfer Agents for Handling both physical share registry work and demat share registry work having their office at:

**Mas Services Limited**

T-34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi - 110 020

Ph:-26387281/82/83 Fax:-26387384

Email: investor@masserv.com | Website:www.masserv.com

- Share Transfer System:**

Physical transfer of shares has been stopped by SEBI w.e.f. 01 April, 2019. Before making any transfer, the shareholder needs to convert their shareholding in demat form and contact their respective Depository Participants. Requests for dematerialization of shares are processed and confirmation is given to the respective depositories i.e. NSDL and CDSL within 15 days. The connectivity with NSDL & CDSL is maintained through M/s MAS Services Ltd. The Shareholders have the option to open account with any of the depository participants registered with CDSL and NSDL.

- Distribution of Equity Shareholding:**

**(a) Shareholding Pattern as on 31st March, 2022**

Category	No. of Shareholders	No. of Shares	% of Shareholding
<b>Promoter holding</b>			
Individuals/HUF	-	-	-
Bodies Corporate	1	257440	8.58
<b>Total Promoter holding</b>	1	257440	8.58
<b>Non-promoter holding</b>			
Institutions/banks	-	-	-
Bodies Corporate	8	1367528	45.58
Individuals	187	1375032	45.84
NRIs/OBCs	-	-	-
Others(ifany)	-	-	-
<b>Total Non-promoter holding</b>	<b>195</b>	<b>2742560</b>	<b>91.42</b>
<b>Total</b>	<b>196</b>	<b>3000000</b>	<b>100</b>

## REPORT ON CORPORATE GOVERNANCE Contd.

**(b) Distribution of shareholding as on 31st March, 2022**

No. of Share held	Shareholders		Share Amount	
	Number	% to Total	In Rupees	% to Total
1 TO 5000	175	89.286	1,45,010	0.483
5001 TO 10000	1	0.510	9,300	0.031
10001 TO 20000	0	0.000	0	0.000
20001 TO 30000	0	0.000	0	0.000
30001 TO 40000	0	0.000	0	0.000
40001 TO 50000	0	0.000	0	0.000
50001 TO 100000	0	0.000	0	0.000
100001 AND ABOVE	20	10.204	2,98,45,690	99.486
<b>Total</b>	<b>196</b>	<b>100</b>	<b>3,00,00,000</b>	<b>100</b>

- **Dematerialization of Shares:**

The Company has entered in to an agreement with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Limited to offer depository services to the shareholders. As on March 31, 2022, 29,85,000 equity shares equivalent to 99.50% of the shares of the Company have been dematerialized. All the shares held by the promoters of the Company are in dematerialized form.

**Important information for necessary action of shareholders:**

It is informed to the shareholders that pursuant to the amendment in Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, request for effecting transfer of securities (Equity Shares) shall not be processed unless securities are held in dematerialized form with a depository. This amendment shall come into force with effect from April 01, 2019, as extended by SEBI.

In other words, request for effecting transfer of equity shares held in physical form will not be processed from the effective date i.e. April 01, 2019. It shall be mandatory to convert physical holding into electronic mode i.e. in demat, for transferring shares to another person(s)/entity(s).

In view of the aforesaid, all the shareholders holding shares in physical form are further advised to convert their shareholding from Physical form to Demat form with a Depository Participant of their choice. The following are the few advantages of holding securities in electronic mode i.e. demat:

1. Freedom from physical storage and Contribution to the 'Green Initiative';
2. Elimination of chances of theft, mutilation, defacement etc.;
3. There is no need to bear stamp duty for transfer of securities; this brings down the cost of transaction significantly;
4. Easy to carry out any change/alteration in personal particulars across all companies in which securities are held by making single request with your Depository Participant;
5. Monitoring of securities held in Demat form can be done from anywhere

- **Reconciliation of Share Capital Audit:**

A qualified practicing Company Secretary carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Secretarial Audit Report confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

- **Outstanding GDR's/ADR's/Warrants etc.:** Not Applicable

**REPORT ON CORPORATE GOVERNANCE Contd.**

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**• Address for correspondence:****(a) Regd. Office:**

**AAR Shyam India Investment Company Limited,**  
B-42, Lower Ground Floor, Panchsheel Enclave,  
New Delhi -110 017  
Email :info@aarshyam.in  
Website: www.aarshyam.in

**(b) Registrar & Share Transfer Agent:**

**Mas Services Limited**  
T-34, 2nd Floor, Okhla Indl. Area, Phase - II, New Delhi -110020  
Ph:- 26387281/82/83 Fax:- 26387384  
email:- investor@masserv.com  
Website: www.masserv.com

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants.

**For and on behalf of****AAR Shyam India Investment Company Limited****Sd/-****Sanyam Tuteja****Director****DIN : 08139915****Sd/-****Manish****Director****DIN : 08535552**

## REPORT ON CORPORATE GOVERNANCE Contd.

**PRACTISING COMPANY SECRETARY CERTIFICATE REGARDING COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATION 2015**

To,

The Members

**AAR SHYAM INDIA INVESTMENT COMPANY LIMITED  
B-42, LOWER GROUND FLOOR, PANCHSHEEL ENCLAVE,  
NEW DELHI-110017**

- 1) We have examined the compliance of the conditions of Corporate Governance by **AAR SHYAM INDIA INVESTMENT COMPANY LIMITED** ('the Company') for the year ended on March 31, 2022, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para-C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").
- 2) The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- 3) In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2022.
- 4) We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Kundan Agrawal & Associates  
Company Secretaries  
FRN: S2009DE113700**

**Place: Delhi**

**Date: 05/08/2022**

sd/-  
**Kundan Agrawal  
Membership No.:- 7631  
C.P. No. 8325  
UDIN: F007631D000749867**



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**REPORT ON CORPORATE GOVERNANCE Contd.**

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**Declaration Regarding Code of Conduct**

I hereby declare that all the Directors and Senior Management Personnel have confirmed compliance with the Code of Conduct as adopted by the Company.

