SICOM LIMITED

STAYING ROOTED....
creating value with trust.

55th Annual Report 2020-21

CONTENTS

Board of Directors	Dr. Nitin Jawale, Managing Director (w.e.f. July 01, 2021) Shri Baldev Singh (w.e.f. February 04, 2021) Dr. Harshadeep Kamble Dr. P Anabalagan Shri Rahul Gupta Shri. Rajib Sekhar Sahoo Shri. Vishal Vithal Kamat
Statutory auditors	M/s. Haribhakti & Co. LLP
Internal Auditors	M/s B K Khare & Co, Chartered Accountant
Secretarial Auditors	M/s Ragini Chokshi & Co., Company Secretaries
Registered Office	7th Floor, Building No 4, Solitaire Corporate Park, Guru Hargovindji Road, Chakala, Andheri (East), Mumbai- 400093
Regional Offices	3rd Floor, Udyog Bhavan, Civil Lines, Nagpur – 440001
New Delhi Office	2-B, Vandhna Building, Second Floor, 11, Tolstoy Marg, New Delhi- 110001
Registrar & Share Transfer Agents	Link Intime (India) Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai- 400083.

SICOM LIMITED

MANAGING DIRECTOR'S STATEMENT
55th ANNUAL GENERAL MEETING

Dear Shareholders,

I welcome you all to the 55th Annual General Meeting of your Company.

The Directors' report, Auditors Report and Audited Accounts with the notes thereon for the year 2020-21 have been circulated to you. With your consent I shall take them as read.

As you are aware, the focus of your company over the last couple of years has been on recovery from its delinquent loans and investments so as to clean up its books and improve its overall financial position and at the same time moving towards compliance of the important regulatory norms.

The recoveries from Loans and investments have been utilized by the Company for repayment of the outstanding liabilities from State PSUs. During the year, the PSU Deposits have been reduced from about Rs.855 crs as of March 31, 2020 to about Rs.522 crs as of March 31,2021. The PSU Deposits have been reduced further during the current financial year to Rs.470 crs as of November 1,2021. The Company has also so far been regular and punctual in payment of interest on the outstanding PSU deposits as per the contracted terms.

Highlights of performance:

I am pleased to report that towards the above ends, during the financial year 2020-21,your Company has, in addition to recovery of substantial amounts from the delinquent accounts also increased the provision coverage ratio to 90.04% as of March 31,2021 from 84.11% as of March

31,2020. As a result, the Net NPAs reduced from Rs.239.62 crs as of March 31,2020 to Rs.145.94 crs as of March 31,2021,a reduction of 39%

In the absence of fresh lending and due to the other reasons as given below, the Risk weighted assets of the Company reduced from Rs.1,069.78 crs as of March 31,2020 to Rs.730.66 crs i.e reduction of about 32%.

The reduction in Risk Weighted Assets was due to a combination of (a) Reduction in investments as a result of redemption/ sale of some of the investments and incremental impairment on the outstanding investments and (b) Recoveries from NPAs loan accounts and incremental provisions on the outstanding NPA Loan Accounts.

I wish to highlight that recoveries from NPA Loan Accounts during the year resulted in reversal of excess provisions made towards the loans aggregating Rs.47.74 Crs. Further, in respect of some of the NPA loan accounts, the Company could recover the entire principal outstanding as well as part of the overdue interest.

However, the incremental provisions on the outstanding stock of NPA Loan Accounts / Investments, in terms of the relevant RBI Guidelines / Accounting standards, resulted in erosion of the Regulatory Capital which reduced from Rs.191.48 crs as of March 31,2020 to Rs.48.48 crs as of March 31,2021. Therefore, in spite of 32% reduction in the Risk Weighted Assets, the Capital Adequacy Ratio of the Company stood at 6.08% as of March 31,2021 (below the stipulated minimum of 15% in terms of the RBI guidelines) vis-à-vis 18.02% as of March 31,2020.

The Net worth of the Company as of March 31,2021 stood at Rs.383.70 crs.

Outlook for 2020-21:

As I have stated earlier, the efforts of the management of your Company during the current year shall continue to focus on recovery from the delinquent accounts. Your Company would strive to recover from the delinquent loans, amounts higher than the carrying value of the loans in its books, resulting in reversal of excess provision held and improvement in its Regulatory Capital, reduction in its leverage and overall compliance of the RBI regulations.

In addition to the recovery from the delinquent accounts, the Company would also continue its efforts on increasing fee based income by expanding its advisory business and actively seeking opportunities to work hand in hand with various Departments of the Government of Maharashtra, thereby furthering the objectives and policies of the Government of Maharashtra.

I am immensely grateful to the Government of Maharashtra, the Reserve Bank of India and the Bankers to the Company, all shareholders, the Board of Directors and our esteemed lenders viz. MIDC, MHADA, SRA, MKVDC, MTDC and MVRPL and the employees of your Company for their unstinted support to your company.

Best Regards,

Dr. Nitin Jawale
Managing Director

Directors' Report

To
The Members
SICOM Limited

The Directors present the 55th Annual Report of the Company and Audited Financial Statements for the Financial Year ended March 31, 2021.

1. FINANCIAL RESULTS

The highlights of the audited (IND-AS) financial results of the Company on standalone and consolidated basis for the year under review vis-à-vis the audited (IND-AS) financial results for the previous financial year are given below:

(Rs. in crores)

	Standalone		Consolidated	
	2020-21	**2019-20**	**2020-21**	**2019-20**
Total Income	61.84	143.36	61.97	144.33
Profit/ (Loss) before taxation	(125.02)	2.99	(108.91)	(21.56)
Less : Provision for taxation	0.00	0.00	0.45	3.12
Deferred Tax (Credit)	(10.60)	17.50	(10.67)	17.39
Profit / (Loss) for the year from continuing operations	(114.41)	(14.50)	(98.69)	(42.07)
Profit/(loss) from discontinued operations (after tax)	NIL	NIL	NIL	NIL
Profit /(loss) for the period	(110.25)	(18.67)	(94.53)	(47.35)
Other comprehensive income	17.74	(0.44)	17.74	(0.45)
Total comprehensive income	(92.51)	(19.11)	(76.79)	(47.80)
Opening Balance of surplus	(109.72)	(91.05)	(53.28)	(5.92)
Transfer to Reserve under RBI Act, 1934	NIL	NIL	NIL	NIL
Equity Dividend	NIL	NIL	NIL	NIL
Equity Dividend Tax	NIL	NIL	NIL	NIL
Balance carried to Balance Sheet	(110.25)	(18.67)	(94.53)	(47.36)

Financial performance:

Standalone performance of SICOM LTD:

During the year under review, the Company reported Loss after Tax of Rs.110.25 crores vis-à-vis loss after tax of Rs.18.67 crores reported last year. The Loss during the year was primarily on account of incremental provision of about Rs.112 crs made during the year on the delinquent loans and investments.

Consolidated performance of SICOM LTD.

The Total Income of SICOM Ltd and its subsidiaries upon consolidation stood at Rs. 61.97 crores and the consolidated Loss After Tax for the year under review from continuing operations stood at Rs.76.79 crores vis-à-vis Loss after tax of Rs.47.8 crores reported last year.

Details of the performance of various subsidiaries on standalone basis, for the year under review, is given below in para 4.

State of Company's affairs and future outlook:

The focus of attention of the Company during the period under review has been to clean its books of the delinquent accounts through recoveries and incremental provisions and deleveraging the balance sheet.

During the year, the Government of Maharashtra issued a Government Resolution dated October 29,2020, whereby the State PSUs were permitted to renew the outstanding deposits placed by them with the Company for a further period of one year.

Out of the outstanding deposits of Rs. 567 crs as of October 30, 2020 deposits aggregating Rs. 23 crs were repaid by the Company on the respective due dates and deposits aggregating about Rs. 324 crs were renewed by the State PSUs for further period of 1 year from the respective due dates. However, two PSUs did not renew their deposits aggregating Rs. 220 crs. The Company did not have adequate resources to repay the deposits and as a result, the Company defaulted in repayment of the deposits. Out of the said deposits of Rs. 220 crs, the Company has so far arranged for repayment of Rs. 74.50 crs to one of the PSUs. Thus, the outstanding PSU Deposits as of November 1, 2021 stood at about Rs. 470 crs.

The Company would seek renewal of the outstanding PSU deposits for further suitable period by making representations at the appropriate level in the Government of Maharashtra and in the meantime, utilize the recoveries from loans and advances to repay the outstanding PSU deposits with a view to reduce the overall liabilities.

The Company has also been able to reduce the Net NPAs from Rs.239.67 crores as of March 31, 2020 to Rs.145.94 crores as of March 31, 2021. Further, the provision coverage ratio of the Company as of March 31, 2021 stood at 90.04% (IND-AS) vis-à-vis 84.11% as of March 31, 2020 (IND-AS).

The Company is also striving to become a fully compliant organisation in terms of the guidelines of RBI as applicable to systemically important non deposit taking Non-Banking Financial Companies.

Dividend

Due to unavailability of distributable surplus, no dividend is proposed for the financial year 2020-21.

Appropriations

Due to unavailability of distributable surplus, no amount is transferred to General Reserves in FY21.

Material changes and commitments, if any, affecting the financial position of the Company

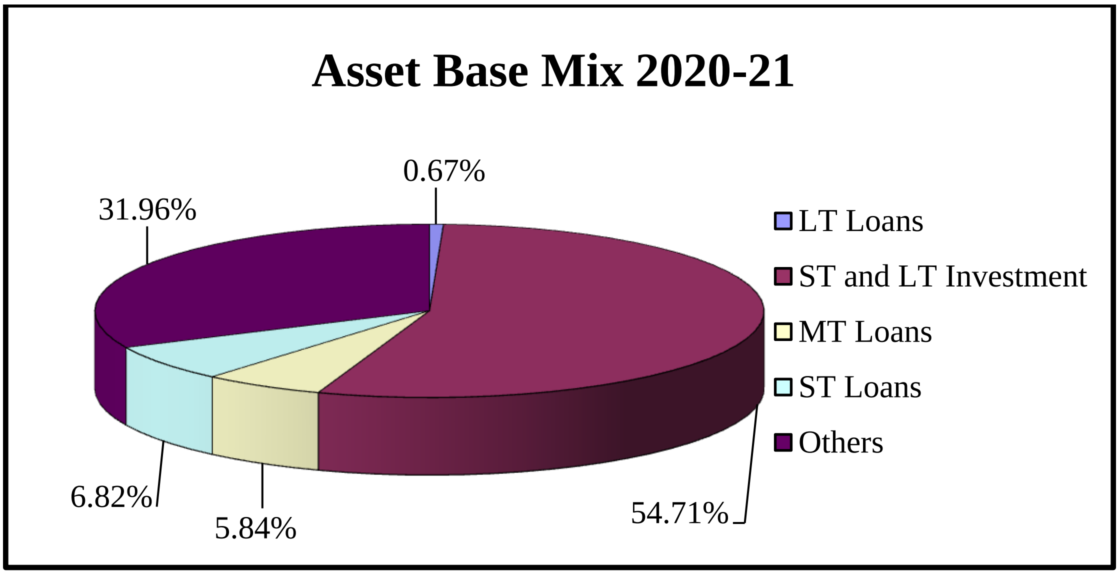
There are no material changes and commitments other than those mentioned in this Report, affecting the financial position of the Company for the financial year 2020-21.

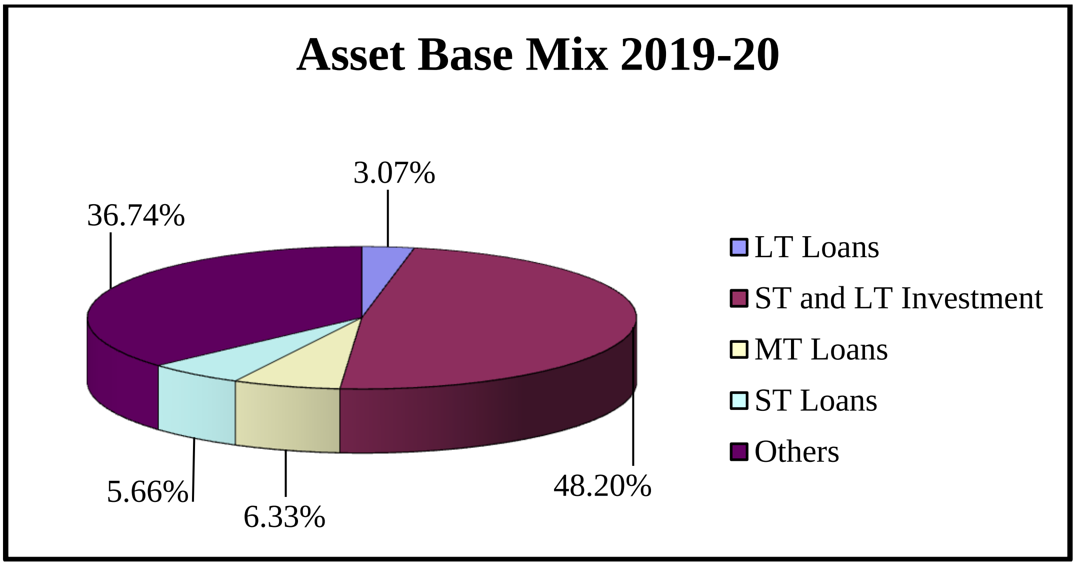
2 OPERATIONS:

2.1.1 Sanctions and Disbursements for the year were nil.

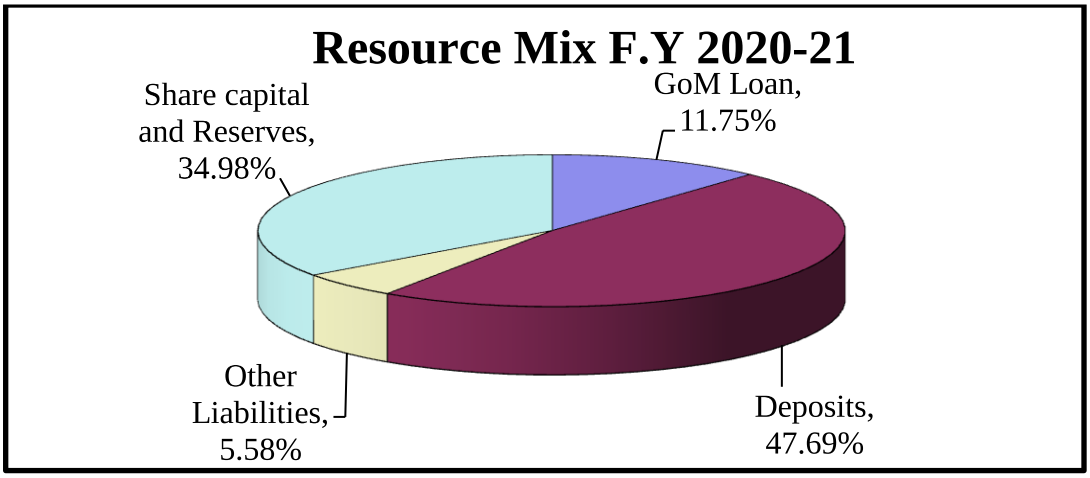
Though RBI granted permission to the Company in June 2020, to restart its lending activity to the extent of position of loans and advances as of March 31, 2018, the Company could not commence its lending activity due to inadequacy of regulatory capital. The Company continued to focus on recovery from its delinquent accounts with a view to clean its books during the period under review.

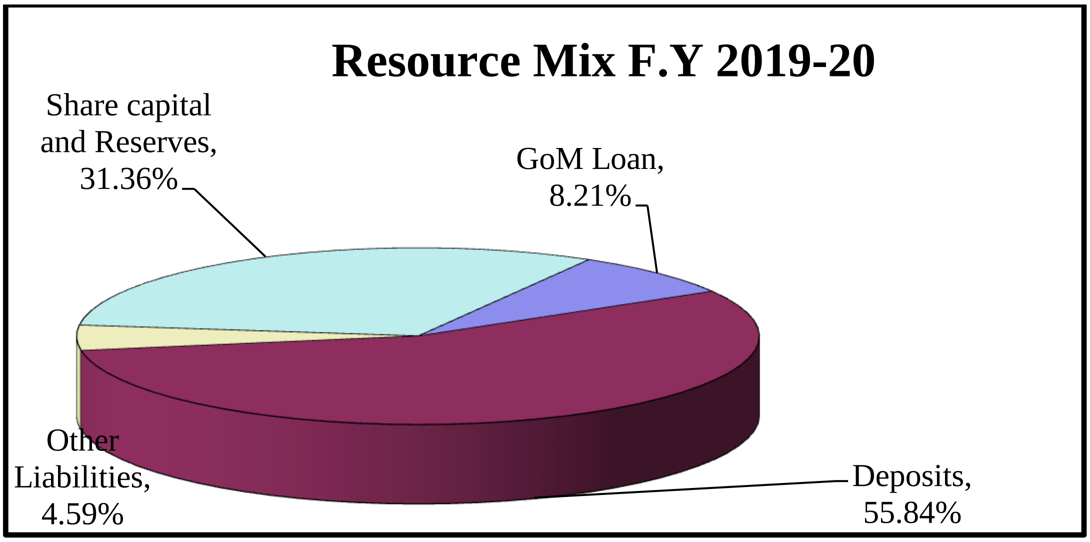
2.1.2 The Asset base of the Company stood at Rs.1096.78 crores as of March 31, 2021 as against Rs.1531.60 crores as of March 31, 2020. Further, as of March 31, 2021, Short term advances accounted for 6.82% of the asset base, Long Term Loans, Medium Term Loans, Investments and other assets constituted 0.67%, 5.84%, 54.71% and 31.96% of the asset base respectively.



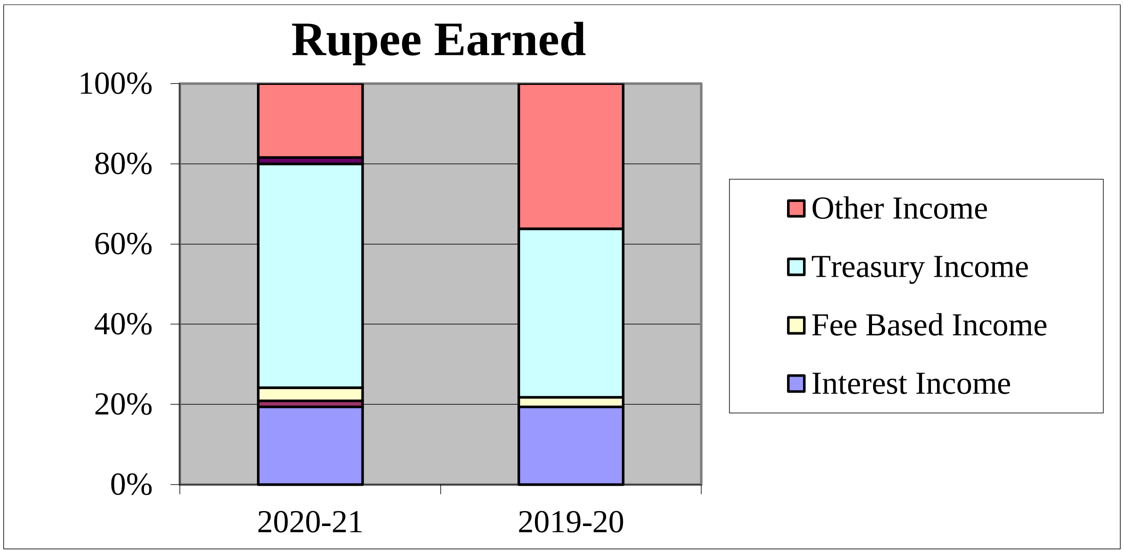


2.1.3 As of March 31, 2021, the resource mix comprised of Corporate/ PSU deposits (47.69%), Loan from Government of Maharashtra (11.75%), Share Capital and Reserves (34.98%) and others (5.58%).

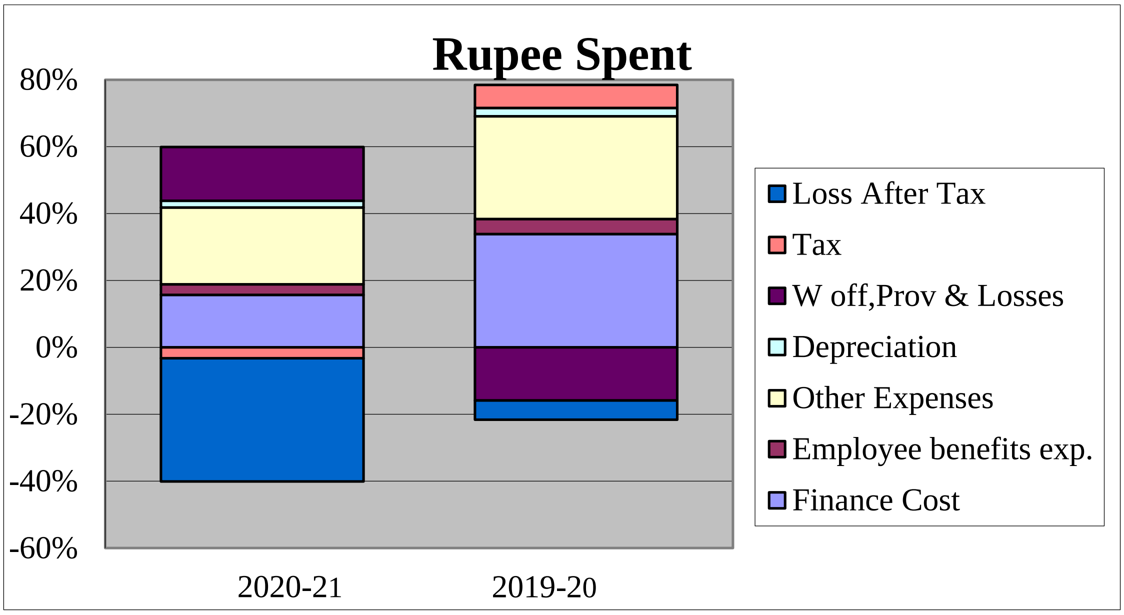




2.1.4 The major components of total income in FY 20-21 were (i) Interest income on various loan products (19.97%) and (ii) Income from Treasury Operations (57.63%). The Balance income comprised of fee based income (3.36%) and other income by way of rent and other (12.01%) and Net gain on fair value changes (7.03%).



2.1.5 The major components of Expenses as a percentage of total income were (i) Financial expenses (78.97%) (ii) Provisions on loans (81.03%) (iii) Employee benefit expenses (16.25%)



2.6 Recovery**:**

The Company continues to focus on recoveries from stressed assets. The provisions of the Insolvency and Bankruptcy Code, RDDB Act, SARFAESI Act and the SFCs Act, sale of NPAs, One Time Settlements are being effectively used to achieve better recovery performance.

2.7 **Non Performing Assets (NPAs) & Capital Adequacy:**

2.7.1 As at the end of the year under review, the net NPAs (net of Write-off and provisions) stood at Rs. 145.94 crores vis- a-vis Rs. 239.62 crores as at the end of the previous year.

The Company has already initiated steps for recovery of its dues from the NPA accounts and is in compliance with the relevant IND-AS Accounting standards as regards provisions on NPAs. The Provision Coverage Ratio stood at 90.04 % as of March 31, 2021.

2.7.2 The following table provides the classification of the total loan assets of the Company broken down as per the asset classification guidelines laid down by RBI.

(Rs. in crores)

	March 31, 2021		**March 31, 2020**	
	Amount	% of Total	Amount	% of Total
Stage 1	0.21	0.01%	24.73	1.62%
Stage 2	0.00	0.00%	0.00	0.00%
Stage 3	1465.67	99.99%	1508.70	98.38%
Total Loan assets	1465.88	100%	1533.43	100.00%

Staging Criteria:

Stage 1: Standard Advances and 0 to 30 DPD (Days Past Due)

Stage 2: 31 to 90 DPD (Days Past Due)

Stage 3: > 90 DPD(Days Past Due)

2.7.3 The following table provides details of Net NPAs of the Company for the last two year:-

(Rs in crores)

Particulars	**March 31, 2021 (IND-AS)**	**March 31, 2020 (IND-AS)**
Net principal outstanding of non-performing loans *	145.94	239.62
Total loan assets **	145.94	263.72
% of net non-performing loans to total loan assets	100%	90.88%
Total Asset base***	1096.78	1531.60
% of net non-performing loans to total assets	13.31%	15.65%

* Represents Gross Principal of Non-Performing Loans less cumulative provisions and write-offs.

** Total loan assets include outstanding long term loans, short term loans, corporate loans, bills of exchange discounted; inter corporate deposits, net of cumulative provisions and write-offs.

*** Total Asset base includes all the assets net of write-offs and cumulative provisions.

2.7.4 The Capital to Risk Weighted Assets ratio (CRAR) of the Company stood at 6.08% as on March 31, 2021 vis-à-vis the Regulatory requirement of minimum of 15%.

The following table provides details of the Tier I Capital and Tier II Capital and Risk Weighted assets of the Company for the last two years.

(Rs in crores)

	March 31, 2021		**March 31, 2020**	
	Amount	**% of risk Weighted assets**	**Amount**	**% of risk Weighted assets**
Tier I Capital	24.24	3.04%	135.30	12.71%
Tier II Capital	24.24	3.04%	56.49	5.31%
Total Capital	**48.48**	**6.08%**	**191.79**	**18.02%**
Risk weighted assets	730.66		1069.78	

2.8. Financial Services and Advisory Business:

The Company continues to provide advisory services to private sector corporates and undertakes appraisal of manufacturing projects in Maharashtra as per the Package Scheme of Incentives of the Government of Maharashtra. In the year under review, the Company has extended appraisal services to number of corporates in large and SME sector for their mega/other projects in Maharashtra spanning a wide spectrum of industrial segments as automobile & automotive components, chemicals, metals, consumer durable, etc.

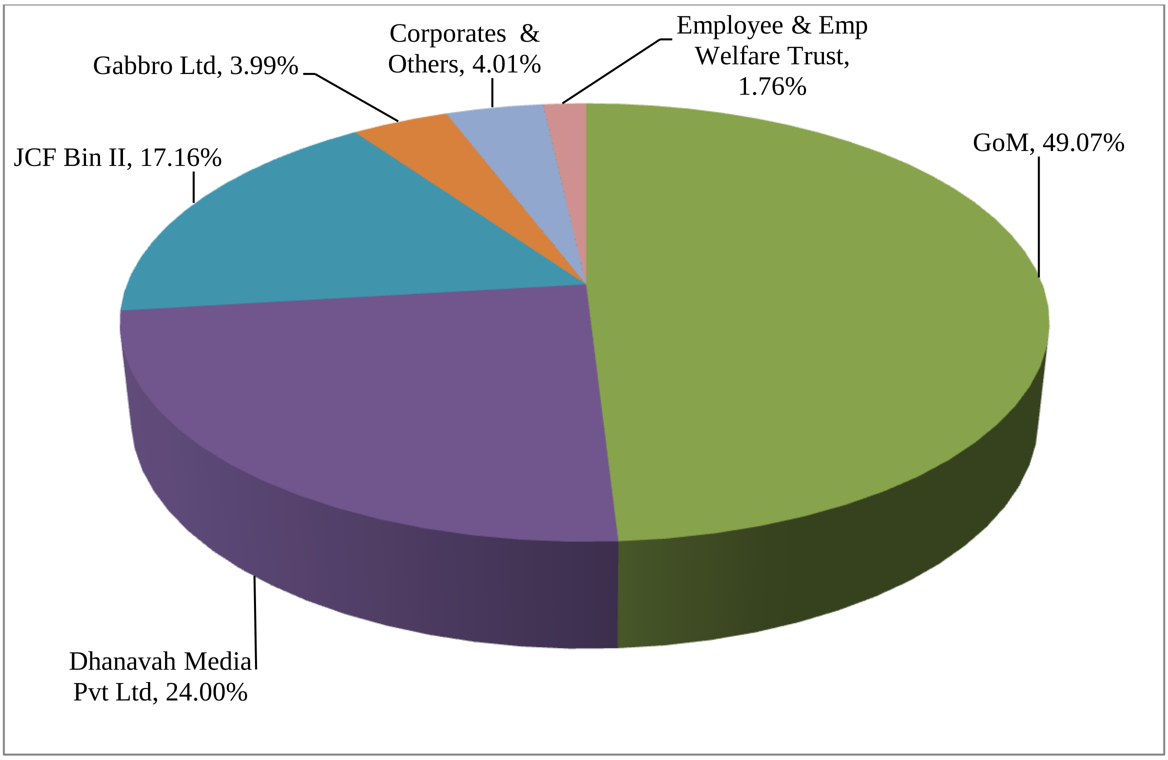
The Company also continues to undertake financial appraisal of projects under the Industrial Cluster Development Programme of the Government of Maharashtra, which promotes industrial clusters in the underdeveloped regions of Maharashtra for the balanced development of the State. The Company also continues to undertake appraisal of investments in textile projects under capital subsidy scheme of the State Textile Policy.

The Company also continues to provide advisory services to the Government of Maharashtra in respect of disinvestment of government investment /assets, covering inter alia, assistance for bid documentation and bid process management.

The Company also extended services to the Maharashtra Industry, Trade and Investment (MAITRI) facilitation cell set-up by the Government of Maharashtra for promotion of various schemes of the state to facilitate the Investments in Maharashtra. The activities included assistance for promotion of the Government schemes and initiatives including Chief Minister Employment Generation Programme (CMEGP), Skills development initiatives under Entrepreneurship Development Program (EDP), SC/ST entrepreneurship incentive scheme, Women Entrepreneurs Policy, Maharashtra Export Promotion Council, Maharashtra MSME Policy, Handicraft and Handloom promotion activities, etc. In addition, the Company also assisted MAITRI for providing guidance to the industry during the pandemic Covid-19 to facilitate its operations.

3. SHARE HOLDING:

The shareholding pattern of the Company as of March 31,2021 is depicted below:



During the year under review, the Company has not issued any shares or any convertible instruments.

3.1 Changes in share capital, if any

During the Financial Year 2020-21, there was no change in share capital of the Company.

3.1.1 Disclosure regarding issue of equity shares with differential rights, issue of employee stock options and issue of sweat equity shares:

The Company has not issued any equity shares with differential rights, employee stock options and sweat equity shares.

4. SUBSIDIARIES AND ASSOCIATES:

During the year, no new subsidiaries were formed nor any existing subsidiaries ceased to be subsidiaries of the Company.

In accordance with Section 129 of the Companies Act, 2013, a Statement containing salient features of the financial statement of its subsidiaries has been attached to financial statement of the Company in the prescribed Form AOC 1.

4.1 SICOM INVESTMENTS & FINANCE LTD. (SIFL)

SIFL was engaged in providing Mezzanine Debt & Special Situation Finance (a niche product) mainly to the SME Sector.

As per the Audited Accounts (IND AS) for the year ended March 31, 2021, SIFL has reported total income of Rs.0.00 crores and Net Loss After Tax of Rs.23.66 crores. SIFL has incurred loss mainly on account of financial expenses and impairment in its financial assets. The net-worth of SIFL stood at negative Rs.313.21 crores as of March 31, 2021. During the year, the Company reported fraud in 25 cases with aggregate principal outstanding of Rs. 219 crs. The company is taking steps for filing of FIRs in the matter. The company has made 100% provision in these cases.

4.2 SICOM CAPITAL MANAGEMENT PRIVATE LIMITED AND SICOM TRUSTEE COMPANY PRIVATE LIMITED

SICOM VENTURE CAPITAL FUND (SVCF) liquidated its scheme in 2009-10. As a result there are no operations in the Asset Management Company viz. SICOM Capital Management Pvt. Ltd and the Trustee Company viz. SICOM Trustee Company Pvt. Ltd.

4.3 SICOM ARC LTD

The Company was operationalized in 2007-08. The Company was given the responsibility of managing recoveries out of the legacy NPA cases of SICOM for commission under a MOU. The MOU was cancelled in the FY 2018-19 and the recovery of all NPA cases in now being done by SICOM officials.

As per the Audited Accounts (IND AS) for the year ended March 31,2021, SICOM ARC Ltd has reported total income of Rs.1.72 crores and Profit After Tax of Rs. 0.32 crores. The net-worth of the Company stood at Rs.31.80 crores as of March 31, 2021.

4.4 SICOM REALTY LTD. (SRL)

During the year, SRL reported an Income of Rs 1.54 crores and net loss after tax was Rs 2.22 crores as compared to Income of Rs 1.13 crores and net loss after tax of Rs 2.82 crores during the previous year.

As at March 31, 2021, SRL is also a partner in two LLPs namely Ramnath Realty LLP and KRS Realty LLP with 43% stake in both LLPs.

5 BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, the Board of Directors comprises of 5 Directors. Two-third of the Directors is retiring Directors. Of this, one third retires every year and if eligible, qualify for reappointment. The Board of Directors represents the interest of the Company's Shareholders and provides the Management with guidance and strategic direction on behalf of shareholders.

During the FY 2020-21, The Government of Maharashtra has withdrawn and nominated various following Directors:-

Sr. No.	Name of Director	Particulars for Withdrawn/ Nomination of Director	Effective Date	Government Resolution No. & Dated
1	Shri Satish Gavai	Withdrawal as Nominee Director	12th June, 2020	GR No. MISC-2114/C.R.50/Ind-8 dated June 12, 2020
2	Dr. Kavita Gupta	Retired from Services	30th September 2020	Sicom 2020/139/Industries - 8 dated October 1, 2020
3	Dr. Harshdeep Kamble	Nominated as Managing Director (Additional Charge)	1st October 2020	Sicom 2020/139/Industries - 8 dated October 1, 2020
4	Mrs. Aastha Luthra	Nominated as Managing Director	24th November 2020	AEO-1119/10/2019/ten dated November 24, 2020
5	Dr. Parrag Jaiin Nainutia	Nominated as Managing Director (Additional Charge)	9th December 2020	AEO-20/10/2029/ten dated December 9, 2020
6	Shri Baldev Singh	Nominated as Nominee Director	4th February 2021	GR No. AEO-1121/10/2021/ten dated February 02, 2021

Mr. D. P. Roy and Mr. Suneet K. Maheshwari, Independent Directors of the Company has resigned w.e.f. September 26, 2020 and September 28, 2020 respectively.

Dr. B. Venugopal Reddy was nominated as Managing Director by the Government of Maharashtra vide its letter AEO-1121/10/2021/ten dated February 04, 2021. The Effective date of his appointment is April 28, 2021.

The nomination of Dr. B. Venugopal Reddy, as the Managing Director of the Company was withdrawn by the Government of Maharashtra w.e.f. 3rd June 2021 and Dr. Shrikar Pardeshi was Nominated and appointed as the Managing Director w.e.f 4th June 2021 vide its letter AEO-1121/10/2021/ten dated June 03, 2021.

The nomination of Dr. Shrikar Pardeshi, as the Managing Director of the Company was withdrawn by the Government of Maharashtra w.e.f. 1st July 2021 and Dr. Nitin Jawale was appointed as the Managing Director w.e.f 1st July 2021 vide its letter AEO-1121/10/2021/ten dated July 01, 2021.

Mr. Rajib Sekhar Sahoo and Mr. Vishal Vithal Kamat are appointed as Additional Director (Non-executive and Independent) of the Company w.e.f. 07th September 2021.

Mrs. Bhavana Shinde, Company Secretary and Compliance officer (KMP) of the Company resigned from the Company w.e.f. 31st August 2020. Mr. Durgesh Kadam was appointed as Company Secretary and Compliance officer (KMP) of the Company for the period w.e.f. 03rd September, 2020and he then resigned and ceased to be a Company Secretary and Compliance officer (KMP) w.e.f January 23, 2021. Mrs. Chetna Vasani is appointed as the Company Secretary and Compliance Officer (KMP) of the Company w.e.f. June 21, 2021.

Shri Rahul Gupta retires by rotation at the ensuing Annual General Meeting and are eligible for reappointment.

The Board places on record its sincere appreciation for the services rendered by all the nominated Managing and Nominee directors during their tenure as Director of the Company. The Board also places on record its sincere appreciation for the services rendered by Independent Directors of the Company.

5.1.1 MEETINGS OF THE BOARD OF DIRECTORS

During the year under review the Board met 6 times viz., 30th June 2020, 31st July 2020, 28th August 2020, 03rd September 2020, 13th November 2020 and 24th December 2020. The details of attendance at the meetings were as follows:

Sr. No.	Name of the Directors	No. of Meetings entitled to Attend	Number of Meetings attended	Attendance at previous Annual General Meeting held on December 31, 2020
1	Dr Kavita Gupta (Nominee Director representing Government of Maharashtra)	4	4	NA
2	Shri Satish Gavai (Nominee Director representing Government of Maharashtra)	0	0	NA
3	Dr H S Kamble (Nominee Director representing Government of Maharashtra)	6	4	Yes
4	Dr P Anbalagan (Nominee Director representing Government of Maharashtra)	6	1	No
5	Mrs. Aastha Luthra (Nominee Director representing Government of Maharashtra)	0	0	NA
6	Dr. Parrag Jaiin Nainutia (Nominee Director representing Government of Maharashtra)	1	1	Yes
9	Shri B. Venugopal Reddy (Nominee Director representing Government of Maharashtra)	6	6	Yes
10	Shri Suneet Maheshwari, Independent Director	4	4	NA
11	Shri D P Roy, Independent Director	4	4	NA

12	Shri Rahul Gupta (Nominee Director representing JCF BIN II, JCF BIN IIA and JCF BIN II B)	6	6	No

5.2 DECLARATIONS GIVEN BY INDEPENDENT DIRECTORS

The Board has received declarations from the Independent Directors as per the requirement of Section 149(7) of the Companies Act, 2013 and the Board is satisfied that the Independent Directors meet the criteria of independence as mentioned in Section 149(6) of the Companies Act, 2013.

6 BOARD COMMITTEES

For better attention and focus the Board delegated powers to Committees of the Board set up for the purpose. These Committees prepare the ground work for decision making and report at the subsequent Board Meeting. The details of Committees are as under.

6.1 AUDIT COMMITTEE

The members of the Audit Committee during the year under review were Shri Suneet Maheshwari, Shri D P Roy and Shri Rahul Gupta. The Committee met 3 times during the year under review viz on 30th June 2020 (Morning & Evening) and 28th August 2020. The details of attendance at the meetings were as follows:

Sr. No.	Name of the Directors	Number of Meetings attended	Number of Meetings held
1	Shri Suneet Maheshwari (Chairperson of the Audit Committee)	3	3
2	Shri D P Roy	3	3
3	Shri Rahul Gupta	3	3

The Managing Director is the permanent invitee for the Meetings of the Audit Committee.

The present Composition of the Audit Committee is as follows:

1. Shri Rajib Sekhar Sahoo- Chairperson
2. Dr. P. Anbalagan
3. Shri Vishal Vithal Kamat
4. Shri Rahul Gupta
5. Dr. Nitin Jawale (Permanent Invitee)

6.2 INVESTMENT AND CREDIT COMMITTEE

The Investment and Credit Committee (earlier known as Executive Committee) has been constituted with a view to take speedy decisions in regard to sanction of financial assistance to prospective clients.

The Investment and Credit Committee of the Company was constituted of Dr Kavita Gupta, Shri D P Roy and Shri Rahul Gupta.

No meeting of Investment and Credit Committee was held during the year.

The present Composition of the Investment and Credit Committee is as follows:

1. Shri Rahul Gupta - Chairperson
2. Dr. Nitin Jawale
3. Shri Vishal V. Kamat

6.3 RECOVERY COMMITTEE

The Recovery Committee has been constituted by the Board with a view to take speedy and timely decisions to ensure recovery of principal and interest overdue and also to extend guidance to the operating level officers. The Board has delegated certain powers to Recovery Committee. The decisions taken by the Recovery Committee are placed before the Board.

The Recovery Committee of the Company was constituted of Dr. Kavita Gupta, Shri Suneet Maheshwari and Shri Rahul Gupta.

No meeting of Recovery Committee was held during the year.

The present Composition of the Recovery Committee is as follows:

1. Dr. Harshdeep Kamble Chairperson
2. Dr. Nitin Jawale
3. Shri Rajib Sekhar Sahoo
4. Shri Vishal Vithal Kamat
5. Shri Rahul Gupta

6.4 REVIEW COMMITTEE:

The Review Committee has been constituted by the Board under the mechanism for identification of willful defaulter in accordance with master circular issued by Reserve Bank of India (RBI) on willful defaulters. The Review Committee of the Company was constituted of Dr Kavita Gupta, Shri Suneet Maheshwari and Shri D P Roy. No meeting of Review Committee was held during the year.

The present Composition of the Review Committee is as follows:
1. Dr. Nitin Jawale- Chairperson
2. Shri Rajib Sekhar Sahoo
3. Shri Vishal Vithal Kamat

6.5 NOMINATION AND REMUNERATION COMMITTEE

The Nomination & Remuneration Committee is duly constituted and its terms of reference are as per Section 178 of the Companies Act, 2013.

The Committee met twice during the year on June 29, 2020 and September 03, 2020. The Composition of Committee and details of attendance at the meeting during the year under review were as follows:

Sr. No.	Name of the Directors	Number of Meetings attended	Number of Meetings held
1	Shri D P Roy, Chairperson of the Nomination and Remuneration Committee	2	2
2	Dr Kavita Gupta	2	2
3	Shri Suneet Maheshwari	2	2

Shri Rahul Gupta was the permanent invitee for the Meetings of Nomination and Remuneration Committee.

The present Composition of the NRC Committee is as follows:

1. Shri Rajib Sekhar Sahoo- Chairman
2. Shri Vishal Vithal Kamat
3. Dr. Nitin Jawale
4. Shri Rahul Gupta

The NRC Policy is as follows:

SICOM was set up by Government by Maharashtra in the year 1966 and the Remuneration Policy of the employees was based on the state government salary structure. Further the Managing Director being an IAS officer and appointed by Govt. of Maharashtra; the remuneration of Managing Directors (if any) is governed by All India Service Rules, 1951 and as per the Government Resolution of various appointment during the year.

6.6 CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

As per the provisions of Section 135 of the Companies Act, 2013, your Company has adopted the Corporate Social Responsibility (CSR) Policy. The Board had constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Act. No Meetings of Corporate Social Responsibility (CSR) Committee were held during the year under review.

The present Composition of the CSR Committee is as follows:

1. Shri Vishal Vithal Kamat- Chairperson
2. Shri Rajib Sekhar Sahoo
3. Dr. Nitin Jawale
4. Shri Rahul Gupta

6.7 STRATEGY AND BUSINESS DEVELOPMENT COMMITTEE

The Strategy and Business Development Committee has been reconstituted on 31st January 2019 to assist the Board and Management in strategic planning and to oversee the development, approval and implementation of strategic business development initiatives. No Meetings of Strategy and Business Development Committee were held during the year under review.

The Present Composition of the Strategy and Business Development Committee is as follows:

1. Dr. Nitin Jawale- Chairperson
2. Shri Rajib Sekhar Sahoo
3. Shri Rahul Gupta

6.8 IT STRATEGY COMMITTEE

In accordance with Master Direction DNBS.PPD.NO.04/66.15.001/2016-17" dated 8th June 2017 regarding IT Framework for the NBFC Sector issued by Reserve Bank of India (RBI), the IT Strategy Committee has been constituted on 15th January 2018. The IT Strategy Committee met once during the year under review on 20th August 2020. The Composition of the Committee and the attendance of the Meetings held during the year under review are as follows:

Sr. No.	Name of the Director / Members	Number of Meetings attended	Number of Meetings held
1	Shri Suneet Maheshwari, Chairperson of the IT Strategy Committee	1	1
2	Dr Kavita Gupta	1	1
3	Shri Rahul Gupta	1	1

The Chief Information Officer and Chief Technology Officer are permanent Invitees to the Meetings of IT Strategy Committee.

The Present Composition of the IT Strategy Committee is as follows:

1. Sri. Vishal Vithal Kamat - Chairperson
2. Dr. Nitin Jawale
3. Shri Rahul Gupta

6.9 RISK MANAGEMENT COMMITTEE

The Risk Management Committee of the Company has been constituted in terms of RBI's Master Direction-Non Banking Financial Company-Systemically Important Non-Deposit taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016. No Meetings of Strategy and Business Development Committee were held during the year under review.

The Present Composition of the Risk Management Committee is as follows:

1. Shri Rajib Sekhar Sahoo - Chairperson
2. Dr. Nitin Jawale
3. Shri Rahul Gupta

6.10 ASSET LIABILITY MANAGEMENT COMMITTEE

The Asset Liability Management Committee of the Company has been constituted in terms of RBI's Master Direction-Non Banking Financial Company-Systemically Important Non-Deposit taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016.

The Asset Liability Management Committee met once during the year under review on 27th August, 2020. The composition and attendance of the Members of Asset Liability Management Committee during the year under review are as follows:

Sr. No.	Name of the Director / Members	Number of Meetings attended	Number of Meetings held
1	Shri D P Roy Chairperson of the Asset Liability Management Committee	1	1
2	Dr Kavita Gupta	1	1
3	Shri Suneet Maheshwari	1	1
4	Shri Rahul Gupta	1	1

The Present Composition of the Asset Liability Management Committee is as follows:

1. Shri Vishal Vithal Kamat - Chairperson
2. Dr. Nitin Jawale
3. Shri Rajib Sekhar Sahoo
4. Shri Rahul Gupta

6.11 GRIEVANCE REDRESSAL AND OVERSIGHT COMMITTEE

The Grievance Redressal and Oversight Committee of the Company has been constituted to look into the complaints received from Whistle Blower under the Whistle Blower Policy Mechanism / from any complainant regarding the matters / affairs of the Company. The Composition of the Committee is as follows:

(a) Chairman of the Board as the Chairperson of the Grievance Redressal and Oversight Committee.
(b) One Independent Director
(c) Nominee Director (Representing J.C. Flowers & Co. LLC (JCF Bin II, JCF Bin II-A, JCF Bin II-B).

