



AAR Shyam India  
Investment Company  
Limited  
(Annual Report 2022-23)

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# Vision



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

**WHOLE TIME DIRECTOR (WTD)'S LETTER**

**Dear Shareholder,**

We are writing to you today to share our excitement about the future of our Company. As you know, we have embarked upon a significant change in management. This change was not made lightly, but we believe it is necessary to ensure that our Company continues to thrive in the years to come.

The new management team shall bring a wealth of experience and expertise to our Company. They have a proven track record of success in a variety of industries, and we are confident that they will lead our Company to even greater heights.

We are also excited to announce that we have a number of new initiatives in the works. These initiatives will help us to expand our market share, reach new customers, and develop new products and services. We believe that these initiatives will position our Company for long-term success.

We know that change can be unsettling, but we want to assure you that we are committed to providing you with the support you need to succeed. We are also committed to maintaining our Company's culture of innovation, collaboration, and customer service.

We are confident that the future of our Company is bright. We are grateful for your continued support, and we look forward to working with you to achieve our goals.

This message is positive and optimistic, and it emphasizes the Company's commitment to its employees and its future success. It also acknowledges the change that is taking place, but it assures employees that the transition will be smooth and that the new management team is committed to the Company's mission and vision.

Sincerely

**Sanyam Tuteja**  
Whole-Time Director

**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 40th 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 Saturday, 30th September, 2023 at 03:00 P.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, 2023 **“RESOLVED THAT** the audited Financial Statements of the Company for the financial year ended 31st March, 2023 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 reappointment, be and is hereby re-appointed as Director of the company liable to retire by rotation.

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: 07/09/2023

Place: New Delhi

Sd/-  
**Raunak Gupta**  
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 Sunday, the 24th September, 2023 to Saturday, September 30th, 2023 (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 and Calcutta Stock Exchange. The Company has paid the annual listing fee for the year 2022-23 and advance fees for 2023-24 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. **Dispatch of Annual Report through Electronic Mode:** In compliance with the MCA Circulars and SEBI Circular dated January 05, 2023, Notice of the AGM along with the Annual Report of FY 2022-2023 being sent only through electronic mode to those Members whose e-mail address is registered with the Company / Registrar and Transfer Agent / Depository Participants / Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website <https://aarshyam.in>. and website of the Stock Exchange, that is, BSE Limited at [www.bseindia.com](http://www.bseindia.com). Shareholder(s)/ Proxy(ies) /Authorised Representative(s) should bring/are requested to bring the duly filled in Attendance Slip enclosed herewith to the AGM mentioning therein details of DP ID and Client ID.
15. 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).
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 Wednesday, 27th September, 2023 at 09:00 A.M. and ends on Friday, 29th September, 2023 at 05:00 P.M.. During this period, members holding share either in physical or dematerialized form, as on cut-off date, i.e. as on September 23rd, 2023 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, 2023.
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 ballot paper.
- C. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- D. 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.

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

The remote e-voting period begins on Wednesday, 27th September, 2023 at 09:00 A.M. and ends on Friday, 29th September, 2023 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. Saturday, 23rd September, 2023, 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 Saturday, 23rd September, 2023.

**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>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>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 “<b>Login</b>” which is available under ‘<b>Shareholder/Member</b>’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: right; margin-top: 10px;"> <p>NSDL Mobile App is available on</p> <p>  App Store                      Google Play                 </p> <div style="display: flex; justify-content: space-around;">   </div> </div>

<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
<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. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period 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 abovementioned website.

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

Login type	Helpdesk details
<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 022 - 4886 7000 and 022 - 2499 7000</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 toll free no. 1800 22 55 33</p>

**B) Login Method for e-Voting and joining virtual meeting 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 001*** and EVEN is 101456 then user ID is 101456001***

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

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

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

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

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting.
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. Kaushal Dalal at [team@cskda.com](mailto:team@cskda.com)** with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login.
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.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Mr. Amit Vishal at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

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

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

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [info@aarshyam.in](mailto:info@aarshyam.in). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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: 07/09/2023

Place: New Delhi

Sd/-  
**Raunak Gupta**  
Company Secretary

**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 2023**

<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 Saturday, 30th September, 2023 at 03:00 P.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.**

**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

**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:

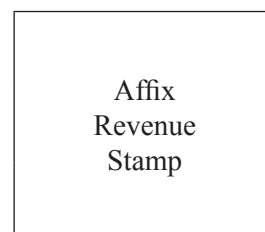
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual general meeting of the company to be held on Saturday, 30th September, 2023 at 03:00 P.M. at **B-42, Lower Ground Floor, Panchsheel Enclave, New Delhi-110017** and at any adjournment thereof in respect of such 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, 2023		
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.		

Signed this.....day of .....2023

Signature of shareholder: .....

Signature of Proxyholder(s).....



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.