**Place: New Delhi**

**Date: 03/09/2022**

**Sd/-  
Sanyam Tuteja  
Director  
DIN : 08139915**

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**REPORT ON CORPORATE GOVERNANCE Contd.**

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**M. D. / CFO Certification**

The Board of Directors

**AAR Shyam India Investment Company Limited**

We have reviewed the financial statements and the Cash Flow Statement of AAR Shyam India Investment Company Limited for the year ended 31st March, 2022 and that to the best of our knowledge and belief, we state that;

- (a) (i) these statements do not contain any materially untrue statement or omit any material factor contain statements that may be misleading;
- (ii) these statements present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- (b) there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
  - i) Significant changes, if any, in the internal control over financial reporting during the year.
  - ii) Significant changes, if any, in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours sincerely,

**Sd/-**  
**Abhay Nath Jha**  
**Chief Financial Officer**

**Sd/-**  
**Sanyam Tuteja**  
**Whole-Time Director**

**Place: New Delhi**  
**Date: 30/05/2022**

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF AAR SHYAM INDIA INVESTMENT COMPANY LIMITED

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

##### Statements Opinion

We have audited the accompanying standalone financial statements of **Aar Shyam India Investment Company Limited ("the Company")**, which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the 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 ("the 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, the profit and loss, changes in equity and its cash flows for the year ended on that date.

##### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's 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 (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

##### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matter
<b>Revenue Recognition</b>	
<p>The total expected cash flows of the instrument over the life of the instrument must be substantially based on the profit or loss, change in the recognized net assets or fair value of the recognized and un recognized net assets of the entity over the life of the instrument. Profit or loss and the change in the recognized net assets shall be measured in accordance with relevant accounting principles generally accepted in India.</p> <p>We believe that Revenue from sale of shares /Securities because of its significance to profits, the high volume of revenue transactions associated with trading of securities and the judgment required in recognizing revenue from sale of securities.</p>	<p>Our procedures included, amongst others, data analysis of the expected flows of revenue transactions and performing testing over transactions that deviated from our expectations.</p>

**INDEPENDENT AUDITOR'S REPORT Contd.**

Key audit matters	How our audit addressed the key audit matter
<b>Recognition of Comprehensive Income arising out of valuation of Investment as per Ind-AS</b>	
Comprehensive Standards on Financial Instruments issued under the Companies ( Indian Accounting Standards ) Rules 2015, All equity Investment in the scope of Ind-AS are to be measured at fair value in the statement of financial Position , with value changes recognized in Profit & Loss , except for those investment for which the entity has irrevocably elected to present value changes in other comprehensive income .	Obtaining an understanding of Internal control designed by the management for investment accounting and tested the operating effectiveness of those controls.  Audit involved substantive audit procedures like inspection and re calculation to identify encumbrances on those investments and verification of sufficiency and appropriateness of disclosures regarding the recognition of comprehensive Income arising out of valuation of investment as per Ind-AS

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

**Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to

**INDEPENDENT AUDITOR'S REPORT Contd.**

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone 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 in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standard specified under Section 133 of the Act, read with Section 469 of Companies Act, 2013

**INDEPENDENT AUDITOR'S REPORT Contd.**

- e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations, if any, on its financial position in its standalone financial statements.
  - ii. The Company has made provision, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (a) **the management has represented** that other than those disclosed in the notes to accounts,
    - I. no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - II. no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;(b) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (I) and (II) above, contain any material misstatement.
  - v. As per Management's representation received that to the best of its knowledge and belief, the company has not declared or paid dividend either final or interim in nature during the year.

**For STRG & Associates**  
**Chartered Accountants**  
**FRN : 014826N**

**CA Rakesh Gupta**  
**Partner**  
**M No. 094040**  
**UDIN - 22094040ALBGPU6743**

**Place: New Delhi**  
**Date: 30.05.2022**



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**INDEPENDENT AUDITOR'S REPORT Contd.**

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**“Annexure B” to the Auditors’ Report****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

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

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

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

**Auditors’ Responsibility**

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

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

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

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

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



**INDEPENDENT AUDITOR'S REPORT Contd.**

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

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

**Opinion**

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

**For STRG & Associates**  
**Chartered Accountants**  
**FRN : 014826N**

**CA Rakesh Gupta**  
**Partner**  
**M. No.: 094040**  
**UDIN - 22094040ALBGPU6743**

**Place: New Delhi**  
**Date: 30.05.2022**

## INDEPENDENT AUDITOR'S REPORT Contd.

**“Annexure A” to the Auditors’ Report**

The Annexure referred to in our report to the members of **Aar Shyam India Investment Company Limited (the Company)** for the year ended on 31st March, 2022. We report that:

1. a) As per information and explanations given to us, the Company doesn't have Property Plant & Equipments or intangible assets Accordingly, the provision of clause 3 (i) (a)(A)&(B),(b), (c), (d) of order is not applicable  
b) As per information and explanations given to us, No proceedings have been initiated or are pending against the company for holding any benami property under the benami Transaction (prohibition Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, the provision of clause 3(i)(e) of the order is not applicable.
2. (a) As per information and explanations given to us , the company doesn't have any inventory during the year Accordingly, the provision of clause 3(ii)(a) of the order is not applicable.  
(b) As per information and explanations given to us the company has not been sanctioned working capital limit in excess of five crore rupee, in aggregate from banks or financial institution on the basis of security of current assets Accordingly, the provision of clause 3(ii)(b) of the order is not applicable.
3. As per information and explanations given to us, the Company has not provided any guarantee or security but made investment in ,granted loan or advances in the nature of loans, secured or unsecured , to companies, firms, limited liability partnerships or other parties.
  - (a) As per information and explanations given to us, the principal business of company is providing loans , accordingly , the provision of clause 3 (iii)(a) of order is not applicable.
  - (b) As per information and explanations given to us, the company has not provided guarantees, given security but has made investment and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provides are not prejudicial to the company's interest. Accordingly, the provision of clause 3(iii)(b) of order is not applicable.
  - (c) As per information and explanations given to us, the schedule of repayment of principal and payment of interest has not been stipulated. However, repayment or receipts are informed to have been regular.
  - (d) As per information and explanations given to us, there is no Overdue Amount for more than ninety days during the reporting period, Accordingly, the provision of clause 3 (iii)(d) of order is not applicable.
  - (e) As per information and explanations given to us, the principal business of company is to give loans, accordingly, the provision of clause 3 (iii)(e) of order is not applicable.
  - (f) As per information and explanations given to us, the company has not granted loans or advances in nature of loans either repayable on demand or without specifying any terms or period of repayment. Accordingly, the provision of clause 3(iii)(f) of order is not applicable.
4. As per information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the companies Act, wherever applicable, in respect of loans, investments, guarantees and security given by the company during the year.
5. According to the information and explanations given to us, the company has not accepted any deposits or amounts which are deemed to be deposits in terms of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under. Accordingly, the provision of clause 3 (v) of the order is not applicable.
6. To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3 (vi) of the Order is not applicable

**INDEPENDENT AUDITOR'S REPORT Contd.**

7. (a) As per information and explanations given to us, the company is generally regular in depositing 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 statutory dues with the appropriate authorities. There are no outstanding statutory dues as at the last day of the financial year under audit for a period of more than six months from the date they became payable except to total of Rs. 1887/- on account of TDS demand for various years.
- b) According to information and explanations given to us, there are no statutory dues referred to in sub clause(a) which have not been deposited on account of any dispute.
8. As per information and explanations given to us, there is no transaction which is not recorded in the books of accounts and have been Surrendered or disclosed as income during the year in tax assessments under income tax Act 1961 (43 of 1961). Accordingly, the provisions of clause 3 (viii) of the Order is not applicable.
9. (a) In our opinion, and as per information and explanations given to us, the Company has not defaulted in repayment of Loans or other borrowings or interest thereon to any lender during the year. Accordingly, the provision of clause 3(ix)(a) of the order is not applicable.
- (b) As per information and explanations given to us, the company is not declared a willful defaulter by any Bank or financial institution or other lender. Accordingly, the provision of clause 3(ix)(b) of the order is not applicable.
- (c) As per information and explanations given to us, the company has not any obtained term loan. Accordingly, the provision of clause 3(ix)(c) of the order is not applicable.
- (d) As per information and explanations given to us the company has not utilized funds, raised on short term basis for long term purposes. Accordingly, the provision of clause 3(ix)(d) of order is not applicable.
- (e) As per information and explanations given to us, the company does not have any subsidiaries, Joint venture or associate companies. Accordingly, the provision of clause 3(ix)(e) of the order is not applicable.
- (f) As per information and explanations given to us, the company does not have any subsidiaries, Joint venture or associate companies. Accordingly, the provision of clause 3(ix)(f) of the order is not applicable.
10. (a) As per information and explanations given to us, the company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provision of clause 3 (x) (a) of the Order is not applicable.
- (b) As per information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year under review. Accordingly, the provisions of clause 3(x)(b) of the Order is not applicable.
11. (a) Based upon the audit procedures performed and information and explanations given by the management, we report that, no fraud by the Company or on the company has been noticed or reported during the period covered by our audit. Accordingly, the provision of clause 3(xi)(a) of the order is not applicable.
- (b) Based upon the audit procedures performed, in the absence of any observation relating to suspected offence involving fraud, the provision of clause 3 (xi)(b) of the order is not applicable.
- (c) As per information and explanations given to us, the company has not received any whistle blower complaints during the year, Accordingly, the provisions of clause 3(xi)(c) of the Order is not applicable to the Company
12. The company is not a Nidhi Company. Accordingly, the provisions of clause (xii) of the order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act. wherever applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting standards.

14. (a) According to the information and explanations given to us, the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the report of the internal auditors for the period under audit
15. As per information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3(xv) of the order is not applicable.
16. (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 registration.
- (b) As per information and explanations given to us and based on our examination of the records, the company is authorized and has Conducted Non-Banking Financial activity in terms of its certificate & registration issued of RBI. However, No Housing Finance activities were carried on during the year.
- (c) As per information and explanations given to us, the company is not a Core investment Company as defined in the regulations made by RBI. Accordingly, the provisions of clause 3(xvi)(c)& (d) of the order is not applicable
17. As per information and explanations given to us the Company has not incurred any cash losses in the financial year and in the immediately preceding financial year. Accordingly, the provisions of clause 3 (xvii) of the Order is not applicable.
18. As per information and explanations given to us, there has been no instance of resignation by the statutory auditors during the year. Accordingly, the provisions of clause 3 (xviii) of the Order is not applicable.
19. As per information and explanations given to us, 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, the auditor's knowledge of the board of director and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of 1 year from the balance sheet date.
20. As per information and explanations given to us, the provision of section 135 of Companies Act 2013 are not applicable to the company during the financial year. Accordingly, the provision of clause 3(xx) of order is not applicable.
21. As per information and explanations given to us, the company is not required to prepare consolidated financial statements, Accordingly the provision of clause 3(xxi) of the order is not applicable.