The Present Composition of the Grievance Redressal and Oversight Committee is as follows:

1. Shri Baldev Singh - Chairperson
2. Shri Vishal Vithal Kamat
3. Shri Rahul Gupta
4. Dr. Nitin Jawale

7 EVALUATION OF BOARD OF DIRECTORS

In compliance with the Companies Act, 2013, in a separate meeting of Independent Directors, the performance evaluation of the Board and Committees of the Board was carried out during the year under review. The performance of the Independent Directors and the Board for the year ended March 31, 2020 was evaluated at the Board Meeting held on June 30, 2020. However since the post of Independent Directors are vacant, the evaluation of the Board of Directors was not evaluated for the year ended March 31, 2021.

8 DIRECTORS RESPONSIBILITY STATEMENT

Subject to the matters described elsewhere in this Report, the Directors of the Company hereby confirm that:

a. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d. The Directors have prepared the annual accounts on a going concern basis; and

e. The Directors has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

9.1. Comments by Board on qualification(s) by Statutory auditors on Consolidated Financial Statements of the Company, with regards to SICOM Realty Limited ("SRL")

The qualifications of the Statutory Auditors and responses are as under:

(a) Capital Adequacy Ratio (CRAR):

We draw your attention to Note 73 to the Standalone Ind AS Financial Statements wherein as per para 6(1) of Chapter IV of Section II of Master Direction – Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended ("Master Direction"), the Company, being a NBFC, is required to maintain a minimum capital ratio (CRAR) consisting of Tier I and Tier II Capital which shall not be less than 15 percent of its aggregate risk weighted assets on-balance sheet and risk adjusted value of off-balance sheet items. For the financial year ended March 31, 2021, the Company's CRAR was below 15%. Accordingly, the capital adequacy norms as per the Master Direction as mentioned above have not been complied with and we are unable to comment on its consequential impact, if any.

Response:

The CRAR of the Company stood at 18.02% as of March 31,2020 which was above the regulatory minimum of 15%. However, during the financial year, the Company made additional provisions on its delinquent portfolio of loans and investments as required in terms of the relevant accounting standards and RBI guidelines. This resulted in erosion of the owned funds of the Company substantially resulting in the CRAR falling below the regulatory minimum of the 15%. However, it may please be noted that the Provision Coverage Ratio of the Company stood at 90% as of March 31,2021 and the Company is confident that it would recover amounts in excess of the carrying value of the loans in its books, thereby enabling the Company to reverse excess provisions held, thereby enhancing the Owned Funds of the Company.

The twin impact of increase in owned funds and reduction in risk weighted assets due to recoveries from the delinquent Accounts, would lead to improvement in the CRAR.

(b) Material Uncertainty Related to Going Concern

We draw attention to Note 74(C) to the Standalone Ind AS Financial Statements, which indicates that for the year ended March 31, 2021, the Company has incurred a net loss of Rs. 11,024.84 lakhs and also incurred cash losses during the current year and previous year. There is no progress in the development of business since last several years and there have been delays/ defaults in repayment of inter-corporate deposits and other obligations. The said assumption of going concern is dependent upon the Company's ability to raise funds through monetization of its non-core assets, mobilization of additional funds and other strategic initiative to meet its obligations. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, based on the mitigating factors as mentioned in the said note, the Standalone Ind AS Financial Statements have been prepared on a going concern basis.

Our opinion is not modified in respect of this matter.

Response:

The Company continues to focus on recoveries from the delinquent loan accounts, liquidation of investments in financial and non-financial assets. The proceeds are being utilized to reduce the outstanding borrowings. Further, the management is confident that it would recover amounts in excess of the carrying value of the loans in its books, thereby enabling the Company to reverse excess provisions held, thereby enhancing the Owned Funds of the Company. In this regards, it may be mentioned here that during the financial year 2020-21, SICOM Ltd could reverse excess provision of about Rs.48 crs, upon recovery from delinquent accounts.

9.2 Comments by Board on qualification(s) by Statutory auditors on Consolidated Financial Statements of the Company

The qualifications of the Statutory Auditors and the response thereto are as under:

(a) We draw your attention to Note 52 to the Consolidated Ind AS Financial Statements regarding SICOM Limited, the holding Company, which states that as per para 6(1) of Chapter IV of Section II of Master Direction – Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended ("Master Direction"), the Holding Company, being a NBFC, is required to maintain a minimum capital ratio (CRAR) consisting of Tier I and Tier II Capital which shall not be less than 15 percent of its aggregate risk weighted assets on-balance sheet and risk adjusted value of off-balance sheet items. For the financial year ended March 31, 2021, the Holding Company's CRAR was below 15%. Accordingly, the capital adequacy norms as per the Master Direction as mentioned above have not been complied with and we are unable to comment on its consequential impact, if any.

Response:

The CRAR of SICOM Ltd stood at 18.02 % as of March 31, 2020 which was above the regulatory minimum of 15%. However, during the financial year, the Holding Company made additional provisions on its delinquent portfolio of loans and investments as required in terms of the relevant accounting standards and RBI guidelines. This resulted in erosion of the owned funds of the Company substantially resulting in the CRAR falling below the regulatory minimum of the 15%. However, it may please be noted that the Provision Coverage Ratio of the Company stood at 90% as of March 31,2021 and the Company is confident that it would recover amounts in excess of the carrying value of the loans in its books, thereby enabling the Company to reverse excess provisions held, thereby enhancing the Owned Funds of the Company.

The twin impact of increase in owned funds due to possible reversal of excess provision held and reduction in risk weighted assets due to recoveries from the delinquent Accounts, would lead to improvement in the CRAR.

9.3 Comments by Board on qualification(s) by Statutory auditors on Consolidated Financial Statements of the Company with regards to SICOM Investments and Finance Limited.

(a) We draw attention to Note 66 to the Consolidated Ind AS Financial Statements regarding the negative Net worth of the SICOM Investments and Finance Limited ("SIFL"), subsidiary company, which states that, a Non-Banking Financial Company is required to have a net owned fund of two hundred lakh rupees to commence or carry on the business of Non-Banking Financial Institution ("NBFI"), as per para 5 of Chapter III of Section I of Master Direction - Non Banking Financial Companies Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ("RBI Directions"). During the year ended March 31, 2021, SIFL has a negative Net worth and do not have any Net Owned Funds (NOF). The impact of non-maintenance of minimum NOF has consequential impact on non-maintenance of Capital to Risk (Weighted) Assets Ratio (CRAR) and other compliances with RBI Directions. As SIFL has not fulfilled the criteria for registration as NBFI, in absence of specific approval from Reserve Bank of India ("RBI"), it will not be able to carry on the business of NBFI.

Response:

SICOM Investments and Finance Limited is not carrying out any activity. Its accounts have also been drawn on "non-going concern" basis.

(b) We draw attention to Note 66 to the Consolidated Ind AS Financial Statements in relation to the show cause notice issued by RBI to SIFL on the ground of non-maintenance of minimum NOF as required under RBI Directions. RBI had issued a notice advising SIFL to voluntarily surrender the Certificate of Registration (CoR) by April 15, 2019. In this regard, SIFL has neither surrendered the CoR nor communicated to RBI any response thereof. The impact of the same on the license to continue as a non-banking financial company is presently not ascertainable.

Response:

Decision regarding surrender of the Certificate of Registration would be taken during the current financial year.

(c) We draw attention to Note 65 to the Consolidated Ind AS Financial Statements regarding the non-compliance with Section 203 of the Act read with Rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the related provisions as SIFL has not appointed a Company Secretary and a Chief Financial Officer. The impact of the matter is presently not ascertainable.

Response:

A qualified Company Secretary has been taken on employment of SICOM Investments and Finance Ltd during the Financial Year 20-21. His appointment as Company Secretary of SICOM Investments and Finance Ltd would be taken up during the current financial year.

9.4 Comments by Board on qualification(s) by Statutory Auditors on Consolidated Financial Statements of the Company with regards to SICOM Realty Limited.

(a) We draw attention to Note 70 of the Consolidated Ind AS Financial Statements, regarding non-evaluation of impairment provision in accordance with Ind AS 36 - 'Impairment of Assets' for loans and receivables of SRL, which States that loans and receivables aggregating ₹ 1,369.49 lakhs as on March 31, 2021 given to certain joint ventures and other parties, for which payments are not forthcoming regularly since more than three years. We are unable to comment on the consequential impact, if any, on the on carrying value of loans and advances and on loss for the year ended March 31, 2021.

Response:

The loan given by SRL to Joint Venture is secured by Deposit of title deeds pertaining to the 93 acres land parcel of the project at village Shivmadka near Nagpur with Fair Market Value of Rs 19601 lakhs, Disposal Value of Rs 17641 lacs and Distress Value of Rs 15681 lacs.

Further, SRL is in the process of getting recoveries out of ICD given and investments made in LLPs and the same was projected as part of 3 years recovery projections. Out of the projected recovery an award of Rs 3 crs during FY2020-21 has already been received towards compensation of LLP's land which was acquired by Samruddhi Mahamarg authorities and the monies as declared in Award will be realized during financial year 2021-22. Since 70% of the work of the Samruddhi Mahamarg is completed and first phase of the Samruddhi Mahamarg from Nagpur-Shirdi is expected to commence by the end of this financial year which will certainly add to the valuation of the land parcel and also opportunity to encash the investment of SRL in the land and recovery of ICD exposure.

(b) We draw attention to Note 62 to the Consolidated Ind AS Financial Statements, which describes the principal business of the SRL and the communication with the Reserve Bank of India (RBI) regarding registration as a Non-Banking Finance Company (NBFC) under Section 45-IA of the RBI Act 1934, based on its asset-income pattern. On the basis of the Ind AS Financial Statements of SRL for the year ended March 31, 2021, the Financial Assets continue to be more than 50% of the total assets and Income from Financial Assets continue to be more than 50% of total income. Based on the asset-income pattern as at and for the year ended March 31, 2021, SRL continues to qualify as an NBFC. As per directions from RBI, SRL had made the application to RBI for registration as an NBFC but RBI returned its application with an advice to apply afresh. SRL has not carried out any NBFI activity for the year ended March 31, 2021 and as decided by the Board, is in the process of taking corrective steps to comply with the asset-income pattern in a phased manner, for which it is seeking additional time from RBI. The impact of this matter is presently not ascertainable.

Response:

SICOM Realty Ltd as per direction of RBI had applied for NBFC registration on July18, 2019. Thereafter RBI replied vide their letter dated December 18, 2019 that "Scrutiny of balance sheet reveals that your company has invested in LLPs and as per extent guidelines for NBFC they are not permitted to invest in LLPs. In view of above we hereby return the application"

In order to comply with the Asset-Income Pattern, the Board of SICOM Realty Ltd decided to stop the fresh investment / lending activities and started monetizing its assets.

9.5 Material Uncertainty Related to Going Concern

We draw attention to Note 57C to the console Ind AS Financial Statements, which indicates that for the year ended March 31, 2021, the Group (including its joint ventures) has incurred a net loss of Rs. 9,453.28 lakhs and also incurred cash losses during the current year and previous year. There is no progress in the development of business since last several years. The said assumption of going concern is dependent upon the Group's (including its joint ventures) ability to raise funds through monetization of its non-core assets, mobilization of additional funds and other strategic initiative to meet its obligations. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's (including its joint ventures) ability to continue as a going concern. However, based on the mitigating factors as mentioned in the said note, the Consolidated Ind AS Financial Statements have been prepared on a going concern basis.

Response:

The Group is continues to focus on recoveries from the delinquent loan accounts, liquidation of investments in financial and non-financial assets. The proceeds are being utilized to reduce the outstanding borrowings. Further, the management is confident that it would recover amounts in excess of the carrying value of the loans in its books, thereby enabling the Company to reverse excess provisions held, thereby enhancing the Owned Funds of the Company. In this regards, it may be mentioned here that during the financial year 2020-21, SICOM Ltd could reverse excess provision of about Rs.48 crs, upon recovery from delinquent accounts.

10 SECRETARIAL AUDIT

Your Directors in pursuance of Section 204(1) of the Companies Act, 2013 and relevant Rules had appointed Ragini Chokshi & Company, Company Secretaries, as Secretarial

Auditor of the Company for the financial year 2020-21, to issue the Secretarial Audit Report to the Company. The Secretarial Audit Report is annexed to this report.

The Company has complied with secretarial standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

11 RISK MANAGEMENT AND INTERNAL CONTROLS

11.1 Internal Control Systems

The internal control systems are designed to ensure reporting efficiency and compliance with the regulations. The internal control system is audited by Independent Internal Auditors. The Internal Audit Reports are discussed at length during the Audit Committee meetings, which also reviews the adequacy and effectiveness of the internal controls.

11.2. Internal Financial Controls

The Company had appointed an external Auditor to evaluate the existing Internal Financial Controls. In order to follow the global best practices in the industry, internal financial controls have been reviewed and strengthened.

11.3. Risk Management

To lend appropriate focus to the mitigation of various types of risks that the Company faces, the Company has established a separate Integrated Risk Management Department. The Internal Risk Management Committee and the Risk Management committee of the Board of Directors on a regular basis monitor the various types of risks that the Company is exposed to and the monitoring and mitigation measures undertaken by the Company. A detailed Risk Management Framework to cover all risks has been developed.

12 PARTICULARS OF EMPLOYEES AND RELATED INFORMATION

Being an unlisted Company, provisions of Rule 5 of the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 are not applicable to the Company.

However, there is no employee, who has been-

i) employed throughout the financial year, and in receipt of remuneration of Rs. 102 lacs or more per annum;

ii) employed for a part of the financial year, and in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was Rs. 8.5 lacs or more per month;

iii) employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.

13 PUBLIC FIXED DEPOSITS:

The Company has not accepted any fixed deposits from members of public during the year under review and will not accept fixed deposits from members of the public.

14 PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS.

The disclosures required under Section 186 of the Act are not applicable to the Company.

15 PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into during the financial year were at an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with the Promoters, Directors, Key Managerial Personnel (KMP) or other designated persons which may have a potential conflict with the interest of the Company at large. All related party transactions as required under AS-18 are reported in notes to the financial statement.

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

16 EXTRACT OF ANNUAL RETURN

Pursuant to the requirements under Section 92(3) and Section 134(3) of the Act read with Rule 12 of Companies (Management and Administration) Rules, 2014, an extract of Annual Return in prescribed Form MGT-7 is place on the website of the Company.

17 CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.

Due to the nature of business of the Company the conservation of energy, technology clause and its provisions are not applicable. There are no foreign exchange earnings and outgo.

18 VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has established a vigil mechanism to provide appropriate avenues to the Directors and employees to bring to the attention of the Management, the concerns about behavior of employees that raise concerns including fraud by using the mechanism provided by the Whistle Blower Policy.

During the financial year 2020-21, no cases under this mechanism were reported in the Company and any of its subsidiaries/associates.

19 POLICY FOR PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE.

Our policy against sexual harassment is embodied both in the HRD Manual as also in a specifically written policy in accordance with the Sexual Harassment of Women at workplace(Prevention, Prohibition and Redressal) Act 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy. Internal Committee has been set up to redress complaints received regarding sexual harassment.

During the financial year 2020-21, no cases in the nature of sexual harassment were reported at any workplace of SICOM.

20 ORDERS BY AUTHORITY

There are no orders passed by any regulators or courts or tribunals impacting the going concern status and Company's operations in future.

21 CORPORATE GOVERNANCE

Corporate Governance refers to the entire system by which a Company is managed and monitored, its Corporate Principles and guidelines, the system of internal and external control and supervision to which the Company's operations are subjected.

Corporate governance is practiced by all departments in the Company and is not restricted only to the Board of Directors.

22 FRAUD REPORTING

Frauds in respect of the following cases were reported to the Audit Committee / Board and to the RBI. 1) Tunip Agro Ltd- Principal Outstanding Rs. 125 crs (2) Shri Aster Silicates Ltd. Rs. 65 crs Principal Outstanding – Rs. 190 crs. Accordingly, 100% provision was done in these cases in accordance with RBI's directions. The Company has filed FIRs in the matter.

23 MANAGEMENT DISCUSSION AND ANALYSIS:-

The optimism built around economic revival due to subsiding of the impact of COVID at the end of FY 21 as a result of various measures taken by the State and Central Government received a severe jolt in the following months as India faced one of the worst breakouts of COVID-19 seen anywhere. The 'second wave' brought about a mutated virus capable of spreading fast and being more lethal posed bigger challenges for the health infrastructure, Governments and regulators. With restrictions and containment measures being localised and targeted, businesses and households learned to adapt.

The collective efforts of Authorities, Local Bodies and Society as a whole has helped navigating the crisis and the country has surpassed the landmark of 100 crore vaccinations. The Reserve Bank of India also announced additional measures to support the economy a

nd financial sector. The measures include providing liquidity to Emergency Health Services, Small Finance Banks (SFBs), Micro Finance Institutions (MFIs) and MSMEs.

In a big relief to small individual businessmen and MSMEs, the RBI announced Resolution Framework 2.0 for COVID Related Stressed Assets, allowing restructuring of such accounts having aggregate exposure of up to ₹25 Crores and who have not availed restructuring under Framework 1.0.

Despite volatile economic environment, the Company focused on Recoveries and deleveraging the Balance Sheet. SICOM has during the period under review systematically reduced its PSU borrowings in the absence of fresh lending operations. The PSU borrowings were reduced from Rs.855 crs as at the beginning of the period to Rs.522 crs as at the end of the period.

During the Current year, the Company would continue strive to become fully compliant with the RBI NBFC Directions.

ACKNOWLEDGEMENTS

The Directors /Company express their sincere gratitude and thanks to Government of Maharashtra, the Reserve Bank of India, other Government and Regulatory Authorities, its lenders viz. State Public Sector Undertakings (MHADA, SRA, MIDC, MTDC, VIDC, KIDC, MKVDC) for their ongoing support.

The Directors also place on record their sincere appreciation for the continued support extended by the Company's shareholders and trust reposed by them in the Company. The Directors sincerely appreciate the efforts put in by the employees of the Company and its subsidiaries across all levels.

For and on behalf of the Board of Directors

Place : Mumbai
Date : November 01, 2021

Dr. Nitin Jawale
Managing Director

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries

(Amount in Indian Rupees)

Sr. No.	Particulars	Details
1	Name of the Subsidiary	SICOM Trustee Co. Pvt. Ltd.
2	Reporting period for the subsidiary concerned. If different from the holding Company's reporting period.	Reporting Period- 01st April 2020 to 31st March 2021. It is same as that of Holding Company.
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A.
4	Share Capital	1,00,000
5	Reserves & Surplus	(16,09,132)
6	Total Assets	3,88,776
7	Total Liabilities	3,88,776
8	Investments	0
9	Turnover	0
10	Profit before taxation	(10,08,233)
11	Tax	0
12	Profit after taxation	(10,08,233)
13	Proposed Dividend	0
14	% of shareholding	100%

(Amount in Indian Rupees)

Sr. No.	Particulars	Details
1	Name of the Subsidiary	SICOM Capital Management Pvt. Ltd.
2	Reporting period for the subsidiary concerned. If different from the holding Company's reporting period.	Reporting Period- 01st April 2020 to 31st March 2021. It is same as that of Holding Company.
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A.
4	Share Capital	4,58,150
5	Reserves & Surplus	(5,61,995)
6	Total Assets	16,47,380
7	Total Liabilities	16,47,380
8	Investments	0
9	Turnover	0
10	Profit before taxation	(8,32,008)
11	Tax	0
12	Profit after taxation	(8,32,008)
13	Proposed Dividend	0
14	% of shareholding	100%

(Amount in Indian Rupees)

Sr. No.	Particulars	Details
1	Name of the Subsidiary	SICOM Investments & Finance Limited
2	Reporting period for the subsidiary concerned. If different from the holding Company's reporting period.	Reporting Period- 01st April 2020 to 31st March 2021. It is same as that of Holding Company.
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A.
4	Share Capital	14,82,21,280
5	Reserves & Surplus	(3,28,03,69,720)
6	Total Assets	2,50,905
7	Total Liabilities	2,50,905
8	Investments	0
9	Turnover	0
10	Profit before taxation	(23,66,30,975)
11	Tax	0
12	Profit after taxation	(23,66,30,975)
13	Proposed Dividend	0
14	% of shareholding	100%

(Amount in Indian Rupees)

Sr. No.	Particulars	Details
1	Name of the Subsidiary	SICOM Realty Limited
2	Reporting period for the subsidiary concerned. If different from the holding Company's reporting period.	Reporting Period- 01st April 2020 to 31st March 2021. It is same as that of Holding Company.
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A
4	Share Capital	20,00,00,000
5	Reserves & Surplus	(7,41,270)
6	Total Assets	43,98,59,781
7	Total Liabilities	43,98,59,781
8	Investments	16,68,64,850
9	Turnover	1,54,36,099
10	Profit before taxation	(2,28,43,988)
11	Tax	6,23,566
12	Profit after tax	(2,22,20,421)
13	Proposed Dividend	NIL
14	% of shareholding	100

(Amount in Indian Rupees)

Sr. No.	Particulars	Details
1	Name of the Subsidiary	SICOM ARC Limited
2	Reporting period for the subsidiary concerned. If different from the holding Company's reporting period.	Reporting Period- 01st April 2020 to 31st March 2021. It is same as that of Holding Company.
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A.
4	Share Capital	40,80,00,00
5	Reserves & Surplus	27,72,02,388
6	Total Assets	33,34,64,351
7	Total Liabilities	33,34,64,351
8	Investments	0
9	Turnover	0
10	Profit before taxation	77,92,098
11	Tax	0
12	Profit after taxation	32,30,844
13	Proposed Dividend	NIL
14	% of shareholding	100

Form No. MR-3

SECRETARIAL AUDIT REPORT

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

FOR THE PERIOD 01-04-2020 TO 31-03-2021

To,
The Members,
SICOM LIMITED
SOLITAIRE CORPORATE PARK,
BUILDING NO. 4,
GURU HARGOVINDJI ROAD,
ANDHERI (EAST),
MUMBAI 400093

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SICOM Limited (CIN: U65990MH1966PLC013459)** (hereinafter called the company) for the year ended on March 31, 2021. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period 1st April, 2020 to 31st March, 2021 ("the Reporting 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 March 31, 2021 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; **(Not applicable to the Company during the period under review**)

(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;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- **(Not applicable to the Company during the period under review)**

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;

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;

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

We are of the opinion that the management has complied with the following laws specifically applicable to the Company:

The Reserve Bank of India Act, 1934 & rules, guidelines, regulations, circulars and notifications issued by the RBI and applicable to systematically important Non Deposit Accepting Non-Banking Finance Company.

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

(i) Secretarial Standards i.e. SS-1 and SS-2 issued by The Institute of Company Secretaries of India.

(ii) The Securities and Exchange Board of India (Listing obligations and Disclosure Requirement) Regulation 2015 and the Listing Agreements entered into by the Company with Stock Exchanges. (Not Applicable)

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except mentioned below:

- As per Section 149(4) of Companies Act, 2013 read with Rule 4 of Companies

(Appointment and Qualification of Directors) Rules, 2014, the Company does not have on its Board minimum number of Independent Directors thereby affecting the composition of its Audit Committee, Nomination and Remuneration Committee and CSR Committee.

- Some forms to be filed with ROC have been filed beyond the prescribed time.
- Form MGT-14 for Approval of Annual Accounts, Approval of Director Report, Appointment of Secretarial and Internal Auditor was not filed by Company within due date. The company has filed petition for condonation of delay with respect to the same.
- DIN Status of Mr. Harshadeep Shriram Kamble (director of company) has been deactivated due to non-filing of Form DIR-3 KYC and his designation is required to be changed from Managing Director to Director on MCA website.

We further report that

The Board of Directors of the Company is duly constituted and the changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. However, the Company has not been able to appoint requisite number of Independent Directors as required under the provisions of Section 149 of Companies Act, 2013 and rules made thereunder.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes, the decisions at the Board meeting were taken unanimously.

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

We further report that during the audit period, the company had no specific events or actions which might have a bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except following:

- Appointment of Mr. B Venugopal Reddy as Nominee Director with effect from 12th June, 2020.
- Cessation of Mr. Satish Gavai as Nominee Director with effect from 12th June, 2020.
- Appointment of Mr. Durgesh Kadam as Company secretary with effect from 3rd September, 2020
- Cessation of Mr. Deba Prasad Roy as Independent Director with effect from 26th September, 2020.
- Cessation of Mr. Suneet Maheshwari as Independent Director with effect from 28th September, 2020.
- Cessation of Dr. Kavita Gupta as Managing Director with effect from 30th September, 2020.
- Appointment of Dr. Harshdeep kamble as Managing Director of Company with effect

from 1st October, 2020.

- Cessation of Dr. Harshdeep kamble as Managing Director of Company with effect from 24th November, 2020.
- Appointment of Mr. Parag Jain as Managing Director of Company with effect from 9th December, 2020.
- Cessation of Mr. Durgesh Kadam as Company secretary with effect from 23rd January, 2021.
- Appointment of Mr. Baldev Harpal singh as Nominee Director with effect from 4th February, 2021.

Place: Mumbai
Date: 01/11/2021

For Ragini Chokshi & Co

Sd/-
Ragini Chokshi
(Partner)
C.P.No: 1436
FCS No: 2390
UDIN: F002390C001350132

This report is to be read with our letter of even date which is annexed as Annexure 1 and forms an integral part of this report.

'Annexure -1'

To,
The Members,
SICOM Limited
Solitaire Corporate Park,
Building No.4, Guru Hargovindji Road.
Andheri (East), Mumbai – 400093.

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

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

For Ragini Chokshi & Co.

Place: Mumbai
Date: 01/11/2021

Sd/-
Ragini Chokshi
(Partner)
C.P. No. 1436
FCS No. 2390
UDIN: F002390C001350132

INDEPENDENT AUDITOR'S REPORT

To the Members of SICOM Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Qualified Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of SICOM **Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone Ind AS Financial Statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid Standalone Ind AS 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 including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, of the state of affairs of the Company as at March 31, 2021, its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

We draw your attention to Note 51 to the Standalone Ind AS Financial Statements wherein as per para 6(1) of Chapter IV of Section II of Master Direction – Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended ("Master Direction"), the Company, being a NBFC, is required to maintain a minimum capital ratio (CRAR) consisting of Tier I and Tier II Capital which shall not be less than 15 percent of its aggregate risk weighted assets on-balance sheet and risk adjusted value of off-balance sheet items. For the financial year ended March 31, 2021, the Company's CRAR was below 15%. Accordingly, the capital adequacy norms as per the Master Direction as mentioned above have not been complied with and we are unable to comment on its consequential impact, if any.

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 ethical requirements that are relevant to our audit of the Standalone Ind AS Financial Statements under the provisions of the Act and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the Standalone Ind AS Financial Statements.

Material Uncertainty Related to Going Concern

We draw attention to Note 74(C) to the Standalone Ind AS Financial Statements, which indicates that for the year ended March 31, 2021, the Company has incurred a net loss of Rs. 11,024.84 lakhs and also incurred cash losses during the current year and previous year. There is no progress in the development of business since last several years and there have been delays/ defaults in repayment of inter-corporate deposits and other obligations. The said assumption of going concern is dependent upon the Company's ability to raise funds through monetization of its non-core assets, mobilization of additional funds and other strategic initiative to meet its obligations. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, based on the mitigating factors as mentioned in the said note, the Standalone Ind AS Financial Statements have been prepared on a going concern basis.

Our opinion is not modified in respect of this matter.

Emphasis of Matter

We draw attention to Note 80 to the accompanying Standalone Ind AS Financial Statements, which explains the uncertainties and the Management's evaluation of the financial impact on the Company due to lockdown and other restrictions imposed by the local governments on account of COVID-19 pandemic situation, for which a definitive assessment of the impact is highly dependent upon the circumstances as they evolve in the subsequent period.

Our opinion is not modified in respect of this matter.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Managing Director Statement and Directors' Report, but does not include the Standalone Ind AS Financial Statements, Consolidated Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Ind AS 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 Ind AS 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 Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS 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 Ind AS Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS 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 Ind AS 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.

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

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS 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 this Standalone Ind AS Financial Statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 Ind AS 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 Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

(1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(2) As required by section 143(3) of the Act, we report that:

a. We have sought and except for the matter described in the Basis for Qualified Opinion section above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b. Except for the possible effects of the matter described in the Basis for Qualified Opinion section above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;

d. Except for the possible effects of the matter described in the Basis for Qualified Opinion section above, in our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. The matters described under the Basis for Qualified Opinion, Material Uncertainty Related to Going Concern and Emphasis of Matter section above, in our opinion, may have an adverse effect on the functioning of the Company;

f. On the basis of the written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of section 164(2) of the Act;

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure 2”;

h. With respect to the other matter to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;

i. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   (i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements – Refer Note 49 on Contingent Liabilities;

   (ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise; and

   (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

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Snehal Shah

Partner

Membership No. 045839

UDIN: 21048539AAAACZ3366

Mumbai:

June 30, 2021

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of SICOM Limited ("the Company") on the Standalone Ind AS financial statements for the year ended March 31, 2021]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone Ind AS financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

(i)

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) During the year, the fixed assets of the Company have been physically verified by the management and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of immovable properties recorded as fixed assets in the books of account of the Company are held in the name of the Company, except for the details given below:

Land/ Building	Total number of cases	Gross Block as on March 31, 2021	Net Block as on March 31, 2021	Remarks
Building	11	Rs.3,976.90Lakhs	Rs. 3096.64 lakhs	The name of SICOM Limited changed vide notification in official gazette. However, the title deeds are in the erstwhile name of the Company and not changed to SICOM Limited.
Building	1	Rs.148.06 Lakhs	Rs.127.16 Lakhs	Title deed is not available with the Company.

(ii) The Company is in the business of providing services and does not have any inventory. Accordingly, clause 3(ii) of the Order is not applicable to the Company.

(iii) The Company has granted unsecured loans to two companies covered in the register maintained under Section 189 of the Act. Further no loan, secured or unsecured, has been granted to firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act.

(a) The terms and conditions of the aforesaid loans granted by the Company are not prejudicial to the interest of the Company.

(b) The schedule of repayment of principal and payment of interest in respect of such loans has been stipulated and the repayments or receipts of principal amounts and interest are regular, except for the loan given to SICOM Investments and Finance Limited (subsidiary company) amounting to Rs. 18,274.99 Lakhs (Principal) as on March 31, 2021. Further, the Company has made a provision for expected credit loss for the entire amount outstanding of such loan stated above. Also, a loan of Rs. 407 Lakhs outstanding as on March 31, 2020 is repayable on demand as represented by the Management and relied upon by us in absence of any documentary evidence.

(c) In respect of the aforesaid loans, the details of amount which is overdue for more than ninety days are as below:

Name of Cases	Principal Amount Overdue	Interest Overdue	Total Overdue	Remarks
SICOM Investment and Finance Limited	18,294.99	10,043.67	28,338.66	The Company has taken remedial steps such as regular follow up
SICOM Realty Limited	1,905.53	394.98	2,300.51	The Company has restructured loan

(iv) The Company has complied with the provisions of sections 185 and 186(1) of the Act. Further as the company is a Non-Banking Finance Company, engaged in the business of financing, the provisions of section 186 [except for sub section (1)] of the act are not applicable to the Company].

(v) In our opinion, the Company has not accepted any deposits from the public within the provisions of sections 73 to 76 of the Act and the rules framed there under. Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of section 148 of the Act and the rules framed there under.

(vii)

(a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and services tax (GST), customs duty, cess and any other material statutory dues applicable to it, except there has been slightly delay in few cases.

No undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, GST, customs duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) There are no dues with respect to income tax, sales tax, service tax, value added tax, GST, customs duty, excise duty which have not been deposited on account of any dispute, except as follows:

Name of the statute	Nature of dues	Amount (net of duty paid under protest)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax Demand	307.93 Lacs	A.Y. 1997-98	Income Tax Officer
Income Tax Act, 1961	Income Tax Demand	234.96 Lacs	A.Y. 1998-99	Income Tax Officer
Income Tax Act, 1961	Income Tax Demand	165.26 Lacs	A.Y. 2005-06	Income Tax Officer
Income Tax Act, 1961	Income Tax Demand	290.13 Lacs	A.Y. 2007-08	High Court, Mumbai
Income Tax	Income Tax	24.06 Lacs	A.Y. 2010-11	High Court, Mumbai

Act, 1961	Demand			
Income Tax Act, 1961	Income Tax Demand	238.91 Lacs	A.Y. 2013-14	High Court, Mumbai
Income Tax Act, 1961	Income Tax Demand	623.26 Lacs	A.Y. 2016-17	Commissioner of Income Tax (Appeal)
Finance Act, 1994	Service Tax Demand	2,250.16 Lacs	F.Y. 2005-06 to 2009-10	Custom, Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax Demand	2,411.49 Lacs	F.Y. 2010-11 to 2012-13	Custom, Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax Demand	2,141.69 Lacs	F.Y. 2005-06 to 2012-13	Custom, Excise and Service Tax Appellate Tribunal.

(viii) During the year, the Company has not defaulted in repayment of loans or borrowings to financial institutions or governments except for details given below:

Particulars	Amount of default as at March 31, 2021 (Rs. In lakhs)	Period of Default	Remarks
Deposit from PSU Company 1. Maharashtra Krishna Valley Development Corporation 2. Maharashtra Niwara Nidhi – Mhada	 10,000.00 9,450.00	 3.5 months 1.5 months	

We draw attention to footnote to Note no. 21 of the Standalone Ind AS Financial Statements in respect of loan obtained from Government of India (Ministry of Food Processing Industries) and Government of Maharashtra. During the year, the Company has not taken any loan or borrowing from banks or issued any debentures.

(ix) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) or term loans during the year. Accordingly, clause 3(ix) of the Order is not applicable to the Company.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management, except for the following instances of frauds identified by the Management:

Two Incidents of frauds aggregating Rs. 62,696.75 Lacs relating to Inter corporate deposits (Including Interest) granted were noticed during the year and were informed to Reserve Bank of India.

(xi) Managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, clause 3(xii) of the Order is not applicable to the Company.

(xiii) All transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of Act, where applicable, and the details have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, clause 3(xiv) of the Order is not applicable to the Company.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with them during the year and hence provisions of section 192 of the Act are not applicable.

(xvi) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the registration has been obtained by the Company.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 103523W / W100048

Snehal Shah

Partner

Membership No. 048539

UDIN: 21048539AAAACZ3366

Mumbai : June 30, 2021

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT
[Referred to in paragraph 2(i) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of SICOM Limited on the standalone* Ind AS financial statements for the year ended March 31, 2021

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of SICOM Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Snehal Shah

Partner

Membership No. 045839

UDIN: 21048539AAAACZ3366

Mumbai:

June 30, 2021

Balance Sheet as at 31 March 2021

(Rs in Lakhs)

Particulars	**Notes**	**As at 31 March 2021**	**As at 31 March 2020**
I ASSETS			
1 Financial assets			
Cash and cash equivalents	9	137.45	18,249.31
Bank balance other than cash and cash equivalents	10	2.07	5.80
Receivables			
(i) Trade receivables	11	44.48	24.56
(ii) Other receivables	11	99.94	20.15
Loans	12	14,615.07	26,371.57
Investments	13	60,004.52	73,822.64
Other financial assets	14	809.71	1,524.77
2 Non-financial assets			
Current tax assets (net)	15	4,363.81	4,177.86
Deferred tax assets (net)	42	11,107.87	10,058.22
Investment property	16	48.75	48.75
Property, plant and equipment	17	17,275.22	17,862.00
Intangible assets under development	18	545.55	422.19
Other intangible assets	19	105.29	135.20
Other non-financial assets	20	518.04	436.69
Total assets		**1,09,677.77**	**1,53,159.71**
II LIABILITIES AND EQUITY			
Liabilities			
1 Financial liabilities			
Payables			
(I) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises		23.19	18.90
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		87.76	465.66
(II) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		80.06	163.84
Borrowings (other than deposits)	21	4,743.58	4,743.58
Deposits	22	52,303.32	85,520.89
Subordinated liabilities	23	750.00	750.00
Other financial liabilities	24	11,380.43	12,639.21
2 Non-financial liabilities			
Current tax liabilities (net)	25	320.23	320.23
Provisions	26	362.93	326.16
Other non-financial liabilities	27	1,256.08	173.74
Total liabilities		**71,307.58**	**1,05,122.21**
Equity			
Equity share capital	28	6,076.87	6,076.87
Other equity	29	32,293.32	41,960.63
Total equity		**38,370.19**	**48,037.50**
Total liabilities and equity		**1,09,677.77**	**1,53,159.71**

See accompanying notes forming part of the standalone financial statements.

As per our report of even date
For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

For and on behalf of the Board of Directors of SICOM Limited
CIN - U65990MH1966PLC013459

Snehal Shah
Partner
Membership No. 48539

Dr Shrikar Keshav Pardeshi
Managing Director
DIN : 05302044

Dr Harshadeep Shriram Kamble
Director
DIN : 07183938

Swagat Sawant
Chief Financial Officer

Mrs Chetna Vasani
Company Secretary

Mumbai
June 30, 2021

Mumbai
June 30, 2021

Mumbai
June 30, 2021

Statement of Profit and Loss for the year ended 31 March 2021

(Rs. in Lakhs)

		Particulars	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
		Revenue from operations			
	(i)	Interest income	30	4,797.99	8,799.77
	(ii)	Dividend income	31	3.98	2.02
	(iii)	Fee and commission income	32	208.59	348.37
	(iv)	Net gain on fair value changes	33	435.79	4,449.42
	(v)	Other operating income	34	32.70	109.46
(I)		**Total revenue from operations (I)**		**5,479.05**	**13,709.04**
(II)		**Other income (II)**	35	704.54	627.17
(III)		**Total income (I + II)=III**		**6,183.59**	**14,336.21**
		Expenses			
	(i)	Finance cost	36	4,883.38	8,638.52
	(ii)	Impairment on financial instruments	37	5,010.84	(4,050.71)
	(iii)	Employee benefit expenses	38	1,005.45	995.68
	(iv)	Depreciation, amortization and impairment	39	625.45	622.36
	(v)	Other expenses	40	1,004.46	1,363.21
(IV)		**Total expenses (IV)**		**12,529.58**	**7,569.06**
(V)		Profit/(loss) before exceptional items and tax (III - IV)		(6,345.99)	6,767.15
(VI)		Exceptional items	41	6,155.95	6,467.68
(VII)		Profit/(loss) before tax (V- VI)		(12,501.94)	299.47
(VIII)		Tax expense:			
		(1) Current tax	42	-	-
		(2) Deferred tax (credit)	42	(1,060.58)	1,749.85
		(3) Earlier year adjustments		-	-
		(4) Excess provision of last year		-	-
(IX)		Profit/(loss) for the year from continuing operations		(11,441.36)	(1,450.38)
(X)		**Impairment Reserve**		**(416.49)**	**416.49**
(XI)		**Profit/(loss) for the year (IX-X)**		**(11,024.87)**	**(1,866.87)**
(XII)		**Other comprehensive income**			
	A	**(i) Items that will not be reclassified to profit or loss**			
		Investment in equity share measured at FVOCI		1,800.63	(33.85)
		Remeasurement gain/(Loss) on defined benefit plan		(15.65)	(59.69)
		(ii) Income tax relating to item that will not be reclassified to Profit & Loss		(10.93)	49.07
	B	**(i) Items that will be reclassified to profit or loss**		-	-
		(ii) Income tax relating to item that will be reclassified to Profit & Loss		-	-
		Other Comprehensive Income (A+B)		**1,774.05**	**(44.47)**
(XIII)		**Total comprehensive income**		**(9,250.82)**	**(1,911.34)**
(XIV)		**Earnings per equity share**			
		Basic (Rs.)	43	(18.14)	(3.07)
		Diluted (Rs.)	43	(18.14)	(3.07)

See accompanying notes forming part of the standalone financial statements.

As per our report of even date
For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

For and on behalf of the Board of Directors of SICOM Limited
CIN - U65990MH1966PLC013459

Snehal Shah
Partner
Membership No. 48539

Dr Shrikar Keshav Pardeshi
Managing Director
DIN : 05302044

Dr Harshadeep Shriram Kamble
Director
DIN : 07183938

Swagat Sawant
Chief Financial Officer

Mrs Chetna Vasani
Company Secretary

Mumbai
June 30, 2021

Mumbai
June 30, 2021

Mumbai
June 30, 2021

Statement of changes in Equity for the year ended 31 March 2021

A. Equity Share Capital

Particulars	No. of Shares	Rs. in Lakhs
As at 1 April 2019	**6,07,68,703**	**6,076.87**
Changes in Equity share capital during the year	-	-
As at 31 March 2020	**6,07,68,703**	**6,076.87**
Changes in Equity share capital during the year	-	-
As at 31 March 2021	**6,07,68,703**	**6,076.87**

B. Other Equity

(Rs. in Lakhs)

Particulars	Reserves and Surplus							Other comprehensive income	Total
	Statutory reserve	Securities premium account	Special reserve	General reserve	Capital redemption reserve	Impairement reserve *	Retained earnings	Equity instruments/Actuarial gain/(Loss) through other comprehensive income	
Balance as at March 31, 2019	27,361.33	210.13	5,970.35	11,526.00	2,950.00	-	(9104.94)	4,542.63	43,455.47
Provison created for the year	-	-	-	-	-	416.49	-	-	416.49
Profit for the year	-	-	-	-	-	-	(1866.87)	(44.47)	(1,911.34)
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-
Transfered to/(from)	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	**27,361.33**	**210.13**	**5,970.35**	**11,526.00**	**2,950.00**	**416.49**	**(10971.81)**	**4,498.16**	**41,960.63**
Balance as at March 31, 2020	27,361.33	210.13	5,970.35	11,526.00	2,950.00	416.49	(10971.81)	4,498.16	41,960.63
Balance as at March 31, 2020	27,361.33	210.13	5,970.35	11,526.00	2,950.00	416.49	(10971.81)	4,498.16	41,960.63
Provison reversed during the year	-	-	-	-	-	(416.49)	-	-	(416.49)
Profit for the year	-	-	-	-	-	-	(11024.87)	1,774.05	(9,250.82)
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-
Transfered to/(from)	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	**27,361.33**	**210.13**	**5,970.35**	**11,526.00**	**2,950.00**	**0.00**	**(21996.68)**	**6,272.21**	**32,293.32**
Balance as at March 31, 2021	27,361.33	210.13	5,970.35	11,526.00	2,950.00	0.00	(21996.68)	6,272.21	32,293.32

* As per RBI Notification RBI/2019-20/170 DOR (NBFC).CC. PD.NO.109/22.10.106/2019-20 where impairment allowance under Ind AS 109 is lower than the provisioning required under Income Recognition, Asset Classification and Provisioning (IRACP) (including standard asset provisioning), NBFCs/ARCs shall appropriate the difference from their net profit or loss after tax to a separate account called 'Impairment Reserve'. The Impairment Reserve of Rs. 416.49 lakhs for FY 2019-20 represents the difference provisioning under IND AS 109 and IRACP provisioning. During F.Y 2020-21, Impairement Reserve of Rs. 416.49 lakhs reversed since impairment allowance under Ind AS 109 is higher than provision required under Income Recognition, Asset Classification and Provisioning (IRACP).

As per our report of even date
For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

For and on behalf of the Board of Directors of SICOM Limited
CIN - U65990MH1966PLC013459

Snehal Shah
Partner
Membership No. 48539

Dr Shrikar Keshav Pardeshi
Managing Director
DIN : 05302044

Dr Harshadeep Shriram Kamble
Director
DIN : 07183938

Swagat Sawant
Chief Financial Officer

Mrs Chetna Vasani
Company Secretary

Mumbai
June 30, 2021

Mumbai
June 30, 2021

Mumbai
June 30, 2021

Cash Flow statement for the year ended March 31, 2021

(Rs. in Lakhs)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Cashflow from Operating activities		
Profit before tax	(12,501.94)	299.47
Adjustments to reconcile profit before tax to net cash flows:		
Impairement & amortisation	625.45	620.05
Provision on Intangible Assets under development	27.70	2.31
Impairment on Loans	5,001.05	(5,246.04)
Amortisation of G-Sec Premium	-	2.31
Loss/(Gain) on Sale of Property,plant and equipment	(0.11)	0.05
Impairment on Investments	6,155.95	6,467.68
Net (gain)/loss on fair value changes on Investments	(435.79)	(4,449.42)
Rent and Licenses Fees	(700.20)	(613.41)
Finance Cost	4,883.38	2,124.15
Impairement on Trade Receivable	23.06	27.82
Bad debts written off	(22.71)	-
Imairement on Other financial assets	9.43	1,167.51
Operating profit before working capital changes	**3,065.27**	**402.48**
Working capital changes		
(Increase)/decrease in Loans	6,755.45	17,278.50
(Increase)/decrease in Other financial assets	705.63	1,370.65
(Increase)/decrease in Bank Deposits	3.73	3.96
(Increase)/decrease in trade receivables	(100.06)	(19.32)
(Increase)/decrease in Investments	9,898.59	18,588.99
(Increase)/decrease in Other non financial asset	(97.01)	107.72
Increase/(decrease) in Provisions	36.77	(76.54)
Increase/(decrease) in Trade Payables	(373.61)	246.68
Increase/(decrease) in other payables	(83.78)	137.10
Increase/(decrease) in Other financial liabilities	(1,258.77)	7,865.18
Increase/(decrease) in Other non financial liabilities	1,081.65	9.83
Cash generated from / (used in) operations	**19,633.86**	**45,915.23**
Direct taxes paid (net of refunds)	(185.96)	(302.41)
Net cash generated from / (used in) operating activities (A)	**19,447.90**	**45,612.82**
Cashflow from Investing activities		
Purchase of Property,Plant & Equipment & Intangible Assets	(160.18)	(577.20)
Sale of Property,Plant & Equipment & Intangible Assets	1.18	0.72
Rent and Licenses fees	700.20	613.41
Net cash flows from/(used in) investing activities (B)	**541.20**	**36.93**
Cashflow from financing activities		
Amount Received from deposits	-	16,805.59
Repayment of deposits	(33,217.58)	(61,262.64)
Finance Cost	(4,883.38)	(8,638.52)
Amount Received from borrowings other than deposits	-	-
Repayment of borrowings other than deposits	-	-
Net cash flows from financing activities (C)	**(38,100.96)**	**(53,095.57)**
Net increase in cash and cash equivalents (A+B+C)	(18,111.86)	(7,445.80)
Cash and cash equivalents at beginning (as per note 9 of Balance Sheet)	**18,249.31**	**25,695.11**
Cash and cash equivalents at the end of the year (as per note 9 of Balance Sheet)	**137.45**	**18,249.31**
Components of cash and cash equivalents		
Cash on hand	**0.70**	**0.50**
Balances with banks		
In current accounts	**136.75**	**283.81**
Cheques, drafts on hand	-	-
Bank deposit with maturity of less than 3 months	**-**	**17,965.00**

See accompanying notes forming part of the standalone financial statements.