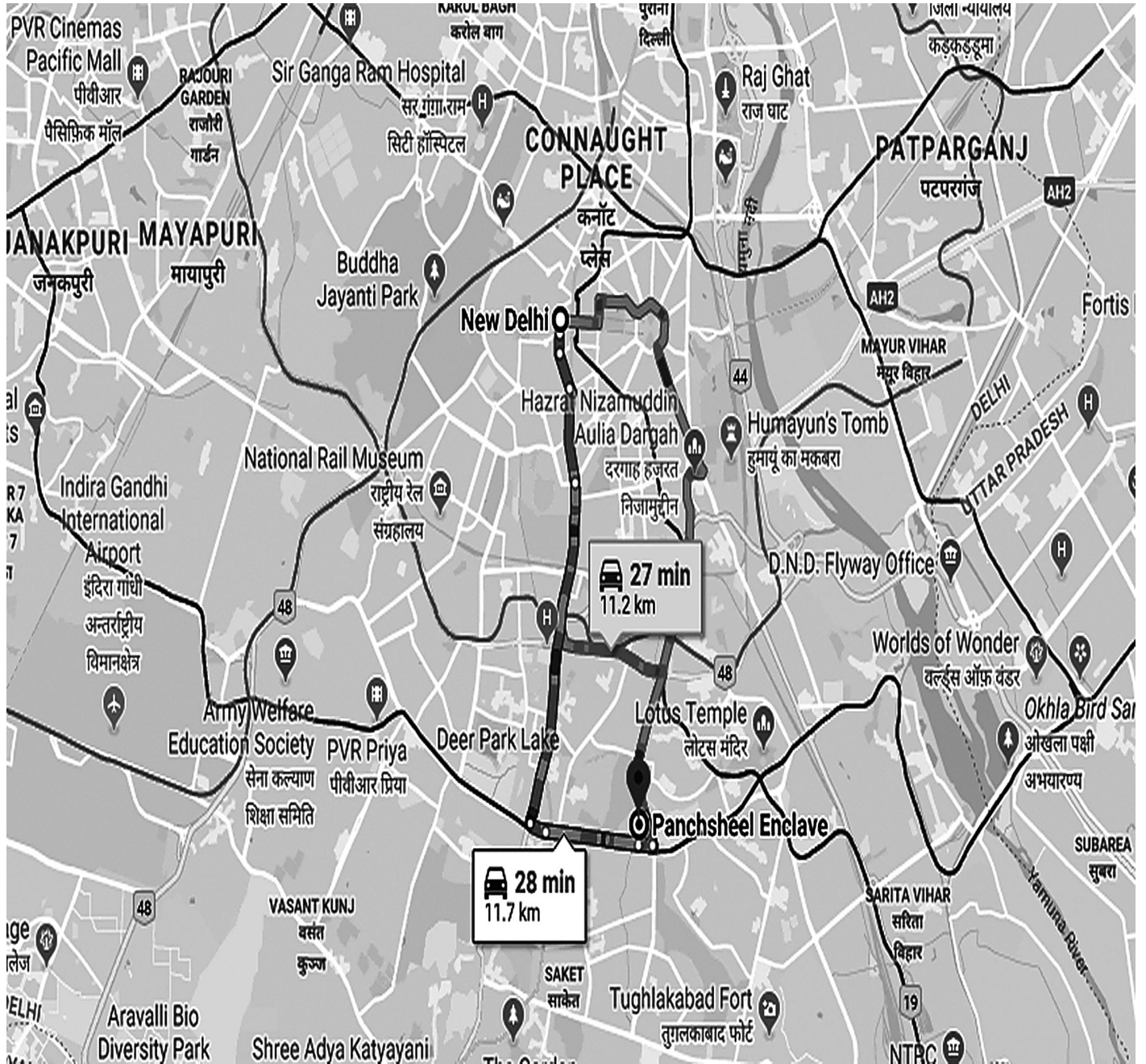


ROUTE MAP

Venue of the Annual General Meeting of Aar Shyam India Investment Company Limited to be held on Saturday, 30th September, 2023 at 03:00 P.M.

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

Landmark: Holiday Club Panchsheel Enclave



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

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

**CHIEF FINANCIAL OFFICER**

Ms. Pushpa Joshi

**COMPANY SECRETARY**

Mr. Raunak Gupta

**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

**BOARDS' REPORT****DEAR MEMBERS,**

Your Board of Directors have pleasure in presenting the 40th Annual Report of the Company together with audited statements of Accounts for the financial year ended 31st March, 2023.

**FINANCIAL HIGHLIGHTS**

The summarized financial results of the Company for the financial year 2022-23 are given hereunder:

Particulars	(In '000)	
	2022-23	2021-22
Revenue from operations & other income	6097.55	2890.34
Operating Profit (EBITDA)	3088.67	496.22
Finance Cost	4.81	1.58
Profit before tax	3088.67	496.22
Tax Expenses	55.47	-
Net Profit	3033.20	496.22

**BRIEF DESCRIPTION OF THE COMPANY'S STATE OF AFFAIRS**

The Company is undergoing a major transformation, as it ushers in a new era of leadership, and hence there shall be a Change in Management of the affairs of the Company. Your Company's erstwhile promoter i.e. K K Modi Investment and Financial Services Private Limited had entered into a Share Purchase Agreement (SPA) dated March 27, 2023 with Guruomega Private Limited ("Acquirer") for selling of entire promoter shareholding in the Company aggregate of 2,57,440 (Two Lakh Fifty Seven Thousand Four Hundred and Forty) Equity Shares, constituting 8.58% (Eight Point Five Eight Percent) of the Fully Paid Up Equity Share Capital of your Company at price of Rs. 15.00/- (Rupees Fifteen only).

Further, in terms of the SPA and post successful completion of the Open Offer, the Acquirers will also acquire control over the Company, hence an offer was also made under Regulation 4 of the SEBI (SAST) Regulations which shall be completed in due course.

Further, the Company has is into the process of obtaining the approval of the Reserve Bank of India (RBI) for change in management of the Company and acquiring control over the Company.

The Company and its members are promised that this change will lead to a more prosperous future for our company. Our new leaders are experienced and visionary, and they are committed to helping us grow and succeed.

**INCOME FROM OPERATIONS**

During the year under review, the revenue from operations reached to Rs. 60.97 lakhs as compared to Rs. 28.90 lakhs during the previous year.

**DIVIDEND**

In order to meet the future requirements of the Company, your Board of Directors have decided not to recommend dividend for the Financial Year 2022-23.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["Listing Regulations"] 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

**BOARDS' REPORT Contd.**

Governance requirements set out by the SEBI. A Report on Corporate Governance as required under Listing Regulations of the Listing Agreement entered into with the Stock Exchanges is attached as Annexure-1 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 Listing Regulations also forms part of the Annual Report.

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

The paid-up Share Capital as on 31st March, 2023 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 (ND-NBFC), 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).

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

The Company, being an NBFC registered with the RBI and engaged in the business of giving loans and making investments in ordinary course of its business, is exempted from complying with the provisions of section 186 of the Act with respect to Loans & Investments. Accordingly, the disclosures of the Loans & Investments given as required under the aforesaid section have not been made in the financial statements of the Company.

**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 2022-23, Seven (7) Board Meetings were held on April 28, 2022, May 30, 2022, August 10, 2022, September 03, 2022, November 14, 2022, January 10, 2023 and March 06, 2023 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. Financial Year 2022-23, following changes occurred in the Composition of Board of Directors & Key Managerial Personnels of the Company:

- i) Ms. Reena Gupta ceased to be Independent Director of the Company with effect from August 10, 2022 and at her place Ms. Shobha Rustagi was appointed as an Independent Director of the Company on even date.

**BOARDS' REPORT Contd.**

- ii) Mr. Abhijeet Yashwant Nagrale was appointed as an Independent Director of the Company with effect from November 14, 2022.
- iii) Mr. Manish ceased to be Independent Director of the Company with effect from March 06, 2023.
- iv) Mr. Abhay Nath Jha ceased to be Chief Financial Officer (CFO) of the Company with effect from March 06, 2023 and at his place Ms. Pushpa Joshi was appointed as Chief Financial Officer (CFO) of the Company on even date.

After closure of the Financial Year 2022-23 and till the date of this report, following changes occurred in the Composition of Board of Directors & Key Managerial Personnels of the Company:

- i) Ms. Princy Anand ceased to be Company Secretary (CS) of the Company with effect from April 25, 2023 and in her place Mr. Raunak Gupta was appointed as Company Secretary (CS) of the Company with effect from April 26, 2023.

**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 Director on the Board of the Company. Further, Ms. Shobha Rustagi also joined the Board of Directors in the capacity of Independent Director with effect from August 10, 2022.

**d. Key Managerial Personnel**

During the year under review i.e. FY 2022-23,

- Mr. Sanyam Tuteja, continued as Whole Time Director of the Company;
- Mr. Abhay Nath Jha ceased to be Chief Financial Officer (CFO) of the Company with effect from March 06, 2023 and at his place Ms. Pushpa Joshi was appointed as Chief Financial Officer (CFO) of the Company on even date;
- Ms. Princy Anand continued to be Company Secretary (CS) of the Company during FY 2022-23. However, she ceased to be Company Secretary (CS) of the Company with effect from April 25, 2023 and in her place Mr. Raunak Gupta was appointed as Company Secretary (CS) of the Company with effect from April 26, 2023.

The Company has designated the Key Managerial Personnels 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. The Company is fully compliant of the same.

**e. Board's Independence**

Our definition of "Independence" of Directors is derived from Listing Regulations 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 Listing Regulations of the Listing Agreement and Section 149(6) of the Companies Act, 2013:-

- |                                  |                                     |
|----------------------------------|-------------------------------------|
| 1. Ms. Reena Gupta               | (DIN: 06966728) (up to 10.08.2022)  |
| 2. Ms. Shobha Rustagi            | (DIN: 03503850) (w.e.f. 10.08.2022) |
| 3. Mr. Manish                    | (DIN: 08535552) (up to 06.03.2023)  |
| 4. Mr. Abhijeet Yashwant Nagrale | (DIN: 05244787) (w.e.f. 14.11.2022) |

**BOARDS' REPORT Contd.****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 Companies Act, 2013, 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) Regulations, 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;
- 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.