**For STRG & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN: 014826N**

**CA Rakesh Gupta  
Partner**

**M. No: 094040**

**UDIN - 22094040ALBGPU6743**

**Place : New Delhi  
Date : 30.05.2022**

## AAR SHYAM INDIA INVESTMENT COMPANY LIMITED

## Balance Sheet as at 31st March 2022

	Notes	as on 31.03.2022	(Amount in `000) as on 31.03.2021
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	3	4,198.65	1,919.29
Loans & Advances	4	16,850.63	20,136.66
Investments	5	21,092.59	15,276.48
Receivable	6	1,647.34	1,590.85
<b>Non Financial Assets</b>			
Deffered Tax Assets		-	-
Property , Plant and Equipment		-	-
Other Non Financial Assets	7	1,501.76	1,370.60
<b>TOTAL</b>		<b>45,290.97</b>	<b>40,293.87</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	8	30,000.00	30,000.00
Other equity	9	11,675.57	6,187.91
<b>Non Financial Liabilities</b>			
Provisions	10	76.88	597.41
Deferred Tax Liability		-	-
<b>Financial Liabilities</b>			
Borrowings	11	3,400.00	3,400.00
Trade Payable		-	-
Other Financial liabilities	12	138.52	108.56
<b>Total Equity &amp; Liabailites</b>		<b>45,290.97</b>	<b>40,293.87</b>

Significant Accounting Policies & notes form part of the financial statements 1 & 2

As per our report of even date  
For STRG & Associates  
Chartered Accountants  
FRN : 014826N

For and on behalf of the Board of Directors of  
M/s AAR Shyam India Investment Company Limited

(CA Rakesh Gupta)  
Partner  
Membership No. 094040

Sanyam Tuteja  
Director  
DIN 08139915

Reena Gupta  
Director  
DIN 06966728

UDIN: 22094040ALBGPU6743  
Place: New Delhi  
Date: 30/05/2022

Abhay Nath Jha  
CFO  
PAN: BYQPJ9207D

Princy Anand  
Company Secretary  
PAN: AYYPP4383R

**AAR SHYAM INDIA INVESTMENT COMPANY LIMITED**  
**Statement of Profit and loss for the year ended 31st March 2022**

(Amount in `000)			
	Notes	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>Income</b>			
Revenue From Operations	13	2,394.02	2,931.22
Other Income	14	21.25	215.17
<b>Total Income</b>		<b>2,415.27</b>	<b>3,146.39</b>
<b>Expenses:</b>			
Cost of Material Consumed		-	-
Purchase of Stock In Trade		-	-
Changes In the Inventories		-	-
Employee Benefit Expenses	15	625.00	380.00
Finance Cost	16	1.58	1.53
Depreciation & Amortization Expenses		-	-
Other Expenses	17	1,292.47	659.45
<b>Total Expenses</b>		<b>1,919.05</b>	<b>1,040.98</b>
Profit Before Exceptional & Extraordinary Items and tax		496.22	2,105.41
Less:-Exceptional Items			
<b>Profit/(Loss) Before Tax</b>		496.22	2,105.41
Tax Expense:			
Current tax		-	510.63
MAT Credit		-	-
<b>Profit/(Loss) for the period after tax</b>		<b>496.22</b>	<b>1,594.78</b>
<b>Other Comprehensive Income</b>			
A(I) Items that will not be reclassified to profit & loss		4,983.23	3,148.31
A(II) Income tax relating to items that will not be reclassified to profit & loss		-	-
B(I) Items that will be reclassified to profit & loss		-	-
B(II) Income tax relating to items that will be reclassified to profit & loss		-	-
<b>Total Other Comprehensive Income (A(I-II)+B(I-II))</b>		<b>4,983.23</b>	<b>3,148.31</b>
<b>Total Comprehensive Income (A(I-II)+B(I-II))</b>		<b>5,479.45</b>	<b>4,743.10</b>
Earnings per equity share of Rs 10 each:			
(1) Basic		0.17	0.53
(2) Diluted		0.17	0.53

Significant Accounting Policies & notes form part of the financial statements 1 & 2

As per our report of even date  
**For STRG & Associates**  
**Chartered Accountants**  
**FRN : 014826N**

**For and on behalf of the Board of Directors of**  
**M/s AAR Shyam India Investment Company Limited**

**(CA Rakesh Gupta)**  
**Partner**  
**Membership No. 094040**

**Sanyam Tuteja**  
**Director**  
**DIN 08139915**

**Reena Gupta**  
**Director**  
**DIN 06966728**

**UDIN: 22094040ALBGPU6743**  
**Place: New Delhi**  
**Date: 30/05/2022**

**Abhay Nath Jha**  
**CFO**  
**PAN: BYQPJ9207D**

**Princy Anand**  
**Company Secretary**  
**PAN: AYYPP4383R**

**AAR SHYAM INDIA INVESTMENT COMPANY LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022**

Particulars	(Amount in `000)	
	For the year ended 31.03.2022	For the year ended 31.03.2021
	(Rs.)	(Rs.)
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Profit after Tax	496.22	1,593.78
Add: Provision For Income Tax	-	510.63
Net profit before tax	496.22	2,104.41
adjustments for :		
Provision reversed for diminition of Investment	4,983.23	3,148.31
Operating profit before working capital changes	5,479.45	5,252.72
Ajustments for :		
(Increase)/Decrease in Trade receivable	-56.49	2,400.26
(Increase)/Decrease in short Term Loan & Advances	3,286.03	-2,318.01
(Increase)/Decrease in other current assets	-131.17	-421.49
Increase/(Decrease) in Trade and other payables	29.96	18.28
Increase/ (Decrease) in short term provisions	-520.53	432.20
Cash generated from operations	8,087.26	5,363.95
Direct taxes refund/(paid)	-	-510.63
Provision For standard Asset (Created)/Reversed	8.22	-5.80
<b>Net Cash flow Generated from Operating Activities (A)</b>	<b>8,095.47</b>	<b>4,847.53</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
(Purchase)/Sale of investments	-5,816.11	-3,444.83
<b>Net Cash Flow Generated from Investing Activities (B)</b>	<b>-5,816.11</b>	<b>-3,444.83</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Issue of share capital	-	-
Repayment of unsecured Loan	-	-
<b>Net Cash Generated from Financing Activities (C)</b>	<b>-</b>	<b>-</b>
<b>Net increase in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>2,279.36</b>	<b>1,402.70</b>
Opening cash and cash equivalents	1,919.29	516.59
Closing cash and cash equivalents	4,198.65	1,919.29
<b>Cash &amp; Cash equivalents as stated in Balance Sheet</b>		
Cash in Hand	4.62	0.12
Cash at Bank	4,194.03	1,919.17
Cheque in hand	-	-
<b>Cash &amp; Cash equivalents as stated in Balance Sheet</b>	<b>4,198.65</b>	<b>1,919.29</b>