As per our report of even date
For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Snehal Shah
Partner
Membership No. 48539

Mumbai
June 30, 2021

For and on behalf of the Board of Directors of SICOM Limited
CIN - U65990MH1966PLC013459

Dr Shrikar Keshav Pardeshi
Managing Director
DIN : 05302044

Dr Harshadeep Shriram Kamble
Director
DIN : 07183938

Swagat Sawant
Chief Financial Officer

Mrs Chetna Vasani
Company Secretary

Mumbai
June 30, 2021

Mumbai
June 30, 2021

Notes to financial statements
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 1: Corporate Information

SICOM Limited ('The Company') is registered as a Non- Banking Financial Company ('NBFC') (non- deposit accepting) as defined under section 45-I A of the Reserve Bank of India ('RBI') Act, 1934. The Company was incorporated on 31st March 1966. The Company is primarily engaged in the business of corporate lending.

The Company is registered with Reserve Bank of India (RBI) as non-deposit taking Non Banking Financial Company (NBFC) with Registration No. B-13.01647.

The Company is among the leading well-diversified financial services. Company in India offering end-to-end lending and financing to a diversified range of customers across the country.

The registered office of the Company is, Building No.4, Solitaire Corporate Park, Guru Hargovindji Road, Chakala, Andheri East, Mumbai 400093. The principal place of business is Building No.4, Solitaire Corporate Park, Guru Hargovindji Road, Chakala, Andheri East, Mumbai 400093.

The financial statements for the year ended 31st March 2021 were approved for issue in accordance with the resolution of the Board of Directors on 30th June, 2021.

Note 2: Basis of preparation and presentation

a. Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). The financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant Accounting Standards. Accounting policies have been consistently applied to all periods presented, unless otherwise stated.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The preparation of financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Company are discussed in Note 7 - Significant accounting judgements, estimates and assumptions.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest crore, except when otherwise indicated.

b. Basis of measurement

The financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant Indian Accounting Standards. Accounting policies have been consistently applied to all periods presented, unless otherwise stated.

c. Functional and presentation currency

The financial statements are presented in Indian Rupees which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates and all values are rounded to nearest lakhs, except wherever other wise stated.

Note 3: Presentation of financial statements

The financial statements of the Company are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:
i. The normal course of business
ii. The event of default
iii. The event of insolvency or bankruptcy of the Company and/or its counterparties

Note 4: Statement of compliance

These standalone or separate financial statements of the Company have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Act.

Note 5: Standard issued but not yet effective

On 24 March 2021, the Ministry of Corporate Affaires('MCA') through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I,II and III of Schedule III are applicable from 1 April 2021.

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 6 : Significant Accounting Policies

6.1. Recognition of Income

a) Interest Income

Under Ind AS 109 interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the statement of profit and loss.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets and financial asset measured at FVTPL. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the effective interest rate to the amortised cost net of provision of the financial asset for the loans whose tenure has not expired. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

b) Dividend Income

Dividend income is recognised :
i. When the right to receive the payment is established,
ii. it is probable that the economic benefits associated with the dividend will flow to the entity and
iii. the amount of the dividend can be measured reliably

c) Rental Income

Rental income arising from operating leases is recognised on a straight-line basis over the lease term. In cases where the increase is in line with expected general inflation rental income is recognised as per the contractual terms.

Operating leases are leases where the Company does not transfer substantially all of the risk and benefits of ownership of the asset.

d) Fees & Commission Income

Fees and commissions are recognised when the Company satisfies the performance obligation, at fair value of the consideration received or receivable based on a five-step model as set out below, unless included in the effective interest calculation:
Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to provide service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation

Fees earned from contract with customer is recognised basis point in time when performance obligation is satisfied (when the trade is executed). Fees and commissions arising from negotiating or participating in the negotiation of a transaction for a third party, such as the arrangement/participation, syndication fees, consortium fees, are recognised on completion of the underlying transaction. Fees or components of fees that are linked to a certain performance are recognised after fulfilling the corresponding criteria.

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

e) Other Income

i. All other charges such as cheque return charges, overdue charges etc. are recognised on realization basis. These charges are treated to accrue on realization, due to the uncertainty of their realization.

ii. All other incomes are accounted on accrual basis.

6.2. Property, Plant and equipment ("PPE")

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), and any directly attributable cost of bringing the asset to its working condition and location for its intended use. Subsequent to initial recognition, PPE are stated at cost less accumulated depreciation and any impairment losses. When significant parts of property, plant and equipment are required to be replaced in regular intervals, the Company recognises such parts as separate component of assets. When an item of PPE is replaced, then its carrying amount is de-recognised from the balance sheet and cost of the new item of PPE is recognised. The expenditures that are incurred after the item of PPE has been put to use, such as repairs and maintenance, are normally charged to the statement of profit and loss in the period in which such costs are incurred. However, in situations where the said expenditure can be measured reliably, and is probable that future economic benefits associated with it will flow to the Company, it is included in the asset's carrying value or as a separate asset, as appropriate.

Depreciation is calculated using the Straight Line Method (SLM) method to write down the cost of PPE to their residual values over their estimated useful lives. Land is not depreciated.

The estimated useful lives are as follows:

Particulars	Useful Life of Assets
Furniture and fixtures	10 years
Typewriter and office equipment	10 years
Electronic Telephone equipment	10 years
Vehicles	8 years
Audio-visual equipment	10 years
Air conditioners and refrigerators	10 years
Other machinery and equipment	5 years
Computers	3 years
Ownership premises	19-54 years

Depreciation is provided as per Schedule II of the Companies Act, 2013 as given below :

Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other operating income in the Statement of profit and loss in the year in which the asset is derecognised.

6.3. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment loss. Intangible assets are amortized on a straight line basis over the estimated useful economic life.
The Company considers that the useful life of an intangible asset will not exceed 10 years from the date when the asset is available for use.

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

6.4. Impairment of non-financial assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

6.5. Leases

The determination of whether an arrangement is or contains a lease, is based on the substance of the arrangement at the inception of the lease. The arrangement is or contain a lease if the fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 April 2017, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Company as a lessee

Leases that do not transfer to the Company substantially all of the risks and benefits incidental to ownership of the leased items are operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless the increase is in line with expected general inflation, in which case lease payments are recognised based on contractual terms. Contingent rental payable is recognised as an expense in the period in which it is incurred.

Company as a lessor

Leases where the Company does not transfer substantially all of the risk and benefits of ownership of the asset are classified as operating leases. Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in rental income in the statement of profit or loss, unless the increase is in line with expected general inflation, in which case lease income is recognised based on contractual terms. Initial direct costs incurred in negotiating operating leases are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

6.6. Retirement and other employee benefits

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include compensated absences such as paid annual leave and sickness leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized in the Statement of Profit and Loss during the year.

Post-employment employee benefits

a) Defined contribution schemes

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

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b) Defined Benefit schemes

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The fund is administered by Life Insurance Corporation of India (LIC). The gratuity liability is calculated using the Projected Unit Credit Method which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

Other long-term employee benefits

Company's liabilities towards compensated absences to employees are accrued on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss.
The Company presents the provision for compensated absences under provisions in the Balance Sheet.

6.7. Finance cost

Finance cost represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

The EIR in case of a financial liability is computed :
a. As the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.
b. By considering all the contractual terms of the financial instrument in estimating the cash flows.
c. Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.
Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest expense includes issue costs that are initially recognized as a part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, rating fee etc., provided these are incremental costs that are directly related to the issue of a financial liability.

6.8. Taxes

Tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effect of timing differences between accounting income and taxable income for the period).

i Current Taxes

Provision for current tax is made on the basis of estimated taxable income for the accounting year in accordance with the Income Tax Act, 1961. Current tax assets and liabilities are measured at the amount expected to be recovered from, or paid to, the taxation authorities.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Management periodically evaluates positions taken in the tax returns with respect to situation in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and liabilities are offset where the entity has legally enforceable right to offset and intends either to settle on net basis, or to realise the assets and settle the liability simultaneously.

ii Deferred Taxes

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit and is accounted for using the balance sheet liability model. Deferred tax liabilities are generally recognised for all the taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

iii Minimum Alternate Tax (MAT)

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognises MAT credit available as an asset only to the extent that it is probable that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as “MAT Credit Entitlement.” The Company reviews the MAT Credit Entitlement asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

6.9. Other Expenses

All other expense are recognized in the period they occur.

6.10. Earnings per share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

6.11. Provisions and other Contingent liabilities
a) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The increase in the provision due to un-winding of discount over passage of time is recognised within finance costs. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

b) Other Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

6.12. Dividend on Equity Shares

The Company recognises a liability to make cash or non-cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Companies Act, 2013 in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

Our Company also recognises dividends on ordinary shares and related dividend tax as a liability and deducted from equity when they are approved by the Company's shareholders.

6.13. Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

6.14. Segment Information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM)
The Board of Directors of the Company has appointed the Managing Director ("MD") to assess the financial performance and position of the Company, and makes strategic decisions. The MD has been identified as being the CODM for corporate planning.
Refer Note No. 44 for segment information presented.

6.15. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past / future cash receipts or payments. For the purpose of the Statement of Cash Flows, cash and cash equivalents as defined above, net of outstanding bank overdrafts as they are considered an integral part of cash management of the Company.

6.16. Determination of Fair Value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Company measures certain categories of financial instruments (as explained in note 6.17.1) at fair value on each balance sheet date.

Fair value is the price at the measurement date, at which an asset can be sold or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
a) In the principal market for the asset or liability, or
b) In the absence of a principal market, in the most advantageous market for the asset or liability

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

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

The Company's accounting policies require measurement of certain financial / non-financial assets and liabilities at fair values (either on a recurring or non-recurring basis). Also, the fair values of financial instruments measured at amortised cost are required to be disclosed in the said financial statements.

The Company is required to classify the fair valuation method of the financial / non-financial assets and liabilities, either measured or disclosed at fair value in the financial statements, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurement).

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

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments −Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments−Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

Level 3 financial instruments − Those that includes one or more unobservable input where there is little market activity for the asset/liability at the measurement date that is significant to the measurement as a whole.

6.17. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Entity becomes a party to the contractual provisions of the instruments.

6.17.1 Financial Assets

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

Subsequent measurement

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

- Financial instruments to be measured at amortised cost
- Financial instruments to be measured at fair value through other comprehensive income (FVTOCI).
- Financial instruments to be measured at fair value through profit or loss (FVTPL).

Financial assets measured at amortised cost
Debt instruments

These financial assets comprise Bank Balances, Loans, Trade Receivables, Investments and Other Financial Assets.

Debt instruments are measured at amortised cost where they have:

a) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and

b) are held within a business model whose objective is achieved by holding to collect contractual cash flows.

After initial measurement at fair value plus directly attributable costs, these financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. The measurement of credit impairment is based on the stage 3 expected credit loss model described in Note on Impairment of financial assets.

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Business Model Assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.
The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:
> How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
>The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed
> How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
> The expected frequency, value and timing of sales are also important aspects of the Company's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The Solely Payments of Principal and Interest (SPPI) test

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Company assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss. The amortised cost, as mentioned above, is computed using the effective interest rate method.

Financial assets measured at fair value through other comprehensive income

Debt Instruments

Investments in debt instruments are measured at fair value through other comprehensive income where they have:
a) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest (SPPI) on the principal amount outstanding; and
b) Are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income within a separate component of equity. Impairment losses or reversals, interest revenue and foreign exchange gains and losses are recognised in profit and loss. Upon disposal, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the statement of profit or loss. The expected credit loss model is described in Note on Impairment of financial assets.

Equity instruments
Investment in equity instruments that are neither held for trading nor contingent consideration recognised by the Company in a business combination to which Ind AS 103 'Business Combination' applies, are measured at fair value through other comprehensive income, where an irrevocable election has been made by management and when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation. Such classification is determined on an instrument-by-instrument basis. As at reporting date, there are equity instruments measured at FVOCI. Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. Dividends on such investments are recognised in profit or loss.

Financial Instrument measured at fair value through profit or loss

Any financial instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, financial instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

Items at fair value through profit or loss comprise:
• Investments (including equity shares) held for trading;
• Items specifically designated as fair value through profit or loss on initial recognition; and
• Financial instruments with contractual terms that do not represent solely payments of principal and interest.
Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

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6.17.2 Financial Liability

A financial liability may be designated at fair value through profit or loss if it eliminates or significantly reduces an accounting mismatch or:
• if a host contract contains one or more embedded derivatives; or
• if financial assets and liabilities are both managed and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.
Where a financial liability is designated at fair value through profit or loss, the movement in fair value attributable to changes in the Company's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income. As at the reporting date, the Company has not designated any financial instruments as measured at fair value through profit or loss.

Other borrowed funds

After initial measurement, other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and transaction costs that are an integral part of the Effective Interest Rate (EIR).

Modification of loans

The Company sometimes renegotiates or otherwise modifies the contractual cash flows of loans to customers. When this happens, the Company assesses whether or not the new terms are substantially different to the original terms.
If the terms are substantially different, the Company derecognises the original financial asset and recognises a 'new' asset at fair value and recalculates a new effective interest rate for the asset. The date of renegotiation is consequently considered to be the date of initial recognition for impairment calculation purposes, including for the purpose of determining whether a significant increase in credit risk has occurred. However, the Company also assesses whether the new financial asset recognised is deemed to be credit-impaired at initial recognition, especially in circumstances where the renegotiation was driven by the debtor being unable to make the originally agreed payments. Differences in the carrying amount are also recognised in profit or loss as a gain or loss on de recognition.

If the terms are not substantially different, the renegotiation or modification does not result in de recognition, and the Company recalculates the gross carrying amount based on the revised cash flows of the financial asset and recognises a modification gain or loss in profit or loss. The new gross carrying amount is recalculated by discounting the modified cash flows at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets).

6.17.3 Impairment of financial assets

The Company applies the expected credit loss (ECL) model for recognising impairment loss as against hitherto Income Recognition and Asset Classification (IRAC) norms of RBI.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months from the reporting date.

The Company assesses at each reporting date whether a financial asset (or a Company of financial assets) such as investments, loans and advances, non-fund based limits not designated as FVTPL and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Lifetime Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Stage 1 : 12 months ECL
All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Company classifies all standard advances and advances upto 30 days default under this category. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2. For these assets, 12 months ECL are recognized and interest revenue is calculated on the gross carrying amount of the asset.

Stage 2: Lifetime ECL – not credit impaired
Financial instruments that have had a significant increase in credit risk since initial recognition are classified under this stage. 30 Days Past Due is considered as significant increase in credit risk and classified under this category. For these assets, lifetime ECL are recognized, but interest revenue is still calculated on the gross carrying amount of the asset.

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Stage 3: Lifetime ECL – credit impaired

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount for the loans whose tenure is not expired. 90 Days Past Due is considered as default for classifying a financial instrument as credit impaired. If an event (for eg. any natural calamity) warrants a provision higher than as mandated under ECL methodology, the Company may classify the financial asset in Stage 3 accordingly.

Credit-Impaired financial assets :
Measurement of ECLs

The measurement of ECL reflects:

a) An unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes

b) The time value of money

c) Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

ECLs are derived from unbiased and probability-weighted estimates of expected loss, and are measured as follows:

- Financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls over the expected life of the financial asset discounted by the effective interest rate. The cash shortfall is the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive.
- Financial assets that are credit-impaired at the reporting date: for majority of Stage 3 assets, the ECL is assessed on individual recoverability basis and for remainder on collective basis as per segmentation of financial assets.
- Undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Company if the commitment is drawn down and the cash flows that the Company expects to receive.

ECLs are recognised using a provision for doubtful debts account in the statement of profit and loss. In the case of debt instruments measured at fair value through other comprehensive income, the measurement of ECLs is based on the three-stage approach as applied to financial assets at amortised cost. The Company recognises the provision charge in the statement of profit and loss, with the corresponding amount recognised in other comprehensive income, with no reduction in the carrying amount of the asset in the balance sheet.

Write-off

Loans and debt securities are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position as follows:

a) Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;

b) Loan commitments and financial guarantee contracts: generally, as a provision;

c) Where a financial instrument includes both a drawn and an undrawn component, and the Company cannot identify the ECL on the loan commitment component separately from those on the drawn component: the Company presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision; and

d) Debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in the fair value reserve.

6.17.4 Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition. Financial liabilities are never reclassified. The Company did not reclassify any of its financial assets or liabilities in 2019-20 and until the year ended March 31, 2021.

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Recognition and Derecognition of financial assets and financial liabilities

Recognition:

a) Loans and Advances are initially recognised when the funds are transferred to the customers' account or delivery of assets by the dealer, whichever is earlier.
b) Investments are initially recognised on the settlement date.
c) Deposits and borrowings are initially recognised when funds reach the Company.
d) Other Financial assets and liabilities are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Derecognition:

Financial assets: The Company derecognizes a financial asset when the contractual cash flows from the asset expire or it transfers its rights to receive contractual cash flows from the financial asset in a transaction in which substantially all the risks and rewards of ownership are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability.

Financial liabilities: A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss. As at the reporting date, the Company does not have any financial liabilities which have been derecognised.

Offsetting

Financial assets and financial liabilities are generally reported gross in the balance sheet. Financial assets and liabilities are offset and the net amount is presented in the balance sheet when the Company has a legal right to offset the amounts and intends to settle on a net basis or to realise the asset and settle the liability simultaneously in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties

Securities lending and borrowing
Securities lending and borrowing transactions are usually collateralised by securities or cash. The transfer of the securities to counterparties is only reflected on the statement of financial position if the risks and rewards of ownership are also transferred. Cash advanced or received as collateral is recorded as an asset or liability. Securities borrowed are not recognised in the statement of financial position, unless they are then sold to third parties, in which case, the obligation to return the securities is recorded as a short sale within financial liabilities held for trading and measured at fair value with any gains or losses included in net trading income.

Financial guarantees

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. Such financial guarantees are given to Company's, financial institutions and others on behalf of customers to secure loans, overdrafts and other Companying facilities.

In the ordinary course of business, the Company issues financial guarantees, consisting of letters of credit, guarantees and acceptances. Financial guarantee contracts issued by the entity are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. All financial Instruments should be valued at its fair value on initial recognition (which normally is its transaction price) and since financial guarantee falls under financial instrument definition (as per Ind AS-32) hence, financial guarantees are initially recognised in the financial statements within 'other liabilities' at fair value, being the commission/premium received.

Subsequent to initial recognition, the Company's liability under each guarantee is measured at the higher of the amount initially recognised less cumulative amortisation recognised in the Statement of profit and loss, and the best estimate of expenditure required to settle any financial obligation arising as a result of the guarantee (loss allowance determined as per Ind AS 109). Any increase in the liability relating to financial guarantees is recorded in the Statement of profit and loss in credit loss expense. The premium received is recognised in the Statement of profit and loss in net fees and commission income on a straight line basis over the life of the guarantee.

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 7: Significant Accounting Judgments, Estimates and Assumptions

The preparation of financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

7.1 Business Model Assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

7.2 Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

7.3 Fair value measurement

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

7.4 Impairment of loans portfolio

The measurement of impairment losses across all categories of financial assets requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

The impairment loss on loans and advances is disclosed in more detail in Note 6.17.3. Impairment of Financial assets.

7.5 Contingent liabilities and provisions other than impairment on loan portfolio

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

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

7.6 Effective Interest Rate (EIR) method

The Company's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioral life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgment regarding the expected behavior and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument

7.7 Other estimates:

These include contingent liabilities, useful lives of tangible and intangible assets etc.

Note 8: Mandatory exceptions

Following mandatory exceptions are applicable to the Company:

8.1 Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

8.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 9: Cash and cash equivalents

(Rs. in Lakhs)

Particulars	**As at 31 March 2021**	**As at 31 March 2020**
Cash on hand	0.70	0.50
Balances with bank	136.75	283.81
Cheques, drafts on hand	-	-
Bank deposit with maturity of less than 3 months	-	17,965.00
Total	**137.45**	**18,249.31**

Short term deposits are made for varying periods of between one day to three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates. The Company has not taken bank overdraft, therefore the cash and cash equivalent for cash flow statement is same as cash and cash equivalent given above.

Note 10: Bank balance other than cash and cash equivalents

(Rs. in Lakhs)

Particulars	**As at 31 March 2021**	**As at 31 March 2020**
Earmarked Balance with banks		
- Unpaid Dividend	2.07	5.80
	2.07	**5.80**

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 11: Trade and Other Receivables

(i) Trade Receivables

(Rs in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Trade Receivable considered good - Unsecured	44.48	24.56
Trade Receivable considered good - Secured	-	-
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	92.67	115.38
Sub-Total (A)	137.15	139.94
Allowance for impairment loss:		
Trade Receivable considered good - Unsecured	-	-
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	92.67	115.38
Sub-Total (B)	92.67	115.38
Total (A-B)	**44.48**	**24.56**

Trade receivables are non-interest bearing and are generally payable on immediate basis.

(Rs in Lakhs)

Trade receivables days past due		Current	1-30 days past due	31-60 days past due	61-90 days past due	91-360 days past due	More than 360 days past due	Total
ECL rate		**0%**	**0%**	**0%**	**100%**	**100%**	**100%**	
31-Mar-21	Estimated total gross carrying amount at default	31.95	12.53	-	8.85	-	83.82	**137.15**
	ECL-Simplified approach	-	-	-	8.85	-	83.82	**92.67**
	Net carrying amount	**31.95**	**12.53**	-	-	-	-	**44.48**
31-Mar-20	Estimated total gross carrying amount at default	23.60	0.96	-	9.44	11.37	94.57	**139.94**
	ECL-Simplified approach	-	-	-	9.44	11.37	94.57	**115.38**
	Net carrying amount	**23.60**	**0.96**	-	-	-	-	**24.56**

Reconciliation of impairment allowance on trade receivables:

(Rs.in Lakhs)

Particulars	Amount
Impairment allowance measured as per simplified approach	
Impairment allowance as per 1 April 2019	**87.56**
Addition/ (Reduction) during the year	27.82
Impairment allowance as per 31 March 2020	**115.38**
Addition/ (Reduction) during the year	(22.71)
Impairment allowance as per 31 March 2021	**92.67**

(ii) Other Receivables

(Rs in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Other Receivable considered good - Unsecured	99.94	20.15
Other Receivable considered good - Secured	-	-
Other Receivables which have significant increase in credit risk	-	-
Other Receivables - credit impaired	1,201.16	1,192.34
Sub-Total (A)	1,301.10	1,212.49
Allowance for impairment loss:		
Other Receivable considered good - Unsecured	-	-
Other Receivables which have significant increase in credit risk	-	-
Other Receivables - credit impaired	1,201.16	1,192.34
Sub-Total (B)	1,201.16	1,192.34
Total (A-B)	**99.94**	**20.15**

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 11 : Trade and Other Receivables (Continued)

(Rs in Lakhs)

Other receivables days past due		Current	1-30 days past due	31-60 days past due	61-90 days past due	91-360 days past due	More than 360 days past due	Total
ECL rate		0%	0%	0%	10%	9%	35% - 100%	
31-Mar-21	Estimated total gross carrying amount at default	1.63	9.38	16.02	8.93	63.75	1,201.39	**1,301.10**
	ECL-Simplified approach	-	-	-	0.89	5.79	1,194.48	**1,201.16**
	Net carrying amount	**1.63**	**9.38**	**16.02**	**8.04**	**57.96**	**6.91**	**99.94**
31-Mar-20	Estimated total gross carrying amount at default	1,212.42	-	-	-	-	0.07	**1,212.49**
	ECL-Simplified approach	1,192.33	-	-	-	-	0.01	**1,192.34**
	Net carrying amount	**20.09**	**-**	**-**	**-**	**-**	**0.06**	**20.15**

Reconciliation of impairment allowance on Other Receivables:

(Rs.in Lakhs)

Particulars	Amount
Impairment allowance measured as per simplified approach	
Impairment allowance as per 1 April 2019	**26.87**
Addition/ (Reduction) during the year	1,165.47
Impairment allowance as per 31 March 2020	**1,192.34**
Addition/ (Reduction) during the year	8.82
Impairment allowance as per 31 March 2021	**1,201.16**

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private Companies respectively in which any director is a partner, a director or a member.

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 12: Loans

(Rs. in Lakhs)

Particulars	As at 31 March 2021						As at 31 March 2020					
		At fair value						At fair value				
	Amortised Cost	Through Other Comprehensive Income	Through profit and loss account	Designated at through profit and loss account	Sub-total	Total	Amortised Cost	Through Other Comprehensive Income	Through profit and loss account	Designated at through profit and loss account	Sub-total	Total
i) Bills purchased and bills discounted	13,338.60	-	-	-	-	13,338.60	14,123.28	-	-	-	-	14,123.28
ii) Loans repayable on demand	20,378.36	-	-	-	-	20,378.36	20,333.14	-	-	-	-	20,333.14
iii) Term loans	1,12,850.42	-	-	-	-	1,12,850.42	1,18,854.38	-	-	-	-	1,18,854.38
Loans and Advances to Employees	20.69	-	-	-	-	20.69	32.68	-	-	-	-	32.68
Total (A) - Gross	**1,46,588.07**	-	-	-	-	**1,46,588.07**	**1,53,343.48**	-	-	-	-	**1,53,343.48**
Less: Impairment loss allowance	1,31,973.00	-	-	-	-	1,31,973.00	1,26,971.91	-	-	-	-	1,26,971.91
Total (A) - Net	**14,615.07**	-	-	-	-	**14,615.07**	**26,371.57**	-	-	-	-	**26,371.57**
i) Secured by tangible assets	39,074.64	-	-	-	-	39,074.64	65,693.06	-	-	-		65,693.06
ii) Secured by Shares, Certificate of deposit etc.	1,444.86	-	-	-	-	1,444.86	3,243.47	-	-	-		3,243.47
iii) Covered by bank and government guarantee	-	-	-	-	-	-	-	-	-	-	-	-
v) Unsecured	1,06,068.57	-	-	-	-	1,06,068.57	84,406.95	-	-	-	-	84,406.95
Total (B) - Gross	**1,46,588.07**	-	-	-	-	**1,46,588.07**	**1,53,343.48**	-	-	-	-	**1,53,343.48**
Less : Impairment loss allowance	1,31,973.00	-	-	-	-	1,31,973.00	1,26,971.91	-	-	-	-	1,26,971.91
Total (B) - Net	**14,615.07**	-	-	-	-	**14,615.07**	**26,371.57**	-	-	-	-	**26,371.57**
Loans in India												
i) Public Sector	-	-	-	-	-	-	-	-	-	-	-	-
ii) Corporates	1,46,588.07	-	-	-	-	1,46,588.07	1,53,343.48	-	-	-	-	1,53,343.48
Total - Gross	**1,46,588.07**	-	-	-	-	**1,46,588.07**	**1,53,343.48**	-	-	-	-	**1,53,343.48**
Less: Impairment loss allowance	1,31,973.00	-	-	-	-	1,31,973.00	1,26,971.91	-	-	-	-	1,26,971.91
Total - Net	**14,615.07**	-	-	-	-	**14,615.07**	**26,371.57**	-	-	-	-	**26,371.57**
Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	-
Total - Net	-	-	-	-	-	-	-	-	-	-	-	-
Total (C)	**14,615.07**	-	-	-	-	**14,615.07**	**26,371.57**	-	-	-	-	**26,371.57**

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 12 : Loan (Continued)

Credit Quality of Assets

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the company's internal grading system are explained in Note 53.2 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 53.2.1.6

(Rs. in Lakhs)

	As at 31 March 2021					As at 31 March 2020				
Particulars	**Stage 1 Collective**	**Stage 2 Collective**	**Stage 3 Collective**	**POCI**	**Total**	**Stage 1 Collective**	**Stage 2 Collective**	**Stage 3 Collective**	**POCI**	**Total**
Internal rating grade										
Performing										
High grade	-	-	-	-	-	-	-	-	-	-
Standard grade	20.69	-	-	-	20.69	2,473.12	-	-	-	2,473.12
Sub-standard grade	-	-	-	-	-	-	-	-	-	-
Past due but not impaired	-	-	-	-	-	-	-	-	-	-
Non- performing	-	-	1,46,567.38	-	1,46,567.38	-	-	1,50,870.36	-	1,50,870.36
Total	**20.69**	**-**	**1,46,567.38**	**-**	**1,46,588.07**	**2,473.12**	**-**	**1,50,870.36**	**-**	**1,53,343.48**

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans is, as follows:

(Rs. in Lakhs)

Particulars	Year ended March 31, 2021					Year ended March 31, 2020				
	Stage 1	**Stage 2**	**Stage 3**	**POCI**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Gross carrying amount opening balance	**2,473.12**	**-**	**1,50,870.36**	**-**	**1,53,343.48**	10,520.21	1,929.67	1,57,524.47	-	1,69,974.35
New assets originated or purchased	-	-	50.29		**50.29**	272.65	8.47	-		281.12
Assets derecognised or repaid (excluding write offs)	(390.06)	-	(6,415.64)		**(6,805.70)**	(6,539.74)	-	(10,372.25)		(16,911.99)
Transfers to Stage 1	-	-	-	-	**0.00**	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-	-	-
Transfers to Stage 3	(2,062.37)	-	2,062.37		-	(1,780.00)	(1,938.14)	3,718.14		-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-	-	-
Gross carrying amount closing balance	**20.69**	**-**	**1,46,567.38**	**-**	**1,46,588.07**	**2,473.12**	**-**	**1,50,870.36**	**-**	**1,53,343.48**

Reconciliation of ECL balance is given below:

(Rs. in Lakhs)

Particulars	Year ended March 31, 2021					Year ended March 31, 2020				
	General Aproach					General Aproach				
	Stage 1	**Stage 2**	**Stage 3**	**POCI**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
ECL allowance - opening balance	**63.85**	**-**	**1,26,908.06**	**-**	**1,26,971.91**	**866.15**	**182.01**	**1,29,326.84**	**-**	**1,30,375.00**
Additional Provision made	-	-	9,817.88		9,817.88	(2.86)	-	5,219.67		5,216.81
Assets derecognised or repaid (excluding write offs)	(42.91)	-	(4,773.88)	-	(4,816.79)	(634.91)	(2.89)	(7,982.10)	-	(8,619.90)
Transfers to Stage 1	-	-	-	-	0.00	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-	-	-
Transfers to Stage 3	(20.94)	-	20.94		-	(164.53)	(179.12)	343.65		-
Impact on year end ECL of exposures transferred between stages during the year	-	-	-	-	-	-	-	-	-	-
Unwind of discount	-	-		-	-	-	-		-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-	-	-	-	-	-
Changes to models and inputs used for ECL calculations	-	-	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-	-	-
ECL allowance - closing balance	**-**	**-**	**1,31,973.00**	**-**	**1,31,973.00**	**63.85**	**-**	**1,26,908.06**	**-**	**1,26,971.91**

The Contractual amount outstanding on loans that have been written off during the financial year, but were still subject to enforcement activity was Rs Nil at March 31, 2021 (March 31, 2020 Rs Nil).

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 13: Investments

(Rs. in Lakhs)

Particulars	Amortised Cost	At fair value				Others	Total
		Through Other Comprehensive Income	Through profit and loss account	Designated at through profit and loss account	Sub-total		
As at 31 March 2021							
i) Mutual funds	-	-	1.00	-	1.00	-	1.00
ii) Government securities	-	-	-	-	-	-	-
iv) Debt securities	-	-	43,182.20	-	43,182.20	-	43,182.20
v) Equity instruments	-	11,144.01	61.17	-	11,205.18	-	11,205.18
vi) Subsidiaries (at cost)	-	-	-	-	-	3,709.83	3,709.83
vii) Others (specify)							
- Preference shares	2,500.00	-	1,206.31	-	1,206.31	-	3,706.31
- Rare Assets Security Recepits	-	-	700.00	-	700.00	-	700.00
- ARCIL Security Recepits	-	-	-	-	-	-	-
Total Gross (A)	**2,500.00**	**11,144.01**	**45,150.68**	**-**	**56,294.69**	**3,709.83**	**62,504.52**
Less : Impairment loss allowance (B)	(2,500.00)	-	-	-	-	-	(2,500.00)
Total - Net C=(A)-(B)	**-**	**11,144.01**	**45,150.68**	**-**	**56,294.69**	**3,709.83**	**60,004.52**
As at 31 March 2020							
i) Mutual funds	-	-	17.00	-	17.00	-	17.00
ii) Government securities	-	-	-	-	-	-	-
iv) Debt securities	-	-	59,007.45	-	59,007.45	-	59,007.45
v) Equity instruments	-	9,364.50	32.38	-	9,396.88	-	9,396.88
vi) Subsidiaries (at cost)	-	-	-	-	-	3,709.83	3,709.83
vii) Others (specify)							
- Preference shares	2,500.00	-	991.48	-	991.48	-	3,491.48
- Rare Assets Security Recepits	-	-	700.00	-	700.00	-	700.00
- ARCIL Security Recepits	-	-	-	-	-	-	-
Total Gross (A)	**2,500.00**	**9,364.50**	**60,748.31**	**-**	**70,112.81**	**3,709.83**	**76,322.64**
Less : Impairment loss allowance ('B)	(2,500.00)	-	-	-	-	-	(2,500.00)
Total - Net C=(A)-(B)	**-**	**9,364.50**	**60,748.31**	**-**	**70,112.81**	**3,709.83**	**73,822.64**

More information regarding the valuation methodologies can be found in Note 52.9

The company has not entered in to any credit derivative to mitigate above credit risk.

The company has designated its investment in Debt securities as FVPTL on the basis that these are held for trading. Investment in Government securities which are held for long term investments are designated at amortised cost.

The company has designated its equity investments as FVOCI on the basis that these are not held for trading and held for strategic purposes and at FVTPL for those held for trading.

Reconciliation of impairment allowance on Investment carried at amortised cost

(Rs.in Lakhs)

Particulars	Amount
Impairment allowance measured as per simplified approach	
Impairment allowance as at 31 March 2019	**2,500.00**
Addition/ (Reduction): asset originated or acquired	-
Impairment allowance as at 31 March 2020	**2,500.00**
Addition/ (Reduction): asset originated or acquired	-
Impairment allowance as at 31 March 2021	**2,500.00**

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 14: Other financial assets

(Rs. in Lakhs)

Particulars	**As at 31 March 2021**	**As at 31 March 2020**
Security deposits	69.42	69.42
Interest accrued but not due on Receivable from Investments	694.80	1,391.40
Un-billed Revenue	15.18	40.54
Advance recoverable in cash or kind	30.31	23.41
Total	**809.71**	1,524.77

Note 15: Current tax assets (net)

(Rs in Lakhs)

Particulars	**As at 31 March 2021**	**As at 31 March 2020**
Advance income tax (net of provision for tax)	4,363.81	4,177.86
(net of provision for Tax Rs 49,017.94 lakhs (March 31, 2020:Rs 49,017.94 lakhs)		
Total	**4,363.81**	4,177.86

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 16: Investment Property

(Rs in Lakhs)

Particulars	Amount
Cost	
Opening Balance At 1 April 2019	**48.75**
Additions	-
Disposals	-
Closing Balance as at 31 March 2020	**48.75**
Additions	-
Disposals	-
Closing Balance as at 31 March 2021	**48.75**
Depreciation and impairment	
Opening Balance At 1 April 2019	-
Additions	-
Disposals	-
Closing Balance At 31 March 2020	-
Additions	-
Disposals	-
Closing Balance At 31 March 2021	-
Net book value:	
As at 31 March 2020	**48.75**
As at 31 March 2021	**48.75**

(i) Amounts recognised in Statement of Profit and Loss for Investment Property

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rental Income	19.38	19.38
Direct operating expense from property that generated rental income	-	-
Profit from investment properties before depreciation	19.38	19.38
Depreciation	-	-
Profit from investment properties	**19.38**	**19.38**

(ii) Contractual obligations

The Company has no contractual obligations to purchase, construct or develop investment property. However, the responsibility for its repairs, maintenance or enhancements is with the Company.

(iii) Fair Value

The fair valuation of investment property as at March 31, 2019 is Rs 2,246.85 lakhs.

(iv) Pledged details

Investment property is not pledged.

(v) Estimation of fair value

The fair values of investment property is determined by guidance value given by local government of the area where the investment properties are located as mentioned in valuer report.

Note 17: Property, plant and equipment

(Rs. in Lakhs)

Particulars	Building	Plant and Machinery	Furniture & Fixures	Office Equipment	Vehicles	Total
As at 31 March 2019	**19,106.79**	**25.04**	**227.26**	**172.06**	**32.72**	**19,563.87**
Additions	-	0.31	8.29	4.69	-	13.29
Disposals	-	-	-	0.72	-	0.72
As at 31 March 2020	**19,106.79**	**25.35**	**235.55**	**176.03**	**32.72**	**19,576.44**
Additions	-	-	-	8.91	-	8.91
Disposals	-	0.48	0.03	0.78	-	1.29
As at 31 March 2021	**19,106.79**	**24.87**	**235.52**	**184.16**	**32.72**	**19,584.06**
Accumulated Depreciation and impairment:						
As at 31 March 2019	1,026.08	5.88	58.42	15.45	9.87	1,115.70
Disposals	-	-	-	0.11	-	0.11
Depreciation charge for the year	513.04	4.88	30.87	44.38	5.68	598.85
As at 31 March 2020	**1,539.12**	**10.76**	**89.29**	**59.72**	**15.55**	**1,714.44**
Disposals	-	0.38	0.01	0.55	-	0.94
Depreciation charge for the year	513.04	3.96	31.11	44.72	2.51	595.34
As at 31 March 2021	**2,052.16**	**14.34**	**120.39**	**103.89**	**18.06**	**2,308.84**
Net book value:						
As at 31 March 2020	17,567.67	14.59	146.26	116.31	17.17	17,862.00
As at 31 March 2021	**17,054.63**	**10.53**	**115.13**	**80.27**	**14.66**	**17,275.22**

Note 18: Intangible assets under development

Intangible assets under development & pre-operative expendiure related to Intangible assets

(Rs, in Lakhs)

Particulars	Amount
Opening Balance At 1 April 2019	-
Additions #	430.16
Disposals	-
Less : Provision	(7.97)
Closing Balance as at 31 March 2020	**422.19**
Additions #	151.06
Disposals	-
Less : Provision	(27.70)
Closing Balance as at 31 March 2021	**545.55**

- Include Rs.67.97 lakhs (Previous Year Rs 419.49 lakhs) paid to Nucleus Software Export Ltd for Finone Software and Rs. 11.09 lakhs (Previous Year Rs. 10.67 lakhs) paid to Technology Express Info Solution for Oracle Accounting Software

Note 19: Other Intangible assets*

(Rs. in Lakhs)

Particulars	Computer Software	Total
Cost:		
As at 31 March 2019	18.07	18.07
Additions	141.60	141.60
Disposals	-	-
As at 31 March 2020	**159.67**	**159.67**
Additions	0.21	0.21
Disposals	-	-
As at 31 March 2021	**159.88**	**159.88**
Amortization and impairment:		
As at 31 March 2019	0.97	0.97
Disposals		
Amortization for the year	23.51	23.51
As at 31 March 2020	**24.48**	**24.48**
Disposals		
Amortization for the year	30.11	**30.11**
As at 31 March 2021	**54.59**	**54.59**
Net book value:		
At 31 March 2020	135.20	135.20
At 31 March 2021	**105.29**	**105.29**

* Other than internally generated

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 20: Other non-financial assets

(Rs. in Lakhs)

Particulars	**As at 31 March 2021**	**As at 31 March 2020**
Balance with Government Authority	3.42	39.62
Duty paid under protest	349.62	349.62
Prepaid expenses	24.77	10.36
Gratuity (Refer Note 46)	140.23	37.09
Total	**518.04**	**436.69**

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 21: Borrowings (other than deposits)

(Rs in Lakhs)

Particulars	As at 31 March 2021				As at 31 March 2020			
	Amortised cost	At fair value through profit and loss account	Designated at fair value through profit and loss account	Total	Amortised cost	At fair value through profit and loss account	Designated at fair value through profit and loss account	Total
Term Loan								
from bank in foreign currency (secured)	-	-	-	-	-	-	-	-
from bank in INR (Secured)	-	-	-	-	-	-	-	-
from financial isntitution in INR (unsecured/secured)	-	-	-	-	-	-	-	-
Commercial papers	-	-	-	-	-	-	-	-
Finance lease obligations	-	-	-	-	-	-	-	-
Deferred payment liabilities	-	-	-	-	-	-	-	-
Loans from related parties	-	-	-	-	-	-	-	-
Liability component of financial instruments	-	-	-	-	-	-	-	-
Loans repayable on demand	-	-	-	-	-	-	-	-
Cash credit / Overdraft facilities from banks (secured)	-	-	-	-	-	-	-	-
Loan from Government of India	141.00	-	-	141.00	141.00	-	-	141.00
Loan from Government of Maharashtra- interest bearing re-adjustment loan (unsecured)	4,602.58	-	-	4,602.58	4,602.58	-	-	4,602.58
Other loans	-	-	-	-	-	-	-	-
Total	**4,743.58**	**-**	**-**	**4,743.58**	**4,743.58**	**-**	**-**	**4,743.58**
Borrowings in India	4,743.58	-	-	4,743.58	4,743.58	-	-	4,743.58
Borrowings outside India	-	-	-	-	-	-	-	-
Total	**4,743.58**	**-**	**-**	**4,743.58**	**4,743.58**	**-**	**-**	**4,743.58**

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 21 : Borrowings (other than deposits) (Continued)

Loans repayable on demand

(i) Loan from Government of India

The Company obtained Interest free loan from Ministry of Food Processing Industries (MOFPI) of Rs.291 lakhs (present outstanding is Rs.141 lakhs) for investing in the equity shares of five undertakings. As per agreement, above loan was repayable to MOFPI within three years from commencement of commercial production by these undertakings or five years from the date of payment whichever is earlier. At the expiry of the above mentioned period, SICOM was to disinvest the said amount from the investee companies and return the interest free loan to MOFPI. Any delay in payment beyond the stipulated period mentioned above was to carry interest @15% p.a. However, since these undertakings have turned sick or closed down, the Company was unable to divest investments in these undertakings. As at the Balance Sheet date, the Company had requested MOFPI for waiver of the outstanding loan along with accrued interest thereon vide letters dated July 24, 2006, December 19, 2011, April 4, 2012, March 8, 2013, Feb 13,2014,July 29, 2014 and August 19 ,2015 and accrued interest thereon. Pending a decision by Government of India, interest continues to be accrued on the aforesaid loan. There has been no further progress on the matter in FY 2019-20 & FY 2020-21.

(ii) Loan from Government of Maharashtra- interest bearing re-adjustment loan

In the year 1995-96, the Government of Maharashtra (GoM) divested its 51% holding in the Company for Rs.23,012.88 lakhs . This amount was provided to the Company as interest free re-adjustment loan. Thereafter, vide Government Resolution (GR) dated June 13, 2000 the terms and conditions of the said interest free readjustment loan were decided with a proviso that every year 10 percent of the loan amount would get converted into interest bearing w.e.f. financial year 2000-2001.

Accordingly by the year 2001-02, an amount of Rs.4,602.58 lakhs had become interest bearing and the balance amount of Rs.18,410.30 lakhs was non-interest bearing.

The GoM agreed vide its GR dated September 30,2002 to accept repayment of the non-interest bearing portion of Rs.18,410.30 lakhs at its Net Present Value of Rs.6,912 lakhs. Accordingly, SICOM arranged for payment of the non-interest bearing portion of the loan in the year 2002-03.

Both the aforementioned GRs also provided that repayment of the re-adjustment loan will be carried out based on mutual discussion between the Company and GoM.

In the meeting of the Empowered Committee (constituted by the GoM) dated January 31, 2004, it was suggested to consider converting interest bearing portion of the said loan into Grant or interest free loan or converting the entire loan into preference share capital. Pending decision in the matter, the Company has accrued interest on the outstanding loan for the period since April 1, 2003 @10% p.a.

The Company received a letter dated May 15, 2012 from GoM, requesting reasons for non-payment of annual interest @ 10% and non re-payment of the principal in December 2010. In reply thereto the Company vide its letter dated May 22, 2012 informed the GoM that the company had paid interest to GoM for the period upto March31,2003 and has been accruing the interest @ 10% on the outstanding loan of Rs.4,602.58 lakhs pending decision in respect of the suggestion made in the meeting of Empowered Committee held on January 31,2004. The company in the said letter also mentioned that the company has vide its letter dated March 29, 2012 requested GoM to convert the loan and the interest thereon into sub-ordinate debt for a period of 10 years and requested GoM for early decision in the matter. There has been no further progress in this matter.

As at March 31, 2020, the loan outstanding re-adjutment loan is Rs. 4,602.58 lakhs and interest accrued thereon is Rs. 7,826.90 lakhs.
As at March 31, 2021, the loan outstanding re-adjutment loan is Rs. 4,602.58 lakhs and interest accrued thereon is Rs. 8,287.16 lakhs.