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 by the Company during the financial year 2022-23. 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

**BOARDS' REPORT Contd.**

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) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, clause (i) and (ii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended for the financial year ended 31 March 2023:

Sr. No.	Name of Director/ Key Managerial Personnel	Ratio of remuneration of each director to the median remuneration of the employees	% increase in remuneration in the FY 2022-23
1.	<b>Executive Director</b> Sanyam Tuteja - Whole-Time Director	-	Nil
2.	<b>Non-Executive Directors</b> Beenu Agarwal Reena Gupta # Manish \$ Abhijeet Yashwant Nagrale ^ Shobha Rustagi &	- - - - 0.13:1	Nil
3.	<b>Key Managerial Personnel</b> Abhay Nath Jha - CFO * Pushpa Joshi - CFO @ Princy Anand - CS	0.07:1 - 1:1	Nil

# Resigned as Independent Director of the Company w.e.f. close of business hours on August 10, 2022.

\$ Ceased to be Independent Director of the Company consequent to his resignation effective March 06, 2023.

^ Appointed as an Independent Director w.e.f. November 14, 2022.

\* Resigned as Chief Financial Officer of the Company w.e.f. close of business hours on March 06, 2023.

@ Appointed as Chief Financial Officer of the Company w.e.f. March 06, 2023.

& Appointed as an Independent Director w.e.f. August 10, 2022.

## BOARDS' REPORT Contd.

**Remaining disclosure under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Clause Under Rule 5(1)	Prescribed Requirement	Particulars
(iii)	the percentage increase in the median remuneration of employees in the financial year	Nil
(iv)	the number of permanent employees on the rolls of company	3
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, 2023, is available on the website of the Company at <https://www.aarshyam.in/reports/annualret22-23.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 2022-23. The Secretarial Audit Report for financial year 2022-23, has been appended as Annexure-2 to this Report.

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

**INTERNAL AUDITORS**

Pursuant to provisions of Section 138 of Companies Act 2013 and rules made there under, Jain Rajeev & Associates, Chartered Accountants has been appointed as Internal Auditors for the financial year 2022-23.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under section 134(3)(m) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014, are as



**BOARDS' REPORT Contd.**

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below:

- **Energy Conservation:** During the period under review there has been optimal Energy Conservation.
- **Technology Absorption:** During the period under review there was no Technology Absorption.
- **Foreign Exchange Earnings and Outgo:** During the period under review there was no foreign exchange earnings or out flow.

**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 behaviour, 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 except the RBI's order allowing the Company's application for change in management of the affairs of the Company.

**RISK MANAGEMENT POLICY AND INTERNAL CONTROL**

The Board of Directors of the Company has duly adopted and approved a Risk Management Policy 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 from time to time. 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 rule 8 of the Companies (Accounts) Rules, 2014, the company has complied with provisions as prescribed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Further, your Company has not received any complaint of sexual harassment during the year under review.

**THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR**

During the period under review, neither any application has been made nor any proceedings is pending in the name of the Company under the Insolvency and Bankruptcy Code, 2016.

**BOARDS' REPORT Contd.****THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.**

During the period under review, the Company has not entered into any one-time settlement with respect to loan from any banks or financial institutions.

**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. The Board of 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: August 16, 2023**  
**Place: New Delhi**

**Sd/-**  
**Shobha Rustagi**  
**Director**  
(DIN:03503850)

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

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **1. Overview**

The world was largely free of the impact of Covid in 2022-23. The war in Ukraine dragged on with progressive reduction in the impact on commodities during the course of the year. The war has also had a significant impact on the global economy, causing energy prices to rise and disrupting supply chains. Inflation was a major concern in many countries during the year. In the United States, inflation reached a 40-year high in 2022. It made more difficult for people to afford basic necessities, and also lead to economic instability around the globe. However, India was not significantly impacted with the Inflation. It appears to have peaked and seem to be slowly receding. However, tight labour markets in advanced economies ensured demand did not slacken even with multiple interest rate hikes which leaves us with prospects of more rate increases to rein in inflation. US Federal Reserve raised interest rates by a cumulative 3.5% in the past one year ending March 2023. The terminal rate that was initially thought to be around 4.6% is now seen crossing 5%, which shows that inflation is entrenched. The consistent rate increases have led to stress in some parts of the Banking system. Collapse of the Three Major US banks also significantly impacted the financial industry. Tighter financial conditions lead to forecasts of recession for parts of the western world. World Bank warned in a paper in September, 2022 that the world wide slow down and tightening financial conditions will give rise to significant financial stress and trigger a global recession in 2023. However, the growth rate of India for FY 2023-2024 is estimated to be 7.2%. This is slightly lower than the growth rate of 9.1% in FY 2022-2023. The lower growth rate is attributed to a number of factors, including the Russia-Ukraine war, rising inflation, and supply chain disruptions.

### **Industry Structure and Developments**

NBFCs have become important constituents of the financial sector and have been recording higher credit growth than scheduled commercial banks (SCBs) over the past few years. NBFCs have been at the forefront of financial inclusion in India, lending to undeserved and unserved segments such as small businesses and rural households. They have played an important role in deepening access to formal credit and promoting inclusive growth.

NBFCs are leveraging their superior understanding of regional dynamics and customised products and services to expedite financial inclusion in India. Lower transaction costs, quick decision making, customer orientation and prompt service standards have typically differentiated NBFCs from banks. Considering the reach and expanse of NBFCs, they are well-suited to bridge the financing gap in a large country like India.

Given the systemic risks that the sector poses, the RBI issued 'Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs' and in line of this RBI issued Compliance Function and Role of Chief Compliance Officer (CCO), Loans and Advances – Regulatory Restrictions, Capital requirements for Non-Banking Finance Companies, Large Exposures Framework for Non-Banking Financial Company, Guidelines on Compensation of Key Managerial Personnel (KMP) and Senior Management in NBFCs, Provisioning for Standard assets by Non-Banking Financial Company, Multiple NBFCs in a Group during the year under review.

Apart from Scale based regulations and multiple directions issued thereunder, the RBI, inter alia, has also issued following to effectively regulate and govern the business of NBFCs in India:

1. Master Direction – Credit Card and Debit Card – Issuance and Conduct Directions, 2022
2. Lending by Commercial Banks to NBFCs and Small Finance Banks (SFBs) to NBFC-MFIs, for the purpose of on-lending to priority sectors
3. Outsourcing of Financial Services - Responsibilities of regulated entities employing Recovery Agents
4. Guidelines on Digital Lending. Etc.

### **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:

**MANAGEMENT DISCUSSION AND ANALYSIS Contd.**

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- 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.

**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.**

This has been already dealt in the financial statement attached with the annual report

**Exchange Rate Fluctuation**

The functional currency of your Company is the Indian rupee.

**MANAGEMENT DISCUSSION AND ANALYSIS Contd.****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 employee's 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.

**Significant Change in Financial Ratios**

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

<b>Particulars</b>	<b>31.03.2023</b>	<b>31.03.2022</b>	<b>Variations (%)</b>
Current Ratio	3.65	14.62	-74.98
Debt Equity Ratio	0.082	0.081	1.37
Operating Profit Margin	0.507	0.171	195.46
Net Profit Margin	0.498	0.171	190.16
Return on Net Worth	0.073	0.011	519.66
Net Interest Margin	0.052	0.048	8.99

The several ratios presented under 'Key Ratios', over the previous year Operating Profit Margin Ratio, Net Profit Margin Ratio, Return on Net Worth Ratio has appreciated by more than 25% and Current Ratio have declined 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, 2023 in accordance with the applicable Indian Accounting Standards (IndAS).

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2023**

*[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, 2023 ('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, 2023 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;
- (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;

**MANAGEMENT DISCUSSION AND ANALYSIS Contd.**

- (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.
- All decisions at Board Meetings and Committee Meetings are carried out by majority as recorded in the minutes of

**MANAGEMENT DISCUSSION AND ANALYSIS Contd.**

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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.