Accompanying notes form part of the financial statements  
 In terms of our report of even date attached

**For STRG & Associates**  
**Chartered Accountants**  
 FRN : 014826N

**For and on behalf of the Board of Directors of**  
**M/s AAR Shyam India Investment Company Limited**

(CA Rakesh Gupta)  
 Partner  
 Membership No. 094040

Sanyam Tuteja  
 Director  
 DIN 08139915

Reena Gupta  
 Director  
 DIN 06966728

UDIN: 22094040ALBGPU6743  
 Place: New Delhi  
 Date: 30/05/2022

Abhay Nath Jha  
 CFO  
 PAN: BYQPJ9207D

Princy Anand  
 Company Secretary  
 PAN: AYYP4383R



**AAR SHYAM INDIA INVESTMENT COMPANY LIMITED**  
**Statement of changes in equity for the year ended 31.03.2022**

(Amount in `000)

**Equity share capital**
**Current Reporting Period as on 31/03/2022**

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at beginning of the current reporting period	Changes in Equity Share Capital during the current year	Balance at the end of the Current Reporting Period
30,000.00	-	-	-	30,000.00

**Previous Reporting Period as on 31/03/2021**

Balance at the beginning of the Previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at beginning of the Previous reporting period	Changes in Equity Share Capital during the Previous year	Balance at the end of the Previous reporting period
30,000.00	-	-	-	30,000.00

**Other Equity**
**Current Reporting Period as on 31/03/2022**

Particulars	Reserve & Surplus				Total equity
	Retained earnings	Statutory Reserve	Special Reserve	Other Comprehensive Income	
	Rs	Rs	Rs	Rs	Rs
<b>Balance at the beginning of the current reporting period</b>	-3,215.74	3,815.44	50.00	5,538.21	6,187.91
Changes in accounting policy/ Prior period errors	-	-	-	-	-
<b>Restated balance at the beginning of the current reporting Period</b>	-3,215.74	3,815.44	50.00	5,538.21	6,187.91
Issue of share capital	-	-	-	-	-
Addition during the year	496.22	-	-	-	496.22
Revaluation gain	-	-	-	-	-
Transfer During the Year	-91.03	99.24	-	4,983.23	4,991.45
<b>Balance at the end of the Current Reporting Period</b>	<b>-2,810.55</b>	<b>3,914.68</b>	<b>50.00</b>	<b>10,521.44</b>	<b>11,675.57</b>

**Previous Reporting Period As on 31/03/2021**

Particulars	Reserve & Surplus				Total equity
	Retained earnings	Statutory Reserve	Special Reserve	Other Comprehensive Income	
	Rs	Rs	Rs	Rs	Rs
<b>Balance at the beginning of the previous reporting period</b>	-4,484.97	3,496.68	50.00	2,389.90	1,451.61
Changes in accounting policy/ Prior period errors	-	-	-	-	-
<b>Restated balance at the beginning of the Previous Reporting Period</b>	-4,484.97	3,496.68	50.00	2,389.90	1,451.61
Issue of share capital	-	-	-	-	-
Addition during the year	1,593.78	318.76	-	3,148.31	5,060.85
Revaluation gain	-	-	-	-	-
Transfer During the Year	-324.55	-	-	-	-324.55
<b>Balance at the end of the Previous Reporting Period</b>	<b>-3,215.74</b>	<b>3,815.44</b>	<b>50.00</b>	<b>5,538.21</b>	<b>6,187.91</b>

**AAR SHYAM INDIA INVESTMENT COMPANY LIMITED**  
**Notes forming part of financial statement**

(Amount in `000)

**3. Cash and cash equivalents**

Particulars	As at 31 March 2022	As at 31 March 2021
Cash in hand	4.62	0.12
Balances with banks		
In current accounts	4194.03	1,919.17
Total	4198.65	1,919.29

**4. Loan & Advances**

Particulars	As at 31 March 2022	As at 31 March 2021
Unsecured, considered good Loans and Advances		
-to promoter	-	-
-to Directors	-	-
-to related parties	-	-
-to Others	16850.63	20,136.66
Total	16850.63	20,136.66

**05. Investments**

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Investments - Other</b>		
<b>Quoted</b>		
Investment in Equity Shares Fully paid up	12,177	6,415.08
<b>Unquoted-</b>		
Investment in Preference Shares	7,700	7,700.00
<b>Fixed Deposit</b>		
with Union bank of India (earlier- Corporation Bank)	1,216	1,161.40
Total	21,093	15,276
Less : Provision For diminution in the value of investments	-	-
Total	21,093	15,276

**AAR SHYAM INDIA INVESTMENT COMPANY LIMITED**  
**Notes forming part of financial statement**

Particulars	(Amount in `000)	
	As at 31.03.2022 Rs.	As at 31.03.2021 Rs.
Aggregate amount of quoted Investment	12,177	6,415
Aggregate amount of unquoted Investment	7,700	7,700
Aggregate amount of Fixed Deposit	1,216	1,161
<b>Total</b>	<b>21,093</b>	<b>15,276</b>
Market Value of quoted Investments	12,177	6,415

## 6. Trade Receivables

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Trade Receivable</b>		
Receivable secured, considered good	-	-
Receivable Unsecured, considered good	1,647	1,591
Receivable which have significant increase credit risk	-	-
Receivable-credit impaired	-	-
	1,647	1,591