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 22: Deposits

(Rs in Lakhs)

Particulars	As at 31st March 2021				As at 31st March 2020			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
Deposits (Secured)	-	-	-	-	-	-	-	-
I) Public Deposits	-	-	-	-	-	-	-	-
ii) From Banks	-	-	-	-	-	-	-	-
iii) From Others*	52,303.32	-	-	52,303.32	85,520.89	-	-	85,520.89
Total	**52,303.32**	**-**	**-**	**52,303.32**	**85,520.89**	**-**	**-**	**85,520.89**

* Certificate of Deposits from PSU's/PSE's/Corporates.

The Company has defaulted in the repayment of deposits pertaining to Maharashtra Krishna Valley Development Corporation and Maharashtra Niwara Nidhi. The amount of total overdue outstanding as at March 31, 2021 is Rs. 10,000 lakhs and Rs. 9,700 lakhs respectively (P. Y. Rs. Nil for both the deposits), which pertains to only principal due since December 2020 and February 2021. Interest upto 31st March 2021 have been paid on both deposits.

Deposits from Others

(Rs in lakhs)

Redeemable at par (from the date of the Balance Sheet)	Term of repayment as on March 31, 2021			Term of repayment as on March 31, 2020		
	Rate of Interest		Total	Rate of Interest		Total
	< = 10%	> 10 % < 12%		< = 10%	> 10 % < 12%	
12-24 months	-	-	-	-	-	-
Upto 12 months	52,303.32	-	52,303.32	85,520.89	-	85,520.89
Total	**52,303.32**	**-**	**52,303.32**	**85,520.89**	**-**	**85,520.89**

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 23: Subordinated liabilities

(Rs in Lakhs)

Particulars	**As at 31 March 2021**	**As at 31 March 2020**
Subordinated debt (Unsecured)		
Privately placed	750.00	750.00
Publicly issued	-	-
	750.00	**750.00**
Subordinate liabilities in India	750.00	750.00
Subordinate liabilities outside India	-	-
	750.00	**750.00**

Subordinated debt is of the tenure of 30 years maturing on 28th June 2044 and at 6% p.a. yearly interest payable on 31st March every year.

Note 24: Other financial liabilities

(Rs in Lakhs)

Particulars	**As at 31 March 2021**	**As at 31 March 2020**
Interest accrued	9,361.19	10,560.08
Unpaid dividends $	2.07	5.80
Security deposit	234.94	223.29
Advance received against loans	1,362.52	1,430.33
Margin money	419.71	419.71
	11,380.43	**12,639.21**

$ - There is no unpaid dividend which is required to be transferred to investors education protection fund

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 25: Current tax liabilities (net)

(Rs in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Current tax Liabilities (net)		
- For taxation	320.23	320.23
(net of advance tax & TDS Rs 15,232.35 lakhs (March 31,2020:Rs 15,046.43 lakhs)		
Total	**320.23**	**320.23**

Note 26: Provisions

(Rs in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Provision for employee benefits		
- Provision for compensated absences (Refer Note 46B)	362.58	325.76
Others		
- ECL on undrawn commitment	0.35	0.40
Total	**362.93**	**326.16**

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 26 : Provisions ***(Continued)***
Credit quality of exposure (Undrawn loan commitment)

(Rs in Lakhs)

Internal rating grade	As at 31 March 2021					As at 31 March 2020				
	Stage 1 Individual	Stage 2 Individual	Stage 3 Individual	POCI	Total	Stage 1 Individual	Stage 2 Individual	Stage 3	POCI	Total
Performing										
High grade	-	-	-	-	-	-	-	-	-	-
Standard grade	-	-	-	-	-	194.63	-	-	-	194.63
Transferred to Stage 3	-		173.63		173.63					
Sub-standard grade	-	-	-	-	-	-	-	-	-	-
Past due but not impaired	-	-	-	-	-	-	-	-	-	-
Non- performing										
Individually impaired	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**173.63**	**-**	**173.63**	**194.63**	**-**	**-**	**-**	**194.63**

Loan commitment

The table below shows the credit quality and the maximum exposure for credit risk based on the Company's internal credit rating system and year-end stage classification. Details of the company's internal grading system are explained in Note 53.2 and policies on whether ECLs are calculated on an individual or collective basis are set out in Note 53.2.1.6.

An analysis of changes in the gross carrying amount and the corresponding ECLs in relation to other undrawn commitments is as follows:

Gross exposure reconciliation

(Rs in Lakhs)

Particulars	For the year ended 31 March 2021					For the year ended 31 March 2020				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Opening balance of outstanding exposure	**194.63**	**-**	**-**	**-**	**194.63**	**467.27**	**-**	**-**	**-**	**467.27**
Exposures derecognised or matured/lapsed (excluding write-offs)	(194.63)	-	173.63	-	(21.00)	(272.64)	-	-	-	(272.64)
Closing balance of outstanding exposure	**-**	**-**	**173.63**	**-**	**173.63**	194.63	-	-	-	194.63

Reconciliation of ECL balance is given below:

(Rs in Lakhs)

Particulars	For the year ended 31 March 2021					For the year ended 31 March 2020				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
ECL allowance - opening balance	0.40	-		-	0.40	1.25	-	-	-	1.25
New exposures	-	-	-	-	-	-	-	-	-	-
Exposures derecognised or matured (excluding write-offs)	(0.40)	-	0.35	-	(0.05)	(0.85)	-	-	-	(0.85)
ECL allowance - closing balance	**-**	**-**	**0.35**	**-**	0.35	**0.40**	**-**	**-**	**-**	0.40

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 27: Other non-financial liabilities

(Rs in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Others		
- Statutory dues payable	54.39	149.01
- Deferred Lease expenses	16.38	24.73
- Advance against Sale of Land	1,185.31	-
	1,256.08	**173.74**

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 28: Issued capital

(Rs in Lakhs)

Authorised	**As at 31 March 2021**	**As at 31 March 2020**
200,000,000 (March 31, 2021 and March 31, 2020: 200,000,000) Equity shares of Rs 10/- each	20,000.00	20,000.00
50,000,000 (March 31,2021 and March 31,2020: 50,000,000) Preference shares of Rs10/- each	5,000.00	5,000.00
	25,000.00	**25,000.00**

Issued,Subscribed and fully paid up shares

(Rs in Lakhs)

Particulars	**As at 31 March 2021**	**As at 31 March 2020**
60,768,703 (March 31, 2021 and March 31, 2020: 60,768,703) equity shares of Rs 10 each, fully paid up	**6,076.87**	6,076.87
	6,076.87	**6,076.87**

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

Particulars	**No. of Shares**	**Rs. in Lakhs**
As at 31 March 2020	6,07,68,703	**6,076.87**
As at 31 March 2021	**6,07,68,703**	**6,076.87**

Terms/ rights attached to equity shares

The Company has only one class of equity share having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of Interim Dividend.
Company has not declared Interim Dividend during the FY 2020-21 and no dividend is proposed for the FY 2020-21.
In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion of the number of the equity shares held by the equity share holders.

Details of shareholders holding more than 5% shares in the Company

Particulars	**As at 31 March 2021**			**As at 31 March 2020**		
	No. of Shares	**Amount in Lakhs**	**% holding in the class**	**No. of Shares**	**Amount in Lakhs**	**% holding in the class**
Government of Maharashtra	2,98,20,800	2,982.08	49.07	2,98,20,800	2,982.08	49.07
Dhanavah Media Private Limited	1,45,84,489	1,458.44	24.00	-	-	-
JCF Bin II	1,04,29,244	1,042.92	17.16	1,97,62,679	1,976.27	32.52
Gabbro Limited	24,26,570	242.65	3.99	51,82,048	518.20	8.53

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 29: Other equity

(Rs in Lakhs)

Securities Premium Account	Amount
As at 31 March 2019	210.13
As at 31 March 2020	210.13
As at 31 March 2021	210.13

Special reserve	Amount
As at 31 March 2019	5,970.35
As at 31 March 2020	5,970.35
As at 31 March 2021	5,970.35

Statutory Reserve pursuant to Section 45-IC of the RBI Act, 1934	Amount
As at 31 March 2019	27,361.33
Add: Transfer from surplus balance in the Statement of Profit and Loss	-
As at 31 March 2020	27,361.33
Add: Transfer from surplus balance in the Statement of Profit and Loss	-
As at 31 March 2021	27,361.33

Capital Redemption Reserve	Amount
As at 31 March 2019	2,950.00
As at 31 March 2020	2,950.00
As at 31 March 2021	2,950.00

General Reserve	Amount
As at 31 March 2019	11,526.00
As at 31 March 2020	11,526.00
As at 31 March 2021	11,526.00

Impairement Reserve (Refer Note 77)	Amount
As at 31 March 2019	-
Add : Amount transfered from Statement of Profit & Loss	416.49
As at 31 March 2020	416.49
Add : Amount transfered from Statement of Profit & Loss	(416.49)
As at 31 March 2021	-

Retained Earnings	Amount
As at 31 March 2019	(9,104.94)
Add: Profit / (Loss) for the year	(1,866.87)
Transfer (to)/from Statutory Reserve	-
As at 31 March 2020	(10,971.81)
Add: Profit / (Loss) for the year	(11,024.87)
Transfer (to)/from Statutory Reserve	-
As at 31 March 2021	(21,996.68)

Other Comprehensive Income	Amount
As at 31 March 2019	4,542.63
Add: Other Comprehensive Income for the year	(44.47)
As at 31 March 2020	4,498.16
Add: Other Comprehensive Income for the year	1,774.05
As at 31 March 2021	6,272.21

Total other equity	Amount
As at 31 March 2020	41,960.63
As at 31 March 2021	32,293.32

Note 29: Other equity *(Continued)*

Nature and purpose of Account
Securities Premium Account: Securities premium account is used to record the premium on issue of shares. The account can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Special reserve : A special reserve is created u/s 36(1)(viii) of Income Tax Act, 1961, such benefit being available to financial corporations, specified in Section 4A of the Companies Act, 1956 engaged in the business of providing long term finance for industrial development in India.

Statutory Reserve pursuant to Section 45-IC of the Reserve Bank of India Act, 1934 :

The conditions and restrictions, for distribution, attached to statutory reserves as specified in Section 45-IC(1) in The Reserve Bank of India Act, 1934:

(1) Every non-banking financial company (NBFC) shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of profit and loss and before any dividend is declared.

(2) No appropriation of any sum from the reserve fund shall be made by the NBFC except for the purpose as may be specified by the RBI from time to time and every such appropriation shall be reported to the RBI within twenty-one days from the date of such withdrawal,

Provided that the RBI may, in any particular case and for sufficient cause being shown, extend the period of twenty one days by such further period as it thinks fit or condone any delay in making such report.

(3) Notwithstanding anything contained in sub-section (1) the Central Government may, on the recommendation of the RBI and having regard to the adequacy of the paid-up capital and reserves of a NBFC in relation to its deposit liabilities, declare by order in writing that the provisions of sub-section (1) shall not be applicable to the NBFC for such period as may be specified in the order:

Provided that no such order shall be made unless the amount in the reserve fund under sub-section (1) together with the amount in the share premium account is not less than the paid-up capital of the NBFC.

Capital Redemption Reserve: The Company has recognised Capital Redemption Reserve on redemption of Non-Convertible Redeemable Preference Shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the Non-Convertible Redeemable Preference Shares redeemed. The Company may issue fully paid up bonus shares to its members out of the capital redemption reserve account.

General Reserve: Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 30: Interest income

(Rs. in Lakhs)

Particulars	For the year ended 31 March 2021				For the year ended 31 March 2020			
	On Financial Assets measured at FVOCI	On Financial Assets measured at Amortised cost	Interest income on Financial Assets classified at FVTPL	Total	On Financial Assets measured at FVOCI	On Financial Assets measured at Amortised cost	Interest income on securities classified at FVTPL	Total
Interest on Loans	-	1,234.48	-	1,234.48	-	2,775.59	-	2,775.59
Interest income from investments				-				-
Interest on Bonds	-	-	3,174.20	3,174.20	-	-	4,678.98	4,678.98
Interest on government securities	-	-	-	-	-	23.90	-	23.90
				-				
Interest on deposits with Banks	-	389.31	-	389.31	-	1,321.30	-	1,321.30
Total	**-**	**1,623.79**	**3,174.20**	**4,797.99**	**-**	**4,120.79**	**4,678.98**	**8,799.77**

Note 31: Dividend income

(Rs. in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Dividend earned	3.98	2.02
Total	**3.98**	**2.02**

Note 32: Fee and commission income

(Rs. in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue from financial services		
Fee Based Income	208.59	348.37
Total	**208.59**	**348.37**

Note 33: Net Gain/ (Loss) on fair value changes

(Rs. in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Net gain/ (loss) on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments	388.14	4,417.63
- Derivatives	-	-
- Others	-	-
(ii) On financial instruments designated at fair value through profit or loss	-	-
(B) Others		
Gain on Sale of Equity OCI instrument	47.65	31.79
Total Net gain/(loss) on fair value changes	**435.79**	**4,449.42**

Note 34: Other operating income

(Rs. in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Recovery of Loans Written off	32.70	107.05
Prepayment Premium	-	2.41
Total	**32.70**	**109.46**

Note 35: Other income

(Rs. in Lakhs)

Particulars	For the year ended 31 March 2021	For year ended 31 March 2020
Rent and license fees	700.20	613.42
Profit on sale of Property, plant and equipment (net)	0.11	-
Miscellanous Receipts	4.23	13.75
Total	**704.54**	**627.17**

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 36: Finance cost

(Rs. in Lakhs)

Particulars	For year ended 31 March 2021			For the year ended 31st March 2020		
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	Total	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	Total
Interest expense on:-						
- deposits	-	4,353.60	4,353.60	-	8,105.85	8,105.85
- borrowings	-	481.41	481.41	-	482.67	482.67
- Subordinated debt	-	45.00	45.00	-	45.00	45.00
- other	-	3.37	3.37	-	5.00	5.00
Total	**-**	**4,883.38**	**4,883.38**	**-**	**8,638.52**	**8,638.52**

Note 37: Impairment on financial instruments

The below table shows impairment loss & reversal of impairement on financial instruments charge to statement of profit and loss based on category of financial instrument.

(Rs. in Lakhs)

Particulars	For year ended 31 March 2021			For the year ended 31 March 2020		
	On Financial instruments measured at Fair Value through OCI	On Financial instruments measured at Amortised cost	Total	On Financial instruments measured at Fair Value through OCI	On Financial instruments measured at Amortised cost	Total
Loans and advances to customers	-	5,001.09	5,001.09	-	(5,245.19)	(5,245.19)
Loans written off	-	-	-	-	-	-
Undrawn Loan Commitment	-	(0.04)	(0.04)	-	(0.85)	(0.85)
Trade receivables	-	(22.70)	(22.70)	-	27.82	27.82
Bad debts written off (Trade receivables)		23.06	23.06	-	-	-
Others	-	9.43	9.43	-	1,167.51	1,167.51
Total	**-**	**5,010.84**	**5,010.84**	**-**	**(4,050.71)**	**(4,050.71)**

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 38: Employee benefit expenses

(Rs. in Lakhs)

Particulars	For year ended 31 March 2021	For year ended 31 March 2020
Salaries and wages	821.55	787.81
Gratuity expense (Refer note 46)	18.40	17.93
Contribution to provident and other funds (Refer note 46A)	137.43	138.77
Staff welfare expenses	28.07	51.17
Total	**1,005.45**	**995.68**

Note 39: Depreciation, amortization and impairment

(Rs. in Lakhs)

Particulars	For year ended 31 March 2021	For year ended 31 March 2020
Depreciation of tangible assets	595.34	598.85
Amortization of intangible assets	30.11	23.51
Total	**625.45**	**622.36**

Note 40: Other expenses

(Rs. in Lakhs)

Particulars	For year ended 31 March 2021	For year ended 31 March 2020
Rent	3.64	3.64
Rates and taxes	196.10	217.69
Repairs and Maintenance	21.92	61.57
Energy cost	27.36	48.27
Travelling expenses	29.62	30.89
Directors' sitting fees	4.03	7.78
Legal and professional charges	463.01	488.60
Promotional expenses	0.37	0.81
Loss on sale of Property, plant and equipment	-	0.05
Printing and stationery	2.34	9.45
Communication costs	7.26	10.78
Bank charges and commission	0.12	0.93
Insurance charges	12.67	6.60
Computer and related expenses	63.31	160.44
CCIL charges	0.08	0.05
Amortization of Government Securities Premium	-	2.31
Provision on Intangible Assts under development	27.70	7.97
Auditor's fees and expenses (Refer note 40.1)	22.00	19.00
Transfer to Provision	-	-
Expenditure towards Corporate Social Responsibility (Refer note 54)	-	-
Miscellaneous expenses	122.93	286.38
Total	**1,004.46**	**1,363.21**

Note 40.1 : Auditor's fees and expenses

(Rs. in Lakhs)

Particulars	For year ended 31 March 2021	For year ended 31 March, 2020
As auditor:		
- Audit Fee	21.00	18.00
- Tax Audit Fee	1.00	1.00
- for other services	-	-
Total	**22.00**	**19.00**

Notes to financial statements (Continued)
for the year ended 31 March 2021
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Note 41 A : Exceptional Items

During the year ended March 31, 2020 and March 31, 2021, the Company has carried out valuation of its non- convertible bonds (classified under Default category) from an independent valuer. Fair valuation of bonds are based on current estimate of collectability of bond amounts from public information, latest available financial statements and estimates made by independent valuer. The provisions made on such bonds are shown under exceptional items as detailed below :

(Rs. in Lakhs)

Name of Scrip	Investment Amount	Provision impact in Statement of Profit and Loss	
		31 March 21	31March 20
8.25% Reliance Capital Ltd. 2020 14/04/2020	10,041.95	1,004.75	1,004.20
9% Dewan Housing Finance Corporation Limited 04/06/2023	540.65	185.49	135.16
8.90% Dewan Housing Finance Corporation Limited 04/06/2028	490.00	167.50	122.50
9% Dewan Housing Finance Corporation Limited 04/06/2028	2,470.00	852.50	617.50
8.70% Reliance Home Finance Ltd 03/01/2020	5,015.68	2,106.71	2,006.27
11% IL & LS Energy Development Company Ltd 16/04/2021	5,000.00	1,839.00	686.00
11.50% IL & FS Transportation Networks Ltd. 21/06/2024	1,445.25	-	738.81
11.8% IL & FS Transportation Networks Ltd 21/12/2024	2,263.80	-	1,157.24
Total : -	**27,267.33**	**6,155.95**	**6,467.68**

Note 41 B : Change in estimate and judgement

Change in estimate and judgement is on account of provisions on loans which has been written back in the year 2019-20 based on the security valuation, the impact of which has been made in retained earnings for FY 2017-18 of Rs. 3,098.75 Lakhs (net of taxes) and for FY 2018-19 of Rs. 756.99 Lakhs (net of taxes).

Notes to financial statements (Continued)
for the year ended 31 March 2021
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Note 42: Income Tax

The components of income tax expense for the periods ended 31 March 2021 and 31 March 2020 are:

(Rs. in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Current tax	-	-
Adjustment in respect of current income tax of prior years	-	-
Deferred tax relating to origination and reversal of temporary differences	(1,060.58)	1,749.85
Total tax charge	**(1,060.58)**	1,749.85
Current tax	-	-
Deferred tax relating to OCI	(10.93)	49.07
Deferred tax	**(1,049.65)**	1,700.78

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the periods ended 31 March 2021 and 31 March 2020 is, as follows:

(Rs. in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Accounting profit before tax	(12,501.94)	299.47
At India's statutory income tax rate of 33.38% (2019: 34.94%)	(4,173.65)	99.97
Adjustment in respect of current income tax of prior years	-	-
Income not subject to tax	3.97	2.02
Reversal of Provision for Standard and NPA	1,931.74	1,751.05
Impairment of financial instruments	48.31	601.73
Long term capital gain on shares	-	(5.84)
Other deduction(notional income i.e revaluation effect adjusted)	-	-
Non-deductibe expenses	-	-
Employee benefit exps	121.05	(116.26)
Others(Income Tax)	-	-
Excess Depreciation chargeble to tax	105.88	(71.16)
Other Temparory diferrences	902.12	(511.66)
Income Tax Expense Reported in the Statement of Profit & Loss	**(1,060.58)**	1,749.85

* Deferred tax assets and Deferred tax liabilities have been off set as they relate to the same governing tax laws . The management has reviewed the carrying value of deferred tax asset and has decided to write down the same in absence of reasonable certainity to Rs 11,107.87 Lakhs as on March 31, 2021 and Rs. 10,058.22 Lakhs as on March 31,2020.

Deferred Tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

(Rs. in Lakhs)

Particulars	Deferred Tax Assets	Deferred Tax Liabilities	Income Statement	OCI
	31-Mar-2021	31-Mar-2021	2020-21	2020-21
Property, plant and equipment, intangible assets and investment property - carrying amount	-	4,833.13	33.94	
EIR impact on debt instrument in the nature of advances measured at Amortised Cost	-	-	(11.05)	-
Provision for post retirement benefits	105.34	-	-	(10.93)
Impairment allowance for undrawn commitments	0.13		-	
Fair valuation of investments	-	3,429.33	(202.68)	-
Impairment allowance for Loans	19,211.49		1,144.37	
Other temporary differences	53.37	-	96.00	
Total	**19,370.33**	**8,262.46**	**1,060.58**	**(10.93)**

(Rs. in Lakhs)

Particulars	Deferred Tax Assets	Deferred Tax Liabilities	Income Statement	OCI
	31-Mar-20	31-Mar-20	2019-20	2019-20
Property, plant and equipment, intangible assets and investment property - carrying amount	-	4,867.07	110.55	-
EIR impact on debt instrument in the nature of advances measured at Amortised Cost	11.05	-	(36.22)	-
Provision for post retirement benefits	116.27	-	-	49.07
Impairment allowance for undrawn commitments	0.13	-	(0.28)	-
Fair valuation of investments	-	3,226.65	(783.63)	-
Impairment allowance for Loans	18,067.12	-	(1,001.38)	-
Other temporary differences	-	42.63	(38.89)	-
Total	**18,194.57**	**8,136.35**	**(1,749.85)**	**49.07**

Amounts recognised in respect of current tax / deferred tax directly in equity :

(Rs. in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Amounts recognised in respect of current tax / deferred tax directly in equity	-	-
Tax losses and Tax credits	-	-

(Rs. in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unused Tax Losses for which no deferred tax asset has been recognised	4,761.25	5,544.79
Unused Tax Credits - MAT credit entitlement	-	-

Notes to financial statements (Continued)
for the year ended 31 March 2021
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Note 43: Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit/(loss) for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

(Rs. in Lakhs)

Particulars	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**
Net profit/(loss) attributable to equity share holders of the Company **(Rs in Lakhs) (A)**	(11,024.87)	(1,866.87)
Weighted average number of equity shares for basic earnings per share (No. in Lakhs) (B)	607.69	607.69
Weighted average number of equity shares adjusted for effect of dilution (No. in Lakhs) (C)	607.69	607.69
Earnings per share		
Basic earnings per share (Rs/Share) **(A/B)**	(18.14)	(3.07)
Diluted earnings per share (Rs/Share) **(A/C)**	(18.14)	(3.07)
Face Value per share (Rs)	10.00	10.00

Note 44: Segment Information

(i) Description of segments and principal activities:

The Company operates in two Business Segments namely Lending and Advisory & Treasury. Business segments have been identified as reportable segments based on how the CODM examines the company's performance. Since the business operations of the Company are primarily concentrated in India, the Company is considered to operate only in the domestic segment.
Types of products and services in each business segment:
a) Lending and Advisory: Long Term Loans, Corporate Loans, Short Term Loans, Inter Corporate Deposits, Promoter Funding, Bill Discounting and Advisory.
b) Treasury: Investments in Shares, Mutual Funds, Corporate Bonds, Government Securities and CBLOs.

(ii) Summary of Segment information is as under:
Revenue has been identified to a segment on the basis of relationship to operating activities of the segment. Revenue which relate to the Company as a whole and are not allocable to a segment on a reasonable basis have been disclosed as 'Unallocated'.
Segment assets and segment liabilities represent assets and liabilities in respective segments. Tax related assets and other assets and liabilities which relate to the Company as a whole and that cannot be allocated to a segment on reasonable basis have been disclosed as 'Unallocated'.
The Company is primarily engaged in financing activities. It operates in 3 segments namely financing activities, trading & other activities and single geographical segment. The Company earned treasury income, these income have been classified as "Trading Activities" as per requirements of IND AS- 108 on Segment Reporting.

(Rs. in Lakhs)

Particulars	31 March, 2021				31 March, 2020			
	Financing Related Activities	Trading activities	Unallocated	Total	Financing Related Activities	Trading activities	Unallocated	Total
Segment Revenue	1,475.77	3,613.97	1,093.85	6,183.59	3,233.42	9,154.32	1,948.47	14,336.21
Segment Results (Profit before tax and after interest on financing segment)	(8,758.92)	(4,640.74)	897.72	(12,501.94)	(290.38)	(1,140.95)	1,730.80	299.47
Net profit / (loss) before tax	(8,758.92)	(4,640.74)	897.72	(12,501.94)	(290.38)	(1,140.95)	1,730.80	299.47
Less: Income taxes			(1,060.58)	(1,060.58)			1,749.85	1,749.85
Net profit / (loss) after tax	**(8,758.92)**	**(4,640.74)**	**1,958.30**	**(11,441.36)**	**(290.38)**	**(1,140.95)**	**(19.05)**	(1,450.38)
Other Information								
Segment Assets	31,921.69	61,743.08	16,013.00	1,09,677.77	43,492.34	76,315.99	33,351.37	1,53,159.71
Total Assets	**31,921.69**	**61,743.08**	**16,013.00**	**1,09,677.77**	**43,492.34**	**76,315.99**	**33,351.37**	**1,53,159.71**
Segment Liabilities	48,165.63	21,328.64	1,813.31	71,307.58	68,902.00	35,501.71	718.50	1,05,122.21
Total Liabilities	**48,165.63**	**21,328.64**	**1,813.31**	**71,307.58**	**68,902.00**	**35,501.71**	**718.50**	**1,05,122.21**
Capital expenditure	160.18	-	-	**160.18**	585.05	-	-	585.05
Depreciation, Amortization and Impairment	595.33	30.12	-	**625.45**	598.85	23.51	-	622.36
Impairment on Financial Instruments	5,010.84	6,155.95	-	**11,166.79**	-	6,467.68	-	6,467.68
Reversal of Impairment on Financial Instruments	-	-	-	-	(4,050.71)	-	-	(4,050.71)
Other non-cash expenses	27.70	-	-	**27.70**	7.97	-	-	7.97

Notes to financial statements (Continued)
for the year ended 31 March 2021
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Note 45: Investment in subsidiaries and structured entities

Details of Subsidiaries of the Company are as under:

Sr. No.	Name of the subsidiary/ associate	Relationship	Country of incorporation	Principal place of business	Principal activities	% equity interest March 31, 2021	% equity interest March 31, 2020
1	SICOM Capital Management Private Limited	Subsidiary	India	Pune	Asset Management Company	100%	100%
2	SICOM Investments & Finance Limited	Subsidiary	India	Mumbai	Finance lending	100%	100%
3	SICOM Trustee Company Private Limited	Subsidiary	India	Pune	Trustee Company for venture	100%	100%
4	SICOM ARC Limited	Subsidiary	India	Mumbai	NPA recovery	100%	100%
5	SICOM Realty Limited	Subsidiary	India	Mumbai	land aggregation for company	100%	100%

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 46: Employee benefit plan

(A) Defined Contribution Plan

Benefit/Contribution to	**As at March 31, 2021**	As at March 31, 2020
Employers Provident Fund	58.92	61.80
Employee Deposit Linked Insurance Scheme	0.55	0.61
Maharashtra Labour Welfare Fund	0.01	0.01
Employees Pension Fund	9.17	10.26
Provident Fund Administrative charges	1.05	0.99
Superannuation Fund	67.73	65.10
Total	**137.43**	**138.77**

(B) Annual Leave and Sick Leave (compensated absence)

Particulars	**As at March 31, 2021**	As at March 31, 2020
EL Encashment	53.73	55.06
Casual Leave Encashment	57.17	12.80
Sick Leave Encashment	16.64	2.97
Total	**127.54**	**70.83**

The liability towards compensated absences (annual leave and sick leave) for the year ended 31st March, 2021 based on actuarial valuation carried out by using Projected Unit Credit method resulted in increased in liability by Rs 36.82 lacs Previous Year- decreased by Rs.20.57 lacs)

Financial Assumptions	**As at March 31, 2021**	As at March 31, 2020
Discount Rate	5.58%	6.50%
Basic salary increases allowing for Price inflation	6.50%	6.00%

Demographic Assumptions	**As at March 31, 2021**	As at March 31, 2020
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Employee Turnover	17.89%	15.00%

Defined Benefit Plan

Gratuity: The Company provides gratuity, a defined benefit plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on respective employee's salary and the tenure of employment. The Company's liability is provided and funded on the basis of year end Actuarial valuation. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.
Gratuity is payable to all eligible employees of the Company on superannuation, death and permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972 or as per the Company's Scheme whichever is more beneficial .

The estimates of future salary increases considered in acturial valuation takes into account inflation, seniority, promotion and other relevant factors.

The following tables summaries the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan.

Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2021:

(Rs in Lakhs)

FY 2020-21	**As on 01-Apr-2020**	**Gratuity expense charged to statement of profit and loss**					**Remeasurement gains/(losses) in other comprehensive income**					**Contributions by employer**	**Transfer in/out**	**As on 31-Mar-2021**
		Service cost	**Net interest expense / (income)**	**Past service cost**	**Sub-total included in profit or loss**	**Benefits paid**	**Return on plan assets (excluding amounts included in net interest expense)**	**Actuarial changes arising from changes in demographic assumptions**	**Actuarial changes arising from changes in financial assumptions**	**Experience adjustments**	**Sub-total included in OCI**			
Defined benefit obligation	475.29	23.24	28.47	-	51.71	(33.81)	-	0.32	19.45	4.60	24.37	-	-	517.56
Fair value of plan assets	(512.38)	-	(33.31)	-	(33.31)	33.81	(8.72)	-	-	-	(8.72)	(137.19)		(657.79)
Benefit liability /(asset)	**(37.09)**	**23.24**	**(4.84)**	**-**	**18.40**	**-**	**(8.72)**	**0.32**	**19.45**	**4.60**	**15.65**	**(137.19)**	**-**	**(140.23)**

Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2020:

(Rs in Lakhs)

FY 2019-20	**As on 01-Apr-2019**	**Gratuity expense charged to statement of profit and loss**					**Remeasurement gains/(losses) in other comprehensive income**					**Contributions by employer**	**Transfer in/out**	**As on 31-Mar-2020**
		Service cost	**Net interest expense / (income)**	**Past service cost**	**Sub-total included in profit or loss**	**Benefits paid**	**Return on plan assets (excluding amounts included in net interest expense)**	**Actuarial changes arising from changes in demographic assumptions**	**Actuarial changes arising from changes in financial assumptions**	**Experience adjustments**	**Sub-total included in OCI**			
Defined benefit obligation	459.41	25.20	34.46	-	59.66	(97.85)	-	-	54.07	-	54.07	-	-	475.29
Fair value of plan assets	(556.52)	-	(41.74)	-	(41.74)	97.85	(4.80)	-	-	-	4.80	(16.77)		(512.38)
Benefit liability /(asset)	**(97.11)**	**25.20**	**(7.28)**	**-**	**17.92**	**-**	**(4.80)**	**-**	**54.07**	**-**	**58.87**	**(16.77)**	**-**	**(37.09)**

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 46: Employee benefit plan (Continued)

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	March 31, 2021	March 31, 2020
Expected return on Plan assets	5.58%	6.50%
Rate of discounting	5.58%	6.50%
Expected rate of salary increase	6.50%	6.00%
Rate of employee turnover	17.89%	15.00%
Mortality rate.	Indian Assured Lives (2012-14) Ultimate Mortality Rates.	Indian Assured Lives (2012-14) Ultimate Mortality Rates.

Provision for Compensated absences - for March 31, 2021 is Rs.366.53 lakhs (March 31, 2020 is Rs.330.32 lakhs)

(Rs in Lakhs)

Assumptions	Discount rate		Future salary increases		Attrition Rate	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(13.84)	14.68	14.41	(13.85)	0.50	(0.52)

(Rs in Lakhs)

Expected payment for future years	March 31, 2021	March 31, 2020
Within the next 12 months (next annual reporting period)	95.36	32.37
Between 2 and 5 years	321.44	240.49
Between 6 and 10 years	85.50	202.43
Beyond 10 years	15.27	-
Total expected payments	**517.57**	475.29

Percentage of each category of Plan Assets to Total closing fair value of Plan Assets	March 31, 2021	March 31, 2020
Bank Deposits (SpDep Scheme 1975)	-	-
Debt Instruments	-	-
Administered by Life Insurance Corporation of India	100%	100%
Others	-	-

Notes to financial statements (Continued)
for the year ended 31 March 2021
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Note 47: Maturity analysis of assets and liabilities
The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

(Rs in Lakhs)

Particulars	As at 31 March 2021			As at 31 March 2020		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	137.45	-	137.45	18,249.31	-	18,249.31
Bank Balance other than cash and cash equivalents	2.07	-	2.07	3.73	2.07	5.80
Trade Receivables	44.48	-	44.48	24.56	-	24.56
Other receivable	99.94	-	99.94	20.15	-	20.15
Loans	9.25	14,605.82	14,615.07	1,983.77	24,387.80	26,371.57
Investments	6,287.52	53,717.00	60,004.52	7,345.70	66,476.94	73,822.64
Other Financial assets	544.16	265.55	809.71	537.75	987.02	1,524.77
			-			
Non-financial assets			-			
Current tax assets (net)	-	4,363.81	4,363.81	-	4,177.86	4,177.86
Deferred tax assets (net)	-	11,107.87	11,107.87	-	10,058.22	10,058.22
Investment property	-	48.75	48.75	32.50	16.25	48.75
Property, plant and equipment	-	17,275.22	17,275.22		17,862.00	17,862.00
Intangible assets under development	-	545.55	545.55		422.19	422.19
Other intangible assets	-	105.29	105.29		135.20	135.20
Other non-financial assets	-	518.04	518.04	16.18	420.51	436.69
Total assets	**7,124.87**	**1,02,552.90**	**1,09,677.77**	**28,213.65**	**1,24,946.06**	**1,53,159.71**
Financial liabilities						
Trade payables	110.95	-	110.95	484.56	-	484.56
Other payables	80.06	-	80.06	163.84	-	163.84
Borrowings (other than deposits)	4,743.58	-	4,743.58	4,743.58	-	4,743.58
Deposits	52,303.32	-	52,303.32	85,520.89	-	85,520.89
Subordinated Liabilities	-	750.00	750.00		750.00	750.00
Other Financial liabilities	11,344.46	35.97	11,380.43	12,517.68	121.53	12,639.21
Non-financial liabilities						
Current tax liabilities (net)	320.23	-	320.23	320.23	-	320.23
Provisions	108.13	254.80	362.93	57.44	273.28	330.72
Deferred tax liabilities (net)	-	-	-	-	-	-
Other non-financial liabilities	1,245.80	10.28	1,256.08	144.45	24.73	169.18
Total liabilities	**70,256.53**	**1,051.05**	**71,307.58**	**1,03,952.67**	**1,169.54**	**1,05,122.21**
Net	**(63,131.66)**	**1,01,501.85**	**38,370.19**	**(75,739.02)**	**1,23,776.52**	**48,037.50**

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 48: Change in liabilities arising from financing activities

(Rs. in Lakhs)

Particulars	As at 31 March 2020	Cash Flows	Changes in fair value	Exchange difference	Other	As at 31 March 2021
Deposits	85,520.89	(33,217.58)	-	-	-	52,303.32
Borrowings other than deposits	4,743.58	-	-	-	-	4,743.58
Subordinated Liabilities	750.00	-	-	-	-	750.00
Total	**91,014.47**	**(33,217.58)**	**-**	**-**	**-**	**57,796.90**

(Rs. in Lakhs)

Particulars	As at 31 March 2019	Cash Flows	Changes in fair value	Exchange difference	Other	As at 31 March 2020
Deposits	1,29,977.94	(44,457.05)	-	-	-	85,520.89
Borrowings other than deposits	4,743.58	-	-	-	-	4,743.58
Subordinated Liabilities	750.00	-	-	-	-	750.00
Total	**1,35,471.52**	**(44,457.05)**	**-**	**-**	**-**	**91,014.47**

Above amounts do not include accrued Interest.

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 49: Contingent Liabilities and commitments

(a) Contingent Liabilities

(Rs in lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
i) Claims against the Company not acknowledged as debts (Refer Note 49.1)	37,983.98	37,963.08
ii) Disputed income tax demands	3,896.62	3,896.62
iii) Disputed service tax demands	7,152.92	7,152.92
iv) Disputed demand from landlords (Refer Note 49.2)	1,825.00	1,825.00
v) Loan received Ministry of Food Processing Industries (MOFPI) Govt of India (Refer Note 49.3)	66.00	66.00
Total	**50,924.52**	**50,903.62**

(b) Commitments and Capital Commitments

(Rs in lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Undisbursed loans sanctioned	173.63	194.63
Capital Commitments	19.10	158.10
Total	**192.73**	**352.73**

49.1 Including claims of Rs.37,983.98 lakhs (previous year Rs. 37,963.08 lakhs) by way of damages claimed by various Customers against whom the Company has initiated recovery proceedings in respect of loans aggregating Rs. 227 lakhs (previous year Rs. 227 lakhs).

Reserve Bank of India ('RBI') vide its letter No. DNBS(BD) No. 140/05.02/2000-01 dated 7th August, 2000 has concurred with the Company's view that for the purpose of computation of Capital to Risk weighted assets ratio (CRAR), the contingent liability would be limited to amounts / dues outstanding as on the date of filing of suit or takeover of assets charged as security, irrespective of the damages claimed by the borrower.

49.2 This is with respect to premises taken on rent by the Company.

49.3 Loan received from Ministry of Food Processing Industries (MOFPI), Govt. of India, along with similar contribution by the Company was disbursed to Dynamix Dairy Industries ('Dynamix'). The Company as well as Dynamix had written to Ministry for waiver of interest on such loans. Interest liability of on such loans has been appropriated by the Company against the Corporate Deposits placed by Dynamix. MOFPI may demand payment if application for waiver rejected.

49.4 As regards the land parcel situated at Village Parsodi and Dorli, Wardha, the Government of Maharashtra had vide its letter dated May 20, 2016 informed the Company to remit 50% of the unearned income to the Government.

In response, SICOM has clarified to the Government vide its letter dated September 20, 2016 that the land parcel is owned by SICOM and the original land owners have been duly paid the consideration including additional compensation.

Further, the Company has brought it to the notice of the Government of Maharashtra that in terms of the relevant GRs, unearned income is payable in respect of Government Land and since the land parcel at Wardha is owned entirely by SICOM no unearned income is payable to the Government ,

In view of the above, the company has requested the Government of Maharashtra to waive the clause regarding remittance of the unearned income. The Company has again vide its letter dated 18th January, 2017 informed the Government that the decision regarding waiver of the clause is awaited from the Government. However, there has been no response from the Government in the matter nor has the Government raised any fresh demand in the matter.

The Company is of the opinion, that having regard to the title of the land there is remote possibility of the Company requiring to remit the unearned income as demanded by the Government of Maharashtra and therefore not shown as contingent liability.

Notes to financial statements (Continued)
for the year ended 31 March 2021
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Note 50 : Related party disclosures

Relationship	Name of the party
Enterprise where Control Exists.	
Subsidiary company	SICOM Capital Management Private Ltd.
	SICOM Trustee Company Private Ltd.
	SICOM Investments & Finance Ltd.
	SICOM ARC Ltd.
	SICOM Realty Ltd.
Enterprises having significant influence over the Company	JCF BIN II
	Dhanavah Media Pvt. Ltd.
	Government of Maharashtra
Key Management Personnel	Dr. Kavita Gupta, Managing Director (Upto 30th September, 2020)
	Dr. Harshadeep Shriram Kamble, Managing Director, Additional Charge (from 1st October, 2020 to 24th November, 2020)
	Ms. Aastha Luthra, Managing Director (from 24th November, 2020 to 11th December, 2020)
	Mr. Parrag Jaiin Nainutia, Managing Director, Additional charge (from 11th December 2020)
	Mr. Deba Prasad Roy, Independent Director (Upto 26th September, 2020)
	Mr. Suneet Shriniwas Maheshwari, Independent Director (Upto 28th September, 2020)
	Mr. Satish Madhukar Gavai, Nominee Director (upto 12th June, 2020)
	Mr. Rahul Gupta, Nominee Director (JCF BIN II, JCF BIN II A and JCF BIN II B)
	Mr. Anbalagan Ponnusamy, Nominee Director (from 19th December, 2018)
	Dr. Harshadeep Shriram Kamble, Nominee Director
	Mr. B. Venugopal Reddy, Nominee Director (from 13th June, 2020 to 3rd February, 2021)
	Mr. Baldev Harpal Singh, Nominee Director (from 4th February, 2021)
Relatives of KMP (with whom there were transactions during the year/previous Year) -	None

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 50 : Related party disclosures (Continued)

Related party transactions during the year:

(Rs. In Lakhs)

Particulars	**Subsidiary Company**		**Key Management Personnel**	
	As at 31 March 2021	**As at 31 March 2020**	**As at 31 March 2021**	**As at 31 March 2020**
PAYMENT / EXPENSES				
Reimbursement of expenses incurred on behalf of				
SICOM Trustee Company Pvt. Ltd.	3.11	1.30	-	-
SICOM Capital Management Pvt. Ltd.	3.71	1.96	-	-
Recovery commission paid				
SICOM ARC Ltd.	-	-	-	-
Loans given during the year				
SICOM Realty Ltd.	21.00	272.65	-	-
SICOM Investments & Finance Ltd.	24.22	25.29	-	-
Compensation of key management personnel.				
Remuneration paid to key management personnel.	-	-	20.83	42.24
Sitting fees paid to directors	-	-	4.03	7.78
RECEIPTS / INCOME				
Rent earned				
SICOM ARC Ltd.	70.20	70.20	-	-
SICOM Realty Ltd.	-	-	-	-
Interest Income earned				
SICOM Realty Ltd.	242.64	202.29	-	-
SICOM Investments & Finance Ltd.	-	110.08	-	-
Loans repaid during the year				
SICOM Realty Ltd.	-	-		-
SICOM Investments & Finance Ltd.	-	-		-
Balance outstanding as at the				
year end:				
Loan given				
SICOM Realty Ltd.	2,083.37	2,062.37	-	-
SICOM Investments & Finance Ltd.	18,294.99	18,270.77	-	-
Interest accrued and due on loans				
SICOM Realty Ltd.	196.08	3.44		-
Other Financial Assets				
SICOM Investments & Finance Ltd.	-	-	-	-
Investment in Subsidiary company (Net of Provision)				
SICOM Investments & Finance Ltd.	-	-	-	-
SICOM Capital Management Pvt. Ltd.	4.83	4.83	-	-
SICOM Trustee Company Pvt. Ltd.	-	-	-	-
SICOM ARC Ltd.	1,005.00	1,005.00	-	-
SICOM Realty Ltd.	2,700.00	2,700.00	-	-
Other Receivable				
SICOM Trustee Company Pvt. Ltd.	3.11	1.30	-	-
SICOM ARC Ltd.	82.84	6.90	-	
SICOM Capital Management Pvt. Ltd.	3.71	1.96	-	-

Income /expenses are presented excluding Goods and service tax (GST).

Note:

a) Related parties have been identified on the basis of the declaration received by the management and other records available.

b) Loans given to related parties are repayable on demand. These loans carry interest @ of 10% to 14.5% p.a.

Notes to financial statements (Continued)
for the year ended 31 March 2021
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Note 50 : Related party disclosures *(continued)*

Compensation of key management personnel

Key management personnel are those individuals who have the authority and responsibility for planning and exercising power to directly or indirectly control the activities of the Company and its employees. The Company considers the members of the Board of Directors which include independent directors (and its sub-committees) and Executive Committee to be key management personnel for the purposes of IND AS 24 Related Party Disclosures.

Compensation of key management personnel

(Rs. In Lakhs)

Particulars	31-Mar-2021	31-Mar-2020
(a) Remuneration paid to Key Management Personnel		
Dr Kavita Gupta	19.74	42.24
Ms. Aastha Luthra	1.09	-
TOTAL	**20.83**	**42.24**
(b) Sitting fee paid to directors		
Mr Deba Prasad Roy	1.08	2.25
Mr Suneet Shriniwas Maheshwari	1.33	2.63
Mr Rahul Gupta	1.62	2.20
Shri Urvinder Pal Singh	-	0.70
TOTAL	**4.03**	**7.78**
GROSS TOTAL	**24.86**	**50.02**

Notes to financial statements (Continued)
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Note 51: Capital

The Company maintains an actively managed capital base as on 31st March 2021 to cover risks inherent in the business which includes issued equity capital, share premium and all other equity reserves attributable to equity holders of the Company.

As an NBFC, the RBI requires the Company to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of Tier I and Tier II capital of 15% of our aggregate risk weighted assets. Further, the total of our Tier II capital cannot exceed 100% of Tier I capital at any point of time. The capital management process of the company ensures to maintain a healthy CRAR as on 31st March 2021.

Capital Management

The primary objectives of the Company's capital management policy are to ensure that the Capital is adequate to support its business with view to maximize the shareholder value; while ensuring that the Company complies with the requirement of capital as per the guidelines issued by the Reserve Bank of India in that regard. The company manages its capital structure and make adjustments to it according to changes in economic condition and the risk characteristics of its activities. In order to maintain its capital structure the company may adjust the amount of dividend payable to shareholders, raise fresh capital or reduce borrowings based on review undertaken by the Board of Directors.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

(Rs. in Lakhs)

Regulatory capital	As at 31 March 2021 *	As at 31 March 2020 *
Common Equity Tier1 (CET1) capital	2,424.01	13,530.16
Other Tier 2 capital instruments	2,424.01	5,649.28
Total capital	4,848.02	19,179.44
Risk weighted assets	79,688.72	1,06,446.69
CET1 capital ratio	3.04%	12.71%
Total capital ratio	6.08%	18.02%

* calculated as per RBI notification RBI/2019-20/170 DOR (NBFC).CC .PD .No.109/22.10.106/2019-20 "Implementation of Indian Accounting Standards" issued by RBI on March 13, 2020.