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  
UDIN: F007631E000775057**

**Place: Delhi**

**Date: 10/08/2023**



## REPORT ON CORPORATE GOVERNANCE

Corporate governance is about promoting fairness, transparency, accountability, commitment to values, ethical business conduct and about considering all stakeholders' interest while conducting business.

In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereto, ('Listing Regulations'), given below are the corporate governance policies and practices of Aar Shyam India Investment Co. Ltd. (the 'Company') for FY 2022-2023.

This report outlines compliance with requirements of the Companies Act, 2013, as amended (the 'Act'), the SEBI Listing Regulations and the Regulations of RBI for Non-Banking Financial Companies (the 'NBFC Regulations'), as applicable to the Company. As will be seen, the Company's corporate governance practices and disclosures are well beyond complying with the statutory and regulatory requirements stipulated in the applicable laws.

### Non-Applicability of provisions of Corporate Governance

We wish to inform that pursuant to Regulation 15(2) of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Listed Entity whose paid up share capital does not exceed Rupees Ten Crore and Net worth not exceeding Rupees Twenty-Five Crore respectively, as on the last day of the Previous Financial year, is not required to comply with the corporate governance provisions as specified in Regulations 17-27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Accordingly, your Company is exempted from complying with the provisions of Regulations 17-27 of Listing Regulations.

### Philosophy

For us, corporate governance is a reflection of principles entrenched in our values and policies and also embedded in our day-to-day business practices, leading to value driven growth. The commitment of Company to the highest standards of corporate governance predates the provisions of the SEBI Listing Regulations. Ethical dealings, transparency, fairness, disclosure and accountability are the main thrust of the working of the Company. The Company maintains the same tradition and commitment.

The Company is in compliance with the requirements stipulated by the SEBI and the RBI through various circulars, directions, master directions, notifications etc, from time to time.

### 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 meets 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.

**REPORT ON CORPORATE GOVERNANCE Contd.**

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, 2023, 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, 2023 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 2022-23 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, 2023, are given below:

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

Name of Director	Category	No. of Board Meetings during 2022-23		Whether attended the last AGM	No. of Directorships in other public companies	No. of committees Membership in other public Cos. Including Chairmanship	Share holding Held of Directors
		Held during tenure	Attended				
Ms. Beenu Aggarwal	Non-Executive Director	7	1	No	2	3	Nil
Mr. Sanyam Tuteja	Whole Time Director	7	7	Yes	-	-	Nil
Ms. Reena Gupta	Independent, Non-Executive	3	3	NA	1	1	Nil
Ms. Shobha Rustagi	Independent, Non-Executive	4	4	Yes	4		Nil
Mr. Manish	Independent, Non-Executive	7	7	Yes	-	-	Nil
Mr. Abhijeet Yashwant Nagrale	Independent, Non-Executive	2	2	NA	-	-	Nil

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

During the financial year 2022-23, Seven (7) Board Meetings were held on April 28, 2022, May 30, 2022, August 10, 2022, September 03, 2022, November 14, 2022, January 10, 2023 and March 06, 2023 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;

**REPORT ON CORPORATE GOVERNANCE Contd.**

- 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, if any;
- 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
- 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

**REPORT ON CORPORATE GOVERNANCE Contd.**

Act, 2013 and the listing agreement with the stock exchange, the Independent Directors met on February 11, 2022, 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, 2023.

**(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, 2023. 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 Risk Management 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

**REPORT ON CORPORATE GOVERNANCE Contd.**

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:**

As on March 31, 2023, the Audit Committee comprises of following three Members and two of them are Independent Directors:

1. Mr. Abhijeet Yashwant Nagrale–Chairperson (w.e.f. 06.03.2023)
2. Ms. Reena Gupta –Chairperson (up to 10.08.2022)
3. Ms. Shobha Rustagi –Member (w.e.f. 06.03.2023)
4. Mr. Manish –Member (up to 06.03.2023)
5. 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 2022-23, 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. Shobha Rustagi	2	2
Ms. Reena Gupta	2	2
Mr. Abhijeet Yashwant Nagrale	1	1
Mr. Manish	4	4
Ms. Beenu Agarwal	4	4

The Whole-Time 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 malpractices 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.

**REPORT ON CORPORATE GOVERNANCE Contd.**

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 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.

As on March 31, 2023, The Nomination & Remuneration Committee comprised of the following directors of the Company:

Name of Director	Designation	Whether Non-Executive/ Independent	Remarks
Mr. Manish	Chairperson	Independent	up to 06.03.2023
Mr. Abhijeet Yashwant Nagrale	Chairperson	Independent	w.e.f. 06.03.2023
Ms. Shobha Rustagi	Member	Independent	w.e.f. 10.08.2022
Ms. Reena Gupta	Member	Independent	up to 10.08.2022
Ms. Beenu Agarwal	Member	Non-Executive	-

During the financial year 2022-23, the Nomination & Remuneration Committee met three times, on 10th August, 2022, 14th November, 2022, 06th March, 2023.

The attendance of the members' of the Committee was as follows:-

## REPORT ON CORPORATE GOVERNANCE Contd.

Name of Director	No. of meetings held during tenure	No. of meetings attended
Ms. Shobha Rustagi	2	2
Ms. Reena Gupta	1	1
Mr. Abhijeet Yashwant Nagrale	-	-
Mr. Manish	3	3
Ms. Beenu Agarwal	3	3

**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/Wholetime 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 seventy 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 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.

**REPORT ON CORPORATE GOVERNANCE Contd.****(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 2022-23:**

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) (up to 06.03.2023)
- Mr. Abhijeet Yashwant Nagrale (Member) (w.e.f. 06.03.2023)

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.

One meeting of the Committee was held during the year on January 10, 2023. Details of Meeting have been given below.

Name of Director	No. of meetings held during tenure	No. of meetings attended
Ms. Beenu Agarwal	1	1
Mr. Manish	1	1
Mr. Abhijeet Yashwant Nagrale	-	-

**(d) Risk Management Committee (RMC):**

The Company has constituted Risk Management Committee in pursuance to the guidelines issued by the RBI through Scale Based Regulation which was applicable from October 01, 2022.

The Risk Management Committee has been constituted on November 14, 2022, at the Board level in order the



**REPORT ON CORPORATE GOVERNANCE Contd.**

Board is able to focus on risk management, The RMC shall be responsible for evaluating the overall risks faced by the NBFC including liquidity risk and will report to the Board, besides to assess the risk associated, mitigation of such risk and formulation and continuous supervision of Risk Management Plan for the Company.

As on March 31, 2023, The Risk Management Committee comprised of the following directors of the Company:

- Ms. Sanyam Tuteja (Chairman)
- Mr. Beenu Agarwal (Member)
- Mr. Abhijeet Yashwant Nagrale (Member)

One meeting of the Committee was held during the year on January 10, 2023. Details of Meeting have been given below.

Name of Director	No. of meetings held during tenure	No. of meetings attended
Ms. Beenu Agarwal	1	1
Mr. Sanyam Tuteja	1	1
Mr. Abhijeet Yashwant Nagrale	1	1

**Terms of Reference:**

1. To formulate a detailed risk management policy which shall include:
  - a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - c) Business Continuity Plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
7. To work in close coordination with Nomination and remuneration Committee (NRC) of the Company to achieve effective alignment between compensation and risks.