### Trade Receivables aging Schedule

#### As at 31 March 2022

Particulars	Outstanding for following periods from due date of the payment					Total
	Less Than 6 Months	6 months - 1 years	1-2 years	2-3 years	more than 3 years	
(i) Undisputed Trade Receivables - considered good	1,647	-	-	-	-	1,647
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>1,647</b>	-	-	-	-	<b>1,647</b>

#### As at 31 March 2021

Particulars	Outstanding for following periods from due date of the payment					Total
	Less Than 6 Months	6 months - 1 years	1-2 years	2-3 years	more than 3 years	
(i) Undisputed Trade Receivables - considered good	1,591	-	-	-	-	1,591
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>1,591</b>	-	-	-	-	<b>1,591</b>

**AAR SHYAM INDIA INVESTMENT COMPANY LIMITED**  
**Notes forming part of financial statement**

(Amount in `000)

**7. Other Non Financial Assets**

Particulars	As at 31 March 2022	As at 31 March 2021
Advance Tax	600.00	300.00
Advance for expenses	0.00	10.62
Input Gst	696.15	696.15
Rent Security	15.00	15.00
TDS Receivable & Refund	190.61	348.82
<b>Total</b>	1501.76	1,370.60

**8. Equity Share Capital**

Particulars	As at 31st March 2022		As at 31st March 2021	
	Number	Amount	Number	Amount
<b>Authorised Capital</b>				
Equity Shares of Rs. 10/- each	35,00,000	35,000	35,00,000	35,000
	35,00,000	35,000	35,00,000	35,000
<b>Issued, Subscribed &amp; Paid up Capital</b>				
Equity Shares of Rs.10/- each	30,00,000	30,000	30,00,000	30,000
<b>Total</b>	30,00,000	30,000	30,00,000	30,000

(i) Particulars	As at 31 March 2022	As at 31 March 2021
<b>Reconciliation of Number of Shares Outstanding at the Beginning and at the End of the Reporting Period:</b>		
Balance at the beginning of the reporting period	3,000,000	3,000,000
Add: Shares issued during the year	-	-
<b>Balance at the end of the year</b>	<b>3,000,000</b>	<b>3,000,000</b>
<b>Reconciliation of Share Capital Outstanding at the Beginning and at the End of the Reporting Period:</b>		
Balance at the beginning of the reporting period	30,000	30,000
Add: Share Capital issued during the year	-	-
<b>Balance at the end of the year</b>	<b>30,000</b>	<b>30,000</b>

(i) The details of shareholders holding more than 5% shares as at March 31, 2022 and March 31, 2021 are set out below

**Equity Shareholders**

Name of Shareholder	As at 31 March 2022		As at 31 March 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
C N FLOUR MILLS PRIVATE LIMITED	200000	6.67	200000	6.67
K K MODI INVESTMENT AND FINACIAL SERVICES PV	257440	8.58	257440	8.58
PLUS CORPORATE VENTURES PRIVATE LIMITED	350000	11.67	350000	11.67
RAKESH KUMAR BANSAL	562503	18.75	562503	18.75
SHREYANS LOGISTICS PRIVATE LIMITED	350000	11.67	350000	11.67
SUPRIYO BANDYOPADHYAY	200000	6.67	200000	6.67

**AAR SHYAM INDIA INVESTMENT COMPANY LIMITED**  
**Notes forming part of financial statement**

(Amount in `000)

(ii) The details of Promoters / shareholder holding at March 31, 2022 and March 31, 2021 are set out below

Name of Promoters	As at 31 March 2022		As at 31 March 2021		% Change during the year
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	
<b>Equity Shares</b>					
K K MODI INVESTMENT AND FINACIAL SERVICES PVT. LTD.	257440	8.58	257440	8.58	0.00

(iii) The company has one class of equity shares having a par value of INR 10/- per share. Accordingly, all equity shares rank equally with regard to dividends and share in the company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. Each shareholder is eligible for one vote per share held.

## 9. Other Equity

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Special Reserve</b>		
Opening Balance	50.00	50.00
(+) Current year transfer	-	-
Closing Balance	<b>50.00</b>	<b>50.00</b>
<b>Statutory Reserve</b>		
Opening Balance	3815.44	3,496.68
(+) Current Year Transfer	99.24	318.76
Closing Balance	<b>3914.68</b>	<b>3,815.44</b>
<b>Surplus</b>		
Opening balance	(3215.74)	(4484.97)
Add: Net Profit/(Net Loss) For the current year	496.22	1,593.78
Less: Transfer to Statutory Reserves	99.24	318.76
Less: Provision for Standard Assets	(8.22)	5.80
Closing Balance	<b>(2810.55)</b>	<b>(3215.74)</b>
<b>Other Comprehensive Income</b>		
At the beginning of Accounting Period	5538.21	2,389.90
Addition during the year	4983.23	3,148.31
At the end of Accounting Period	<b>10521.44</b>	<b>5,538.21</b>
	<b>11675.57</b>	<b>6,187.91</b>

## 10. Provisions

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for Income tax	0.00	510.63
Provision Against Standard Assets	42.13	50.34
Audit fees	34.75	36.44
<b>Total</b>	<b>76.88</b>	<b>597.41</b>

**AAR SHYAM INDIA INVESTMENT COMPANY LIMITED**  
**Notes forming part of financial statement**

(Amount in `000)

**11. Borrowings**

Particulars	As at 31 March 2022	As at 31 March 2021
Unsecured:		
Loan From Corporates	3400.00	3,400.00
<b>Total</b>	<b>3400.00</b>	<b>3,400.00</b>

**12. Other Financial Liabilities**

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Expenses Payable</b>		
Other	93.27	55.00
Salary	40.00	50.00
<b>Duties &amp; Taxes</b>		
TDS Payable	5.25	3.56
<b>Total</b>	<b>138.52</b>	<b>108.56</b>