"Tier I capital", "Tier II capital" and "Owned fund" are calculated as defined in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 and notification RBI/2019-20/170 DOR (NBFC).CC .PD .No.109/22.10.106/2019-20 "Implementation of Indian Accounting Standards" issued by RBI on March 13, 2020.

Regulatory capital consists of CET 1 capital, which comprises share capital, share premium, retained earnings including current year profit less accrued dividends. Certain adjustments are made to Ind AS–based results and reserves, as prescribed by the Reserve Bank of India. The other component of regulatory capital is other Tier 2 Capital Instruments, which includes sub-ordinated debts and ECL Provision on Stage 1.

The Company is not meeting the capital adequacy requirements of Reserve Bank of India (RBI) of India as on March 31, 2021.

Note 52 : Fair Value measurement

52.1 Valuation Principle

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained in Note 6.16

52.2 Fair Value Hierarchy of assets and liabilities

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

As at 31 March 2021

(Rs. in Lakhs)

Assets measured at fair value on a recurring basis	**Level-1**	**Level-2**	**Level-3**	**Total**
Financial assets				
Mutual funds	-	1.00	-	1.00
Equity instruments	61.17	-	11,144.01	11,205.18
Debt Securities	-	-	43,182.20	43,182.20
Preference Shares	-	-	1,206.31	1,206.31
Security Recepits			700.00	700.00
Total assets measured at fair value on a recurring basis	61.17	1.00	56,232.52	56,294.69
Assets measured at fair value on a non-recurring basis				
Non-current assets held for sale and disposal	-	-	-	-
Total assets measured at fair value on a non-recurring basis	-	-	-	-
Total financial assets measured at fair value	**61.17**	**1.00**	**56,232.52**	**56,294.69**

As at 31 March 2020

(Rs. in Lakhs)

Assets measured at fair value on a recurring basis	**Level-1**	**Level-2**	**Level-3**	**Total**
Financial assets				
Mutual funds	-	17.00	-	17.00
Equity instruments	32.38	-	9,364.50	9,396.88
Debt Securities		-	59,007.45	59,007.45
Preference Shares	-	-	991.48	991.48
Security Recepits	-	-	700.00	700.00
Total financial assets measured at fair value on a recurring basis	32.38	17.00	70,063.43	70,112.81
Assets measured at fair value on a non-recurring basis				
Non-current assets held for sale and disposal	-	-	-	-
Total assets measured at fair value on a non-recurring basis	-	-	-	-
Total financial assets measured at fair value	**32.38**	**17.00**	**70,063.43**	**70,112.81**

52.3 Valuation techniques

Equity instruments

Equity instruments in non-listed entities are initially recognised at transaction price and re-measured (to the extent information is available) and valued on a case-by-case and classified as Level 3. Equity instruments in listed entities are initially recognised at transaction price and fair valued at FVTPL on a case-by-case and classified as Level 1.

Debt securities

The investment in Debt securities are initially recognised at transaction price which is revalued at FVTPL based on FIMMDA Valuation which are classified in Level 3.

Government Securities

The investment in Government Securities is classified at amortised cost based on Effective interest rate method .

Preference shares

The Investment made in preference shares are either measured at amortised cost for which ECL is provided as per Ind AS 109 or fair valued through FVTPL which is classified as Level 3.

Notes to financial statements (Continued)
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Note 52 : Fair value measurement (*continued*)

52.4 During the year there were no transfers between level 1 and level 2. Similarly, there were no transfers from or transfer to level 3.

	Transfers from Level 1 to Level 2	
	31-Mar-2021	31-Mar-2020
Financial assets held for trading	-	-
Mutual funds	-	-
Equity instruments	-	-
Pass through certificates	-	
Venture capital fund	-	-

52.5 Movements in Level 3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities which are recorded at fair value. Transfers from Level 3 to Level 2 occur when the market for some securities became more liquid, which eliminates the need for the previously required significant unobservable valuation inputs. Since the transfer, these instruments have been valued using valuation models incorporating observable market inputs. Transfers into Level 3 reflect changes in market conditions as a result of which instruments become less liquid. Therefore, the Company requires significant unobservable inputs to calculate their fair value.

The following tables show the reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities measured at fair value:

(Rs. in Lakhs)

For Financial Year ended 31st March 2021	As at 1 April 2020	Purchase	Sales	At 31 March 2021	Unrealised gains and losses related to balances held at the end of the period
Financial assets					
Equity instruments	9,364.50	-	21.11	11,144.01	1,800.62
Debt securities	57,695.24	-	(10,785.17)	41,288.73	(5,621.34)
Preference Shares	991.48	-	-	1,206.31	214.83
Security Receipts	700.00	-	-	700.00	-
Total financial assets	**68,751.22**	**-**	**(10,764.06)**	**54,339.05**	**(3,605.89)**

(Rs. in Lakhs)

For Financial Year ended 31st March 2020	As at 1 April 2019	Purchase	Sales	At 31 March 2020	Unrealised gains and losses related to balances held at the end of the period
Financial assets					
Equity instruments	8,919.05	-	(91.70)	9,364.50	353.75
Debt securities	77,453.46	-	(14,356.49)	57,695.24	(5,401.73)
Preference Shares	991.48	-	-	991.48	-
Security Receipts	700.00	-	-	700.00	-
Total financial assets	**88,063.99**	**-**	**(14,448.19)**	**68,751.22**	**(5,047.98)**

52.6 Impact on fair value of level 3 financial instruments measured at fair value of changes to key assumptions
The table summarises the valuation techniques together with the significant unobservable inputs used to calculate the fair value of the Company's Level 3 assets and liabilities. The range of values indicates the highest and lowest level input used in the valuation technique and, as such, only reflects the characteristics of the instruments as opposed to the level of uncertainty to their valuation. Relationships between unobservable inputs have not been incorporated in this summary.

(Rs. in Lakhs)

Particulars	Fair value		Valuation technique	Significant unobservable inputs
	Level 3 assets	Level 3 liabilities		
	31-Mar-2021	31-Mar-2021		
Equity instruments	11,144.01	-	Based on the networth of the investee company	networth of the investee company
Debt securities	41,288.73	-	Based On The valuation technique given by FIMMDA. (Fixed Income Money Market And Derivatives Association Of India)	Yields of Debt securities
Preference Shares	1,206.31	-	Based on the networth of the investee company	networth of the investee company
Security Receipts	700.00	-	Based on rating agency Brickwork ratings india Pvt Ltd recovery Value	Recovery Value
Total	**54,339.05**	**-**		

Note 52 : Fair value measurement (*continued*)

(Rs. in Lakhs)

Particulars	Fair value		Valuation technique	Significant unobservable inputs
	Level 3 assets	Level 3 liabilities		
	31-Mar-2020	31-Mar-2020		
Equity instruments	9,364.50	-	Based on the networth of the investee company	networth of the investee company
Debt securities	57,695.24	-	Based On The valuation technique given by FIMMDA. (Fixed Income Money Market And Derivatives Association Of India)	Yields of Debt securities
Preference Shares	991.48	-	Based on the networth of the investee company	networth of the investee company
Security Receipts	700.00	-	Based on rating agency Brickwork ratings india Pvt Ltd recovery Value	Recovery Value
Total	**68,751.22**	**-**		

Note 52 : Fair value measurement (*continued*)

52.7 Sensitivity of fair value measurements to changes in unobservable market data

The table below describes the effect of changing the significant unobservable inputs to reasonable possible alternatives. All changes except for debt instruments classified as FVOCI would be reflected in the Statement of profit and loss. Sensitivity data are calculated using a number of techniques, including analysing price dispersion of different price sources, adjusting model inputs to reasonable changes within the fair value methodology. The ranges are not comparable or symmetrical as the model inputs are usually not in the middle of the favourable/unfavourable range.

The table below shows data in relation to Level 3 inputs that are already aggregated on the underlying product levels without assuming any potential diversification effect, but including potential off-sets from economic or accounting hedge relationships in place. The Company is of the opinion that, whilst there may be some diversification benefits, incorporating these would not be significant to the analysis.

(Rs. In Lakhs)

Particulars	31-Mar-2021		31-Mar-2020	
	Favourable changes	Unfavourable changes	Favourable changes	Unfavourable changes
Equity instruments	**11,765.43**	**10,644.92**	9,866.72	8,927.04
Debt securities	**45,341.31**	**41,023.09**	60,580.00	54,810.47
Preference Shares	**1,266.62**	**1,145.99**	1,041.05	941.91
Security Receipts	**735.00**	**665.00**	735.00	665.00

52.8 Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non–financial assets and liabilities.

(Rs. In Lakhs)

As on March 31, 2021	Carrying Amount	Fair Value			
		Level-1	Level-2	Level-3	Total
Financial assets:					
Cash and cash equivalents	137.45	137.45	-	-	137.45
Bank balance other than cash and cash equivalents	2.07	2.07	-	-	2.07
Receivables					
(i) Trade receivables	44.48	-	-	44.48	44.48
(ii) Other receivables	99.94	-	-	99.94	99.94
Loans	14,615.07	-	-	14,615.07	14,615.07
Investments at amortised cost (Net of Provisions)	-	-	-	-	-
Other financial assets	809.71	-	-	809.71	809.71
Total financial assets	**15,708.72**	**139.52**	-	**15,569.20**	**15,708.72**
Financial liabilities:					-
Payables					
(I) Trade Payables	110.95	-	-	110.95	110.95
(II) Other Payables	80.06	-	-	80.06	80.06
Borrowings	4,743.58	-	-	4,743.58	4,743.58
Deposits	52,303.32	-	-	52,303.32	52,303.32
Subordinated liabilities	750.00	-	-	750.00	750.00
Other financial liabilities	11,380.43	-	-	11,380.43	11,380.43
Total financial liabilities	**69,368.34**	-	-	**69,368.34**	**69,368.34**

(Rs. In Lakhs)

As on March 31, 2020	Carrying Amount	Fair Value			
		Level-1	Level-2	Level-3	Total
Financial assets:					
Cash and cash equivalents	284.31	284.31	-	-	284.31
Bank balance other than cash and cash equivalents	17,970.80	17,970.80	-	-	17,970.80
Receivables					
(i) Trade receivables	24.56	-	-	24.56	24.56
(ii) Other receivables	20.15	-	-	20.15	20.15
Loans	26,371.57	-	-	26,371.57	26,371.57
Investments at amortised cost (Net of Provisions)	-	-	-	-	-
Other financial assets	1,524.77	-	-	1,524.77	1,524.77
Total financial assets	**46,196.16**	**18,255.11**	-	**27,941.05**	**46,196.16**
Financial liabilities:					
Payables					
(I) Trade Payables	484.56	-	-	484.56	484.56
(II) Other Payables	163.84	-	-	163.84	163.84
Borrowings	4,743.58	-	-	4,743.58	4,743.58
Deposits	85,520.89	-	-	85,520.89	85,520.89
Subordinated liabilities	750.00	-	-	750.00	750.00
Other financial liabilities	12,639.21	-	-	12,639.21	12,639.21
Total financial liabilities	**1,04,302.08**	-	-	**1,04,302.08**	**1,04,302.08**

Notes to financial statements (Continued)
for the year ended 31 March 2021
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Note 52 : Fair value measurement (*continued*)

52.9 Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables and, as such, may differ from the techniques and assumptions explained in Notes 6.17.

Short-term financial assets and liabilities

For financial assets and financial liabilities those having a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: Trade receivables and trade payables without a specific maturity. Such amounts have been classified as Level 3 on the basis that no adjustments have been made to the balances in the balance sheet.

Financial assets at amortised cost

Loans and advances to customers

The loans and receivables are net of impairment and not fair valued due to unavailability of observable market inputs henceforth classified in Level 3.

Borrowings and Deposits

The borrowings and deposits are classified at amortised cost and not fair valued due to unavailability of observable market inputs henceforth classified in Level 3

Notes to financial statements (Continued)
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Note 53: Risk management
As a financial intermediary, risk is inherent in the Company's activities. Risk is managed through an integrated risk management framework which covers identification, measurement and monitoring of risk and application of defined risk limits and other controls. The Company is exposed to credit risk, legal risk, liquidity risk and market risk, operational and business risks. Risk management is critical to the Company's sustainability and growth and each department and employee of the Company has a role to play in managing the risk associated with his or her function.

53.1 Introduction and Risk Profile
53.1.1 Risk management structure
The Board of Directors are responsible for the overall risk management of the Company and for approving the risk management strategies and adherence to Regulatory requirements on an ongoing basis.

A Board constituted Sub-Committee of Board of Directors i.e. Risk Management Committee (RMC) is responsible for monitoring the overall risk process within the Company. The Risk Management Committee is responsible for the development of risk strategy, policies, frameworks and limits. The Risk Management Committee is responsible for ongoing monitoring of risk levels and giving directions for containing risks within acceptable limits.

The task of the Chief Risk Officer and Integrated Risk Group (IRG) is to evaluate and mitigate the Credit Risks, Operational Risks, Liquidity Risks and all types of risks associated with the Company and make presentations to the RMC. IRG functions as a control function apart from performing the reporting function and suggest suitable actions to be taken in order to identify, analyze and mitigate risk in a better manner. IRG is responsible for implementing the approved risk policies, procedures and control processes.
The Internal Audit function is responsible for periodic audit and assessment of the risk management processes to ensure the adequacy of the procedures and the Company's compliance with the procedures. Internal Audit reports are reviewed by the management and the Risk Management Committee.

The Company's Treasury Department is responsible for managing assets and liabilities and the overall financial structure of the Company as per policies approved by the Board of Directors and Regulatory requirements. The treasury Department also addresses the funding and liquidity risks of the Company.

53.1.2 Risk measurement and reporting systems
The Company's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities. Standard Operating Procedures and Risk Control Matrix are put in place to cover all the departments and processes of the organisation.

The risk rating of each loan account at the time of origination is monitored on an on-going basis through the life cycle of the loan and deterioration in the rating (external or internal rating assigned by the Company) is reported to the Risk Management Committee.

As per contemporary risk management practices, the Company uses the method of computing the expected and unexpected loss to estimate the eventual actual loss.

53.1.3 Risk Limits - Setting and Monitoring

In order to ensure proper diversification of risk, single borrower / group exposure limits have been defined which are in line with the prescribed regulatory Prudential Norms for exposure. The limit were checked at the time of sanction. Limits have also been specified for industries and sectors to prevent excessive concentration of exposures to similar business activities which may collectively impact their business due to changes in macro-economic environment or other conditions like policy changes or developments in the external environment.

53.2 Credit Risk
Credit risk is the potential that the Company may incur a loss on account of its borrowers or counterparties fail to fulfill their contractual obligations in accordance with agreed terms. The Company manages credit risk ascribing a risk rating at loan origination stage to the proposed exposure, by setting limits for exposure to individual/group borrowers, and by monitoring exposures in relation to such limits and ratings. Limits prescribed for industry/sector exposure are also monitored.

Credit risk is monitored by the Integrated Risk Group of the Company. It is their responsibility to review and manage credit risk for all borrowers.

The Company has a system in place for early identification of deterioration in the credit profile of borrowers, impact of external and macro-economic developments on the overall portfolio quality and these reviews are made available to the Risk Management Committee on a quarterly basis. This review process enables the Company to assess the expected loss in the future and take appropriate corrective actions.

The Company's internal credit rating grades on days past due 9dpd) basis:

Internal rating grade	Internal rating description
Performing	
High grade	0 dpd
Standard grade	1 to 30 dpd
Sub-standard grade	31 to 60 dpd
Past due but not impaired	61 to 90 dpd
Non-performing	90+ dpd

53.2.1 Impairment assessment

The following impairment assessment model is used by the Company:

- Estimation and monitoring of probability of default, exposure at default and loss given default. (Notes 53.2.1.2, 53.2.1.3, 53.2.1.4)
- Judgment of the Company about a significant increase in the credit risk associated with an exposure. (Notes 53.2.1.5)
- For majority of Stage 3 assets, the ECL is assessed on individual recoverability basis and for remainder on collective basis as per segmentation of financial assets as Stage 1, Stage 2 and Stage 3 assets for assessment of ECL. (Refer Note 53.2.1.6)

The model should be read and interpreted in conjunction with the summary of significant accounting policies.

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 53 : Risk Management (Continued)

53.2.1.1 Definition of default

A borrower is considered to be in Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on any of its contractual payments.

Besides the above consideration, as a part of a qualitative assessment of whether an exposure to any borrower is likely to result in a loss for the Company, the Company also considers indicators that may point towards a likelihood of a default.

In such an event, the Company evaluates judiciously, after weighing in all factors and data available, whether the exposure should be classified as Stage 2 or Stage 3 for the purpose of ECL computations. Such events include:

- A significant impairment of the value of the collateral or potential realization from sale of the collateral
- A significant covenant breach, not corrected by the borrower and not expressly waived by the Company
- The borrower filing for bankruptcy application/protection

In the event of any borrower becoming credit impaired, all exposures to the borrower are treated as Stage 3.

53.2.1.2 PD estimation process

It is an estimate of the likelihood of default over a given time horizon.

It is an estimate of the likelihood of default over a given time horizon. PD estimation process is done based on historical internal data available with the Company. While arriving at the PD, the Company also ensures that the factors that affects the macro economic trends are considered to a reasonable extent, wherever necessary. Company calculates the 12 month PD by taking into account the past historical trends of the portfolio and its credit performance. In case of assets where there is a significant increase in credit risk, lifetime PD has been applied which is computed based on survival analysis. For credit impaired assets, a PD of 100% has been applied.

53.2.1.3 Exposure at Default (EAD)

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 months ECL.

For Stage 2 and Stage 3, the exposure at default is considered for events over the lifetime of the instruments or exposures

In case of undrawn loan commitments, the entire amount of undrawn loan commitment is considered as the expected drawdown.

53.2.1.4 Loss Given Default (LGD)

LGD is an estimate of the loss arising in case where a default occurs. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realization from sale of any security. The LGD in case of stage 3 assets is computed majorly on individual basis and remainder on collective basis.

53.2.1.5 Significant increase in credit risk

The Company continuously monitors all assets to assess whether there has been an event which could cause a significant increase in the credit risk of the underlying asset or the borrower's ability to pay and accordingly changes the 12 month ECL to a lifetime ECL.

Under certain circumstances, the Company may also consider that events explained in "Definition of Default" section above (Refer Note 53.2.1.1) are a significant increase in credit risk as against a default. However, for all exposures which are greater than 30 days past due, the credit risk is considered to have increased significantly since initial recognition.

While estimating ECLs on a collective basis for similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

53.2.1.6 Grouping financial assets measured on a collective basis

The Company calculates ECLs on the portfolio which is broadly bifurcated into 2 categories:

1. Bills Discounted
2. Loans other than Bills Discounted

Loans other than bill discounted are further sub-categorised into the following:

a. Long term loans
b. Short Term Loans
c. Corporate Term Loan (CTL)
d. Loan against Deposit (LACD)
e. Loan Against Property (LAP) / Security Based Lending (SBL)
f. Loan against shares
g. Loan against guarantee
h. Revolving short term loans
i. Inter Corporate Deposit (ICD)
j. Receivable Finance

Notes to financial statements (Continued)
for the year ended 31 March 2021
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Note 53 : Risk Management (Continued)

53.2.2 Analysis of risk concentration

The maximum credit exposure to any borrower group as of March 31, 2021 was Rs. 13,554.77 lakhs (March 31, 2020: Rs. 13,554.77 lakhs). The maximum credit exposure to single borrower as on March 31, 2021 was Rs 12,500.00 lakhs (March 31, 2020: Rs 12,500.00 lakhs).Further, top 20 borrower groups of the company accounted for 67.51% of the total loan assets as on 31st March 2021.

Credit risk exposure analysis:

(Rs. in Lakhs)

Particulars	As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total
Corporate Term Loan (CTL)	-	-	36,494.54	**36,494.54**
Inter Corporate Deposit (ICD)	-	-	1,996.16	**1,996.16**
Long Term Loans (LTL)	-	-	17,591.06	**17,591.06**
Loan against Shares (PROMO)	-	-	16,237.60	**16,237.60**
Revolving Short Term Loan (RSTL)	-	-	28,811.22	**28,811.22**
Short Term Loan (STL)	-	-	11,719.84	**11,719.84**
Bill Discounting	-	-	13,338.60	**13,338.60**
Employee Loan	20.69	-	-	**20.69**
Related Party Loan	-	-	20,378.36	**20,378.36**
Total	**20.69**	**-**	**1,46,567.38**	**1,46,588.07**

53.3 Liquidity risk management:

Liquidity risk is the risk that the Company may be unable to meet its short term financial obligations due to the non-availability of adequate funds at an appropriate cost or tenure. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company relies on cash flows from operating and financial activities to meet its financial obligations as and when they fall due. The Company has a dedicated treasury department to manage liquidity whose primary function is resource raising and day to day cash flow management. The Company has taken a conservative approach to invest only in highly liquid assets such as G-Secs, T Bills and rated Commercial Papers. The Company has further taken a conscious decision avoid investment in derivatives.

The Treasury Department is also primarily responsible for the funding and liquidity risks of the Company. There is a daily monitoring of fund availability and deployment. Market risk and Investment Policy is put in place for carrying out treasury and investment operations. The policy is reviewed annually by the Asset Liability Management Committee (ALCO) of the Board of Directors.

The table below provides details regarding the undiscounted non-contractual maturities of significant financial assets and liabilities as on:-

Maturity pattern of financial assets and financial liabilities as on March 31, 2021:

(Rs. In Lakhs)

Particulars	Upto 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Financial assets							
Cash and cash equivalents	137.45	-	-	-	-	-	**137.45**
Bank Balance other than cash and cash equivalents	-	-	2.07		-	-	**2.07**
Trade Receivables	44.48	-	-	-	-	-	**44.48**
Other Receivable	91.96	7.98	-	-	-	-	**99.94**
Loans	2.53	2.33	4.40	10.42	1.01	14,594.38	**14,615.07**
Investments	961.27	5,265.08	61.17	5,813.55	5,104.98	42,798.47	**60,004.52**
Other Financial assets	407.68	30.12	106.36	-	-	265.55	**809.71**
Financial liabilities							
Trade payables	110.95	-	-	-	-	-	**110.95**
Other payables	80.06	-	-	-			**80.06**
Borrowings (other than deposits)	4,743.58	-		-	-	-	**4,743.58**
Deposits	19,778.18	101.14	32,424.00		-	-	**52,303.32**
Subordinated Liabilities	-	-	-	-	-	750.00	**750.00**
Other Financial liabilities	10,804.47	0.77	539.23	11.68	24.28	-	**11,380.43**

Maturity pattern of financial assets and financial liabilities as on March 31, 2020:

(Rs. In Lakhs)

Particulars	Upto 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Financial assets							
Cash and cash equivalents	18,249.31	-	-	-	-	-	18,249.31
Bank Balance other than cash and cash equivalents	-	3.73	-	2.07	-	-	5.80
Trade Receivables	24.56	-	-	-	-	-	24.56
Other Receivable	20.15	-	-	-	-	-	20.15
Loans	7.47	115.32	1,860.98	13.31	0.19	24,374.30	26,371.57
Investments	-	-	7,345.70	25,440.56	8,158.98	32,877.40	73,822.64
Other Financial assets	380.29	51.75	105.71	254.37	422.88	309.77	1,524.77
Financial liabilities							
Trade payables	484.56						484.56
Other payables	163.84						163.84
Borrowings (other than deposits)	4,743.58	-	-	-	-	-	4,743.58
Deposits	14,697.62	14,099.27	56,724.00		-	-	85,520.89
Subordinated Liabilities	-	-	-	-	-	750.00	750.00
Other Financial liabilities	12410.12	3.73	103.83	121.53	0.00	0.00	12,639.21

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 53 : Risk Management (Continued)

53. 4 Market Risk:

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity and other market changes. The Company is exposed to two types of market risk as follows:

53.4.1 Interest Rate Risk:

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company is subject to interest rate risk, primarily because it is in the business of lending to borrowers at fixed interest rates and for periods that may differ from our funding sources, while its borrowings are at both fixed and variable interest rates for different periods. The Company manages its interest rate risk by managing its assets and liabilities. Asset Liability Management Committee (ALCO) evaluates asset liability management, and ensures that all significant mismatches, if any, are being managed appropriately.

The Company has Board Approved Asset Liability Management (ALM) policy for managing interest rate risk and policy for determining the interest rate to be charged on the loans given.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before tax is affected through the impact on floating rate borrowings, as follows:

(Rs. In Lakhs)

Particulars	31-Mar-21	31-Mar-20
Finance Cost	4,883.38	8,638.52
0.50 % increase	NIL*	NIL*
0.50% decrease	NIL*	NIL*

* During financial year 2020-21 & 2019-20, the Company has not availed any borrowings with floating rate of interest.

53.4.2 Price Risk:

The Company's exposure to price risk is not material and it is primarily on account of investment of temporary treasury surpluses in the highly liquid debt funds for very short durations. The Company has a board approved policy of investing its surplus funds in highly rated debt mutual funds, fixed deposits and other instruments having insignificant price risk, not being equity funds/risk bearing instruments.

Notes to financial statements (Continued)
for the year ended 31 March 2021
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Note 53 A : The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro Small and Medium Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on the information available with the management on the above, as at 31 March 2021, no dues were outstanding to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Further, the Company has not received any claim for interest from any supplier under the said Act till 31 March 2021.

(Rs. In Lakhs)

Particulars	**As At March 31, 2021**	**As At March 31, 2020**
The principal amount remaining unpaid to supplier as at the end of the year	23.19	18.90
The interest due thereon remaining unpaid to supplier as at the end of the year	-	-
The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	-	-

Notes to financial statements (Continued)
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Note 54: Corporate Social Responsibility
As per the provisions of Section 135 of the Companies Act, 2013 (the 'Act'), the Company has formulated the Corporate Social Responsibility (CSR) Policy. The Board has constituted a CSR Committee in accordance with Section 135 of the Act.

The Company is not required to incur CSR Expenditure for the current year (Previous Year: NIL), as average net profit of the past three years is negative.

However, CRS expenditure incurred by the Company approved by the Board of Director/CSR committee is as follows:

(Rs. In Lakhs)

Amount spent during the year ended on March 31, 2021	In Cash	Yet to be Paid in Cash	Total
(i) Construction / acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	-	-	-

(Rs. In Lakhs)

Amount spent during the year ended on March 31, 2020	In Cash	Yet to be Paid in Cash	Total
(i) Construction / acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	-	-	-

Note 54 A : Expenditure and Income in Foreign Currency (Accrual Basis)

Expenditure in Foreign Currency

(Rs. In lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Legal and professional charges	7.23	-
Total	**7.23**	**-**

Income in Foreign Currency for the year ended March 31, 2021 : Nil (March 31, 2020 : Nil)

Note 55: Events After Reporting Date

There have been no events after the reporting date that require disclosure in these financial statements.

Notes to financial statements (Continued)
for the year ended 31 March 2021
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Note 56 : Preparation of disclosure notes required by RBI under Master Dierctions of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016

The additional disclosure notes required by Reserve Bank India (RBI) are prepared under Indian Accounting Standards (Ind AS) issued by Ministry of Corporate Affairs (MCA), unless otherwise stated.

Note 57: Disclosure Of Restructured Accounts

(Rs. In lakhs)

Sr. no	Type of Restructuring Financial Year Asset Classification		Others	
			Year ended 31-Mar-21	Year ended 31-Mar-20
1	Restructured Accounts as on 1st April of the FY (opening figures)	No of borrowers	5	4
		Amounts outstanding	16,709.31	15,279.27
		Provision thereon	13,554.59	12,769.77
2	Fresh restructuring during the year	No of borrowers	-	2
		Amounts outstanding	-	2,742.54
		Provision thereon	-	1,679.42
3	Upgradations to restructured standard category during the FY	No of borrowers	-	-
		Amounts outstanding	-	-
		Provision thereon	-	-
4	Restructured standard advances which cease to attract higher provisioning and/or additional risk weight at the end of the FY and hence need not be shown in restructured standard advances at the beginning of the next FY	No of borrowers	-	-
		Amounts outstanding	-	-
		Provision thereon	-	-
5	Down-gradations of restructured accounts during the FY	No of borrowers		1
		Amounts outstanding		1,312.50
		Provision thereon		894.60
6	Write offs/Repayment of restructured accounts during FY	No of borrowers	1	-
		Amounts outstanding	1,015.85	-
		Provision thereon	(1,181.75)	-
7	Restructured Accounts as on March 31 of the FY (closing figures)	No of borrowers	4	5
		Amounts outstanding	15,693.46	16,709.31
		Provision thereon	14,736.34	13,554.59

Notes:

1 The outstanding amount and number of borrowers as at March 31, 2021 and March 31, 2020 is after considering recoveries during the year.

2 Additional facilities availed by borrowers or addition in outstanding balance in existing restructured accounts and partial repayments in existing restructured accounts are adjusted and disclosed under “Write-offs of restructured accounts”, however, for the purpose of arithmetical accuracy the number of existing borrowers availing additional facility or partial repayments have been ignored.

3 Asset classification as required by Master Direction - Non-Banking Financial Company - Systemically Important Non- Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended, is not disclosed as asset classification is not defined under Indian Accounting Standards.

4 The Company has classified all the restructured accounts under Stage 3 for ECL Calculations under Ind-AS and Provision for Impairment Loss on all the restructured accounts have been recognised in the books accordingly.

5 For the purpose of arithmetical accuracy, movement in provisions in the existing restructured account as compared to balance of provision as disclosed in opening balance and fresh restructuring on account sale/recovery/settlement (for any change in provision) is adjusted and disclosed under “Write-offs of restructured accounts” during the year.

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Note 58 : Ratings assigned by credit rating agencies and migration of ratings during the year instruments Rating :

The Company has not been assigned rating by any credit rating agencies in current year.

Note 59: Capital

(Rs. in Lakhs)

Sr No	Particulars	As at 31 March 2021*	As at 31 March 2020*
i)	CRAR (%)	**6.08%**	18.02%
ii)	CRAR - Tier I capital (%)	**3.04%**	12.71%
iii)	CRAR - Tier II Capital (%)	**3.04%**	5.31%
iv)	Amount of subordinated Debt raised as Tier II Capital	**750.00**	750.00
v)	Amount raised by issue of Perpetual Debt Instruments	-	-

* calculated as per RBI notification RBI/2019-20/170 DOR (NBFC).CC .PD .No.109/22.10.106/2019-20 "Implementation of Indian Accounting Standards" issued by RBI on March 13, 2020.

"Tier I capital", "Tier II capital" and "Owned fund" are calculated as defined in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 and notification RBI/2019-20/170 DOR (NBFC).CC .PD .No.109/22.10.106/2019-20 "Implementation of Indian Accounting Standards" issued by RBI on March 13, 2020.

Note 60: Investments (Include stock-in-trade and current investment)

(Rs. in Lakhs)

Sr No	Particulars	As at 31 March 2021	As at 31 March 2020
1	**Value of Investments**		
(i)	**Gross Value of Investments**		
	(a) In India	**62,504.52**	76,322.64
	(b) Outside India	-	-
(ii)	**Provisions for Depreciation**		
	(a) In India	**2,500.00**	2,500.00
	(b) Outside India	-	-
(iii)	**Net Value of Investments**		
	(a) In India	**60,004.52**	73,822.64
	(b) Outside India	-	-
2	**Movement of provisions held towards depreciation on investments**		
(i)	**Opening Balance**	**2,500.00**	2,500.00
(ii)	Add: Provisions made during the year	-	-
(iii)	Less : write back of excess provisions during the year	-	-
(iv)	**Closing balance**	**2,500.00**	2,500.00

Note 61: Derivatives
Forward Rate Agreement/ Interest Rate Swap

(Rs. in Lakhs)

	Particulars	As at 31 March 2021	As at 31 March 2020
i)	The notional principal of swap agreements	-	-
ii)	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	-	-
iii)	Collateral required by the NBFC upon entering into swaps	-	-
iv)	Concentration of credit risk arising from the swaps	-	-
v)	The fair value of the swap book	-	-

Notes to financial statements (Continued)
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Note 62: Asset Liability Management Maturity Pattern of Certain Items of Assets And Liabilities As At March 31, 2021

(Rs. in Lakhs)

Particulars	Up to 30/ 31 days	Over 1 month up to 2 months	Over 2 months up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits *	19,778.18	-	-	101.14	32,424.00	-	-	-	52,303.32
Advances $	0.87	0.87	0.78	2.33	4.40	10.42	1.01	14,594.39	14,615.07
Investments			961.27	5,265.08	61.17	5,813.55	5,104.98	42,798.47	60,004.52
Borrowings	4,743.58	-	-	-	-	-	-	750.00	5,493.58
Foreign currency assets	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	-	-	-	-	-	-	-	-

* - Certificate of Deposits from PSUs/PSEs/Corporates
$ - Advances are net of ECL

Asset Liability Management Maturity Pattern of Certain Items of Assets And Liabilities As At March 31, 2020

(Rs. in Lakhs)

Particulars	Up to 30/ 31 days	Over 1 month up to 2 months	Over 2 months up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits *	14,697.62	-	-	14,099.27	56,724.00	-	-	-	85,520.89
Advances $	5.86	0.98	0.63	115.32	1,860.98	13.31	0.19	24,374.30	26,371.57
Investments	-	-	-	-	7,345.70	25,440.56	8,158.98	32,877.40	73,822.64
Borrowings	4,743.58	-	-	-	-	-	-	750.00	5,493.58
Foreign currency assets	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	-	-	-	-	-	-	-	-

* - Certificate of Deposits from PSUs/PSEs/Corporates
$ - Advances are net of ECL

Notes to financial statements (Continued)
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Note 63: Exposure To Real Estate Sector

a)	Direct exposure	As at 31 March 2021	As at 31 March 2020
	(i) **Residential Mortgages**		
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;	-	-
	(ii) **Commercial Real Estate**		
	Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	**31,647.67**	33,970.87
	(iii) **Investments in Mortgage Backed Securities (MBS) and other securitised exposures**		
	a. Residential;	-	-
	b. Commercial Real Estate.	-	-
b)	**Indirect Exposure**	-	-
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)#	-	-

The Company has extended loan of Rs. 2,083.37 lakhs as on 31st March, 2021 (Previous Year Rs. 2,062.37 lakhs) to its subsidiary engaged in the business of financing real estate projects. This has not been considered in above table as indirect exposure.

Notes to financial statements (Continued)
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Note 64: Exposure To Capital Market

(Rs. in Lakhs)

Sr No	Particulars	As at 31 March 2021	As at 31 March 2020
(i)	direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	**374.91**	166.19
(ii)	advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii)	advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	**16,237.60**	17,257.72
(iv)	advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	**3,998.87**	4,371.45
(v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	bridge loans to companies against expected equity flows / issues;	-	-
(viii)	all exposures to Venture Capital Funds (both registered and unregistered).	-	-
	Total Exposure to Capital Market	**20,611.38**	21,795.36

Note 65: Details of financing of parent company products

The Company does not have Parent Company, so the note is not applicable.

Note 66: Details of the Single Borrower Limit (SGL)/ Group Borrower Limit (GBL) exceeded by the NBFC. *

(Rs. in Lakhs)

Single Borrower Limit (SGL) exceeded during the year ended March 31, 2021	Amount
TUNIP AGRO LIMITED	12,500.00
AAP MINERVA BUILTCON LTD.	8,000.00
ASTER SILICATES LTD	6,500.00
ECI ENGINEERING & CONSTRUCTION CO. LTD	5,878.84
KAMLA LANDMARC PROPERTIES PVT. LTD.	5,000.00
ERA INFRA ENGINEERING LTD	4,989.39
ABG SHIPYARD LIMITED	4,772.00
MW UNITEXX LTD	4,500.00
MVL LIMITED	3,998.87
RUSHI REALTY (INDIA) PRIVATE LIMITED	3,850.00
KAMLA REAL ESTATE HUB PVT LTD	3,115.00
BHUSHAN FINANCE PVT. LIMITED	3,336.78
DIAMOND POWER TRANSFORMERS LIMITED	3,100.00
GUJARAT NRE MINERAL RESOURCES LIMITED	2,975.77
MARG LTD.	2,948.34
ALOK INDUSTRIES LTD	5,447.00
ADEL LANDMARKS LTD	4,580.00
HI POINT INVESTMENT & FINANCE PVT LTD	3,395.00
8.25% RELIANCE CAPITAL LTD. 2020	10,041.95
8.70% RELIANCE HOME FINANCE LTD 2020	5,015.68
14% BELLISSIMO LAND DEWELLERS LTD 2021	4,600.00
11% IL & FS ENERGY DEVELOPMENT CO. LTD	5,000.00
9.45% GUJARAT STATEINVESTMENT LTD 2022	4,977.75
IFCI LTD	4,709.00
9.25% J&K BANK 2024	3,858.00
IL & FS TRANSPORTATION NETWORK CO. LTD	3,709.00
DEEWAN HOUSING FINANCE LTD	3,501.00
8.85% THE GREAT EASTERN SHIPPING COMPANY LTD 2028	2,820.00

(Rs. in Lakhs)

Single Borrower Limit (SGL) exceeded during the year ended March 31, 2020	Amount
Tunip Agro Limited	12,500.00
AAP Minerva Builtcon Ltd.	8,000.00
Aster Silicates Ltd.	6,500.00
ECI Engineering & Construction Company Ltd.	5,878.84
Alok Industries Ltd.	5,497.00
Kamla Landmarc Properties Pvt. Ltd.	5,000.00
Era Infra Engineering Ltd.	4,989.39
8.25% Reliance Capital Ltd. 2020	10,041.95
8.70% Reliance Home Finance Ltd 2020	5,015.68
11% Il & Fs Energy Development Company Ltd 2021	5,000.00
14% Bellissimo Land Dewellers Ltd 2021	6,500.00
8.25% IDFC First Bank Limited 2027	4,945.38
9.45% Gujarat Stateinvestment Ltd.2022	4,977.75

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 66: Details of the Single Borrower Limit (SGL)/ Group Borrower Limit (GBL) exceeded by the NBFC (continued)

(Rs. in Lakhs)

Group Borrower Limit (GBL) exceeded during the year ended March 31, 2021	Amount
ERA Group	13,554.77
Kamla Group	9,626.00
Reliance ADAG	15,057.63
IL&FS	8,709.05
PLETHICO PHARMACEUTICALS LIMITED	4,615.45

(Rs. in Lakhs)

Group Borrower Limit (GBL) exceeded during the year ended March 31, 2020.	Amount
ERA Group	13,554.77
Kamla Group	10,051.00
Reliance ADAG	15,057.63
IL&FS	8,709.05

* - Amount are exclusive of notional IndAS adjustment.

Note 67: Unsecured Advances

During the finanacial year 2020-21, the Company has not given any advances/financed any project where in intangible collateral such as rights, license, authority etc. have been taken as security.

Note 68: Provisions and Contingencies:

(Rs. in Lakhs)

Break up of 'Provisions and Contingencies' shown under the head expenditure in Statement of Profit and Loss	As at 31 March 2021	As at 31 March 2020
Provision towards NPA #	**5,064.91**	(2,418.78)
Provision towards impairment of financial instrument other than provision for stage 3 assets	**(63.85)**	(984.32)
Provisions for diminution in value of Non-current Investments	-	-
Provision on Leave Encashment	**127.54**	70.83
Provision on Rent Receivable	-	-
Provision on Gratuity	**34.04**	76.80
Other Provision	-	-
Provision for taxes	-	-
Total	**5,162.64**	(3,255.47)

Provision for stage 3 assets

Note 69: Concentration of advances

(Rs. In Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Total advances to twenty largest borrowers	93,976.70	95,449.75
Percentage of Advances to twenty largest borrowers/customers to Total Exposure of the NBFC on borrowers/ customers	74.47%	62.25%

Note 69.1 - Concentration of exposures

(Rs. In Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Total exposure to twenty largest borrowers	1,13,273.86	1,19,067.72
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the NBFC on borrowers/ customers	60.03%	57.91%

Note 69.2 - Concentration of NPAs

(Rs. In Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Total exposure to top four NPA accounts	32,878.84	32,878.84

Note 69.3 - Sector wise NPAs

Sector	Percentage of NPAs to total Advances in that Sector
1. Agriculture & Allied services	-
2. MSME	-
3. Corporate Borrowers	100.00%
4. Services	100.00%
5. Unsecured personal loans	-
6. Auto loans	-
7. Other personal loans	-

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 70: Movement of NPAs (Stage 3 Asset)

Srno	Particulars	As at 31 March 2021	As at 31 March 2020
(i)	Net NPAs to Net Advances (%)	**99.86%**	**90.76%**
(ii)	Movement of NPAs (Gross)		
	(a) Opening balance	1,50,870.36	1,57,524.47
	(b) Additions during the year	2,112.66	3,718.14
	(c) Reductions during the year	(6,415.63)	(10,372.25)
	(d) Closing balance	**1,46,567.39**	1,50,870.36
(iii)	**Movement of provisions for NPAs (excluding provisions on standard assets)**		
	(a) Opening balance	1,26,908.06	1,29,326.84
	(b) Provisions made during the year	9,838.85	5,563.32
	(c) Write off/ write back of excess provisions	(4,773.91)	(7,982.10)
	(d) Closing balance	**1,31,973.00**	1,26,908.06
(iv)	**Movement of Net NPAs**		
	(a) Opening balance	**23,962.30**	28,197.63
	(b) Additions during the year	**(7,726.19)**	(1,845.18)
	(c) Reductions during the year	**(1,641.72)**	(2,390.15)
	(d) Closing balance	**14,594.39**	23,962.30

Note 71: Overseas Assets
The Company does not have any joint ventures and subsidiaries abroad.

Note 72: Off Balance Sheet SPV sponsored
The Company has not sponsored any off Balance Sheet SPV.

Note 73: Disclosure of Complaints
Customer complaints

Sr No.	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
(a)	No of Complaints pending at the beginning of the year	**Nil**	Nil
(b)	No. of complaints received during the year	**Nil**	Nil
(c)	No. of complaints redressed during the year	**Nil**	Nil
(d)	No of Complaints pending at the end of the year	**Nil**	Nil

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 74(A): Note on Exposure in ILFS

As of March 31, 2021, the Company has outstanding exposure by way of investment in Non- Convertible Debentures of Rs 5,000 lakhs dissued by IL&FS Energy Development Company Ltd (IEDCL) and outstanding exposure by way of Investment in Non- Convertible Debentures of Rs, 3,709.05 lakhs issued by IL&FS Transportation Network Ltd (ITNL). Thus aggregate exposure to the aforesaid IL&FS Group Companies stood at Rs 8,709.05 lakhs. Total provisions made during FY 21 in respect of exposure to IL&FS group companies stood at Rs 4,421.05 lakhs.

The matter is under NCLT / NCLAT. In terms of the resolution plan submitted by the GOI appointed Board to the NCLAT, ILFS had issued a Public announcement on May 22, 2019 calling the financial creditors to file their claims against the various IL&FS group companies including IL&FS Energy Development Company Ltd and IL & FS Transportation Network Ltd.(where SICOM has exposure).The Public announcement had specifically directed Debenture Holders to file their claim through the Debenture Trustees with interest accrued and due as of October 15, 2018. The Company has already filed claims for IL&FS Energy Development Company Ltd and IL & FS Transportation Network Ltd with the Debenture Trustee viz. IDBI Trusteeship Services Ltd on May 24, 2019.

Note 74(B): Note on Exposure in DHFL

As of March 31, 2021, the Company has outstanding exposure by way of investment in Non- Convertible Debentures of Rs 3,500.65 lacs issued by Dewan Housing Finance Corporation Ltd (DHFL). Total provisions made during FY 21 in respect of exposure DHFL stood at Rs 2,080.65 lacs.

The Mumbai bench of the NCLT has approved Piramal Group’s resolution plan for the DHFL on June 7, 2021. The plan put forward by Piramal Group, has offered to pay Rs 37,25,000 Lacs, has been approved by the CoC, the Reserve Bank of India (RBI), and the Competition Commission of India (CCI).

Note 74(C):

The Company has incurred a net loss of Rs. 11,024.84 lakhs and also incurred cash losses during the current year and previous year. There is no progress in the development of business since last several years and there have been delays/ defaults in repayment of inter-corporate deposits and other obligations. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern. However, The Management is addressing this issue robustly and the Company has generally met its inter-corporate deposits and other obligations. The Management is confident that they will be able to arrange sufficient liquidity by monetization of non-core assets, mobilisation of additional funds and other strategic initiative to meet its obligations. Accordingly, the Standalone Financial Statements are prepared on a going concern basis.

Note 75: Penalties imposed by RBI and other regulators:
No penalties imposed by Reserve Bank of India and other regulators.

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 75 A : Offsetting

Certain financial assets and financial liabilities are subject to master netting arrangements, whereby in the case of insolvency, financial assets and financial liabilities will be settled on a net basis. The tables below summarise the financial assets and liabilities subject to offsetting, enforceable master netting and similar agreements, as well as financial collateral received to mitigate credit exposures for these financial assets, and whether offset is achieved in the balance sheet:

Financial assets subject to offsetting, netting arrangements.