**Annual General Meetings**

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

Financial Year	Date	Time	Place
2019-20	27.09.2020	1:00 P.M.	Through VC/OVAM
2020-21	30.09.2021	5:00 P.M.	Through VC/OVAM
2021-22	30.09.2022	11:00 A.M.	B-42, Lower Ground Floor, Panchsheel Enclave, New Delhi - 110017

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

Financial Year	Special Resolution passed in the Annual General Meeting
2019-20	Nil
2020-21	Nil
2021-22	Nil

**REPORT ON CORPORATE GOVERNANCE Contd.**
**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, 2023 are as under:

S.No.	Name of the Director	No. of shares held
1	Ms. Beenu Agarwal	Nil
2	Mr. Manish	Nil
3	Mr. Abhijeet Yashwant Nagrale	Nil
4	Mr. Sanyam Tuteja	Nil
5	Ms. Reena Gupta	Nil
6	Ms. Shobha Rustagi	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/rptp.htm>

**Means of communication**

The 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 detailsof our business, financial information,

**REPORT ON CORPORATE GOVERNANCE Contd.**

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	Saturday, 30th September, 2023
Time	11:00 A.M.
Venue	Registered Office at B-42, Lower Ground Floor, Panchseel Enclave, New Delhi-110017

- Listing:**

Sl. No.	Name & address of stock exchanges
1	<b>The Calcutta Stock Exchange Ltd.</b> 7, Lyons Range, Kolkata – 700 001
2	<b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001

The Company has paid the Annual listing fee for the year 2023-24 to the Stock exchanges.

- Stock Code:**

- The Calcutta Stock Exchange Ltd, Kolkata : 11600
- 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](mailto:investor@masserv.com) | Website: [www.masserv.com](http://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.

**REPORT ON CORPORATE GOVERNANCE Contd.**

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, 2023**

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	4	1138528	37.95
Individuals	188	1489032	49.63
NRIs/OBCs	-	-	-
Others	1	115000	3.83
<b>Total Non-promoter holding</b>	<b>193</b>	<b>2742560</b>	<b>91.42</b>
<b>Total</b>	<b>194</b>	<b>30,00,000</b>	<b>100.00</b>

- (b) **Distribution of shareholding as on 31st March, 2023**

No. of Share held	Shareholders		Share Amount	
	Number	% to Total	In Rupees	% to Total
1 TO 5000	179	92.27	1,54,310	0.51
5001 TO 10000	-	-	-	-
10001 TO 20000	1	0.51	1,86,260	0.62
20001 TO 30000	1	0.51	2,10,000	0.70
30001 TO 40000	-	-	-	-
40001 TO 50000	-	-	-	-
50001 TO 100000	1	0.51	6,25,000	2.08
100001 AND ABOVE	12	6.20	2,88,24,430	96.18
<b>Total</b>	<b>194</b>	<b>100.00</b>	<b>3,00,00,000</b>	<b>100.00</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, 2023, 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.

- **Disclosure of certain Material Agreements binding the Company:**

As per clause 5A of Para A of Part A of Schedule III of the Listing Regulations, the Company has to disclose the salient features of all such agreements entered into by a stakeholder of the listed entity or of its holding, subsidiary or associate company inter-se or with the listed entity having an impact on the management or control of the listed entity, or imposing any restriction or liability on the listed entity shall require disclosure, if the same is not in the normal course of business. The details are also hosted at the website of the Company, can be viewed at: [www.aarshyam.in](http://www.aarshyam.in).

**REPORT ON CORPORATE GOVERNANCE Contd.**

Accordingly, the details are as mentioned below:

Total No. of Agreements	1
Agreement pursuant to	Share Purchase
Parties to the Agreement	K K Modi Investment and Financial Services Private Limited (outgoing promoter) and Guruomega Private Limited (Acquirer 1)
Salient Features of the Agreement	On March 27, 2023 the Acquirer 1 has entered into a Share Purchase Agreement (SPA) with the Outgoing Promoter for acquisition of an aggregate of 2,57,440 (Two Lakh Fifty Seven Thousand Four Hundred and Forty) Equity Shares, constituting 8.58% (Eight Point Five Eight Percent) of the Fully Paid Up Equity Share Capital of the Target Company at price of Rs. 15.00/- (Rupees Fifteen only) of the Company subject to satisfaction of conditions mentioned in the SPA. Pursuant to acquisition of the Equity Shares in terms of the SPA, the holding of the Acquirers in the Target Company would exceed the threshold limit prescribed under Regulation 3(1) of the SEBI (SAST) Regulations, accordingly, an open Offer is being made under Regulation 3(1) of the SEBI (SAST) Regulations. Further, in terms of the SPA and post successful completion of the Open Offer, the Acquirers will also acquire control over the Target Company, hence Offer is also being made under Regulation 4 of the SEBI (SAST) Regulations.

**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 Secretaries firm 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.

**REPORT ON CORPORATE GOVERNANCE Contd.**

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- **Outstanding GDR's/ADR's/Warrants etc.:** Not Applicable
- **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/-  
**Shobha Rustagi**  
**Director**  
**DIN : 03503850**

## 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, 2023, 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, 2023.
- 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**

sd/-

**Kundan Agrawal  
Company Secretary  
Membership No.:- 7631  
C.P. No. 8325  
UDIN: F007631E000775112**

**Place: Delhi**

**Date: 10/08/2023**

## REPORT ON CORPORATE GOVERNANCE Contd.

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To,

**The Members**

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

We have examined online the relevant registers, records, forms, returns and disclosures received from the Directors of **AAR SHYAM INDIA INVESTMENT COMPANY LIMITED** having CIN **L67120DL1983PLC015266** and having registered office at **B-42, Lower Ground Floor, Panchsheel Enclave, New Delhi-110017** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

SI No.	Name of Director	DIN	Date of Appointment in the Company
1.	Sanyam Tuteja	08139915	14/02/2019
2.	Beenu Aggarwal	00056062	10/02/1997
3.	Shobha Rustagi	03503850	10/08/2022
4.	Abhijeet Yashwant Nagrale	05244787	14/11/2022

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

sd/-

**Kundan Agrawal**  
**Company Secretary**  
**Membership No.:- 7631**  
**C.P. No. 8325**  
**UDIN: F007631E000801655**

**Place: Delhi**

**Date: 14/08/2023**



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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: 07/09/2023**

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

## REPORT ON CORPORATE GOVERNANCE Contd.

**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, 2023 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/-  
**Pushpa Joshi**  
Chief Financial Officer

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

Place: New Delhi  
Date: 19/05/2023

## INDEPENDENT AUDITOR'S REPORT

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

#### Report on the Audit of the Standalone Financial 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, 2023, 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, 2023, 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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:

**INDEPENDENT AUDITOR'S REPORT Contd.**

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 - 23094040BGTZRT1337**

**Place: New Delhi**  
**Date: 19.05.2023**

## INDEPENDENT AUDITOR'S REPORT Contd.

**“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 2023 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 2023, 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 - 23094040BGTZRT1337**

**Place: New Delhi**  
**Date: 19.05.2023**



## 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, 2023. We report that:

1. a) As per information and explanations given to us, the Company doesn't have Property Plant & Equipment 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 made investment and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided 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 but Receipt or Repayments are generally 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, during the year the company has provided loans or advances in nature of loans are repayable on demand and without specifying any terms or period of repayment as below:-
    - (a) Total loans or advances provided during the year: Rs. 209,00,000 /-  
 Aggregate amount of loans or advances repayable on demand and without specifying any terms or period of repayment: **209,00,000/-**  
 Percentage of Total loans or advances amount: **100%**
    - (b) Aggregate amount of loans and advances repayable on demand given to promoters and related party:  
**NIL**
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.