**13. Revenue from operations**

Particulars	As at 31 March 2022	As at 31 March 2021
Interest income	1766.31	1,455.37
Interest on FD	60.47	67.52
MTM FO & DO Credit	(475.07)	1,078.94
Profit & Loss on Intraday share trading	0.00	4.44
Short Term Gain on Sale of Shares	0.00	323.96
Long Term Gain on Sale of Shares	1042.30	-
Short & excess	0.00	-
<b>Total</b>	<b>2394.02</b>	<b>2,931.22</b>

**14. Other Income**

Particulars	As at 31 March 2022	As at 31 March 2021
Dividend Income	21.25	215.17
<b>Total</b>	<b>21.25</b>	<b>215.17</b>

**15. Employee Benefit Expenses**

Particulars	As at 31 March 2022	As at 31 March 2021
Salary	560.00	380.00
Bonus	55.00	-
Staff Welfare Expenses	10.00	-
<b>Total</b>	<b>625.00</b>	<b>380.00</b>

**16. Finance Cost**

Particulars	As at 31 March 2022	As at 31 March 2021
Bank Charges	1.58	1.53
<b>Total</b>	<b>1.58</b>	<b>1.53</b>

**AAR SHYAM INDIA INVESTMENT COMPANY LIMITED**  
**Notes forming part of financial statement**

(Amount in '000)

**17. Other expenses**

Particulars	As at 31 March 2022	As at 31 March 2021
Advertisement Expenses	30.21	35.17
TDS written off	214.15	-
Annual Fee - Credit Rating Agencies	15.00	15.00
Auditors Remuneration :-	-	-
Statutory Audit Fees	40.00	40.00
Others	12.50	7.50
BSE Fees	300.00	300.00
Broker Expenses	2.39	1.69
Depository Charges	18.00	18.00
Interest on Tds	0.76	0.04
Misc Expenses	0.28	0.33
Long Term Loss on Sale of Shares	0.00	27.50
Short Term Loss on Sale of Shares	133.28	-
Professional Charges	208.66	69.50
Printing & Stationery Expenses	5.51	4.50
ROC expenses	15.00	7.50
Rent	180.00	120.00
Server Expenses	4.00	3.70
short & excess	0.00	0.00
STT	0.00	0.56
Telephone Expenses	10.59	8.47
Interest on Income Tax	15.74	-
GST Expense	85.48	-
Interest on GST Input Credit	0.91	-
<b>Total</b>	<b>1292.47</b>	<b>659.45</b>

**For STRG & Associates**  
**Chartered Accountants**  
**FRN : 014826N**

**For and on behalf of the Board of Directors of**  
**M/s AAR Shyam India Investment Company Limited**

**(CA Rakesh Gupta)**  
**Partner**  
**Membership No. 094040**

**Sanyam Tuteja**  
**Director**  
**DIN 08139915**

**Reena Gupta**  
**Director**  
**DIN 06966728**

**UDIN: 22094040ALBGPU6743**  
**Place: New Delhi**  
**Date: 30/05/2022**

**Abhay Nath Jha**  
**CFO**  
**PAN: BYQPJ9207D**

**Princy Anand**  
**Company Secretary**  
**PAN: AYYPP4383R**



**AAR SHYAM INDIA INVESTMENT COMPANY LIMITED**  
**NOTE – 1: SIGNIFICANT ACCOUNTING POLICIES**

AAR Shyam India Investment Company Limited (‘the Company’) was incorporated under the Companies Act 1956, on 24th Day of February 1983 the Company is engaged in NBFC’s activities. Company is also registered under 45-IA of Reserve Bank of India Act 1934.

**I. Basis of preparation of financial statements:**

The financial statements for the year ended 31.03.2022 have been prepared and presented in accordance with Indian accounting standards (Ind AS) as notified by MCA vide notification G.S.R. 365(E) Dated 30.03.2016 with comparative for previous year ending 31.03.2021.

**II. Use of estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods. The management believes that the estimates made in the preparation of the financial statements are prudent and reasonable.

**III. Income and Expenditure**

Income and Expenditure are accounted for on accrual basis except finance charges and interest Income on bad & doubtful debts which is recognized as per IRAC norms of RBI guidelines.

**IV. Property Plant & Equipment and Depreciation**

There are no fixed assets in the company so no depreciation has been provided in the books of accounts.

**V. Investments**

Investment has been valued and bifurcated in accordance with the Indian Accounting Standards (Ind’AS). However, no provision is required on account of permanent diminution in the value of investment held.

**VI. Inventories**

The Company does not have any kind of inventory during the year.

**VII. Loans & Advances**

Loans and Advances are classified in accordance with IRAC norms issued by RBI.

**VIII. Dividend**

No dividend has been paid or declared by the company during the year.

**IX. Cash and cash equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash in hand and cash at bank

**X. Provision, Contingent Liabilities and Contingent Assets:**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. There is no Contingent Assets & Liabilities.

Provision for Non-Performing Assets

In accordance with Prudential Norms, contingent provision at 0.25% has been created on outstanding standard assets which has been shown in balance sheet under the head provisions in Non Financial Liabilities.

**XI. Unless specifically stated to be otherwise, these policies are consistently followed.**

**AAR SHYAM INDIA INVESTMENT COMPANY LIMITED**  
**OTHER NOTES ON ACCOUNTS**

	AS AT 31.03.2022 (Rs. In Lakhs)	AS AT 31.03.2021 (Rs. In Lakhs)
18. <b>COMMITMENTS</b>		
a) Estimated amount of contracts Remaining to be executed on Capital Account and not provided for :	NIL	NIL
b) Letters of Credit opened in favour of inland/overseas suppliers	NIL	NIL
19. <b>Contingent Liabilities not provided for :-</b> (excluding matters separately dealt with in other notes)		
a) Counter guarantees issued to Bankers in respect of guarantees issued by them	NIL	NIL
b) Guarantees issued on behalf of Ltd. Co's	NIL	NIL
20. Value of Imports on CIF Basis	NIL	NIL
21. Earning in Foreign Currency	NIL	NIL
22. Expenditure in Foreign Currency	NIL	NIL
23. In the opinion of the Board, all Financial Assets, Loans & Advances (Except where indicated otherwise) collectively have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.		
24. Balance confirmation certificates from parties, as appearing in the Balance Sheet under the heads 'Borrowing' on the Liabilities side of the Balance Sheet are subject to confirmation.		
25. Company has not made any Provision for liability of future payment of gratuity in the current year. Further, no provision has been made for leave encashment benefits, as the company does not have a policy of encashing leaves of employees.		
26. The company is engaged in the business of non-banking financial activity. Since all the activities relate to main activity, in the opinion of the management, there is only one business segment in terms of AS-17 on segment reporting issued by ICAI.		
27. Auditors' remuneration		
Auditors' remuneration is as follows: (Excluding Taxes)		