Particulars	Offsetting recognised on the balance sheet			Netting potential not recognised on the balance sheet			Assets not subject to netting arrangements	Total assets	Maximum exposure to
	Gross assets before offset	Offset with gross liabilities	Net assets recognised on the balance sheet	Financial liabilities	Collaterals received	Assets after consideration of netting potential	Assets recognised on the balance sheet	Recognised in the balance sheet	After consideration of netting potential
Financial assets									
At 31 March, 2021	-	-	-	-	-	-	-	-	-
At 31 March, 2020	-	-	-	-	-	-	-	-	-

Financial liabilities subject to offsetting, netting arrangements

Particulars	Offsetting recognised on the balance sheet			Netting potential not recognised on the balance sheet			Liabilities not subject to netting arrangements	Total liabilities	Maximum exposure to risk
	Gross liabilities before offset	Offset with gross assets	Net liabilities recognised on the balance sheet	Financial assets	Collaterals received	Liabilities after consideration of netting potential	Liabilities recognised on the balance sheet	Recognised in the balance sheet	After consideration of netting potential
Financial liabilities									
At 31 March, 2020	-	-	-	-	-	-	-	-	-
At 31 March, 2020	-	-	-	-	-	-	-	-	-

Note 75 B : ASSET CLASSIFICATION AND PROVISIONING DISCLOSURE
Disclosure as per the circular no. DOR.No.BP.BC.63/21.04.048/2019-20 dated April 17, 2020 issued by Reserve Bank of India on "COVID 19 regulatory package - Asset Classification and provisioning"
For the year ended March 31, 2021

Particulars	As of March 31,2021
i. Amount in SMA/overdue categories where moratorium/deferment was extended*	-
ii. Respective amount where asset classification benefit is extended **	-
iii. Provision made during quarter in term of paragraph 5 of the above circular ***	-
iv. Provisions adjusted against the respective accounting periods for slippages and residual provisions in term of paragraph 6 of the above circular	-

*Outstanding as on March 31, 2021 on account of SMA categories cases where moratorium benefit is extended by the Company up to August 31,2020

** There are nil accounts as on March 31, 2021 where the asset classification benefit is extended for cases which were entitled to a moratorium until August 31, 2020, as the asset classification is based on the actual performance of the account post moratorium.

*** The Company had made adequate provision for impairment loss under ECL model for the year ended March 31, 2021. Further, the Company has considered the additional provisions for the computation under IRAC Norms as required under RBI Circular dated March 13, 2020.

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 76: Disclosure on Liquidity Risk for the quarter ended March 31, 2021

APPENDIX I

Public disclosure on Liquidity Risk for the quarter ended March 31, 2021

(i) Funding concentration based on significant counterparty (both deposits and borrowings) :

Sr. No.	No of significant counterparties	Amount [Rs Crore]	% of Total Deposits	% of Total Liabilities
1	8	588.86	Not Applicable	82.58%

(ii) Top 20 large Deposits :

Amount in Rs. Crs	% of Total Deposits
NIL	NIL

Not Applicable as the Company is non deposit accepting NBFC.

(iii) Top 10 borrowings :

Amount in Rs. Crs	% of Total Borrowings
588.86	82.58%

(iv) Funding contribution based on significant instrument / product

Sr. No.	Name of the instrument / product	Amount [Rs Crore]	% of Total Liabilities
1	Borrowing from State PSUs	535.33	75.07%

(v) Stock ratios :-

(a) Commercial Paper as a % of total public funds , total liabilities and total assets : NIL

(b) NCDs (Original maturity less than 1 year) as a % of total public funds, total liabilities and total assets : NIL

(c) Other Short Term Liabilities, if any, as a % of total public funds, total liabilities and total assets:

Sr. No.	Name of the instrument / product	Amount [Rs Crore]	% of Total Public Funds	% of Total Liabilities	% of Total Assets
1	Borrowing from State PSUs	535.33	NIL	72.63%	48.81%
2	Re-adjustment Loan from Government of Maharashtra	46.03	NIL	6.24%	4.20%

(vi) Institutional set up for Liquidity risk management:

The Company has a well established institutional set up for management of the Liquidity risk.
The institutional set up in the Company comprises of the following committees which meet regularly to monitor and actively manage the Liquidity risk:

The Board of Directors
The Asset Liability Management Committee of the Board of Directors
The internal ALCO Committee and its Sub- Commitee, which meets on SOS basis.
The Risk management committee of the Board of Directors.
The internal risk management committee.
The Managing Director also reviews the Liquidity risk based on data made available and takes appropriate timely actions to ensure that the Liquidity risk is contained.

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 77: Disclosure pursuant to Reserve Bank of India notification DOR (NBFC).CC.PD. No. 109/22.10.106/2019-20 dated 13 March 2020 pertaining to Asset Classification as per RBI Norms

As at 31 March 2021

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowance (Provisions) as per required Under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	* Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	5 (3-4)	6	7 (4)-(6)
Performing Assets						
Standard	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
Subtotal		**-**	**-**	**-**	**-**	**-**
Non-Performing Assets						
Substandard	Stage 3	-	-	-	-	-
Doubtful - upto 1 year	Stage 3	20,378.36	20,200.11	178.25	20,200.45	-0.34
Doubtful - 1 to 3 years	Stage 3	8,120.82	5,307.93	2,812.89	2,264.00	3,043.93
Doubtful - Above 3 years	Stage 3	1,18,068.20	1,06,464.95	11,603.25	1,08,841.30	(2,376.35)
Subtotal for doubtful		**1,46,567.38**	**1,31,972.99**	**14,594.39**	**1,31,305.75**	**667.24**
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**1,46,567.38**	**1,31,972.99**	**14,594.39**	**1,31,305.75**	**667.24**
Other item such as guarantees, loan commitments, etc.which are in the scope of Ind AS 109 but not convered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms.	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
	Stage1	-	-	-	-	-
	Stage2	-	-	-	-	-
	Stage3	1,46,567.38	1,31,972.99	14,594.39	1,31,305.75	667.24
	Total	**1,46,567.38**	**1,31,972.99**	**14,594.39**	**1,31,305.75**	**667.24**

* During the FY 2020-21, amount of the Impairment Reserve is reversed, since impairment allowances made under Ind AS 109 exceeds the provision required under IRACP Norms, (RBI Notification :- RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20, Dated March 13, 2020).

As at 31 March 2020

A comparison between provisions required under Prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) and impairment

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowance (Provisions) as per required Under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	* Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	5 (3-4)	6	7 (4)-(6)
Performing Assets						
Standard	Stage 1	372.57	42.22	330.35	1.49	40.73
	Stage 2	-	-	-	-	-
Subtotal		**372.57**	**42.22**	**330.35**	**1.49**	**40.73**
Non-Performing Assets						
Substandard	Stage 3	-	-	-	-	-
Doubtful - upto 1 year	Stage 3	1,722.43	1,179.61	542.82	344.49	835.12
Doubtful - 1 to 3 years	Stage 3	9,361.01	6,270.63	3,090.38	2,635.21	3,635.42
Doubtful - Above 3 years	Stage 3	1,21,521.20	1,01,187.07	20,334.12	1,06,114.85	(4,927.78)
Subtotal for doubtful		**1,32,604.64**	**1,08,637.31**	**23,967.32**	**1,09,094.55**	**(457.22)**
Loss	Stage 3					
Subtotal for NPA		**1,32,604.64**	**1,08,637.31**	**23,967.32**	**1,09,094.55**	**(457.22)**
Other item such as guarantees, loan commitments, etc.which are	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
	Stage1	372.57	42.22	330.35	1.49	40.73
	Stage2	-	-	-	-	-
	Stage3	1,32,604.64	1,08,637.31	23,967.32	1,09,094.55	(457.22)
	Total	**1,32,977.21**	**1,08,679.53**	**24,297.67**	**1,09,096.04**	**(416.49)**

* During the FY 2019-20, difference in impairment allowances made under Ind AS 109 and provision required under IRACP Norms of Rs 416.49 Lakhs is been tranfererred to Impairment Reserve in Statement of Profit & Loss in current financial year as per RBI Notification :- RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20, Dated March 13, 2020

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 78: Details of non-performing assets sold during the financial year ended March 31, 2021 and March 31, 2020.

Particulars	Year Ended 31-Mar-2021	Year Ended 31-Mar-2020
i) No. of accounts	-	1.00
ii) Aggregate value (net of provisions) of accounts sold	-	759.12
iii) Aggregate consideration	-	1,379.89
iv) Additional consideration realized in respect of accounts in earlier years	-	-
v) Aggregate gain/loss over net book value	-	620.77

Note 79: Leases

Lease transactions are accounted in accordance with Ind AS 116 'Leases' prescribed by the The Companies (Indian Accounting Standards) Rules, 2015.
Premises given on lease
The Company has entered into operating lease arrangements/ agreements in respect four premises. The period of lease ranges from 1 to 3 years. The leases are cancellable operating leases and no contingent rent is recognized during the year.

Premises taken on lease
The Company has entered into operating lease arrangements/ agreements in respect one premise. The leases are cancellable operating leases and no contingent rent is recognized during the year.

Note 80: Covid-19

In the last quarter of the previous financial year, COVID-19 was declared a global pandemic and the Government of India announced a country wide lockdown which still continues across many parts of the country with some variations. In this nation-wide lock-down, the company has continued to operate and provide its services to its customers without much disruption. The company has evaluated the carrying value of the assets, recoverability of trade receivable and liquidity position and have concluded that no material adjustments required at this stage in the financial statement.

Note 81: Code on Social Security

The Code on Social Security, 2020 ('Code') received the Indian Parliament approval and Presidential Assent in September 2020. The Code once made effective would impact the employee benefits during employment as well as post employment benefits. The implementation of the Code has been deferred by the Central Government on March 30, 2021 and the date from which the code will be effective is yet to be notified. The impact assessment of the Code will be done by the Company once the same is made is effective.

Note 82: New Preannouncement related to Schedule III and Others

Recent pronouncements
The Ministry of Corporate Affairs ("MCA") vide notification dated March 24, 2021 amended the Schedule III of the Companies Act, 2013. The amendments related to Division I, II and III of Schedule III and are applicable starting April 01, 2021. Key amendments relating to Division III which related to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:
Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
Specified format for disclosure of shareholding of promoters. Specified format for ageing schedule of trade receivables, trade payables, capital work-in progress and intangible asset under development
If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:
Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.
The said amendments will be given effect by the Company for period starting April 01, 2021.

Note 83: Information on instances of fraud

Instances of fraud for the year ended March 31, 2021 :

Nature of Fraud	No. of cases	Amount of fraud	Recovery	Amount written off
Fraud committed by borrowers and outsider	6	33,195.39	425.00	-

Instances of fraud for the year ended March 31, 2020 :

Nature of Fraud	No. of cases	Amount of fraud	Recovery	Amount written off
Fraud committed by borrowers and outsider	4	14,620.39	-	-

Note 84: Previous year's figures

Previous year figures have been regrouped / rearranged / reclassified wherever necessary to conform to the current year classification.

As per our report of even date
For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

For and on behalf of the Board of Directors of SICOM Limited
CIN - U65990MH1966PLC013459

Snehal Shah
Partner
Membership No. 48539

Dr Shrikar Keshav Pardeshi
Managing Director
DIN : 05302044

Dr Harshadeep Shriran
Director
DIN : 07183938

Swagat Sawant
Chief Financial Officer

Mrs Chetna Vasani
Company Secretary

Mumbai
June 30, 2021

Mumbai
June 30, 2021

Mumbai
June 30, 2021

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note to the Balance Sheet of a non-banking financial company as required in terms of paragraph 18 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ***(Continued)***

(Rs. in Lakhs)

		Particulars	Amount Outstanding	Amount Overdue
			31-Mar-21	31-Mar-21
		Liabilities Side		
(1)		Loans and advances availed by the NBFC's inclusive of interest accrued thereon but not paid:		
		(a) Debentures :		
		Secured	-	-
		Unsecured	-	-
		(other than falling within the meaning of public deposits)		
		(b) Deferred Credits	-	
		(c)Term Loans	-	-
		(d) Inter-corporate loans and borrowing		-
		(e) Certificate of Deposits	52,747.18	19,700.00
		(f) Commercial Paper	-	-
		(g) Public Deposits *	-	-
		(h) Other Loans (includes Loans from Government of India & Govt. of Maharashtra	14,410.91	4,743.58
		Collateral Borrowing & Lending Obligation	-	-
		Clearcorp Repo Order Matching System (CROMS)		
			-	-
(2)		Break-up of (1) (h) above (Outstanding Public deposits inclusive of interest accrued thereon but not paid) :		
		(a) In the form of Unsecured debentures		
		(b) In the form of partly secured debenture i.e. debentures where there is a shortfall in the value of security		
		(c) Other public deposits		
		* Please see Note 1 below		
		Asset Side		
(3)		Break-up of Loans and Advances including bills receivable [other than those including in (4) below}		
		Secured	40,498.81	40,498.81
		Unsecured	1,06,068.57	1,06,068.57
(4)		Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities		-
		(net of provisions)		
	I	Lease assets including lease rentals under sundry debtors:		
		(a) Financial lease		
		(b) Operating lease		
	i	Stock on hire including hire charges under sundry debtors :		
		(a)) Assets on hire		
		(b) Repossessed Assets		
	i	Other loans counting		
	i	towards AFC activities.		
		(a) Loan where assets have been repossessed		
		(b) Loans other than (a) above		
(5)		Break-up of Investments :		
		Current Investments :		
	1	Quoted		
	I	Shares		
		(a) Equity	-	-
		(b) Preference	-	-
	ii	Debentures and Bonds	-	-
	iii	Units of Mutual Funds	-	-
	iv	Government Securities	-	-
	V	Others	-	-
	2	Unquoted		
	I	Shares		
		A Equity	-	-
		B Preference	-	-
	ii	Debentures and Bonds	-	-
	Iii	Units of Mutual Funds	-	-
	Iv	Government Securities	-	-
	V	Others (please specify)	-	

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note to the Balance Sheet of a non-banking financial company as required in terms of paragraph 18 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 *(Continued)*

(Rs. in Lakhs)

	Particulars		Amount Outstanding	Amount Overdue
			31-Mar-21	31-Mar-21
	Stock-in-trade :			
1	**Quoted**			
I	Shares			
	A	Equity	61.17	-
	B	Preference	-	-
ii	Debentures and Bonds		43,182.20	8,935.70
iii	Units of Mutual Funds			-
iv	Government Securities		-	-
V	Others			-
2	**Unquoted**			
I	Shares			
	A	Equity	-	-
	B	Preference	-	-
ii	Debentures and Bonds		-	-
iii	Units of Mutual Funds		-	-
iv	Government Securities		-	-
V	Others (please specify)		-	-
	Long term investments			
1	**Quoted**			
I	Shares			
	A	Equity	312.74	-
	B	Preference	-	-
ii	Debentures and Bonds		-	-
iii	Units of Mutual Funds		-	-
iv	Government Securities		-	-
V	Others			-
2	**Unquoted**			
I	Shares			
	A	Equity	14,541.10	-
	B	Preference	1,206.31	-
Ii	Debentures and Bonds		-	-
iii	Units of Mutual Funds		1.00	-
Iv	Government Securities		-	-
V	Others - Rare Assets Security Recepits		700.03	-

6. Borrower group-wise classification of asset financed as in (3) and (4) above :

(Rs. in Lakhs)

	Category	Secured	Unsecured	Total
		Mar-21	Mar-21	Mar-21
1	Related Parties			
A	Subsidiaries	-	20,378.36	20,378.36
B	Companies in the same group	-	-	-
C	Other related parties	-	-	-
2	Other than related parties	40,498.81	85,690.22	1,26,189.02
	Total	40,498.81	1,06,068.58	1,46,567.38

Notes to financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note to the Balance Sheet of a non-banking financial company as required in terms of paragraph 18 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 *(Continued)*

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) $			
Please see Note 3 below			**(Rs. in Lakhs)**
Category		**Market value/ Breakup of fair value or NAV**	**Book Value (Net of provision)**
		31-Mar-21	**31-Mar-21**
1	Related Parties		
	a Subsidiaries	**3,709.83**	**3,709.83**
	b Companies in the same group	-	-
	c Other related parties	-	-
2	Other than related parties	**56,294.69**	**56,294.69**
	Total	**60,004.52**	**60,004.52**
	This Investment also include stock-in-trade		

$ - The Company has not disclosed the breakup of investment into Long term investment and current investment as the classification is not required under Indian Accounting Standards issued by MCA.

(Rs. in Lakhs)

(8) Other information		
		31-Mar-21
I	Gross Non-Performing Assets *	
	A Related Parties	**20,378.36**
	B Other than related parties	**1,26,189.02**
Ii	Net Non-Performing Assets *	
	A Related Parties	**178.25**
	B Other than related parties	**14,416.13**
Ii	Assets acquired in satisfaction of debt	**Nil**

* NPA accounts refer to stage 3 assets. Stage 3 Assets includes financial assets that have objective evidence of impairment at the reporting date as defined under IND-AS. 90 Days Past Due is considered as default for classifying a financial instrument as credit impaired.

Notes:
1. As defined in point xix of paragraph 3 of Chapter -2 of these Directions
2. Provisioning norms shall be applicable as prescribed in these Directions
3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above

INDEPENDENT AUDITOR'S REPORT

To the Members of SICOM Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Qualified Opinion

We have audited the accompanying Consolidated Ind AS Financial Statements of SICOM Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and joint ventures, comprising of the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Ind AS Financial Statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in Basis for Qualified Opinion section of our report, the aforesaid Consolidated Ind AS 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 including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, of the consolidated state of affairs of the Group and joint ventures as at March 31, 2021, their consolidated loss (including other comprehensive income), their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

Basis for Qualified Opinion

(a) We draw your attention to Note 52 to the Consolidated Ind AS Financial Statements regarding SICOM Limited, the holding Company, which states that as per para 6(1) of Chapter IV of Section II of Master Direction – Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended ("Master Direction"), the Holding Company, being a NBFC, is required to maintain a minimum capital ratio (CRAR) consisting of Tier I and Tier II Capital which shall not be less than 15 percent of its aggregate risk weighted assets on-balance sheet and risk adjusted value of off-balance sheet items. For the financial year ended March 31, 2021, the Holding Company's CRAR was below 15%. Accordingly, the capital adequacy norms as per the Master Direction as mentioned above have not been complied with and we are unable to comment on its consequential impact, if any.

(b) We draw attention to Note 42 to the standalone Ind AS Financial Statements of SICOM Investments and Finance Limited ("SIFL") regarding the negative Net worth of the SIFL, subsidiary company, which states that, a Non-Banking Financial Company is required to have a net owned fund of two hundred lakh rupees to commence or carry on the business of Non-Banking Financial Institution ("NBFI"), as per para 5 of Chapter III of Section I of Master

Direction - Non Banking Financial Companies Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (“RBI Directions”). During the year ended March 31, 2021, SIFL has a negative Net worth and do not have any Net Owned Funds (NOF). The impact of non-maintenance of minimum NOF has consequential impact on non-maintenance of Capital to Risk (Weighted) Assets Ratio (CRAR) and other compliances with RBI Directions. As SIFL has not fulfilled the criteria for registration as NBFI, in absence of specific approval from Reserve Bank of India (“RBI”), it will not be able to carry on the business of NBFI.

(c) We draw attention to Note 66 to the Consolidated Ind AS Financial Statements in relation to the show cause notice issued by RBI to SIFL on the ground of non-maintenance of minimum NOF as required under RBI Directions. RBI had issued a notice advising SIFL to voluntarily surrender the Certificate of Registration (CoR) by April 15, 2019. In this regard, SIFL has neither surrendered the CoR nor communicated to RBI any response thereof. The impact of the same on the license to continue as a non-banking financial company is presently not ascertainable.

(d) We draw attention to Note 65 to the Consolidated Ind AS Financial Statements regarding the non-compliance with Section 203 of the Act read with Rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the related provisions as SIFL has not appointed a Company Secretary and a Chief Financial Officer. The impact of the matter is presently not ascertainable

(e) We draw attention to Note 13 of the Consolidated Ind AS Financial Statements of SRL, regarding non-evaluation of impairment provision in accordance with Ind AS 36 - ‘Impairment of Assets’ for loans and receivables of SRL, which States that loans and receivables aggregating ₹ 1,369.49 lakhs as on March 31, 2021 given to certain joint ventures and other parties, for which payments are not forthcoming regularly since more than three years. We are unable to comment on the consequential impact, if any, on the on carrying value of loans and advances and on loss for the year ended March 31, 2021.

(f) We draw attention to Note 62 to the Consolidated Ind AS Financial Statements, which describes the principal business of the SRL and the communication with the Reserve Bank of India (RBI) regarding registration as a Non-Banking Finance Company (NBFC) under Section 45-IA of the RBI Act 1934, based on its asset-income pattern. On the basis of the Ind AS Financial Statements of SRL for the year ended March 31, 2021, the Financial Assets continue to be more than 50% of the total assets and Income from Financial Assets continue to be more than 50% of total income. Based on the asset-income pattern as at and for the year ended March 31, 2021, SRL continues to qualify as an NBFC. As per directions from RBI, SRL had made the application to RBI for registration as an NBFC but RBI returned its application with an advice to apply afresh. SRL has not carried out any NBFI activity for the year ended March 31, 2021 and as decided by the Board, is in the process of taking corrective steps to comply with the asset-income pattern in a phased manner, for which it is seeking additional time from RBI. The impact of this matter is presently not ascertainable.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group and its joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the Consolidated Ind AS Financial Statements under the provisions of the Act and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the Consolidated Ind AS Financial Statements.

Material Uncertainty Related to Going Concern

We draw attention to Note 57C to the console Ind AS Financial Statements, which indicates that for the year ended March 31, 2021, the Group (including its joint ventures) has incurred a net loss of Rs. 9,453.28 lakhs and also incurred cash losses during the current year and previous year. There is no progress in the development of business since last several years. The said assumption of going concern is dependent upon the Group's (including its joint ventures) ability to raise funds through monetization of its non-core assets, mobilization of additional funds and other strategic initiative to meet its obligations. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's (including its joint ventures) ability to continue as a going concern. However, based on the mitigating factors as mentioned in the said note, the Consolidated Ind AS Financial Statements have been prepared on a going concern basis.

Our opinion is not modified in respect of this matter.

Emphasis of Matter

We draw attention to the following matters in the notes to the Consolidated Ind AS Financial Statements:

(a) Note 1 to the Consolidated Ind AS Financial Statements which indicates that the subsidiary companies - SICOM ARC Limited (SARC), SICOM Capital Management Private Limited (SCMPL), SICOM Investments and Finance Limited (SIFL) and SICOM Trustee Company (STCPL) - do not intend to carry on the business activity. Hence, the standalone Ind AS financial statements of respective subsidiary companies are prepared on realizable value basis;

(b) Note 70 to the Consolidated Ind AS Financial Statements, which explains the uncertainties and the Management's evaluation of the financial impact on the Group including joint ventures due to lockdown and other restrictions imposed on account of COVID-19 pandemic situation, for which a definitive assessment of the impact is highly dependent upon the circumstances as they evolve in the subsequent period;

(c) We draw attention to Note 30 to the Consolidated Ind As Financial statements relating to SICOM Reality Limited ("SRL"), the subsidiary company for Deferred Tax Assets amounting to ₹ 573.01 lakhs as at 31 March 2021 mainly arising out of provision for diminution in value of investment, Minimum alternate tax credit and provision for doubtful assets, recognised by SRL on the basis of future outlook of business confirming that sufficient future taxable income will be available against which these assets will be realised. In view of no operations of SRL since last few years, losses suffered in the current as well as preceding periods, and other unused tax losses available to the Company and virtual certainty of realisation of deferred tax assets, we are unable to comment on realisability of deferred tax assets in future. The consequential adjustments, if any, that may be required on non-realisation of such deferred tax assets on loss for the year, equity and deferred tax assets, if any, is currently not unascertainable.

Our opinion is not modified in respect of these matters.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Holding Company's Management Discussion Analysis and Director Report, but does not include the standalone Ind AS financial statements, Consolidated Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its joint ventures and for preventing and detecting frauds and other irregularities; the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Ind AS Financial Statements, the respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of the Group and of its joint ventures 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for overseeing the financial reporting process of the Group and of its joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Ind AS Financial Statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company, its subsidiary companies, which are companies incorporated in India, have adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint ventures 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 Consolidated Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint ventures of which we are the independent auditors, to express an opinion on the Consolidated Ind AS Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Ind AS financial statements of such entities included in the Consolidated Ind AS Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Ind AS Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Ind AS Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Other Matters

We did not audit the Ind AS financial statements of also include Holding Company's share of net loss of Rs. 0.28 lakhs for the year ended March 31, 2021 a considered in the Consolidated Ind AS Financial Statements, In respected of two Joint Ventures, Whose Ind AS financial statements have not been audited by us. These Ind AS financial statements are unaudited and have been furnished to us by the management and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of joint ventures, and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid joint Ventures, is based solely on such unaudited Ind AS financial statements. In our opinion and according to the information and explanations given to us by the management, these Ind AS financial statements are not material to the Group including Its joint ventures.

Our opinion on the Consolidated Ind AS Financial Statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the Ind AS financial statements certified by the management.

Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, based on our audit and the other financial information of its joint ventures, as noted in the Other Matters section above we report, to the extent applicable, that:

a. We have sought and, except for the possible effects of the matters described in the Basis for Qualified Opinion section above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements;

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books;

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements;

e. In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section above, the aforesaid Consolidated Ind AS Financial Statements comply with the Ind AS specified under section 133 of the Act the Companies (Indian Accounting Standards) Rules, 2015, as amended;

f. The matters described in Basis for Qualified Opinion, the Material Uncertainty Related to Going Concern and Emphasis of Matter section above, in our opinion, may have an adverse effect on the functioning of the Group and its joint ventures;

g. On the basis of the written representations received from the directors of the Holding Company and its subsidiary companies as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and its subsidiary companies incorporated in India, none of the directors of the Group companies, incorporated in India, is disqualified as on March 31, 2021 from being appointed as a director in terms of section 164(2) of the Act;

h. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section above;

i. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, incorporated in India and the operating effectiveness of such controls, refer to our separate report in “Annexure”;

j. 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:

   In our opinion and to the best of our information and according to the explanations given to us by the Holding Company and its subsidiary companies, incorporated in India, the remuneration paid/ provided to their directors during the year by the Holding Company, subsidiary companies, incorporated in India is in accordance with the provisions of section 197 of the Act;

k. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   (i) Except for the matters described in the Basis of Qualified Opinion section above, the Consolidated Ind AS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint ventures – Refer Note 50 to the Consolidated Ind AS Financial Statements;

   (ii) Except for the possible effects of the matter described in the Basis of Qualified Opinion section above, the Group, and its joint ventures did not have any material foreseeable losses on long term contracts including derivative contracts;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, incorporated in India.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Snehal Shah

Partner

Membership No. 048539

UDIN: 21048539AAAAFP5203

Mumbai : November 01, 2021

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of SICOM Limited on the consolidated Ind AS Financial Statements for the year ended March 31, 2021]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of SICOM Limited ("Holding Company") as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of Holding Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of Holding Company and its subsidiary companies.

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, except for one subsidiary company SICOM Investments and Finance Limited (SIFL), in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI. In respect of SIFL, the system of internal financial controls with reference to financial statements of the company were not made available to us to enable us determine if the said subsidiary company has established adequate internal financial controls were implemented and operating effectively as at March 31, 2021.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Snehal Shah

Partner

Membership No.048539

UDIN: 21048539AAAAFP5203

Place: Mumbai

Date: November 01,2021

Consolidated Balance Sheet as at 31 March 2021

(Rs in Lakhs)

Particulars	Notes	As at 31 March 2021	As at 31 March 2020
I ASSETS			
1 Financial assets			
Cash and cash equivalents	9	180.56	18,277.64
Bank balance other than cash and cash equivalents	10	3.28	6.94
Receivables			
(i) Trade receivables	11	44.48	24.56
(ii) Other receivables	11	17.79	13.94
Loans	12	15,806.31	25,699.63
Investments	13	60,700.20	74,529.10
Other financial assets	14	963.51	1,727.42
2 Non-financial assets			
Current tax assets (net)	15	4,365.98	4,180.03
Deferred tax assets (net)	44	11,680.88	10,624.95
Investment property	16	396.21	396.21
Property, plant and equipment	17	17,275.46	17,862.23
Goodwill	19	-	0.25
Intangible assets under development	18	545.55	422.19
Other intangible assets	19	105.29	135.19
Other non-financial assets	20	704.08	658.84
Total assets		**1,12,789.58**	**1,54,559.12**
II LIABILITIES AND EQUITY			
Liabilities			
1 Financial liabilities			
Derivative financial instruments			
Payables			
(I) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises		30.11	25.20
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		64.92	470.84
(II) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises		4.36	9.83
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		118.87	192.17
Borrowings (other than deposits)	21	4,755.77	4,743.58
Deposits	22	52,303.32	85,520.89
Subordinated liabilities	23	750.00	750.00
Other financial liabilities	24	11,423.77	12,545.25
2 Non-financial liabilities			
Current tax liabilities (Net)	25	609.35	609.45
Provisions	26	401.63	354.95
Other non-financial liabilities	27	1,263.48	177.11
Total liabilities		**71,725.58**	**1,05,399.27**
Equity			
Equity share capital	28	6,076.87	6,076.87
Other equity	29	34,987.13	43,082.98
Equity attributable to equity holders of the parent		**41,064.00**	**49,159.85**
Non-controlling interest		-	-
Total equity		41,064.00	49,159.85
Total liabilities and equity		**1,12,789.58**	**1,54,559.12**

See accompanying notes forming part of the consolidated financial statements.

As per our report of even date
For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

For and on behalf of the Board of Directors of SICOM Limited
CIN - U65990MH1966PLC013459

Snehal Shah
Partner
Membership No. 048539

Dr Nitin Jawale
Managing Director
DIN - 03204116

Dr Harshadeep Shriram Kamble
Director
DIN : 07183938

Swagat Sawant
Chief Financial Officer

Chetna Vasani
Company Secretary

Mumbai
November 01, 2021

Mumbai
November 01, 2021

Mumbai
November 01, 2021

Statement of Consolidated Profit and Loss for the year ended 31 March 2021

(Rs. in Lakhs)

		Particulars	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
		Revenue from operations			
	(i)	Interest income	30	4,727.11	8,852.91
	(ii)	Dividend income	31	3.98	2.02
	(iii)	Fee and commission income	32	208.59	348.37
	(iv)	Net gain on fair value changes	33	435.79	4,449.42
	(v)	Net gain on derecognition of financial instruments under amortised cost category			
	(vi)	Other operating income	34	32.70	109.46
(I)		**Total revenue from operations**		**5,408.17**	**13,762.18**
(II)		Other income	35	788.59	670.51
(III)		**Total income (I + II)**		**6,196.76**	**14,432.69**
		Expenses			
	(i)	Finance cost	36	4,993.44	8,639.11
	(ii)	Net loss on fair value changes	33		
	(iii)	Impairment on financial instruments	37	3,147.88	(1,637.56)
	(iv)	Employee benefit expenses	38	1,074.84	1,050.57
	(v)	Depreciation and amortization	39	625.45	632.36
	(vi)	Other expenses	40	1,089.91	1,436.71
(IV)		**Total expenses (IV)**		**10,931.52**	**10,121.19**
(V)		**Profit/(loss) before exceptional items and tax (III - IV)**		**(4,734.76)**	**4,311.50**
(VI)		Exceptional items	41	6,155.95	6,467.68
(VII)		**Profit/(loss) before tax (V- VI)**		**(10,890.71)**	**(2,156.18)**
(VIII)		Tax expense:			
		(1) Current tax	44	25.00	53.00
		(2) Deferred tax (credit)	44	(1,066.82)	1,738.78
		(3) Tax for Earlier years	44	20.61	259.51
(IX)		**Profit/(loss) for the year from continuing operations**		**(9,869.50)**	**(4,207.47)**
(X)		Add: Share of profit/(loss) of Joint Venture		(0.28)	(111.74)
(XI)		**Profit/(loss) for the year (IX+X)**		**(9,869.78)**	**(4,319.21)**
(XII)		Impairement Reserve	68	(416.49)	416.49
(XIII)		**Profit/(loss) for the year (XI-XII)**		**(9,453.29)**	**(4,735.70)**
(XIV)		**Other comprehensive income**			
	A	**(i) Items that will not be reclassified to profit or loss**			
		Investment in equity share measured at FVOCI		1,800.63	(33.85)
		Remeasuring gain/(Loss) on defined benefit plan		(15.82)	(59.97)
		(ii) Income tax relating to item that will not be reclassified to Profit & Loss		(10.88)	49.15
	B	**(i) Items that will be reclassified to profit or loss**			
		(ii) Income tax relating to item that will be reclassified to Profit & Loss		-	-
		Add: Share of other comprehensive income of Joint Venture		-	-
		Other comprehensive income(A+B)		**1,773.93**	**(44.67)**
(XV)		**Total comprehensive income**		**(7,679.36)**	**(4,780.37)**
		Profit for the year attributable to			
		Equity holders of the Company		(9,453.29)	(4,735.70)
		Non-controlling interest		-	-
		Total other comprehensive income for the year, net of tax			
		Equity holders of the Company		1,773.93	(44.67)
		Non-controlling interest		-	-
(XVI)		**Earnings per equity share**			
		Basic (Rs.)	45	(15.56)	(7.79)
		Diluted (Rs.)	45	(15.56)	(7.79)

See accompanying notes forming part of the consolidated financial statements.

As per our report of even date
For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

For and on behalf of the Board of Directors of SICOM Limited
CIN - U65990MH1966PLC013459

Snehal Shah
Partner
Membership No. 048539

Dr Nitin Jawale
Managing Director
DIN - 03204116

Dr Harshadeep Shriram Kam
Director
DIN : 07183938

Swagat Sawant
Chief Financial Officer

Chetna Vasani
Company Secretary

Mumbai
'November 01, 2021

Mumbai
November 01, 2021

Mumbai
November 01, 2021

Consolidated Statement of changes in Equity for the year ended 31 March 2021

A. Equity Share Capital

Particulars	No. in Shares	Rs. in Lakhs
As at 31 March 2019	6,07,68,703	6,076.87
Changes in Equity share capital during the year	-	-
As at 31 March 2020	**6,07,68,703**	**6,076.87**
Changes in Equity share capital during the year	-	-
As at 31 March 2021	**6,07,68,703**	**6,076.87**

B. Other Equity

(Rs. in Lakhs)

Particulars	Reserves and Surplus								Other comprehensive income	Total
	Statutory reserve	Securities premium account	Special Reserve	General Reserve	Capital Redemption Reserve	Capital Reserve on Consolidation	Impairment Reserve *	Retained Earnings		
Balance as at April 01, 2019	**29,148.33**	**210.13**	**5,970.35**	**11,531.20**	**2,950.00**	**125.48**	-	**(591.89)**	**(1,896.74)**	**47,446.86**
Provison created for the year	-	-	-	-	-	-	416.49			416.49
Profit/(Loss) for the year	-	-	-	-	-	-	-	(4,735.70)	-	(4,735.70)
Other comprehensive income for the year	-	-	-	-	-	-	-	-	(44.67)	(44.67)
Transfer to/(from)	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	**29,148.33**	**210.13**	**5,970.35**	**11,531.20**	**2,950.00**	**125.48**	**416.49**	**(5,327.59)**	**(1,941.41)**	**43,082.98**
Balance as at March 31, 2020	**29,148.33**	**210.13**	**5,970.35**	**11,531.20**	**2,950.00**	**125.48**	**416.49**	**(5,327.59)**	**(1,941.41)**	**43,082.98**
Balance as at March 31, 2020	**29,148.33**	**210.13**	**5,970.35**	**11,531.20**	**2,950.00**	**125.48**	**416.49**	**(5,327.59)**	**(1,941.41)**	**43,082.98**
Provison reversed during the year	-	-	-	-	-	-	**(416.49)**	-	-	(416.49)
Profit/(Loss) for the year	-	-	-	-	-	-	-	**(9,453.29)**	-	(9,453.29)
Other comprehensive income for the year	-	-	-	-	-	-	-	-	**1,773.93**	1,773.93
Transfer to/(from)	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	**29,148.33**	**210.13**	**5,970.35**	**11,531.20**	**2,950.00**	**125.48**	-	**(14,780.88)**	**(167.48)**	**34,987.13**
Balance as at March 31, 2021	**29,148.33**	**210.13**	**5,970.35**	**11,531.20**	**2,950.00**	**125.48**	-	**(14,780.88)**	**(167.48)**	**34,987.13**

See accompanying notes forming part of the consolidated financial statements.

* In respect of SICOM Ltd, As per RBI Notification RBI/2019-20/170 DOR (NBFC).CC. PD.NO.109/22.10.106/2019-20 where impairment allowance under Ind AS 109 is lower than the provisioning required under Income Recognition, Asset Classification and Provisioning (IRACP) (including standard asset provisioning), NBFCs/ARCs shall appropriate the difference from their net profit or loss after tax to a separate account called 'Impairment Reserve'. The Impairment Reserve of Rs. 416.49 lakhs for FY 2019-20 represents the difference provisioning under IND AS 109 and IRACP provisioning. During F.Y 2020-21, Impairement Reserve of Rs. 416.49 lakhs reversed since impairment allowance under Ind AS 109 is higher than provision required under Income Recognition, Asset Classification and Provisioning (IRACP).

As per our report of even date
For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

For and on behalf of the Board of Directors of SICOM Limited
CIN - U65990MH1966PLC013459

Snehal Shah
Partner
Membership No. 048539

Dr Nitin Jawale
Managing Director
DIN - 03204116

Dr Harshadeep Shriram Kamble
Director
DIN : 07183938

Swagat Sawant
Chief Financial Officer

Chetna Vasani
Company Secretary

Mumbai
November 01, 2021

Mumbai
November 01, 2021

Mumbai
November 01, 2021

Consolidated Cash Flow statement for the year ended March 31, 2021

(Rs. in Lakhs)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Cashflow from Operating activities		
Profit before tax	(10,890.71)	(2,156.18)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation & amortisation	625.45	632.36
Dividend Earned	(3.98)	(2.02)
Interest on income tax refund	-	-
Impairment of Financial Instrument	3,147.88	(2,872.94)
Amortisation of G-Sec Premium	-	2.31
Loss/(Gain) on Sale of Property,Plant & Equipment	-	0.05
Write Back of Excess Provision for provision / liability	(40.51)	-
Profit on sale of Mutual Fund	-	-
Net (gain)/loss on fair value changes on Investments	(435.79)	(4,449.42)
Provision on Intangible Assets under development	27.70	7.97
Rent	(630.00)	(543.21)
Fianance Cost	4,993.44	2,124.15
Interest Income from Joint Venture	(113.85)	(108.10)
Others	-	-
Operating profit before Working Capital Changes	**(3,320.37)**	**(7,365.03)**
Working Capital Changes		
(Increase)/decrease in Loans	6,802.30	18,905.41
(Increase)/decrease in Other financial assets	761.38	1,440.75
(Increase)/decrease in Bank Deposits	3.66	54.59
(Increase)/decrease in Trade Receivables	(20.03)	(1.71)
(Increase)/decrease in Other Receivables	(60.34)	(13.43)
(Increase)/decrease in Investments	16,105.55	24,794.44
(Increase)/decrease in Other Non Financial Asset	(45.24)	(26.84)
Increase/(decrease) in Provisions	30.85	(54.53)
Increase/(decrease) in Trade Payables	(398.48)	245.99
Increase/(decrease) in Other Payables	(78.77)	117.73
Increase/(decrease) in Other Financial Liabilities	(1,121.72)	7,763.58
Increase/(decrease) in Other Non Financial Liabilities	1,086.37	9.52
Cash generated from / (used in) Operations	**19,745.15**	**45,870.47**
Direct taxes paid (net of refunds)	(231.65)	(307.37)
Net cash generated from / (used in) Operating activities (A)	**19,513.50**	**45,563.10**
Cashflow from Investing Activities		
Purchase of Property,Plant & Equipment & Intangible Assets	(160.87)	(585.16)
Sale of Property,Plant & Equipment & Intangible Assets	1.29	0.67
Dividend Earned	3.98	2.02
Proceeds from sale of Investment Property	-	-
Rent	630.00	543.21
Interest Income from Joint Venture	113.85	108.10
Net cash flows from/(used in) Investing Activities (B)	**588.25**	**68.84**
Cashflow from Financing Activities		
Amount Received from Deposits	-	16,805.59
Repayment of Deposits	(33,217.57)	(61,262.64)
Amount Received from Borrowings other than Deposits	12.19	-
Repayment of Borrowings other than Deposits	-	-
Finance Cost	(4,993.44)	(8,639.11)
Net cash flows from Financing Activities (C)	**(38,198.82)**	**(53,096.16)**
Net increase in Cash and Cash Equivalents (A+B+C)	(18,097.08)	(7,464.22)
Cash and cash equivalents at beginning	**18,277.64**	**25,741.86**
Cash and cash equivalents at the end of the year	**180.56**	**18,277.64**
Components of Cash and Cash Equivalents		
Cash on hand	**0.72**	**0.71**
Balances with bank	**179.84**	**311.93**
Cheques, drafts on hand	**-**	**-**
Bank deposit with maturity of less than 3 months	**-**	**17,965.00**
Total	**180.56**	**18,277.64**

See accompanying notes forming part of the consolidated financial statements.

As per our report of even date
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

For and on behalf of the Board of Directors of SICOM Limited
CIN - U65990MH1966PLC013459

Snehal Shah
Partner
Membership No. 048539

Dr Nitin Jawale
Managing Director
DIN - 03204116

Dr Harshadeep Shriram Kamble
Director
DIN : 07183938

Swagat Sawant
Chief Financial Officer

Chetna Vasani
Company Secretary

Mumbai
November 01, 2021

Mumbai
November 01, 2021

Mumbai
November 01, 2021

Notes to the Consolidated financial statements
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 1: Corporate Information
SICOM Limited ("the Parent Company/the Holding Company") is registered as a Non- Banking Financial Company ('NBFC') (non- deposit accepting) as defined under section 45-IA of the Reserve Bank of India ('RBI') Act, 1934. The Parent Company and its subsidiaries (together hereinafter referred to as "the Group"). The Group is primarily engaged in the business of corporate lending, managing stressed assets of banks and financial institutions and Real Estate Sector.

SICOM Investments & Finance Limited (SIFL), SICOM ARC Limited (SARC), SICOM Capital Management Private Limited (SCMPL/SCML) and SICOM Trustee Company Private Limited (STCPL/STCL), subsidiary companies of the Parent Company, do not intent to carry on any business activity and accordingly these Consolidated Financial Statements, to the extent of inclusion of these entities in it, are not prepared on going concern basis. Accordingly, all assets of these subsidiaries have been carried at estimated realizable value and has provided all known liabilities.

Note 2: Basis of preparation and presentation
The consolidated financial statements comprise the financial statements of the Parent company, its subsidiaries (being the entity that it controls) and Joint ventures of SICOM Realty Limited (SRL) as at 31st March 2021. Control is evidenced when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The Consolidated Financial Statements of the Group and Joint ventures of SRL have been prepared in accordance with the Ind AS 110- 'Consolidated Financial Statements' as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Act.

Principles of consolidation and equity accounting

a) Subsidiaries

"Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.
The acquisition method of accounting is used to account for business combinations by the Group.
The Group combines the financial statements of the Parent Company and its subsidiaries line by line adding together like items of assets, liabilities, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.
Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated statement of changes in equity and Balance sheet respectively."

b) Joint ventures

Interests in joint ventures are accounted for using the equity method.

Equity method
Under the equity method of accounting in accordance with the Indian Accounting Standard 28 on 'Investments in Associates and Joint Ventures', the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment.
When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.
Unrealised gains on transactions between the Group and its joint ventures of SRL are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

c) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity (Refer Note No.46).

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in Consolidated Statement of Profit and Loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to Consolidated Statement of Profit and Loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

d) The excess of cost to the Parent Company of its investment in the subsidiary / joint venture over the Parent Company's portion of equity of the subsidiary / joint venture is recognised in the Consolidated Financial Statements as Goodwill. This Goodwill is tested for impairment at the end of the financial year. The excess of Parent Company's portion of equity over the cost of investment as at the date of its investment is treated as Capital Reserve.

Non-Controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated statement of changes in equity and Balance sheet respectively.

Notes to the Consolidasted financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

e) The financial statements of the subsidiaries and joint ventures used in consolidation are drawn upto the same reporting date as that of the Parent Company.

The subsidiaries and jointly controlled entities in India (JVs) considered in these Consolidated Financial Statements are as under:

Name of the Subsidiary company	Country of Incorporation	Share of Ownership	
		March 31, 2021	March 31, 2020
SICOM Investments & Finance Limited (SIFL)	India	100%	100%
SICOM Trustee Company Private Limited (STCPL/STCL)	India	100%	100%
SICOM Capital Management Private Limited (SCMPL/SCML)	India	100%	100%
SICOM ARC Limited (SARC)	India	100%	100%
SICOM Realty Limited (SRL) #	India	100%	100%

Details of Joint Venture of SICOM Realty Ltd are as under:

Name of the Joint Venture	Country of Incorporation	Share of Ownership	
		March 31, 2021	March 31, 2020
Ramnath Realty LLP	India	43%	43%
KRS Realty LLP	India	43%	43%

Note 3 : Presentation of Consolidated financial statements

a. Basis of preparation

The Consolidated Financial Statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

Consolidated Financial Statements have been prepared on a going concern basis in accordance with the applicable accounting standards prescribed in the Companies (Indian Accounting Standards), Rules, 2015 issued by the Central Government. However, In view of the intent to not carry on any business activity in respect of SIFL, SARC, SCMPL and STCPL, the financial statements have been prepared on the realisable value and accordingly all assets and liabilities are stated at the value at which they are realisable/ payable **(Refer note 1 above).**

b. Basis of measurement

The Consolidated Financial Statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant Indian Accounting Standards. Accounting policies have been consistently applied to all periods presented, unless otherwise stated.

c. Functional and presentation currency

The Consolidated Financial Statements are presented in Indian Rupees which is the functional currency of the Group and the currency of the primary economic environment in which the Group operates and all values are rounded to nearest lakhs, except when otherwise stated.

The Consolidated Financial Statements of the Group are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:
i. The normal course of business
ii. The event of default
iii. The event of insolvency or bankruptcy of the Company and/or its counterparties.

Note 4: Statement of compliance

These Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Act. However, the compliance is to the extent relevant in case of SIFL, SARC, SCMPL and STCPL as these are non-going concern entities and the individual financial statements of these entities are prepared on realizable value basis.