**INDEPENDENT AUDITOR'S REPORT Contd.**

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
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. 4,020/- 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 by 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 - 23094040BGTZRT1337**

**Place : New Delhi  
Date : 19.05.2023**

**AAR SHYAM INDIA INVESTMENT COMPANY LIMITED**
**Balance Sheet as at 31st March 2023**

		(Amount in `000)	
	Notes	as on 31.03.2023	as on 31.03.2022
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	2	1,522.44	4,198.65
Receivable			
(i) Trade Receivable		-	1,647.34
(ii) Receivable		-	-
Loans	3	34,020.65	16,850.63
Investments	4	7,712.60	21,092.59
<b>Non Financial Assets</b>			
Deferred Tax Assets		-	-
Property , Plant and Equipment		-	-
Other Non Financial Assets	5	1,727.25	1,501.76
<b>TOTAL</b>		<b>44,982.94</b>	<b>45,290.97</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Financial Liabilities</b>			
Payable		-	-
Borrowings	6	3,400.00	3,400.00
Other Financial liabilities	7	295.77	138.52
<b>Non Financial Liabilities</b>			
Provisions	8	176.52	76.88
Deferred Tax Liability (Net)			
<b>Equity</b>			
Equity share capital	9	30,000.00	30,000.00
Other equity	10	11,110.65	11,675.57
<b>Total Equity &amp; Liabilities</b>		<b>44,982.94</b>	<b>45,290.97</b>

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

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**

**Shobha Rustagi**  
**Director**  
**DIN No. 03503850**

**UDIN:23094040BGTZRT1337**  
**Place : New Delhi**  
**Date : 19/05/2023**

**Pushpa Joshi**  
**CFO**  
**PAN:ATSPJ0459K**

**Raunak Gupta**  
**Company Secretary**  
**PAN:BBPPG7187R**

**AAR SHYAM INDIA INVESTMENT COMPANY LIMITED**  
**Statement of Profit and loss for the year ended 31st March 2023**

Particulars	Notes	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>(Amount in `000)</b>			
<b>Income</b>			
Revenue From Operations			
-Interest Income		2190.05	1826.78
-Dividend Income		59.00	21.25
- Income from Shares	11	3,839.82	1,042.30
Other Income			
-Liability No Longer Required		8.68	0.00
<b>Total Income</b>		<b>6,097.55</b>	<b>2,890.34</b>
<b>Expenses:</b>			
Finance Cost	12	4.81	1.58
Cost of Material Consumed		-	-
Purchase of Stock In Trade		-	-
Changes In the Inventories		-	-
Employee Benefit Expenses	13	457.33	625.00
Depreciation & Amortization Expenses		-	-
Other Expenses	14	2,546.74	1,767.54
<b>Total Expenses</b>		<b>3,008.88</b>	<b>2,394.12</b>
Profit Before Exceptional Items and tax		3,088.67	496.22
Less:-Exceptional Items		-	-
<b>Profit/(Loss) Before Tax</b>		<b>3,088.67</b>	<b>496.22</b>
Tax Expense:			
Current tax		55.47	-
MAT Credit		-	-
<b>Profit/(Loss) for the period after tax</b>		<b>3,033.20</b>	<b>496.22</b>
<b>Other Comprehensive Income</b>			
A(I) Items that will not be reclassified to profit & loss		(3555.21)	4,983.23
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>(3555.21)</b>	<b>4,983.23</b>
<b>Total Comprehensive Income (A(I-II)+B(I-II))</b>		<b>(522.00)</b>	<b>5,479.45</b>
Earnings per equity share of Rs 10 each:			
(1) Basic		1.01	0.17
(2) Diluted		1.01	0.17

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**

**(CA Rakesh Gupta)**

**Partner**

**Membership No. 094040**

**UDIN:23094040BGTZRT1337**

**Place : New Delhi**

**Date : 19/05/2023**

**Sanyam Tuteja**

**Director**

**DIN No.08139915**

**Pushpa Joshi**

**CFO**

**PAN:ATSPJ0459K**

**Shobha Rustagi**

**Director**

**DIN No. 03503850**

**Raunak Gupta**

**Company Secretary**

**PAN:BBPPG7187R**

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

**AAR SHYAM INDIA INVESTMENT COMPANY LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023**

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
	(Rs.)	(Rs.)
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Profit after Tax	3,033.20	496.22
Add: Provision For Income Tax	55.47	-
Net profit before tax	3,088.67	496.22
adjustments for :		
Provision reversed for diminition of Investment	(3555.21)	4,983.23
Operating profit before working capital changes	(466.53)	5,479.45
Ajustments for :		
(Increase)/Decrease in Trade receivable	1647.34	(56.49)
(Increase)/Decrease in short Term Loan & Advances	(17170.03)	3286.03
(Increase)/Decrease in other current assets	(225.49)	(131.17)
Increase/(Decrease) in Trade and other payables	157.26	29.96
Increase/ (Decrease) in short term provisions	99.64	(520.53)
Cash generated from operations	(15957.81)	8,087.25
Direct taxes refund/(paid)	(55.47)	-
Provision For standard Asset (Created)/Reversed	(42.92)	8.22
<b>Net Cash flow Generated from Operating Activities (A)</b>	<b>(16056.20)</b>	<b>8,095.47</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
(Purchase)/Sale of investments	13,379.99	(5816.11)
<b>Net Cash Flow Generated from Investing Activities (B)</b>	<b>13,379.99</b>	<b>(5816.11)</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>(2676.21)</b>	<b>2,279.36</b>
Opening cash and cash equivalents	4,198.65	1,919.29
Closing cash and cash equivalents	1,522.44	4,198.65
<b>Cash &amp; Cash equivalents as stated in Balance Sheet</b>		
Cash in Hand	4.62	4.62
Cash at Bank	1,517.81	4,194.03
Cheque in hand	-	-
<b>Cash &amp; Cash equivalents as stated in Balance Sheet</b>	<b>1,522.44</b>	<b>4,198.65</b>

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

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

For STRG & Associates  
 Chartered Accountants  
 FRN : 014826N

(CA Rakesh Gupta)  
 Partner  
 Membership No. 094040

UDIN: 23094040BGTZRT1337  
 Place: New Delhi  
 Date: 19/05/2023

Sanyam Tuteja  
 Director  
 DIN No. 08139915

Pushpa Joshi  
 CFO  
 PAN:ATSPJ0459K

Shobha Rustagi  
 Director  
 DIN No. 03503850

Raunak Gupta  
 Company Secretary  
 PAN:BBPPG7187R

**AAR SHYAM INDIA INVESTMENT COMPANY LIMITED**  
**Statement of changes in equity for the year ended 31.03.2023**

(Amount in `000)

**Equity share capital**

**Current Reporting Period as on 31/03/2023**

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 31/03/2022**

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 31/03/2023**

(Amount in `000)

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>	(2810.55)	3,914.68	50.00	10,521.44	11,675.57
Changes in accounting policy/ Prior period errors	-	-	-	-	-
<b>Restated balance at the beginning of the current reporting Period</b>	(2810.55)	3,914.68	50.00	10,521.44	11675.57
Issue of share capital	-	-	-	-	-
Addition during the year	3,033.20	-	-	-	3,033.20
Revaluation gain	-	-	-	-	-
Transfer During the Year	(649.57)	606.64	-	(3555.21)	(3598.13)
<b>Balance at the end of the Current Reporting Period</b>	<b>(426.92)</b>	<b>4,521.32</b>	<b>50.00</b>	<b>6,966.24</b>	<b>11,110.65</b>