(Amount in '000)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Statutory Audit Fees	40.00	25.00
Other	12.00	7.00

**28. Related Party Disclosures:**

Related party disclosures as required under Indian Accounting Standard (Ind AS) – 24 “Related party Disclosures”, notified by the Government in the Companies (Ind AS) rules 2015, are given in a separate annexure attached herewith:

**AAR SHYAM INDIA INVESTMENT COMPANY LIMITED**  
**OTHER NOTES ON ACCOUNTS**

**a) Related parties Disclosures**

**Description of Relationship Name of Party**

Key Management Personnel

Abhay Nath Jha ( CFO appointed on 25.06.2020)

Princy Anand (CS appointed on 14.02.2017)

Directors

Beenu Aggarwal (appointed on 10.02.1997)

Sanyam Tuteja (appointed on 14.02.2019)

Reena Gupta (appointed on 10.08.2016)

Manish (appointed on 12.08.2019)

**(b) Related Party Transactions**

(Amount in '000)

Particulars			
Name of Party	Particulars	As on 31.03.2022	As on 31.03.2021
Abhay Nath Jha	Salary	240.00	240.00
Princy Anand	Salary	180.00	180.00

**(c) Balance outstanding with the related parties:**

(Amount in '000)

Particulars			
Name of Party	Particulars	As on 31.03.2022	As on 31.03.2021
Abhay Nath Jha	Salary	20.00	20.00
Princy Anand	Salary	15.00	15.00

29. Earnings per share (EPS) – The numerators and denominators used to calculate Basic and Diluted Earning per share:

(Amount in '000 except EPS)

	Year Ended 31.03.2022	Year Ended 31.03.2021
Profit attributable to the Equity Shareholders – (A) (Rs )	496.22	1593.78
Basic/ Weighted average number of Equity Shares outstanding during the year (B)	30,00,000	30,00,000
Nominal value of Equity Shares (Rs)	10	10
Basic/Diluted Earnings per share (Rs) – (A)/(B)	0.17	0.53

30. Figures for the previous year have been regrouped or rearranged wherever necessary.
31. Disclosure of details as required by revised para 13 of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007, earlier para 9BB of Non- Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.
32. The Ministry of Micro, Small and Medium Enterprises has issued an office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on the Information provided by the Company, there are no amounts payable to micro and small enterprises as at 31 March 2022.



**AAR SHYAM INDIA INVESTMENT COMPANY LIMITED**  
**OTHER NOTES ON ACCOUNTS**

		(Amount In Lakhs)	
(4)	Break-up of Investments :		
	Current Investments :		
	1. Quoted :		
	(I) Shares : (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (please	-	-
	1. Unquoted :		
	(I) Shares : (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (please specify)	-	-
	Long Term investments :		
	1. Quoted		
	(I) Shares : (a) Equity	121.76	64.15
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Silver	-	-
	2. Unquoted :		
	(i) Shares : (a) Equity	-	-
	(b) Preference	77.00	77.00
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Fixed Deposit	12.15	11.61

(5) Borrower group-wise classification of assets financed as in (2) and (3) above :-

Category	Amount net of provision			Amount net of provision		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
a) Subsidiaries	-	-	-	-	-	-
b) Companies in the same group	-	-	-	-	-	-
c) Other related parties	-	-	-	-	-	-
2. Other than related parties	-	168.50	168.50	-	201.37	201.37
Total	-	168.50	168.50	-	201.37	201.37

**AAR SHYAM INDIA INVESTMENT COMPANY LIMITED**  
**OTHER NOTES ON ACCOUNTS**

(Amount In Lakhs)

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

Category	Current Year		Previous Year	
	Market Value/ Break-up or fair value or NAV	Book Value (Net of Provisions)	Market Value/ Break-up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties				
a) Subsidiaries	-	-	-	-
b) Companies in the same group	-	-	-	-
c) Other related parties	-	-	-	-
2. Other than related parties	198.76	198.76	141.15	141.15

(7) Other Information

Particulars	Current Year Amount	Previous Year Amount
(i) Gross Non-Performing Assets		
a) Related parties	-	-
b) Other than related parties	-	-
ii) Net Non-Performing Assets		
a) Related parties	-	-
b) Other than related parties	-	-
iii) Assets acquired in satisfaction of debt	-	-

Note: In case of Investments in unquoted shares, it is assumed that market value is same as book value.

**For STRG & Associates**  
**Chartered Accountants**  
**FRN : 014826N**

For and on behalf of the Board of Directors of  
**M/s AAR Shyam India Investment Company Limited**

**(CA Rakesh Gupta)**  
**Partner**  
**Membership No. 094040**

**Sanyam Tuteja**  
**Director**  
**DIN 08139915**

**Reena Gupta**  
**Director**  
**DIN 06966728**

**UDIN: 22094040ALBGPU6743**  
**Place: New Delhi**  
**Date: May 30, 2022**

**Abhay Nath Jha**  
**CFO**  
**PAN: BYQPJ9207D**

**Princy Anand**  
**Company Secretary**  
**PAN: AYYPP4383R**