Note 5: Standard issued but not yet effective

The Standards that are issued, but not yet effective, are disclosed below. The Group intends to adopt these standards when they became effective:

On 24 March 2021, the Ministry of Corporate Affaires('MCA') through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I,II and III of Schedule III are applicable from 1 April 2021.

Note 6: Significant accounting policies

6.1. Recognition of Income

a) Interest Income

Under Ind AS 109, interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.
The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Group recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).
If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the statement of profit and loss.

The Group calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets and financial asset measured at FVTPL. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Group calculates interest income by applying the effective interest rate to the amortised cost net of provision of the financial asset for the loans whose tenure has not expired. If the financial assets cures and is no longer credit-impaired, the Group reverts to calculating interest income on a gross basis.

b) Dividend Income

Dividend income is recognised :
i. When the right to receive the payment is established,
ii. it is probable that the economic benefits associated with the dividend will flow to the entity and
iii. the amount of the dividend can be measured reliably

Notes to the Consolidasted financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 6: Significant accounting policies (continued)

c) Rental Income

Rental income arising from operating leases is recognised on a straight-line basis over the lease term. In cases, where the increase is in line with expected general inflation rental income is recognised as per the contractual terms.
Operating leases are leases where the Group does not transfer substantially all of the risk and benefits of ownership of the asset.

d) Fees & Commission Income

Fees and commissions are recognised when the Group satisfies the performance obligation, at fair value of the consideration received or receivable based on a five-step model as set out below, unless included in the effective interest calculation:
Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to provide service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation

Fees earned from contract with customer is recognised basis point in time when performance obligation is satisfied (when the trade is executed. Fees and commissions arising from negotiating or participating in the negotiation of a transaction for a third party, such as the arrangement/participation, syndication fees, consortium fees, are recognised on completion of the underlying transaction. Fees or components of fees that are linked to a certain performance are recognised after fulfilling the corresponding criteria.

e) Other Income

i. All other charges such as cheque return charges, overdue charges etc are recognised on realization basis. These charges are treated to accrue on realization, due to the uncertainty of their realization.

ii. All other incomes are accounted on accrual basis.

6.2. Property, Plant and equipment ("PPE")

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), and any directly attributable cost of bringing the asset to its working condition and location for its intended use. Subsequent to initial recognition, PPE are stated at cost less accumulated depreciation and any impairment losses. When significant parts of property, plant and equipment are required to be replaced in regular intervals, the Group recognises such parts as separate component of assets. When an item of PPE is replaced, then its carrying amount is de-recognised from the balance sheet and cost of the new item of PPE is recognised. The expenditures that are incurred after the item of PPE has been put to use, such as repairs and maintenance, are normally charged to the statement of profit and loss in the period in which such costs are incurred. However, in situations where the said expenditure can be measured reliably, and is probable that future economic benefits associated with it will flow to the Group, it is included in the asset's carrying value or as a separate asset, as appropriate.

Depreciation is calculated using the Straight Line Method (SLM) method to write down the cost of PPE to their residual values over their estimated useful lives. Land is not depreciated.

The estimated useful life of assets are in accordance with the Schedule II of the Companies Act, 2013.

Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Property, Plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other operating income in the Statement of profit and loss in the year in which the asset is derecognised.

6.3. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment loss. Intangible assets are amortized on a straight line basis over the estimated useful economic life.
The Group considers that the useful life of an intangible asset will not exceed 10 years from the date when the asset is available for use.

6.4. Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.
In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.
After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

6.5. Leases

The determination of whether an arrangement is or contains a lease, is based on the substance of the arrangement at the inseption of the lease. The arrangement is or contain a lease if the fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 April 2017, the Group has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Group as a lessee

Leases that do not transfer to the Group substantially all of the risks and benefits incidental to ownership of the leased items are operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless the increase is in line with expected general inflation, in which case lease payments are recognised based on contractual terms. Contingent rental payable is recognised as an expense in the period in which it is incurred.

Notes to the Consolidasted financial statements (Continued)
for the year ended 31 March 2021
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Note 6: Significant accounting policies (continued)

Group as a lessor

Leases where the Group does not transfer substantially all of the risk and benefits of ownership of the asset are classified as operating leases. Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in rental income in the statement of profit or loss, unless the increase is in line with expected general inflation, in which case lease income is recognised based on contractual terms. Initial direct costs incurred in negotiating operating leases are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

6.6. Retirement and other employee benefits

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. In case of the Group, these benefits include compensated absences such as paid annual leave and sickness leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized in the Statement of Profit and Loss during the year. It is accrued based on an actuarial valuation at the balance sheet date carried out by an independent actuary.

Post-employment employee benefits

a) Defined contribution schemes

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.

b) Defined Benefit schemes

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The fund is administered by Life Insurance Corporation of India (LIC). The gratuity liability is calculated using the Projected Unit Credit Method which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

c) Other long-term employee benefits

Group's liabilities towards compensated absences to employees are accrued on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss.
The Group presents the provision for compensated absences under provisions in the Balance Sheet. In case of SIFL, Compensated absence which is a defined benefit, is accrued based on leave balance to the credit of the employee as on March 31, 2021 valued at Basic Salary, Dearness Allowance, House Rent Allowance & Compensatory Local Allowance.

6.7. Finance cost

Finance cost represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.
The EIR in case of a financial liability is computed :
a. As the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.
b. By considering all the contractual terms of the financial instrument in estimating the cash flows.
c. Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest expense includes issue costs that are initially recognized as a part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, rating fee etc, provided these are incremental costs that are directly related to the issue of a financial liability.

6.8. Taxes

Tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effect of timing differences between accounting income and taxable income for the period).

i Current Taxes

Provision for current tax is made on the basis of estimated taxable income for the accounting year in accordance with the Income Tax Act, 1961. Current tax assets and liabilities are measured at the amount expected to be recovered from, or paid to, the taxation authorities. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Management periodically evaluates positions taken in the tax returns with respect to situation in which applicable tax regulations are subject to interpretation and establishes provisions were appropriate. Current tax assets and liabilities are offset where the entity has legally enforceable right to offset and intends either to settle on net basis, or to realise the assets and settle the liability simultaneously.

Notes to the Consolidasted financial statements (Continued)
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Note 6: Significant accounting policies (continued)

ii Deferred Taxes

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the Consolidated Financial Statements and the corresponding tax bases used in the computation of the taxable profit and is accounted for using the balance sheet liability model. Deferred tax liabilities are generally recognised for all the taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

iii Minimum Alternate Tax (MAT)

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognises MAT credit available as an asset only to the extent that it is probable that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as “MAT Credit Entitlement.” The Company reviews the MAT Credit Entitlement asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

6.9. Other Expenses

All other expense are recognized in the year in which they occur.

6.10. Earnings per share

The Group reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year.
For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

6.11. Provisions and other Contingent liabilities
a) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Group determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The increase in the provision due to un-winding of discount over passage of time is recognised within finance costs. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

b) Other Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

6.12. Cash and cash equivalent

Cash and cash equivalent in the Consolidated balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

6.13. Segment Information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).
The Board of Directors of the Parent Company has appointed the Managing Director ("MD") to assess the financial performance and position of the Group, and makes strategic decisions. The MD has been identified as being the CODM for corporate planning. Refer Note no.43 for segment information presented.

6.14. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past / future cash receipts or payments. For the purpose of the Statement of Cash Flows, cash and cash equivalents, as defined above is net of outstanding bank overdrafts as they are considered an integral part of cash management of the Group.

6.15. Determination of Fair Value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Group measures certain categories of financial instruments (as explained in note no, 6.16.1 at fair value on each balance sheet date.)

Fair value is the price at the measurement date, at which an asset can be sold or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
a) In the principal market for the asset or liability, or
b) In the absence of a principal market, in the most advantageous market for the asset or liability

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

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

The Group’s accounting policies require measurement of certain financial / non-financial assets and liabilities at fair values (either on a recurring or non-recurring basis). Also, the fair values of financial instruments measured at amortised cost are required to be disclosed in the said financial statements.

Note 6: Significant accounting policies (continued)

The Group is required to classify the fair valuation method of the financial / non-financial assets and liabilities, either measured or disclosed at fair value in the financial statements, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurement).

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

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments −Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Group has access to at the measurement date. The Group considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments−Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Group will classify the instruments as Level 3.

Level 3 financial instruments − Those that includes one or more unobservable input where there is little market activity for the asset/liability at the measurement date that is significant to the measurement as a whole.

6.16. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Entity becomes a party to the contractual provisions of the instruments.

6.16.1 Financial Assets

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

Subsequent measurement

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

· Financial instruments to be measured at amortised cost
· Financial instruments to be measured at fair value through other comprehensive income (FVTOCI).
· Financial instruments to be measured at fair value through profit or loss (FVTPL).

Financial assets measured at amortised cost

Debt instruments
These financial assets comprise bank balances, Loans, Trade receivables, investments and other financial assets.

Debt instruments are measured at amortised cost where they have:
a) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and
b) are held within a business model whose objective is achieved by holding to collect contractual cash flows.

After initial measurement at fair value plus directly attributable costs, these financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. The measurement of credit impairment is based on the stage 3 expected credit loss model described in Note on Impairment of financial assets.

Business Model Assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.
The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:
> How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
>The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed
> How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
> The expected frequency, value and timing of sales are also important aspects of the Group's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The Solely Payments of Principal and Interest (SPPI) test

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Group assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss. The amortised cost, as mentioned above, is computed using the effective interest rate method.

Note 6: Significant accounting policies (continued)

Financial assets measured at fair value through other comprehensive income
Debt Instruments

Investments in debt instruments are measured at fair value through other comprehensive income where they have:
a) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest (SPPI) on the principal amount outstanding; and
b) are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income within a separate component of equity. Impairment losses or reversals, interest revenue and foreign exchange gains and losses are recognised in profit and loss. Upon disposal, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the statementm of profit or loss. The expected credit loss model is described in Note on Impairment of financial assets.

Equity instruments

Investment in equity instruments that are neither held for trading nor contingent consideration recognised by the Group in a business combination to which Ind AS 103 'Business Combination' applies, are measured at fair value through other comprehensive income, where an irrevocable election has been made by management and when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation. Such classification is determined on an instrument-by-instrument basis. As at reporting date, there are equity instruments measured at FVOCI. Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. Dividends on such investments are recognised in profit or loss.

Financial Instrument measured at fair value through profit or loss

Any financial instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, financial instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

Items at fair value through profit or loss comprise:
• Investments (including equity shares) held for trading;
• Items specifically designated as fair value through profit or loss on initial recognition; and
• Financial instruments with contractual terms that do not represent solely payments of principal and interest. Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs
recognised in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains
or losses are recognised in the statement of profit and loss as they arise.

6.16.2 Financial Liability

A financial liability may be designated at fair value through profit or loss if it eliminates or significantly reduces an accounting mismatch or:
• if a host contract contains one or more embedded derivatives; or
• if financial assets and liabilities are both managed and their performance evaluated on a fair value basis in
accordance with a documented risk management or investment strategy.
Where a financial liability is designated at fair value through profit or loss, the movement in fair value attributable to changes in the Group's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income. As at the reporting date, the Group has not designated any financial instruments as measured at fair value through profit or loss.

Other borrowed funds

After initial measurement, other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and transaction costs that are an integral part of the Effective Interest Rate (EIR).

6.16.3 Impairment of financial assets

The Group apply the expected credit loss (ECL) model for recognising impairment loss as against hitherto IRAC norms of RBI. ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.
Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months from the reporting date.
The Group assesses at each reporting date whether a financial asset (or a Group of financial assets) such as investments, loans and advances, non-fund based limits not designated as FVTPL and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Lifetime Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

The Group apply a three-stage approach to measuring expected credit losses (ECLs) for the following categories of financial assets that are not measured at fair value through profit or loss:
• debt instruments measured at amortised cost and fair value through other comprehensive income;
• loan commitments; and
• Financial guarantee contracts.
No ECL is recognised on equity investments.
Financial assets are classified through the following three stages based on the change in credit risk since initial recognition:

Stage 1: 12-months ECL

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Group classify all standard advances and advances upto 30 days default under this category. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2. For these assets, 12 months ECL are recognized and interest revenue is calculated on the gross carrying amount of the asset.

Stage 2: Lifetime ECL – not credit impaired
Financial instruments that have had a significant increase in credit risk since initial recognition are classified under this stage. 30 Days Past Due is considered as significant increase in credit risk and classified under this category. For these assets, lifetime ECL are recognized, but interest revenue is still calculated on the gross carrying amount of the asset.

Stage 3: Lifetime ECL – credit impaired
All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount for the loans whose tenure is not expired. 90 Days Past Due is considered as default for classifying a financial instrument as credit impaired. If an event (for eg. any natural calamity) warrants a provision higher than as mandated under ECL methodology, the Group may classify the financial asset in Stage 3 accordingly.

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Note 6: Significant accounting policies (continued)

Credit-impaired financial assets:

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.
Evidence that a financial asset is credit-impaired includes the following observable data:
a) Significant financial difficulty of the borrower or issuer;
b) A breach of contract such as a default or past due event;
c) The restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
e) The disappearance of an active market for a security because of financial difficulties.

Measurement of ECLs

The measurement of ECL reflects:
a) An unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes
b) The time value of money
c) Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

ECLs are derived from unbiased and probability-weighted estimates of expected loss, and are measured as follows:
- Financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls over the expected life of the financial asset discounted by the effective interest rate. The cash shortfall is the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive.
- Financial assets that are credit-impaired at the reporting date: for majority of Stage 3 assets, the ECL is assessed on individual recoverability basis and for remainder on collective basis as per segmentation of financial assets.
- Undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Group if the commitment is drawn down and the cash flows that the Group expects to receive.

ECLs are recognised using a provision for doubtful debts account in the statement of profit and loss. In the case of debt instruments measured at fair value through other comprehensive income, the measurement of ECLs is based on the three-stage approach as applied to financial assets at amortised cost. The Group recognises the provision charge in in the statement of profit and loss, with the corresponding amount recognised in other comprehensive income, with no reduction in the carrying amount of the asset in the balance sheet.

Write-off
Loans and debt securities are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position as follows:
a) Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
b) Loan commitments and financial guarantee contracts: generally, as a provision;
c) Where a financial instrument includes both a drawn and an undrawn component, and the Group cannot identify the ECL on the loan commitment component separately from those on the drawn component: the Group presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision; and
d) Debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in the fair value reserve.

6.16.4 Reclassification of financial assets and liabilities

The Group do not reclassify its financial assets subsequent to their initial recognition. Financial liabilities are never reclassified. The Group did not reclassify any of its financial assets or liabilities in 2017-18 and until the year ended March 31, 2019.

Recognition and Derecognition of financial assets and financial liabilities
Recognition:

a) Loans and Advances are initially recognised when the funds are transferred to the customers' account or delivery of assets by the dealer, whichever is earlier.
b) Investments are initially recognised on the settlement date.
c) Deposits and borrowings are initially recognised when funds reach the Group.
d) Other Financial assets and liabilities are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Derecognition:

Financial assets: The Group derecognizes a financial asset when the contractual cash flows from the asset expire or it transfers its rights to receive contractual cash flows from the financial asset in a transaction in which substantially all the risks and rewards of ownership are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognized as a separate asset or liability.

Financial liabilities: A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de recognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss. As at the reporting date, the Group does not have any financial liabilities which have been derecognised.

Securities lending and borrowing
Securities lending and borrowing transactions are usually collateralised by securities or cash. The transfer of the securities to counterparties is only reflected on the statement of financial position if the risks and rewards of ownership are also transferred. Cash advanced or received as collateral is recorded as an asset or liability. Securities borrowed are not recognised in the statement of financial position, unless they are then sold to third parties, in which case, the obligation to return the securities is recorded as a short sale within financial liabilities held for trading and measured at fair value with any gains or losses included in net trading income.

Notes to the Consolidasted financial statements (Continued)
for the year ended 31 March 2021
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Note 6: Significant accounting policies (continued)

Financial guarantees

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. Such financial guarantees are given to Group's, financial institutions and others on behalf of customers to secure loans, overdrafts and other accompanying facilities.

In the ordinary course of business, the Group issues financial guarantees, consisting of letters of credit, guarantees and acceptances. Financial guarantee contracts issued by the entity are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. All financial Instruments should be valued at its fair value on initial recognition (which normally is its transaction price)" and since financial guarantee falls under financial instrument definition (as per Ind AS-32) hence, financial guarantees are initially recognised in the Consolidated Financial Statements within 'other liabilities') at fair value, being the commission/premium received.

Subsequent to initial recognition, the Group's liability under each guarantee is measured at the higher of the amount initially recognised less cumulative amortisation recognised in the Statement of profit and loss, and the best estimate of expenditure required to settle any financial obligation arising as a result of the guarantee (loss allowance determined as per Ind AS 109). Any increase in the liability relating to financial guarantees is recorded in the Statement of profit and loss in credit loss expense. The premium received is recognised in the Statement of profit and loss in net fees and commission income on a straight line basis over the life of the guarantee.

6.17 Goodwill on Consolidation

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

Note 7 : Significant Accounting Judgements, Estimates and Assumptions

The preparation of Consolidated Financial Statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Consolidated Financial Statements is included in the following notes:

7.1 Business Model Assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

7.2 Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

7.3 Fair value measurement

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

7.4 Impairment of loans portfolio

The measurement of impairment losses across all categories of financial assets requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

It has been the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

The impairment loss on loans and advances is disclosed in more detail in Note 6.16.3 Impairment of Financial assets

7.5 Contingent liabilities and provisions other than impairment on loan portfolio

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

7.6 Effective Interest Rate (EIR) method

The Group's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioral life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgment regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

Notes to the Consolidasted financial statements (Continued)
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Note 7 : Significant Accounting Judgements, Estimates and Assumptions (continued)

7.7 Other estimates:

These include contingent liabilities, useful lives of tangible and intangible assets etc.

Note 8: Mandatory exceptions
Following mandatory exceptions are applicable to the Group:

8.1 Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

8.2 Classification and measurement of financial assets
Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

Notes to the Consolidated financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 9: Cash and cash equivalents

(Rs. in Lakhs)

Particulars	**As at 31 March 2021**	**As at 31 March 2020**
Cash on hand	0.72	0.71
Balances with bank	179.84	311.93
Bank deposit with maturity of less than 3 months	-	17,965.00
	180.56	**18,277.64**

Short term deposits are made for varying periods of between one day to three months, depending on the immediate cash requirements of the Company and earn interest at the respective short-term deposit rates. The Company has not taken bank overdraft, therefore the cash and cash equivalent for cash flow statement is same as cash and cash equivalent given above.

Note 10: Bank balance other than cash and cash equivalents

(Rs. in Lakhs)

Particulars	**As at 31 March 2021**	**As at 31 March 2020**
Earmarked Balance with banks		
- Unpaid Dividend	2.07	5.80
- Bank deposit with original maturity of more than 3 months but less than 12 months	1.21	1.14
	3.28	**6.94**

Notes to the Consolidated financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 11: Receivables

(i) Trade Receivables

(Rs in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Trade Receivable considered good - Unsecured	44.48	24.56
Trade Receivable considered good - Secured	-	-
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	92.67	115.38
Sub-Total (A)	137.15	139.94
Allowance for impairment loss :		
Trade Receivable considered good - Unsecured	-	-
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	92.67	115.38
Sub-Total (B)	92.67	115.38
Total (A-B)	**44.48**	**24.56**

Trade receivables are non-interest bearing and are generally payable on immediate basis.

(Rs in Lakhs)

Trade receivables days past due		Current	1-30 days past due	31-60 days past due	61-90 days past due	91-360 days past due	More than 360 days past due	Total
ECL rate		**0%**	**0%**	**0%**	**100%**	**100%**	**100%**	
31-Mar-21	Estimated total gross carrying amount at default	31.95	12.53	-	8.85	-	83.82	**137.15**
	ECL-Simplified approach	-	-	-	8.85	-	83.82	**92.67**
	Net carrying amount	**31.95**	**12.53**	**-**	**-**	**-**	**-**	**44.48**
31-Mar-20	Estimated total gross carrying amount at default	23.60	0.96	-	9.44	11.37	94.57	**139.94**
	ECL-Simplified approach	-	-	-	9.44	11.37	94.57	**115.38**
	Net carrying amount	**23.60**	**0.96**	**-**	**-**	**-**	**-**	**24.56**

Reconciliation of impairment allowance on trade receivables:

(Rs.in Lakhs)

Particulars	Amount
Impairment allowance measured as per simplified approach	
Impairment allowance as per 1 April 2019	**87.56**
Addition/ (Reduction) during the year	27.82
Impairment allowance as per 31 March 2020	**115.38**
Addition/ (Reduction) during the year	(22.71)
Impairment allowance as per 31 March 2021	**92.67**

(ii) Other Receivables

(Rs in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Other Receivable considered good - Unsecured	17.79	13.94
Other Receivable considered good - Secured	-	-
Other Receivables which have significant increase in credit risk	-	-
Other Receivables - credit impaired	1,200.46	1,188.56
Sub-Total (A)	1,218.25	1,202.50
Allowance for impairment loss:		
Other Receivable considered good - Unsecured	-	-
Other Receivables which have significant increase in credit risk	-	-
Other Receivables - credit impaired	1,200.46	1,188.56
Sub-Total (B)	1,200.46	1,188.56
Total (A-B)	**17.79**	**13.94**

Notes to the Consolidasted financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 11 : Receivables (Continued)

(Rs in Lakhs)

Other receivable days past due		Current	1-30 days past due	31-60 days past due	61-90 days past due	91-360 days past due	More than 360 days past due	Total
ECL rate		0%	0%	0%	44%	60%	35% - 100%	
31-Mar-21	Estimated total gross carrying amount at default	1.63	2.47	9.12	2.02	8.53	1,194.48	1,218.25
	ECL-Simplified approach	-	-	-	0.88	5.10	1,194.48	1,200.46
	Net carrying amount	**1.63**	**2.47**	**9.12**	**1.14**	**3.43**	**-**	**17.79**
31-Mar-20	Estimated total gross carrying amount at default	1,202.43	-	-	-	-	0.07	1,202.50
	ECL-Simplified approach	1,188.55	-	-	-	-	0.01	1,188.56
								-
	Net carrying amount	13.88	-	-	-	-	0.06	13.94

Reconciliation of impairment allowance on Other Receivables:

(Rs.in Lakhs)

Particulars	**Amount**
Impairment allowance measured as per simplified approach	
Impairment allowance as per 1 April 2019	**26.87**
Addition/ (Reduction) during the year	1,161.69
Impairment allowance as per 31 March 2020	**1,188.56**
Addition/ (Reduction) during the year	11.90
Impairment allowance as per 31 March 2021	**1,200.46**

No trade or other receivables are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private Companies respectively in which any director is a partner, a director or a member.

Notes to the Consolidated financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 12: Loans

(Rs. in Lakhs)

Particulars	As at 31 March 2021						As at 31 March 2020					
	Amortised Cost	At fair value				Total	Amortised Cost	At fair value				Total
		Through Other Comprehensive Income	Through profit and loss account	Designated at through profit and loss account	Sub-total			Through Other Comprehensive Income	Through profit and loss account	Designated at through profit and loss account	Sub-total	
i) Bills purchased and bills discounted	13,338.60	-	-	-	-	13,338.60	14,123.28	-	-	-	-	14,123.28
ii) Loans repayable on demand	24,665.25	-	-	-	-	21,926.27	24,665.26	-	-	-	-	24,665.26
iii) Term loans	1,12,850.42	-	-	-	-	1,15,589.40	1,18,874.50	-	-	-	-	1,18,874.50
iv)Loans and Advances to Employees	20.69	-	-	-	-	20.69	12.55	-	-	-	-	12.55
Total (A) - Gross	**1,50,874.96**	-	-	-	-	**1,50,874.96**	**1,57,675.59**	-	-	-	-	**1,57,675.59**
Less: Impairment loss allowance	1,35,068.65	-	-	-	-	1,35,068.65	1,31,975.96	-	-	-	-	1,31,975.96
Total (A) - Net	**15,806.31**	-	-	-	-	**15,806.31**	**25,699.63**	-	-	-	-	**25,699.63**
i) Secured by tangible assets	49,552.27	-	-	-	-	49,552.27	73,431.72	-	-	-	-	73,431.72
ii) Secured by Shares, Certificate of deposit etc.	1,444.86	-	-	-	-	1,444.86	3,243.47	-	-	-	-	3,243.47
iii) Covered by bank and government guarantee	-	-	-	-	-	-	-	-	-	-	-	-
iv) Unsecured	99,877.83	-	-	-	-	99,877.83	81,000.40	-	-	-	-	81,000.40
Total (B) - Gross	**1,50,874.96**	-	-	-	-	**1,50,874.96**	**1,57,675.59**	-	-	-	-	**1,57,675.59**
Less : Impairment loss allowance	1,35,068.65	-	-	-	-	1,35,068.65	1,31,975.96	-	-	-	-	1,31,975.96
Total (B) - Net	**15,806.31**	-	-	-	-	**15,806.31**	**25,699.63**	-	-	-	-	**25,699.63**
Loans in India												
i) Public Sector	-	-	-	-	-	-	-	-	-	-	-	-
ii) Corporate	1,50,874.96	-	-	-	-	1,50,874.96	1,57,675.59	-	-	-	-	1,57,675.59
Total (C)- Gross	**1,50,874.96**	-	-	-	-	**1,50,874.96**	**1,57,675.59**	-	-	-	-	**1,57,675.59**
Less: Impairment loss allowance	1,35,068.65	-	-	-	-	1,35,068.65	1,31,975.96	-	-	-	-	1,31,975.96
Total (C)- Net	**15,806.31**	-	-	-	-	**15,806.31**	**25,699.63**	-	-	-	-	**25,699.63**
Total	**15,806.31**	**-**	**-**	**-**	**-**	**15,806.31**	**25,699.63**	**-**	**-**	**-**	**-**	**25,699.63**

Credit Quality of Assets

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the group's internal grading system are explained in Note 54.2 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 54.2.1.6

(Rs. in Lakhs)

Particulars	As at 31 March 2021						As at 31 March 2020					
	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	Simplified Approach	POCI	Total	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	Simplified Approach	POCI	Total
Internal rating grade												
Performing												
High grade	-	-	-	-	-	-	-	-	-	-	-	-
Standard grade	20.69	-	-	-	-	20.69	410.75	-	-	-	-	410.75
Sub-standard grade	-	-	-	-	-	-	-	-	-	-	-	-
Past due but not impaired	-	-	-	-	-	-	-	-	-	-	-	-
Non- performing	-	-	1,50,854.27	-	-	1,50,854.27	-	-	1,57,264.84	-	-	1,57,264.84
Total	**20.69**	**-**	**1,50,854.27**	**-**	**-**	**1,50,874.96**	**410.75**	**-**	**1,57,264.84**	**-**	**-**	**1,57,675.59**

SICOM Limited

Notes to the Consolidasted financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 12 : Loans (Continued)

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans is, as follows:

(Rs. in Lakhs)

Particulars	Year ended March 31, 2021						Year ended March 31, 2020					
	Stage 1	Stage 2	Stage 3	Simplified Approach	POCI	Total	Stage 1	Stage 2	Stage 3	Simplified Approach	POCI	Total
Gross carrying amount opening balance	**683.39**	**-**	**1,56,992.20**	**-**	**-**	**1,57,675.59**	**8,730.48**	**1,929.67**	**1,63,944.17**	**-**	**-**	**1,74,604.32**
New assets originated or purchased	-	-	5.07	-	-	5.07	272.65	8.47	-	-	-	281.12
Assets derecognised or repaid (excluding write offs)	(390.05)	-	(6,415.65)	-	-	(6,805.70)	(6,539.74)	-	(10,670.11)	-	-	(17,209.85)
Transfers to Stage 1	-	-	-	-	-	-	-	-	-	-	-	-
Transfers to Stage 2	-		-	-	-	-	-		-	-	-	-
Transfers to Stage 3	(272.65)	-	272.65	-	-	-	(1,780.00)	(1,938.14)	3,718.14	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-	-	-	-	-
Gross carrying amount closing balance	**20.69**	**-**	**1,50,854.27**	**-**	**-**	**1,50,874.96**	**683.39**	**-**	**1,56,992.20**	**-**	**-**	**1,57,675.59**

Reconciliation of ECL balance is given below:

(Rs. in Lakhs)

Particulars	Year ended March 31, 2021						Year ended March 31, 2020					
	Stage 1	Stage 2	Stage 3	Simplified Approach	POCI	Total	Stage 1	Stage 2	Stage 3	Simplified Approach	POCI	Total
ECL allowance - opening balance	**1,409.46**	**-**	**1,30,566.50**	**-**	**-**	**1,31,975.96**	**2,211.77**	**182.01**	**1,30,478.43**	**-**	**-**	**1,32,872.21**
New assets originated or purchased	-	-	9,817.88	-	-	9,817.88	(2.86)	-	-	-	-	(2.86)
Assets derecognised or repaid (excluding write offs)	(42.91)	-	(4,773.91)	-	-	(4,816.82)	(634.91)	(2.90)	(255.58)	-	-	(893.39)
Transfers to Stage 1	(20.94)	-	-	-	-	(20.94)	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	(164.54)	(179.11)	343.65	-	-	-
Transfers to Stage 3	(1,345.61)	-	(541.82)	-	-	(1,887.43)	-	-	-	-	-	-
Impact on year end ECL of exposures transferred between stages during the year	-	-	-	-	-	-	-	-	-	-	-	-
Unwind of discount	-	-	-	-	-	-	-	-	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-	-	-	-	-	-	-	-
Changes to models and inputs used for ECL calculations	-	-	-	-	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-	-	-	-	-
ECL allowance - closing balance	**-**	**-**	**1,35,068.65**	**-**	**-**	**1,35,068.65**	**1,409.46**	**-**	**1,30,566.50**	**-**	**-**	**1,31,975.96**

The Contractual amount outstanding on loans that have been written off during the financial year,but were still subject to enforcement activity was Nil at March 31, 2021 (March 31, 2020 Nil).

Notes to Consolidated financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 13: Investments **(Rs. in Lakhs)**

Particulars	Amortised Cost	At fair value				Others	Total
		Through Other Comprehensive Income	Through profit and loss account	Designated at through profit and loss account	Sub-total		
As at 31 March 2021							
i) Mutual funds	-	-	1.00	-	1.00	-	1.00
ii) Government securities	-	-	-	-	-	-	-
iii) Debt securities	-	-	43,182.20	-	43,182.20	-	43,182.20
iv) Equity instruments	-	11,144.01	61.17	-	11,205.18	-	11,205.18
v) Others (specify)							
- Preference shares	525.00	-	1,206.31	-	1,206.31	-	1,731.31
- Rare Assets Security Recepits	-	-	700.00	-	700.00	-	700.00
- ARCIL Security Recepits	-	-	-	-	-	-	-
vi) Fixed Deposits with corporate	3,164.08	-	-	-	-	-	3,164.08
vii) Investments in Joint Ventures at Cost							
KRS Realty LLP	-	-	-	-	-	0.76	0.76
Ramnath Realty LLP	-	-	-	-	-	1,349.75	1,349.75
Total Gross (A)	**3,689.08**	**11,144.01**	**45,150.68**	**-**	**56,294.69**	**1,350.51**	**61,334.28**
i) Investment in India	3,689.08	11,144.01	45,150.68	-	56,294.69	1,350.51	61,334.28
ii) Investment outside India	-	-	-	-	-	-	-
Total Gross (B)	**3,689.08**	**11,144.01**	**45,150.68**	**-**	**56,294.69**	**1,350.51**	**61,334.28**
Less : Impairment loss allowance **('C)**	(525.00)	-	-	-	-	(109.08)	(634.08)
Total - Net D=(A)-('C)	**3,164.08**	**11,144.01**	**45,150.68**	**-**	**56,294.69**	**1,241.43**	**60,700.20**
					-		
As at 31 March 2020							
i) Mutual funds	-	-	17.00	-	17.00	-	17.00
ii) Government securities	-	-	-	-	-	-	-
iv) Debt securities	-	-	59,007.45	-	59,007.45	-	59,007.45
v) Equity instruments	-	9,364.50	32.38	-	9,396.88	-	9,396.88
vi) Others (specify)							
- Preference shares	525.00	-	991.48	-	991.48	-	1,516.48
- Rare Assets Security Recepits	-	-	700.00	-	700.00	-	700.00
- ARCIL Security Recepits	-	-	-	-	-	-	-
vii) Fixed Deposits with corporate	3,174.39	-	-	-	-	-	3,174.39
viii) Investments in Joint Ventures at Cost							
KRS Realty LLP	-	-	-	-	-	0.76	0.76
Ramnath Realty LLP	-	-	-	-	-	1,350.03	1,350.03
Total Gross (A)	**3,699.39**	**9,364.50**	**60,748.31**	**-**	**70,112.81**	**1,350.79**	**75,162.99**
i) Investment in India	3,699.39	9,364.50	60,748.31	-	70,112.81	1,350.79	75,162.99
ii) Investment outside India	-	-	-	-	-	-	-
Total Gross (B)	**3,699.39**	**9,364.50**	**60,748.31**	**-**	**70,112.81**	**1,350.79**	**75,162.99**
Less : Impairment loss allowance ('C)	(525.00)	-	-	-	-	(108.89)	(633.89)
Total - Net D=(A)-('C)	**3,174.39**	**9,364.50**	**60,748.31**	**-**	**70,112.81**	**1,241.90**	**74,529.10**

As the stake in the Tycoons Project was disinvested durring the FY 2017-18, the amount of investment was shown as Nil from FY 2017-18 onwards.

The Group has not entered in to any credit derivative to mitigate above credit risk.

The Group has designated its investment in Debt securities as FVPTL on the basis that these are held for trading. Investment in Government securities which are held as for long term investments are designated at amortised cost.

The Group has designated its equity investments as FVOCI on the basis that these are not held for trading and held for strategic purposes and at FVTPL for those held for trading.

Reconciliation of impairment allowance on Investments carried at amortised cost and FVOCI

(Rs.in Lakhs)

Particulars	**Amount**
Impairment allowance measured as per simplified approach	
Impairment allowance as per 31 March 2019	**525.00**
Addition/ (Reduction): asset originated or acquired	108.89
Impairment allowance as per 31 March 2020	**633.89**
Addition/ (Reduction): asset originated or acquired	0.19
Impairment allowance as per 31 March 2021	**634.08**

Notes to Consoldiated financial statements (Continued)
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Note 13: Investments (Continued)

Name of the Partnership Firm	Name of the Partner	% of share
Ramnath Realty LLP		
Total Capital : Rs 437.50 lakhs		
	SICOM Realty Ltd (Mr M B Gosavi)	**43**
	K G Millennium Realtors Pvt Ltd (Mr Sunil Devisahay Gupta)	**33**
	Ramnath Lifestyle Pvt Ltd (Mr Sudesh Chandra Gupta)	**24**

KRS Realty LLP		
Total Capital : Rs 0.43 lakhs		
	SICOM Realty Ltd (Mr M B Gosavi)	**43**
	K G Millennium Realtors Pvt Ltd (Mr Sunil Devisahay Gupta)	**33**
	Ramnath Lifestyle Pvt Ltd (Mr Sudesh Chandra Gupta)	**24**

Notes to the Consolidated financial statements (Continued)
for the year ended 31 March 2021
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Note 14: Other financial assets

(Rs. In lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Security deposits	69.42	69.42
Interest accrued but not due	498.73	1,387.97
Interest accrued and due on Inter Corporate Deposits (ICD)	115.24	1.44
Interest Accrued & Due on receivable from sale of Investment in Joint Venture	270.21	184.36
Receivable on Sale in Joint Venture	400.17	400.17
Advance recoverable in cash or kind	217.75	189.13
Rent Receivable from others	-	0.05
Un-billed Revenue	15.18	40.54
Share Application Money to be received back	1,400.00	1,400.00
Less: Impairment Allowance	(2,023.19)	(1,945.66)
Total	**963.51**	**1,727.42**

Reconciliation of Impairment Allowance on Other financial assets

(Rs.in Lakhs)

Particulars	Amount
Impairment allowance measured as per simplified approach	
Impairment allowance as per 31 March 2019	**1,740.56**
Addition/ (Reduction): asset originated or acquired	205.10
Impairment allowance as per 31 March 2020	**1,945.66**
Addition/ (Reduction): asset originated or acquired	77.53
Impairment allowance as per 31 March 2021	**2,023.19**

Note 15: Current tax assets (net)

(Rs in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Advance income tax (net of provision for tax)	4,365.98	4,180.03
(net of provision for Tax Rs 49,017.94 lakhs in March 31, 2021 (March 31, 2020:Rs 49,017.94 lakhs)		
Total	**4,365.98**	**4,180.03**

Notes to the Consolidated financial statements (Continued)
for the year ended 31 March 2021
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Note 16: Investment property

(Rs in Lakhs)

Particulars	Amount
Opening Balance as at 1 April 2019	**396.21**
Additions	-
Disposals	-
Closing Balance as at 31 March 2020	**396.21**
Opening Balance At 1 April 2020	**396.21**
Additions	-
Disposals	-
Closing Balance as at 31 March 2021	**396.21**
Depreciation and impairment	
Opening Balance At 1 April 2019	-
Depreciation charge for the year	-
Disposals	-
Closing Balance as at 31 March 2020	-
Opening Balance At 1 April 2020	-
Depreciation charge for the year	-
Disposals	-
Closing Balance At 31 March 2021	-
Net as at 1 April 2019	**396.21**
Net as at 31 March 2020	**396.21**
Net as at 31 March 2021	**396.21**

(i) Amounts recognised in Statement of Profit and Loss for Investment Property

(Rs in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rental Income	19.38	19.38
Profit on Sale of Investment Property	-	-
Direct operating expense from property that generated rental income	-	-
Profit from investment properties before depreciation	19.38	19.38
Depreciation	-	-
Profit from investment properties	**19.38**	**19.38**

(ii) The Group has no contractual obligations to purchase, construct or develop investment property. However, the responsibility for its repairs, maintenance or enhancements is with the Group.

(iii) Fair Value

The fair valuation of investment property as at March 31, 2019 is Rs 2,968.85 lakhs.

(iv) Pledged details

Investment property is not pledged.

(v) Estimation of fair value

The fair values of investment property is determined by guidance value given by local government of the area where the investment properties are located as mentioned in valuer report. Further, in case of Investment Property of Parent Company, value is supported by the Valuation Report in this regard from an expert.

(vi) In respect of SICOM Realty Ltd, pursuant to the Resolution passed by the Board of Directors of the Company in their meeting held on March 31, 2008 for acquiring lands in the name of Director / employees of the Company, the land parcels shown as Investment in Property under Non Current Investments have been acquired and held in the name of the Managing Director. Now, the said land parcels are in the process of getting transferred into the name of the Company without paying any consideration.

Notes to Consolidated financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 17: Property, plant and equipment

(Rs. in Lakhs)

Particulars	Building	Plant and Machinery	Furniture & Fixures	Office Equipment	Vehicles	Leasehold improvement	Total
As at 31 March 2019	**19,106.78**	**25.04**	**227.26**	**173.65**	**32.72**	**53.76**	**19,619.21**
Additions	-	0.31	8.29	4.69	-	-	13.29
Disposals	-	-	0.00	(0.72)	-	-	(0.72)
Adjustments *	-	-	-	-	-	-	-
As at 31 March 2020	**19,106.78**	**25.35**	**235.55**	**177.62**	**32.72**	**53.76**	**19,631.78**
Additions	-	-	-	8.91	-	-	8.91
Disposals	-	0.48	0.03	0.78	-	-	1.29
Adjustments *	-	-	-	-	-	-	-
As at 31 March 2021	**19,106.78**	**24.87**	**235.52**	**185.75**	**32.72**	**53.76**	**19,639.41**
Accumulated Depreciation and impairment:							
As at 31 March 2019	1,026.08	5.88	58.42	16.80	9.87	43.76	1,160.81
Disposals	-	-	-	(0.11)	-	-	(0.11)
Depreciation charge for the year	513.04	4.88	30.87	44.38	5.68	10.00	608.85
As at 31 March 2020	**1,539.12**	**10.76**	**89.29**	**61.07**	**15.55**	**53.76**	**1,769.55**
Disposals	-	0.38	0.01	0.55	-	-	0.94
Depreciation charge for the year	513.04	3.96	31.11	44.72	2.51	-	595.34
As at 31 March 2021	**2,052.16**	**14.34**	**120.39**	**105.24**	**18.06**	**53.76**	**2,363.95**
Net book value:							
As at 31 March 2019	18,080.70	19.16	168.84	156.85	22.85	10.00	18,458.40
As at 31 March 2020	17,567.66	14.59	146.26	116.55	17.17	-	17,862.23
As at 31 March 2021	**17,054.62**	**10.53**	**115.13**	**80.51**	**14.66**	**-**	**17,275.46**

* In case of SICOM ARC Ltd , Adjustments include loss of fair valuation of Property, Plant and Equipment accounted on realizable value based on non-going concern assumption from FY 2017-18 to FY 2019-20.

Note 18: Intangible assets under development

Intangible assets under development & pre operative expendiure related to Intangible assets.

(Rs. in Lakhs)

Particulars	Amount
Opening Balance At 1 April 2019	-
Additions #	430.16
Disposals	-
Less : Provision	(7.97)
Closing Balance as at 31 March 2020	**422.19**
Additions #	151.06
Disposals	-
Less : Provision	(27.70)
Closing Balance as at 31 March 2021	**545.55**

\# - Include Rs.67.97 lakhs (Previous Year Rs 419.49 lakhs) paid to Nucleus Software Export Ltd for Finone Software and Rs. 11.09 lakhs (Previous Year Rs. 10.67 lakhs) paid to Technology Express Info Solution for Oracle Accounting Software

Note 19: Other Intangible assets*

(Rs. in Lakhs)

Particulars	Goodwill	Computer Software	Total
Cost:			
As at 31 March 2019	**0.25**	**18.19**	**18.44**
Additions	-	141.60	141.60
Disposals	-	-	-
As at 31 March 2020	**0.25**	**159.79**	**160.04**
Additions	-	0.21	0.21
Disposals			
As at 31 March 2021	**0.25**	**160.00**	**160.25**
Amortization :			
As at 31 March 2019	-	**1.09**	1.09
Disposals	-	-	-
Amortization for the year	-	23.51	23.51
As at 31 March 2020	**-**	**24.60**	**24.60**
Disposals	-	-	-
Amortization for the year	0.25	30.11	30.36
As at 31 March 2021	**0.25**	**54.71**	**54.96**
Net book value:			
At 31 March 2020	**0.25**	**135.19**	**135.44**
At 31 March 2021	**-**	**105.29**	**105.29**

* Other than internally generated

Notes to Consolidated financial statements (Continued)
for the year ended 31 March 2021
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Note 20: Other Non-financial assets

(Rs. in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Balance with Government Authority	7.91	43.88
Duty paid under protest	349.62	349.63
Prepaid expenses	24.83	10.44
Grauity (Refer Note 47)	140.23	37.09
Deposits for Tax Matters	75.71	75.71
Advances given to Joint Venture - Ramnath Realty LLP	139.65	136.18
Advances recoverable from real state Customers	63.50	148.00
Other Deposits	4.21	-
Less: Provision for Impairment	(101.58)	(142.09)
Total	**704.08**	**658.84**

Reconciliation of Provision for Impairment on Other Non-Financial Assets

(Rs in Lakhs)

Particulars	Amount
Impairment allowance measures as per simplified approach	
Impairment allowance measures as per 31 March 2019	147.09
Addition/(reduction) asset originated or acquired	(5.00)
Impairment allowance measures as per 31 March 2020	142.09
Addition/(reduction) asset originated or acquired	(40.51)
Impairment allowance measures as per 31 March 2021	**101.58**

Notes to Consolidated financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 21: Borrowings (other than deposits)

(Rs in Lakhs)

Particulars	As at 31 March 2021				As at 31 March 2020			
	Amortised cost	At fair value through profit and loss account	Designated at fair value through profit and loss account	Total	Amortised cost	At fair value through profit and loss account	Designated at fair value through profit and loss account	Total
Term Loan :								
From bank (Secured)	-	-	-	-	-	-	-	-
Loans repayable on demand : (secured)	-	-	-	-	-	-	-	-
Cash credit / Overdraft facilities from banks (secured)	12.19	-	-	12.19	-	-	-	-
Loan from Government of India (unsecured)	141.00	-	-	141.00	141.00	-	-	141.00
Loan from Government of Maharashtra Interest bearing re-adjustment loan (unsecured)	4,602.58	-	-	4,602.58	4,602.58	-	-	4,602.58
Other loans (secured)	-	-	-	-	-	-	-	-
Total	**4,755.77**	**-**	**-**	**4,755.77**	**4,743.58**	**-**	**-**	**4,743.58**
Borrowings in India	4,755.77	-	-	4,755.77	4,743.58	-	-	4,743.58
Borrowings outside India	-	-	-	-	-	-	-	-
Total	**4,755.77**	**-**	**-**	**4,755.77**	**4,743.58**	**-**	**-**	**4,743.58**

Notes to Consolidated financial statements (Continued)
for the year ended 31 March 2021
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Note 21 : Borrowing (other than deposits) (Continued)

Loans repayable on demand

(i) Loan from Government of India - Parent Company

The Company obtained Interest free loan from Ministry of Food Processing Industries (MOFPI) of Rs.291 lakhs (present outstanding is Rs.141 lakhs) for investing in the equity shares of five undertakings. As per agreement, above loan was repayable to MOFPI within three years from commencement of commercial production by these undertakings or five years from the date of payment whichever is earlier. At the expiry of the above mentioned period, SICOM was to disinvest the said amount from the investee companies and return the interest free loan to MOFPI. Any delay in payment beyond the stipulated period mentioned above was to carry interest @15% p.a. However, since these undertakings have turned sick or closed down, the Company was unable to divest investments in these undertakings. As at the Balance Sheet date, the Company had requested MOFPI for waiver of the outstanding loan along with accrued interest thereon vide letters dated July 24, 2006, December 19, 2011, April 4, 2012, March 8, 2013, Feb 13,2014,July 29, 2014 and August 19 ,2015 and accrued interest thereon. Pending a decision by Government of India, interest continues to be accrued on the aforesaid loan. There has been no further progress on the matter in FY 2019-20 & FY 2020-21.