**Previous 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 previous reporting period</b>	(3215.74)	3815.44	50.00	5538.21	6187.91
Changes in accounting policy/ Prior period errors	-	-	-	-	-
<b>Restated balance at the beginning of the Previous Reporting Period</b>	(3215.74)	3815.44	50.00	5538.21	6187.91
Issue of share capital	-	-	-	-	-
Addition during the year	496.22	99.24	-	4983.23	5578.69
Revaluation gain	-	-	-	-	-
Transfer During the Year	(91.03)	-	-	-	(91.03)
<b>Balance at the end of the Previous Reporting Period</b>	<b>(2810.55)</b>	<b>3,914.68</b>	<b>50.00</b>	<b>10,521.44</b>	<b>11,675.57</b>

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

**2. Cash and cash equivalents**

	(Amount in `000)	
Particulars	As at 31 March 2023	As at 31 March 2022
Cash in hand	4.62	4.62
Balances with banks		
In current accounts	1517.81	4,194.03
Total	1522.44	4,198.65

**3. Loans**

	(Amount in `000)	
Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good Loans and Advances		
-to promoter	-	-
-to Directors	-	-
-to related parties	-	-
-to Others	34020.65	16,850.63
Total	34020.65	16,850.63

**4. Investments**

	As at 31 March 2023	As at 31 March 2022
<b>Investments - Other</b>		
<b>Quoted</b>		
Investment in Equity Shares Fully paid up	12.60	12,176.76
<b>Unquoted-</b>		
Investment in Preference Shares	7,700.00	7,700.00
<b>Fixed Deposit</b>		
with Union bank of India (earlier- Corporation Bank)	-	1,215.83
Total	7,712.60	21,092.59
Less : Provision For diminution in the value of investments	-	-
Total	7,712.60	21,092.59



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

Particulars	(Amount in `000)	
	As at 31.03.2023 Rs.	As at 31.03.2022 Rs.
Aggregate amount of quoted Investment	12.60	12,176.76
Aggregate amount of unquoted Investment	7,700.00	7,700.00
Aggregate amount of Fixed Deposit	-	1,215.83
<b>Total</b>	<b>7,712.60</b>	<b>21,092.59</b>
Market Value of quoted Investments	12.60	12,176.76

### 5. Other Non Financial Assets

Particulars	(Amount in `000)	
	As at 31 March 2023	As at 31 March 2022
Advance Tax	600.00	600.00
Advance for expenses	2.33	-
Input Gst	696.15	696.15
Rent Security	15.00	15.00
TDS Receivable & Refund	413.77	190.61
	<b>1727.25</b>	<b>1,501.76</b>

### 6. Borrowings

Particulars	(Amount in `000)	
	As at 31.03.2023 Rs.	As at 31.03.2022 Rs.
Unsecured:		
Loan from Body Corporates	3400.00	3,400.00
<b>Total</b>	<b>3400.00</b>	<b>3,400.00</b>

### 7. Other Financial Liabilities

Particulars	(Amount in `000)	
	As at 31 March 2023	As at 31 March 2022
<b>Expenses Payable</b>		
Professional Expenses	190.84	87.77
Telephone Expenses	2.71	-
Printing & Stationery Expenses	5.50	5.50
Rent	30.00	-
Salary	59.00	40.00
<b>Duties &amp; Taxes</b>		
TDS Payable	4.25	5.25
Imprest Account	3.48	-
<b>Total</b>	<b>295.77</b>	<b>138.52</b>

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

**8. Provisions**

Particulars	(Amount in `000)	
	As at 31 March 2023	As at 31 March 2022
Provision for Income tax	55.47	-
Provision Against Standard Assets	85.05	42.13
Audit fees	36.00	34.75
<b>Total</b>	<b>176.52</b>	<b>76.88</b>

**9. Equity Share Capital**

Particulars	(Amount in `000)			
	As at 31st March 2023		As at 31st March 2022	
	Number	Amount	Number	Amount
<b>Authorised Capital</b>				
Equity Shares of Rs. 10/- each	35,00,000	35,000.00	35,00,000	35,000.00
	35,00,000	35,000.00	35,00,000	35,000.00
<b>Issued, Subscribed &amp; Paid up Capital</b>				
Equity Shares of Rs.10/- each	30,00,000	30,000.00	30,00,000	30,000.00
<b>Total</b>	<b>30,00,000</b>	<b>30,000.00</b>	<b>30,00,000</b>	<b>30,000.00</b>

(i)	Particulars	As at 31 March 2023	As at 31 March 2022
	<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	30,00,000	30,00,000
	Add: Shares issued during the year	-	-
	<b>Balance at the end of the year</b>	<b>30,00,000</b>	<b>30,00,000</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	30,000.00	30,000.00
	Add: Share Capital issued during the year	-	-
	<b>Balance at the end of the year</b>	<b>30,000.00</b>	<b>30,000.00</b>

(i) The details of shareholders holding more than 5% shares as at March 31, 2023 and March 31, 2022 are set out below

**Equity Shareholders**

Name of Shareholder	As at 31 March 2023		As at 31 March 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
C N FLOUR MILLS PRIVATE LIMITED	-	0.00	200000	6.67
KRORES CARDS PRIVATE LIMITED	746000	24.87	-	0.00
RAJU KAMBLE	354000	11.80	-	0.00
HARSHADA PRASHANT JOSHI	175000	5.83	-	0.00
0	0	0.00	0	0.00
PERFECT OCTAVE PRIVATE LIMITED	250000	8.33	-	0.00
PLUS CORPORATE VENTURES PRIVATE LIMITED	-	0.00	350000	11.67
RAKESH KUMAR BANSAL	-	0.00	562503	18.75
RAJENDRA GANPAT SAGWEKAR	192503	6.42	-	0.00
SUNIL ASHOK KHILLARE	200000	6.67	-	0.00
SHREYANS LOGISTICS PRIVATE LIMITED	-	0.00	350000	11.67
SUPRIYO BANDYOPADHYAY	-	0.00	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 as at March 31, 2023 and March 31, 2022 are set out below

Name of Promoters	As at 31 March 2023		As at 31 March 2022		% 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.

## 10. Other Equity

(Amount in `000)

Particluars	As at 31 March 2023	As at 31 March 2022
<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	3914.68	3,815.44
(+) Current Year Transfer	606.64	99.24
Closing Balance	<b>4521.32</b>	<b>3,914.68</b>
<b>Surplus</b>		
Opening balance	(2810.55)	(3215.74)
Add: Net Profit/(Net Loss) For the current year	3033.20	496.22
Less: Transfer to Statutory Reserves	606.64	99.24
Less: Provision for Standard Assets	42.92	(8.22)
Closing Balance	<b>(426.92)</b>	<b>(2810.55)</b>
<b>Other Comprehensive Income</b>		
At the beginning of Accounting Period	10521.44	5,538.21
Addition during the year	(3555.21)	4,983.23
At the end of Accounting Period	<b>6966.24</b>	<b>10,521.44</b>
	<b>11110.65</b>	<b>11,675.57</b>

## 11. Income from Shares

Particluars	As at 31 March 2023	As at 31 March 2022
-Long Term Gain on Sale of Shares	2,774.61	1,042.30
-Profit & Loss on Intraday share trading	0.46	-
-Short Term Gain on Sale of Shares	1,064.75	-
<b>Total</b>	<b>3839.82</b>	<b>1042.30</b>

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

<b>12. Finance Cost</b>		(Amount in `000)	
Particulars	As at 31 March 2023	As at 31 March 2022	
Bank Charges	4.81	1.58	
<b>Total</b>	<b>4.81</b>	<b>1.58</b>	

**13. Employee Benefit Expenses**

Particulars	As at 31 March 2023	As at 31 March 2022	
Director Remuneration	24.00	-	
Salary & Bonus	433.33	615.00	
Staff Welfare Expenses	-	10.00	
<b>Total</b>	<b>457.33</b>	<b>625.00</b>	

**14. Other expenses**

Particulars	As at 31 March 2023	As at 31 March 2022	
Advertisement Expenses	22.40	30.21	
TDS written off	-	214.15	
Annual Fee - Credit Rating Agencies	18.57	15.00	
<b>Auditors Remuneration :-</b>			
Statutory Audit Fees	40.00	40.00	
Others	35.00	12.50	
Annual Listing Fees	300.00	300.00	
Broker Expenses	7.03	2.39	
Depository Charges	18.00	18.00	
MTM FO & DO Credit	1696.17	475.07	
Interest on Tds	-	0.76	
Misc Expenses	0.09	0.28	
Conveyance Charges	1.72	-	
Short Term Loss on Sale of Shares	-	133.28	
Professional Charges	84.34	208.66	
Printing & Stationery Expenses	5.50	5.51	
ROC expenses	3.60	15.00	
Rent	180.00	180.00	
Server Expenses	4.20	4.00	
short & excess	0.56	-	
STT	18.26	-	
Telephone Expenses	14.60	10.59	
Interest on Income Tax	-	15.74	
GST Expense	90.80	85.48	
Interest on GST Input Credit	-	0.91	
Prior Period Expenses	5.90	-	
<b>Total</b>	<b>2546.74</b>	<b>1,767.54</b>	

For STRG & Associates  
 Chartered Accountants  
 FRN : 014826N

(CA Rakesh Gupta)  
 Partner  
 Membership No. 094040

UDIN:23094040BGTZRT1337  
 Place : New Delhi  
 Date : 19/05/2023

Sanyam Tuteja  
 Director  
 DIN No.08139915

Pushpa Joshi  
 CFO  
 PAN: ATSPJ0459K

Shobha Rustagi  
 Director  
 DIN No. 03503850

Raunak Gupta  
 Company Secretary  
 PAN:BBPPG7187R

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

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

**15. Disclosure of Financial Ratios**

S. No.			As at 31 March 2023		As at 31 March 2022		% of Holding
			No. of Shares held		% of Holding	No. of Shares held	
1	Capital to risk- weighted assets ratio(CRAR)	Tier 1+ Tier 2	41,110.65	1.14	41,675.57	2.00	-43%
		Risk Weighted Assets	36,051.47		20,838.54		
2	Tier I CRAR	Tier 1 Capital	34,094.41	0.95	31,104.13	1.49	-37%
		Risk Weighted Assets	36,051.47		20,838.54		
3	Tier II CRAR	Tier 2 Capital	7,016.24	0.19	10,571.44	0.51	-62%
		Risk Weighted Assets	36,051.47		20,838.54		
4	Liquidity Coverage ratio	High quality liquid asset amount (HQLA)	1,522.44	-0.57	4,198.65	1.84	-131%
		Total net cash flow amount	-2,676.21		2,279.36		

\* Tier 1 capital includes shareholders' equity and retained earnings.

Tier 2 capital includes revaluation reserves, hybrid capital instruments and subordinated term debt, general loan-loss reserves, and undisclosed reserves.

Risk-weighted assets includes the loans and other assets of a bank, weighted (that is, multiplied by a percentage factor)

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

- I.** 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.
- II. Basis of preparation of financial statements:**  
The financial statements for the year ended 31.03.2023 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 31.03.2022.
- III. 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.
- IV. 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.
- V. Property Plant & Equipment and Depreciation**  
There are no fixed assets in the company so no deprecation has been provided in the Books of accounts.
- VI. 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.
- VII. Inventories**  
The Company does not have any kind of inventory during the year.
- VIII. Loans & Advances**  
Loans and Advances are classified in accordance with IRAC norms issued by RBI.
- IX. Dividend**  
No dividend has been paid or declared by the company during the year.
- X. Cash and cash equivalents**  
Cash and cash equivalents for the purposes of cash flow statement comprise cash in hand and cash at bank
- XI. 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 provision in Non-Financial Liabilities.  
There are no Sub-standard assets.
- XII.** Unless specifically stated to be otherwise, these policies are consistently followed.

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

	AS AT 31.03.2023 (Rs. In Lakhs)	AS AT 31.03.2022 (Rs. In Lakhs)
16. <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
17. <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
18. Value of Imports on CIF Basis	NIL	NIL
19. Earning in Foreign Currency	NIL	NIL
20. Expenditure in Foreign Currency	NIL	NIL
21. 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.		
22. The Balances, as appearing in the Balance Sheet under the heads 'Borrowing' on the Liabilities side of the Balance Sheet are subject to confirmation from parties.		
23. 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.		
24. 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 Ind AS-108 on segment reporting issued by ICAI.		
25. Auditors' remuneration Auditors' remuneration is as follows: (Excluding Taxes)		

(Amount in '000)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Statutory Audit Fees	40.00	40.00
Other	35.00	12.50

26. **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 & Resigned on 06.03.2023)

Princy Anand (CS appointed on 14.02.2017 & resigned on 25.04.2023)

Pushpa Joshi (CFO appointed on 06.03.2023)

Raunak Gupta (CS appointed on 26.04.2023)

**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 Resigned on 06.03.2023)

Shobha Rustagi (appointed on 10.08.2022)

Abhijeet Yashwant Nagrale (appointed on 14.11.2022)

**(b) Related Party Transactions**

(Amount in '000)

<b>Particulars</b>			
<b>Name of Party</b>	<b>Particulars</b>	<b>As on 31.03.2023</b>	<b>As on 31.03.2022</b>
Abhay Nath Jha	Salary	240.00	240.00
Princy Anand	Salary	180.00	180.00
Shobha Rustagi	Salary	24.00	-

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

(Amount in '000)

<b>Particulars</b>			
<b>Name of Party</b>	<b>Particulars</b>	<b>As on 31.03.2023</b>	<b>As on 31.03.2022</b>
Abhay Nath Jha	Salary	-	20.00
Princy Anand	Salary	15.00	15.00
Shobha Rustagi	Salary	24.00	-

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

(Amount in '000 except EPS)

	<b>Year Ended 31.03.2023</b>	<b>Year Ended 31.03.2022</b>
Profit attributable to the Equity Shareholders – (A)	3033.20	496.22
Basic/ Weighted average number of Equity Shares outstanding during the year (B)	3,000,000	3,000,000
Nominal value of Equity Shares (Rs)	10	10
Basic/Diluted Earnings per share (Rs) – (A)/(B)	1.01	0.17

28. Figures for the previous year have been regrouped or rearranged wherever necessary.







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

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

(Amount in '000)

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	-	340.20	340.20	-	168.50	168.50
Total	-	340.20	340.20	-	168.50	168.50

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

(Amount in '000)

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	77.13	77.13	198.76	198.76

(7) Other Information

(Amount in '000)

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.

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

(8) Loans to Directors, Seniors Officers and relatives of Directors

	Current Year	Previous Year
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

(9) Related Party Disclosure

Related Party	Parent (as per ownership or control)	Subsidiaries	Associates/ Joint ventures	KMP	Relatives of KPM	Others	Total
Borrowings	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-
Purchase of fixed / other assets	-	-	-	-	-	-	-
Sale of fixed /other assets	-	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	-	-
Remuneration	-			217.33	-	-	217.33

For and on behalf of the Board of Directors of

**M/s AAR Shyam India Investment Company Limited**

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

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

**UDIN: 23094040BGTZRT1337**  
**Place: New Delhi**  
**Date: 19/05/2023**

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

**Pushpa Joshi**  
**CFO**  
**PAN: ATSPJ0459K**

**Shobha Rustagi**  
**Director**  
**DIN 03503850**

**Raunak Gupta**  
**Company Secretary**  
**PAN: BBPPG7187R**