(ii) Loan from Government of Maharashtra- interest bearing re-adjustment loan - Parent Company

In the year 1995-96, the Government of Maharashtra (GoM) divested its 51% holding in the Company for Rs.23,012.88 lakhs . This amount was provided to the Company as interest free re-adjustment loan. Thereafter, vide Government Resolution (GR) dated June 13, 2000 the terms and conditions of the said interest free readjustment loan were decided with a proviso that every year 10 percent of the loan amount would get converted into interest bearing w.e.f. financial year 2000-2001.

Accordingly by the year 2001-02, an amount of Rs.4,602.58 lakhs had become interest bearing and the balance amount of Rs.18,410.30 lakhs was non-interest bearing.

The GoM agreed vide its GR dated September 30,2002 to accept repayment of the non-interest bearing portion of Rs.18,410.30 lakhs at its Net Present Value of Rs.6,912 lakhs. Accordingly, SICOM arranged for payment of the non-interest bearing portion of the loan in the year 2002-03.

Both the aforementioned GRs also provided that repayment of the re-adjustment loan will be carried out based on mutual discussion between the Company and GoM.

In the meeting of the Empowered Committee (constituted by the GoM) dated January 31, 2004, it was suggested to consider converting interest bearing portion of the said loan into Grant or interest free loan or converting the entire loan into preference share capital. Pending decision in the matter, the Company has accrued interest on the outstanding loan for the period since April 1, 2003 @10% p.a.

The Company received a letter dated May 15, 2012 from GoM, requesting reasons for non-payment of annual interest @ 10% and non re-payment of the principal in December 2010. In reply thereto the Company vide its letter dated May 22, 2012 informed the GoM that the company had paid interest to GoM for the period upto March31,2003 and has been accruing the interest @ 10% on the outstanding loan of Rs.4,602.58 lakhs pending decision in respect of the suggestion made in the meeting of Empowered Committee held on January 31,2004. The company in the said letter also mentioned that the company has vide its letter dated March 29, 2012 requested GoM to convert the loan and the interest thereon into sub-ordinate debt for a period of 10 years and requested GoM for early decision in the matter. There has been no further progress in this matter.

As at March 31, 2020, the loan outstanding re-adjutment loan is Rs. 4,602.58 lakhs and interest accrued thereon is Rs. 7,826.90 lakhs.

As at March 31, 2021, the loan outstanding re-adjutment loan is Rs. 4,602.58 lakhs and interest accrued thereon is Rs. 8,287.16 lakhs.

Notes to Consolidated financial statements (Continued)
for the year ended 31 March 2021
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Note 22: Deposits

(Rs in Lakhs)

Particulars	31st March 2021				31st March 2020			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
Deposits (Secured)								
i) Public Deposits	-	-	-	-	-	-	-	-
ii) From Banks	-	-	-	-	-	-	-	-
iii) From Others*	52,303.32	-	-	52,303.32	85,520.89	-	-	85,520.89
Total	**52,303.32**	**-**	**-**	**52,303.32**	**85,520.89**	**-**	**-**	**85,520.89**

* Certificate of Deposits from PSU's/PSE's/Corporates.

The parent company has defaulted in the repayment of deposits pertaining to Maharashtra Krishna Valley Development Corporation and Maharashtra Niwara Nidhi. The amount of total overdue outstanding as at March 31, 2021 is Rs. 10,000 lakhs and Rs. 9,700 lakhs respectively (P. Y. Rs. Nil for both the deposits), which pertains to only principal due since December 2020 and February 2021. Interest upto 31st March 2021 have been paid on both deposits.

(A) Deposits from Others

Terms of repayment as on March 31, 2021

(Rs in lakhs)

Redeemable at par (from the date of the Balance Sheet)	Rate of Interest		Total
	< = 10%	> 10 % < 12%	
12-24 months	-	-	-
Upto 12 months	52,303.32	-	52,303.32
Total	**52,303.32**	**-**	**52,303.32**

Terms of repayment as on March 31, 2020

(Rs in lakhs)

Redeemable at par (from the date of the Balance Sheet)	Rate of Interest		Total
	< = 10%	> 10 % < 12%	
12-24 months	-	-	-
Upto 12 months	85,520.89	-	85,520.89
Total	**85,520.89**	**-**	**85,520.89**

Notes to the Consolidated financial statements (Continued)
for the year ended 31 March 2021
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Note 23: Subordinated liabilities

(Rs in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Subordinated debt (Unsecured)		
Privately placed	750.00	750.00
Publicly issued	-	-
Total : -	**750.00**	**750.00**
Subordinate liabilities in India	750.00	750.00
Subordinate liabilities outside India	-	-
Total :-	**750.00**	**750.00**

Subordinated debt is of the tenure of 30 years maturing on 28th June 2044 and at 6% p.a. yearly interest payable on 31st March every year.

Note 24: Other financial liabilities

(Rs in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Interest accrued	9,361.19	10,450.02
Unpaid dividends	2.07	5.80
Security deposit	234.94	223.29
Advance received against loans	1,362.52	1,430.33
Margin money	419.71	419.71
Employee Benefit payable	12.06	4.86
Liability for SICOM Venture Capital Fund *	2.95	2.95
Expenses Payable	28.33	8.29
Total	**11,423.77**	**12,545.25**

* The SICOM Venture Capital Fund (SVCF) has been liquidated on March 30, 2010 in the terms of Deed of Liquidation executed by the Contributors of the Fund. For the limited purpose of administering the matters related to the statutory compliances, some amount was kept aside in the Bank Accounts of the Fund. Since there is no business and no activity in the Fund effective from March 31, 2010, on account of it having been liquidated and sufficient time has since elapsed, all the assets and liabilities, in the name of the SVCF have been transferred to the STCPL, who are the Trustees for the Fund to hold the said assets in the Trust and use the same for meeting any liabilities to the extent of such assets in the near future.

Notes to the Consolidated financial statements (Continued)
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Note 25: Current tax liabiliites (net)

(Rs in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Current tax Liabilities (net)		
- For taxation	609.35	609.45
(net of advance tax & TDS Rs 16,613.56 lakhs (March 31,2020 : Rs 15,046.43 lakhs)		
Total	**609.35**	**609.45**

Note 26: Provisions

(Rs in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Provision for employee benefits		
- Gratuity (refer note 47)	10.05	3.40
- Provision for compensated absences	391.22	351.15
Others		
- ECL on undrawn commitment	0.36	0.40
- Other provision	-	-
Total	**401.63**	**354.95**

Notes to Consolidated financial statements (Continued)
for the year ended 31 March 2021
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Note 26 : Provisions ***(Continued)***
Credit quality of exposure (Undrawn loan commitment)

(Rs in Lakhs)

Internal rating grade	As at 31 March 2021					As at 31 March 2020				
	Stage 1 Individual	Stage 2 Individual	Stage 3	POCI	Total	Stage 1 Individual	Stage 2 Individual	Stage 3	POCI	Total
Performing										
High grade	-	-	-	-	-	-	-	-	-	-
Standard grade	-	-	-	-	-	194.63	-	-	-	194.63
Transferred to Stage 3			173.63		173.63					
Sub-standard grade	-	-	-	-	-	-	-	-	-	-
Past due but not impaired	-	-	-	-	-	-	-	-	-	-
Non- performing										
Individually impaired	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**173.63**	**-**	**173.63**	**194.63**	**-**	**-**	**-**	**194.63**

Loan Commitment

The table below shows the credit quality and the maximum exposure for credit risk based on the Parent Company's internal credit rating system and year-end stage classification. Details of the Parent Company's internal grading system are explained in Note 54.2 and policies on whether ECLs are calculated on an individual or collective basis are set out in Note 54.2.1.6.

An analysis of changes in the gross carrying amount and the corresponding ECLs in relation to other undrawn commitments is as follows:

Gross exposure reconciliation **(Rs in Lakhs)**

Particulars	For the year ended 31 March 2021					For the year ended 31 March 2020				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Opening balance of outstanding exposure	**194.63**	-	-	-	**194.63**	467.27	-	-	-	467.27
New exposures	-	-	-	-	-	-	-	-	-	-
Exposures derecognised or matured/lapsed (excluding write-offs)	(194.63)	-	173.63	-	(21.00)	(272.64)	-	-	-	(272.64)
Closing balance of outstanding exposure	**-**	**-**	**173.63**	**-**	**173.63**	**194.63**	**-**	**-**	**-**	**194.63**

Reconciliation of ECL balance is given below:

(Rs in Lakhs)

Particulars	For the year ended 31 March 2021					For the year ended 31 March 2020				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
ECL allowance - opening balance	**0.40**	-	-	-	**0.40**	1.25	-	-	-	1.25
New exposures	-	-	-	-	-	-	-	-	-	-
Exposures derecognised or matured (excluding write-offs)	(0.40)	-	0.35	-	(0.05)	(0.85)	-	-	-	(0.85)
ECL allowance - closing balance	**-**	**-**	**0.35**	**-**	**0.35**	**0.40**	**-**	**-**	**-**	**0.40**

Notes to the Consolidated financial statements (Continued)
for the year ended 31 March 2021
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Note 27: Other non-financial liabilities **(Rs in Lakhs)**

Particulars	As at 31 March 2021	As at 31 March 2020
Statutory dues payable	61.79	152.38
Deferred Lease expenses	16.38	24.73
Advance against Sale of Land	1,185.31	-
	1,263.48	**177.11**

Notes to the Consolidated financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 28: Issued capital

(Rs in Lakhs)

Authorised	As at 31 March 2021	As at 31 March 2020
200,000,000 (March 31, 2021 and March 31, 2020 : 200,000,000) Equity shares of Rs 10/- each	20,000.00	20,000.00
50,000,000 (March 31, 2021 and March 31, 2020 : 50,000,000) Preference shares of Rs10/- each	5,000.00	5,000.00
Total	**25,000.00**	**25,000.00**

Issued,Subscribed and fully paid up shares

Particulars	As at 31 March 2021	As at 31 March 2020
60,768,703 (March 31, 2021 and March 31, 2020 : 60,768,703) equity shares of Rs 10 each, fully paid up	**6,076.87**	6,076.87
Total	**6,076.87**	**6,076.87**

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

Particulars	No. of Shares	Rs. in Lakhs
As at 31 March 2019	6,07,68,703	6,076.87
As at 31 March 2020	6,07,68,703	**6,076.87**
As at 31 March 2021	**6,07,68,703**	**6,076.87**

Terms/ rights attached to equity shares

The Parent Company has only one class of equity share having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The Parent Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of Interim Dividend.

The Parent Company has not declared Interim Dividend during the FY 2020-21 and no dividend is proposed for the FY 2020-21.

In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion of the number of the equity shares held by the equity share holders.

Details of shareholders holding more than 5% shares in the Parent Company :

Particulars	As at 31 March 2021			As at 31 March 2020		
	No. of Shares	Amount in Lakhs	% holding in the class	No. of Shares	Amount in Lakhs	% holding in the class
Government of Maharashtra	2,98,20,800	2,982.08	49.07	2,98,20,800	2,982.08	49.07
Dhanavah Media Private Limited	1,45,84,489	1,458.44	24.00	-	-	-
JCF Bin II	1,04,29,244	1,042.92	17.16	1,97,62,679	1,976.27	32.52
Gabbro Limited	24,26,570	242.65	3.99	51,82,048	518.20	8.53

Notes to Consolidated financial statements (Continued)
for the year ended 31 March 2021
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Note 29: Other equity

(Rs in Lakhs)

Statutory Reserve pursuant to Section 45-IC of the RBI Act, 1934	Amount
As at 31 March 2019	29,148.33
Add: Transfer from surplus balance in the Statement of Profit and Loss	-
As at 31 March 2020	29,148.33
Add: Transfer from surplus balance in the Statement of Profit and Loss	-
As at 31 March 2021	29,148.33

Securities Premium Account	Amount
As at 31 March 2019	210.13
As at 31 March 2020	210.13
As at 31 March 2021	210.13

Special reserve	Amount
As at 31 March 2019	5,970.35
As at 31 March 2020	5,970.35
As at 31 March 2021	5,970.35

General Reserve	Amount
As at 31 March 2019	11,531.20
Add: Amount transferred from surplus in the Statement of Profit and Loss	-
Add: Adjustment on account of Consolidation	-
As at 31 March 2020	11,531.20
Add: Adjustment on account of Consolidation	-
Add: Amount transferred from surplus in the Statement of Profit and Loss	-
As at 31 March 2021	11,531.20

Capital Redemption Reserve	Amount
As at 31 March 2019	2,950.00
As at 31 March 2020	2,950.00
As at 31 March 2021	2,950.00

Capital Reserve on consolidation	Amount
As at 31 March 2019	125.48
As at 31 March 2020	125.48
As at 31 March 2021	125.48

Impairement Reserve (Refer Note 68)	Amount
As at 31 March 2019	-
Add : Amount transfer from Statement of Profit & Loss	416.49
As at 31 March 2020	416.49
Add : Amount transfer from Statement of Profit & Loss	(416.49)
As at 31 March 2021	-

Retained Earnings	Amount
As at 31 March 2019	(591.89)
Add: Profit / (Loss) for the year	(4,735.70)
Transfer (to)/from	-
As at 31 March 2020	(5,327.59)
Add: Profit / (Loss) for the year	(9,453.29)
Transfer (to)/from	-
As at 31 March 2021	(14,780.88)

Other Comprehensive Income	Amount
As at 31 March 2019	(1,896.74)
Add: Profit / (Loss) for the year	(44.67)
As at 31 March 2020	(1,941.41)
Add: Profit / (Loss) for the year	1,773.93
As at 31 March 2021	(167.48)

Total other equity	Amount
As at 31 March 2020	43,082.98
As at 31 March 2021	34,987.13

Note 29: Other equity ***(Continued)***

Nature and purpose of Account

Statutory Reserve pursuant to Section 45-IC of the Reserve Bank of India Act, 1934 :

The conditions and restrictions for distribution attached to statutory reserves as specified in Section 45-IC(1) in The Reserve Bank of India Act, 1934:

(1) Every non-banking financial company (NBFC) shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of profit and loss and before any dividend is declared.

(2) No appropriation of any sum from the reserve fund shall be made by the NBFC except for the purpose as may be specified by the RBI from time to time and every such appropriation shall be reported to the RBI within twenty-one days from the date of such withdrawal,

Provided that the RBI may, in any particular case and for sufficient cause being shown, extend the period of twenty one days by such further period as it thinks fit or condone any delay in making such report.

(3) Notwithstanding anything contained in sub-section (1) the Central Government may, on the recommendation of the RBI and having regard to the adequacy of the paid-up capital and reserves of a NBFC in relation to its deposit liabilities, declare by order in writing that the provisions of sub-section (1) shall not be applicable to the NBFC for such period as may be specified in the order:
Provided that no such order shall be made unless the amount in the reserve fund under sub-section (1) together with the amount in the share premium account is not less than the paid-up capital of the NBFC.

Securities Premium Account: Securities premium account is used to record the premium on issue of shares. The account can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Special reserve : A special reserve is created u/s 36(1)(viii) of Income Tax Act, 1961, such benefit being available to financial corporations, specified in Section 4A of the Companies Act, 1956 engaged in the business of providing long term finance for industrial development in India.

General Reserve: Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

Capital Redemption Reserve: The Parent Company has recognised Capital Redemption Reserve on redemption of Non-Convertible Redeemable Preference Shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the Non-Convertible Redeemable Preference Shares redeemed. The Group may issue fully paid up bonus shares to its members out of the capital redemption reserve account.

Notes to Consolidated financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 30: Interest income

(Rs. in Lakhs)

Particulars	For the year ended 31 March 2021				For the year ended 31 March 2020			
	On Financial Assets measured at FVOCI	On Financial Assets measured at Amortised cost	Interest income on Financial Assets classified at FVTPL	Total	On Financial Assets measured at FVOCI	On Financial Assets measured at Amortised cost	Interest income on securities classified at FVTPL	Total
Interest on Loans	-	991.84	-	**991.84**	-	2,573.31	-	2,573.31
Interest income from investments								-
- Interest on Bonds	-	-	3,174.20	**3,174.20**	-	-	4,678.98	4,678.98
- Interest on government securities	-	-	-	-	-	23.90	-	23.90
- Interest on deposits with Corporates	-	167.23	-	**167.23**	-	253.06	-	253.06
Interest on deposits with Banks	-	393.84	-	**393.84**	-	1,323.66	-	1,323.66
Total	-	1,552.91	3,174.20	**4,727.11**	-	4,173.93	4,678.98	8,852.91

Note 31: Dividend income

(Rs. in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Dividend earned	3.98	2.02
Total	**3.98**	2.02

Note 32: Fees and commission income

(Rs. in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue from financial services		
Fee Based Income	208.59	348.37
Total	**208.59**	348.37

Note 32.1

(Rs. In Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue from financial services		
Fee based Income	208.59	348.37
Total	**208.59**	348.37

Revenue from contracts with customers

Set out below is the revenue from contracts with customer and reconciliation to Statement of profit and loss

Note 32.2

(Rs. In Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Type of Service or Service		
Fee and commission income	208.59	348.37
Total revenue from contract with customers	**208.59**	348.37
Geographical markets		
India	208.59	348.37
Outside India	-	-
Total revenue from contract with customers	**208.59**	348.37
Timing of revenue recognition		
Services transferred at a point in time	208.59	348.37
Services transferred over time	-	-
Total revenue from contract with customers	**208.59**	348.37

SICOM Limited
Notes to Consolidated financial statements (Continued)
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Note 32 : Fees and commission income (Continued)

Note 32.3
Contract balance **(Rs. In Lakhs)**

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Trade receivables	**44.48**	24.56
Contract assets	-	-

The Group does not have any contract assets or liability, hence disclosure related to it has not been presented.

Note 33: Net Gain/(Loss) on fair value changes

(Rs. in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Net gain/ (loss) on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments	388.14	4,417.63
- Derivatives	-	-
- Others	-	-
(ii) On financial instruments designated at fair value through profit or loss	-	-
(B) Others		
Gain on Sale of Equity OCI instrument	47.65	31.79
Total Net gain/(loss) on fair value changes	**435.79**	4,449.42
Fair Value changes:		
- Realised	-	-
- Unrealised	-	-
Total Net gain/(loss) on fair value changes	**435.79**	4,449.42

Note 34: Other operating income

(Rs. in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Recovery of loans written off	32.70	107.05
Pre-payment premium	-	2.41
Total	**32.70**	109.46

Note 35: Other income

(Rs. in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Rent and license fees	630.00	543.21
Interest Income from Joint Venture	113.85	108.10
Liabilities no longer required written back	-	0.45
Write Back of provision for Impairment	40.51	5.00
Other income	4.23	13.75
Total	**788.59**	670.51

Notes to Consolidated financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 36: Finance cost

(Rs. in Lakhs)

Particulars	For the year ended 31st March 2021			For the year ended 31st March 2020		
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	Total	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	Total
Interest expense on:-						
- deposits	-	4,463.66	4,463.66	-	8,105.92	8,105.92
- borrowings	-	481.41	481.41	-	482.67	482.67
- Subordinated debt	-	45.00	45.00	-	45.00	45.00
- other	-	3.37	3.37	-	5.52	5.52
Total	**-**	**4,993.44**	**4,993.44**	**-**	**8,639.11**	**8,639.11**

Notes to Consolidated financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 37: Impairment on financial instruments

The below table shows impairment loss & reversal of impairement on financial instruments charge to statement of profit and loss based on category of financial instrument.

(Rs. in Lakhs)

Particulars	For the year ended 31 March 2021			For the year ended 31 March 2020		
	On Financial instruments measured at Fair Value through OCI	On Financial instruments measured at Amortised cost	Total	On Financial instruments measured at Fair Value through OCI	On Financial instruments measured at Amortised cost	Total
Loans and advancves to customers	-	3,091.07	3,091.07	-	(2,872.94)	(2,872.94)
loans written off	-	-	-	-	-	-
Undrawn Loan Commitment	-	(0.04)	(0.04)	-	(0.85)	(0.85)
ECL on Inter Corporate Deposit	-	-	-	-	-	-
Trade receivables	-	(22.70)	(22.70)	-	27.82	27.82
Bad debts written off (Trade receivables)		23.06	23.06			
Others	-	56.49	56.49	-	1,208.41	1,208.41
Total	**-**	**3,147.88**	**3,147.88**	**-**	**(1,637.56)**	**(1,637.56)**

The table below shows the ECL charges on financial instruments for the year recorded in the profit and loss based on evaluation stage:

(Rs. in Lakhs)

Particulars	For the year ended 31 March 2021						For the year ended 31 March 2020					
	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	POCI	Simplified approach	Total	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	POCI	Simplified approach	Total
Loans and advances to customers	-	-	3,091.07	-	-	3,091.07	(957.57)	-	(1,915.37)	-	-	(2,872.94)
Loan Written-Off	-	-	-	-	-	-	-	-	-	-	-	-
Undrawn Loan Commitment	-	-	(0.04)	-	-	(0.04)	(0.85)	-	-	-	-	(0.85)
Trade receivables	-	-	-	-	(22.70)	(22.70)	-	-	-	-	27.82	27.82
Bad debts written off (Trade receivables)		-	-	-	23.06	23.06	-	-	-	-	-	-
Others	-	-	-	-	56.49	56.49	-	-	-	-	1,208.41	1,208.41
Total impairment loss	**-**	**-**	**3,091.03**	**-**	**56.85**	**3,147.88**	**(958.42)**	**-**	**(1,915.37)**	**-**	**1,236.23**	**(1,637.56)**

Notes to Consolidated financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 38: Employee benefit expenses

(Rs. in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries and wages	876.63	835.59
Compensated Absences	7.82	5.93
Gratuity (Refer note 47)	24.89	19.11
Contribution to provident and other funds	137.43	138.77
Staff welfare expenses	28.07	51.17
Total	**1,074.84**	**1,050.57**

Note 39: Depreciation and amortization

(Rs. in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation of tangible assets	595.33	608.85
Amortization of intangible assets	30.12	23.51
Total	**625.45**	**632.36**

Note 40: Other expenses

(Rs. in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Rent	5.79	5.79
Rates and taxes	209.17	226.31
Repairs and Maintenance	22.09	61.82
Energy cost	28.92	51.02
Travelling expenses	34.63	19.02
Directors' sitting fees	5.53	9.10
Legal and professional charges	476.83	507.36
Promotional expenses	0.37	0.81
Loss on sale of Property, plant and equipment (net)	-	0.05
Printing and stationery	2.46	9.54
Communication costs	7.35	10.96
Bank charges and commission	0.13	0.94
Insurance charges	12.67	6.60
Computer and related expenses	63.31	160.44
CCIL charges	0.08	0.05
Amortization of Government Securities Premium	-	2.31
Provision on Intangible Assts under development	27.70	7.97
ROC Expenses	15.53	1.95
Office Expenses	5.38	9.48
GST Expenses	13.45	4.39
Goodwill written off	0.25	-
Auditor's fees and expenses (refer note 40.1)	33.77	33.67
Expenditure towards Corporate Social Responsibility (Refer note 55)	-	-
Miscellaneous expenses	124.50	307.13
Total	**1,089.91**	**1,436.71**

Note 40.1 : Auditor's fees and expenses

(Rs. in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
As auditor:		
- Audit Fee	32.77	30.27
- Tax Audit Fee	1.00	1.00
- for reimbursement	-	2.40
	33.77	**33.67**

Notes to Consolidated financial statements (Continued)
for the year ended 31 March 2021
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Note 41: Exceptional Items

During the year ended March 31, 2020 and March 31, 2021, the Holding Company has carried out valuation of its non- convertible bonds (classified under Default category) from an independent valuer. Fair valuation of bonds are based on current estimate of collectability of bond amounts from public information, latest available financial statements and estimates made by independent valuer. The provisions made on such bonds are shown under exceptional items as detailed below :

(Rs. in Lakhs)

Name of Scrip	Investment Amount	Provision impact in Statement of Profit and Loss	
		31 March 21	31March 20
8.25% Reliance Capital Ltd. 2020 14/04/2020	10,041.95	1,004.75	1,004.20
9% Dewan Housing Finance Corporation Limited 04/06/2023	540.65	185.49	135.16
8.90% Dewan Housing Finance Corporation Limited 04/06/2028	490.00	167.50	122.50
9% Dewan Housing Finance Corporation Limited 04/06/2028	2,470.00	852.50	617.50
8.70% Reliance Home Finance Ltd 03/01/2020	5,015.68	2,106.71	2,006.27
11% IL & LS Energy Development Company Ltd 16/04/2021	5,000.00	1,839.00	686.00
11.50% IL & FS Transportation Networks Ltd. 21/06/2024	1,445.25	-	738.81
11.8% IL & FS Transportation Networks Ltd 21/12/2024	2,263.80	-	1,157.24
Total : -	**27,267.33**	**6,155.95**	**6,467.68**

Note 42: Change in estimate and judgement

The Holding Company has made change in estimate and judgement is on account of provisions on loans which has been written back in the year 2019-20 based on the security valuation, the impact of which has been made in retained earnings for FY 2017-18 of Rs. 3,098.75 Lakhs (net of taxes) and for FY 2018-19 of Rs. 756.99 Lakhs (net of taxes).

Notes to Consolidated financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 43: Segment Information

(i) Description of segments and principal activities:

The Group operates in three Business Segments namely NBFC, Realty & ARC. Business segments have been identified as reportable segments based on how the CODM examines the Group's performance. Since the business operations of the Group are primarily concentrated in India, the Group is considered to operate only in the domestic segment.

Types of products and services in each business segment:

A. NBFC
a) Lending and Advisory: Long Term Loans, Corporate Loans, Short Term Loans, Inter Corporate Deposits, Promoter Funding, Bill Discounting and Advisory.
b) Treasury: Investments in Shares, Mutual Funds, Corporate Bonds, Government Securities and CBLOs.

B. Realty
Making equity investment in real estate projects and providing advisory services to real estate companies.

C. ARC
Managing the stressed assets of banks and financial institutions.

(ii) Summary of Segment information is as under:

Transaction between segments are carried out at arm's length and are eliminated on consolidation. The segment revenue is measured in the same way as in the Consolidated Statement of Profit and Loss. Revenue has been identified to a segment on the basis of relationship to operating activities of the segment. Revenue which relate to the Group as a whole and are not allocable to a segment on a reasonable basis have been disclosed as 'Unallocated'.

Segment assets and segment liabilities represent assets and liabilities in respective segments. Tax related assets and other assets and liabilities which relate to the Group as a whole and that cannot be allocated to a segment on reasonable basis have been disclosed as 'Unallocated'.

(Rs. in Lakhs)

Particulars	Year ended 31 March, 2021					Year ended 31 March, 2020				
	NBFC	REALTY BUSINESS	ARC	UNALLOCATED	Total	NBFC	REALTY BUSINESS	ARC	UNALLOCATED	Total
Segment Revenue	6,183.59	154.36	145.71	7.32	6,490.98	12,387.73	113.55	281.32	1,955.80	14,738.40
Inter Segment Revenue	320.09	-	25.97	(0.10)	345.96	(202.29)	-	(25.97)	(77.45)	(305.71)
Total Revenue	**6,503.68**	**154.36**	**171.68**	**7.22**	**6,836.94**	12,185.44	113.55	255.35	1,878.35	14,432.69
Segment Results	(4,223.79)	(214.40)	156.52	(689.30)	(4,970.98)	4,152.25	(195.54)	212.71	142.08	4,311.51
Net profit before Exceptional items & tax	-	-	-	-	**(4,970.98)**	-	-	-	-	4,311.51
Less:Exceptional items	-	-	-	-	6,155.95	-	-	-	-	6,467.68
Net profit before tax					**(11,126.93)**	-	-	-	-	(2,156.17)
Less: Income taxes	-	-	-	-	(1,021.21)	-	-	-	-	2,051.29
Net profit after tax	-	-	-	-	**(10,105.72)**	-	-	-	-	(4,207.46)
Share of profit/(loss) of Joint Venture	-	-	-	-	(111.74)	-	-	-	-	(111.74)
Net profit after tax and share of profit/(loss) of Joint Venture	-	-	-	-	**(10,217.46)**	-	-	-	-	(4,319.20)
Segment Assets	94,068.65	3,374.74	3,283.86	16,228.90	1,16,956.14	1,20,674.32	3,381.48	3,180.21	33,084.02	1,60,320.03
Inter Segment Asset	(4,166.57)	-	-	-	(4,166.57)	(5,760.91)	-	-	-	(5,760.91)
Total Assets	**89,902.07**	**3,374.74**	**3,283.86**	**16,228.90**	**1,12,789.57**	1,14,913.41	3,381.48	3,180.21	33,084.02	1,54,559.12
Segment Liabilities	81,786.57	1,999.00	91.65	36.48	83,913.70	1,13,257.51	1,754.58	41.63	18.00	1,15,071.72
Inter Segment Liability	(7,982.83)	(1,851.45)	(104.32)	(2.43)	(9,941.03)	(7,982.83)	(1,658.81)	(28.38)	(2.43)	(9,672.45)
Total Liabilities	**73,803.74**	**147.55**	**(12.67)**	**34.05**	**73,972.67**	1,05,274.68	95.76	13.25	15.57	1,05,399.26
										-
Other Information										
Capital expenditure	160.18	-	-	-	160.18	13.29	-	-	-	13.29
Depreciation, Amortization and Impairment	595.33	30.12	-	-	625.45	622.36	-	10.00	-	632.36
Impairment on Financial Instruments	5,010.84	6,155.95	-	-	11,166.79	2,394.55	26.50	8.56	6.54	2,436.15
Reversal of Impairment on Financial Instruments	-	-	-	-	-	(4,073.71)	-	-	-	(4,073.71)
Other non-cash expenses	27.70	-	-	-	27.70	10.33	-	-	-	10.33

Notes to Consolidated financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 44: Income Tax
The components of income tax expense for the years ended 31 March 2021 and 31 March 2020 are:

(Rs. in lakhs)

Particulars	**Year ended 31 March 2021**	**Year ended 31 March 2020**
Current tax	25.00	53.00
Tax Adjustment & Excess provision of last year	20.61	259.51
Deferred tax relating to origination and reversal of temporary differences	(1,066.82)	1,738.78
Total tax charge	**(1,021.21)**	**2,051.29**
Current tax	25.00	53.00
Tax Adjustment & Excess provision of last year	20.61	259.51
Deferred tax relating to OCI	(10.93)	49.15
Deferred tax Charge/(Credit)	(1,055.89)	1,689.63

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been

(Rs. in lakhs)

Particulars	**Year ended 31 March 2021**	**Year ended 31 March 2020**
Accounting profit before tax	(10,890.71)	(2,156.18)
At India's statutory income tax rate	(3,635.32)	(719.73)
Adjustment in respect of current income tax of prior years	20.61	259.51
Reversal of provision for doubtful advances on adoption of Ind AS	-	-
Income not subject to tax	2.02	2.02
Long term capital gain on shares	(10.61)	(10.61)
Non Deductible Expenses		
Corporate social responsibility expenditure not allowable for tax purpose	-	-
Disallowance u/s 14A of Income Tax Act, 1961	-	-
Property, plant and equipment Written Off	-	-
Others	-	-
Unrecognised Deferred Tax on losses #	-	-
Impact of Unrecognised Deferred Tax Asset on account of lack of reasonable certainity*	2,602.09	2,520.10
Income tax expense reported in the statement of profit or loss	**(1,021.21)**	**2,051.29**

* Deferred tax assets and Deferred tax liabilities have been off set as they relate to the same governing tax laws. The management of Parent Company has reviewed the carrying value of deferred tax asset and has decided to write down the same in absence of reasonable certainity to Rs 11,680.88 Lakhs as on March 31,2021 and Rs. 10,624.95 Lakhs as on March 31,2020.

The individual financial statements SARC, SIFL, SCML & STCL (subsidiaries of the Parent Company) have been prepared on realisable value basis, being non going concern entities, therefore deferred tax has not been recognised.

Notes to Consolidated financial statements (Continued)
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Note 44 : Income Tax (Continued)

Deferred Tax
The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

(Rs. in Lakhs)

Particulars	Deferred Tax Assets	Deferred Tax Liabilities	Income Statement	OCI
	As at March 31, 2021	As at March 31, 2021	As at March 31, 2021	As at March 31, 2021
Property, plant and equipment, intangible assets and investment property - carrying amount	573.01	4,833.13	33.94	-
EIR impact on debt instrument in the nature of advances measured at Amortised Cost	-	-	(11.05)	-
Provision for post retirement benefits	105.34	-	-	(10.93)
Impairment allowance for undrawn commitments	0.13	-	-	-
Fair valuation of investments	-	3,429.33	(202.68)	-
Impairment allowance on Financial instruments	19,211.49	-	1,144.37	-
Other temporary differences	53.37	-	102.24	-
Total	**19,943.34**	**8,262.46**	**1,066.82**	**(10.93)**
MAT Credit availment	-	-	-	-
Total	**19,943.34**	**8,262.46**	**1,066.82**	**(10.93)**

(Rs. in Lakhs)

Particulars	Deferred Tax Assets	Deferred Tax Liabilities	Income Statement	OCI
	As at March 31, 2020	As at March 31, 2020	Year ended March 31, 2020	Year ended March 31, 2020
Property, plant and equipment, intangible assets and investment property - carrying amount	-	4,867.13	110.54	-
EIR impact on debt instrument in the nature of advances measured at Amortised Cost	11.05	-	(36.22)	-
Provision for post retirement benefits	121.40	-	1.51	49.15
Impairment allowance for undrawn commitments	0.13	-	(0.28)	-
Fair valuation of investments	-	2,844.94	(774.06)	-
Impairment allowance Financial Instruments	18,218.60	-	(1,001.38)	-
Other temporary differences	-	42.63	(38.89)	-
Total	**18,351.18**	**7,754.70**	**(1,738.78)**	**49.15**
MAT Credit availment	28.47	-	-	-
Total	**18,379.65**	**7,754.70**	**(1,738.78)**	**49.15**

Amounts recognised in respect of current tax / deferred tax directly in equity :

(Rs. in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Amounts recognised in respect of current tax / deferred tax directly in equity	-	-

Tax losses and Tax credits

(Rs. in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unused Tax Losses for which no deferred tax asset has been recognised	4,761.25	5,544.79
Unused Tax Credits - MAT credit entitlement	-	-

Unrecognised temporary differences

(Rs. in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Temporary differences relating to subsidiaries for which deferred tax liability has not been recognized as the Parent Company is able to control the temporary difference :		
Undistributed earnings	0.00	2,115.97

Notes to Consolidated financial statements (Continued)
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Note 45: Earning per share

Basic earnings per share (EPS) is calculated by dividing the net profit/(loss) for the year attributable to equity holders of the Group by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit/(loss) attributable to equity holders of the Group (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

(Rs. in Lakhs)

Particulars	**Year ended 31 March 2021**	**Year ended 31 March 2020**
Net profit/ (loss) attributable to ordinary equity holders of the Parent Company **(Rs in Lakhs) (A)**	(9,453.29)	(4,735.70)
Weighted average number of Equity shares for basic earnings per share (No. in Lakhs) (B)	607.69	607.69
Weighted average number of Equity shares adjusted for effect of dilution (No. in Lakhs) (C')	607.69	607.69
Earnings per share		
Basic earnings per share (Rs.)	(15.56)	(7.79)
Diluted earnings per share (Rs.)	(15.56)	(7.79)
Face value per share	10.00	10.00

Notes to Consolidated financial statements (Continued)
for the year ended 31 March 2021
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Note 46: Interest in other entities

(a) Subsidiaries

Name of entity	Principal activities	Place of business/ country of incorporation	Controlling Interest held by the Group		Non-controlling Interest	
			As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
SICOM ARC Limited	NPA recovery	India	100%	100%	-	-
SICOM Realty Limited	Land aggregation for company and client & Investment in Real estate Project	India	100%	100%	-	-
SICOM Investments & Finance Limited	Finance lending	India	100%	100%	-	-
SICOM Capital Management Private Limited	Asset Management Company	India	100%	100%	-	-
SICOM Trustee Company Private Limited	Trustee Company for venture Capital	India	100%	100%	-	-

(b) Details of Joint ventures are as under:

Rs. In Lakhs

Name of entity	Principal activities	Place of business/ country of incorporation	Participating Interest held by the Group		Carrying amount	
			As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Ramnath Realty LLP (RR LLP)	Real estate	India	43.00%	43.00%	1,242.37	1,241.14
Tycoons Avanti Projects LLP (TAP LLP)	Real estate	India	-	-	-	-
KRS Realty LLP (KRS LLP)	Real estate	India	43.00%	43.00%	0.76	0.76

Reconciliation to carrying amounts

Rs. In Lakhs

Particulars	Ramnath Realty LLP (RR LLP)		KRS Realty LLP (KRS LLP)	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Opening carrying value of Investment	1,350.03	1,350.03	3.61	3.61
Sold during the year	(0.28)	-	-	-
Share of Profit / (Loss) for the year	(108.89)	(108.89)	(2.85)	(2.85)
Share of Other comprehensive income for the year	-	-	-	-
Closing carrying value of Investment	1,240.86	1,241.14	0.76	0.76
Group's share in %	43.00	43.00	43.00	43.00
Group's share in Rs. In lakhs	1,240.86	1,241.14	0.76	0.76
Including Goodwill	-	-	-	-
Carrying amount of Investment	1,240.86	1,241.14	0.76	0.76

Joint ventures are not material to the group, the relevant summarised financial information for such joint ventures are presented as below –

Note 46: Interest in other entities *(Continued)*

Summarised Statement of Profit and Loss

Rs. In Lakhs

Particulars	Ramnath Realty LLP (RR LLP)		KRS Realty LLP (KRS LLP)	
	Year ended March 31, 2021	Year ended March 31, 2020	**Year ended March 31, 2021**	Year ended March 31, 2020
Revenue	**0.87**	0.88	-	-
Profit / (Loss) before tax	**(0.44)**	(0.20)	-	-
Profit / (Loss) after tax	**(0.44)**	(0.20)	-	-
Other comprehensive income	-	-	-	-

Summarised Statement of Profit and Loss of Immaterial Joint Venture

Rs. In Lakhs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Share in profit or (loss)	**(110.51)**	(111.74)
Share in other comprehensive income	-	-
Share in total comprehensive income	-	-

(c) Non-Controlling Interests - There are no non - controlling interests material to the Group.

(d) The Group does not have structured entities required to be consolidated.

(e) Interest in Joint Venture is accounted using Equity Method.

Notes to Consolidated financial statements (Continued)
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Note 47 : Employee benefit plan

Defined Contribution Plan

The Holding Company makes contributions to Provident Fund, Superannuation Fund and Social Labour Welfare Fund and SICOM ARC Limited (a subsidiary Company) makes contribution to Superannuation Fund which are defined contribution plans for qualifying employees. Under the Schemes, the Companies are required to contribute a specified percentage of the payroll costs to fund the benefits. The Group recognized March 31, 2021 :Rs.137.43 (March 31, 2020: Rs.138.77) in the Statement of Profit and Loss towards Provident Funds and other funds. The contributions payable to these plans by the Companies are at rates specified in the rules of the Schemes.

(A) Defined Contribution Plan

Benefit/Contribution to	As at March 31, 2021	As at March 31, 2020
Employers Provident Fund	58.92	61.80
Employee Deposit Linked Insurance Scheme	0.55	0.61
Maharashtra Labour Welfare Fund	0.01	0.01
Employees Pension Fund	9.17	10.26
Provident Fund Administrative charges	1.05	0.99
Superannuation Fund	67.73	65.10
Total	**137.43**	**138.77**

Since the number of employees in the Subsidiary Companies of the Group i.e. SICOM Investments & Finance Limited , SICOM Realty Limited, SICOM Trustee Company Private Limited and SICOM Capital Management Private Limited are below the threshold limit as prescribed under the Employees' Provident Funds and Miscellaneous Act, 1952, the provisions of Provident Fund are not applicable on these Companies.

(B) Annual Leave and Sick Leave (compensated absence)

Particulars	As at March 31, 2021	As at March 31, 2020
EL Encashment	61.55	60.99
Casual Leave Encashment	57.17	12.80
Sick Leave Encashment	16.64	2.97
Total	**135.36**	**76.76**

The liability towards compensated absences (annual leave and sick leave) for the year ended 31st March, 2021 based on actuarial valuation carried out by using Projected Unit Credit method resulted in increase in liability by Rs 44.63 lakhs (previous Year- decreased by Rs.17.25 lakhs)

Financial Assumptions	SICOM	SRL	SICOM	SRL
	March 31,2021	March 31,2021	March 31,2020	March 31,2020
Discount Rate	5.58%	5.70%	6.50%	6.40%
Basic salary increases allowing for Price inflation	6.50%	5.00%	6.00%	5.00%

Demographic Assumptions	SICOM	SRL	SICOM	SRL
	March 31,2021	March 31,2021	March 31,2020	March 31,2020
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Employee Turnover	17.89%	Nil	15.00%	Nil

Note 47: Employee benefit plan (Continued)

(A) Defined Benefit Plan

Gratuity: The Holding Company (SICOM) and SRL (a subsidiary company) provides gratuity, a defined benefit plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on respective employee's salary and the tenure of employment. The Company's liability is provided on the basis of year end Actuarial valuation. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise. The Gratuity plan for SICOM Limited is funded and for SICOM Reality is un-funded.

Gratuity is payable to all eligible employees of the Companies on superannuation, death and permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972 or as per the Company's Scheme whichever is more beneficial.

The estimates of future salary increase considered in acturial valuation takes into account inflation, seniority, promotion and other relevant factors.

Since the number of employees in the Subsidiary Companies of the Group i.e. SICOM Investments & Finanace Limited , SICOM ARC Limited, SICOM Trustee Company Private Limited and SICOM Capital Management Private Limited are below the threshold limit as prescribed under the Payment of Gratuity Act, 1972, the provisions of Gratuity Fund are not applicable to these Companies.

The following tables summaries the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan.

Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2021:

(Rs in Lakhs)

FY 2020-21	As on 01-Apr-2020	Gratuity expense charged to statement of profit and loss					Remeasurement gains/(losses) in other comprehensive income					Contributions by employer	As on 31-Mar-2021
		Service cost	Net interest expense / (income)	Past service cost	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI		
Defined benefit obligation	478.69	24.45	28.69	-	53.14	(33.81)	-	0.32	19.61	4.60	24.53	-	522.55
Fair value of plan assets	(512.38)	-	(33.31)	-	(33.31)	33.81	(8.72)	-	-	-	(8.72)	(137.19)	(657.79)
Benefit liability /(asset)	**(33.69)**	**24.45**	**(4.62)**	**-**	**19.83**	**-**	**(8.72)**	**0.32**	**19.61**	**4.60**	**15.81**	**(137.19)**	**(135.24)**

Note 47: Employee benefit plan (Continued)

Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2020:

(Rs in Lakhs)

		Gratuity expense charged to statement of profit and loss					Remeasurement gains/(losses) in other comprehensive income						
2019-20	**01-Apr-19**	**Service cost**	**Net interest expense / (income)**	**Past service cost**	**Sub-total included in profit or loss**	**Benefits paid**	**Return on plan assets (excluding amounts included in net interest expense)**	**Actuarial changes arising from changes in demographic assumptions**	**Actuarial changes arising from changes in financial assumptions**	**Experience adjustments**	**Sub-total included in OCI**	**Contributions by employer**	**31-Mar-20**
Defined benefit obligation	(461.35)	(26.24)	(34.61)	-	(60.85)	97.85	-	-	(54.35)	-	(54.35)	-	(478.69)
Fair value of plan assets	556.52	-	41.74	-	41.74	(97.85)	4.80	-	-	-	(4.80)	16.77	512.38
Benefit liability /(asset)	**95.17**	**(26.24)**	**7.13**	**-**	**(19.11)**	**-**	**4.80**	**-**	**(54.35)**	**-**	**(59.15)**	**16.77**	**33.69**

Notes to Consolidated financial statements (Continued)
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Note 47 : Retirement benefit plan (Continued)

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	SICOM	SRL	SICOM	SRL
	31-Mar-2021	31-Mar-2021	31-Mar-2020	31-Mar-2020
Expected return on Plan assets	5.58%	0.00%	6.50%	0
Rate of discounting	5.58%	5.70%	6.50%	6.40%
Expected rate of salary increase	6.50%	5.00%	6.00%	5.00%
Rate of employee turnover	15%	-	15%	-
Mortality rate.	Indian Assured Lives (2012-14) Ultimate Mortality Rates.	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives (2012-14) Ultimate Mortality Rates.	Indian Assured Lives Mortality (2012-14)

(Rs in Lakhs)

Assumptions	Discount rate		Future salary increases		Attrition Rate *	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation - SICOM	(13.84)	14.68	14.41	(13.85)	0.50	(0.52)
Impact on defined benefit obligation - SRL	(4.80)	0.50	5.15	(4.84)	5.00	0.00

* Attrition Rate for SICOM is taken on actual basis. No assumptions are made for the same.

(Rs in Lakhs)

Expected payment for future years	31-Mar-2021	31-Mar-2020
Within the next 12 months	95.39	32.39
Between 2 and 5 years	326.39	242.75
Beyond 5 years	85.50	203.39
Beyond 10 years	15.27	
Total expected payments	**522.55**	**478.53**

Percentrage of each category of Plan Assets to Total closing fair value of Plan Assets	31-Mar-2021	31-Mar-2020
Bank Deposits (SpDep Scheme 1975)	-	-
Debt Instruments	-	-
Administered by Life Insurance Corporation of India	100%	100%

Notes to Consolidated financial statements (Continued)
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Note 48: Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. Assets and liabilities of SICOM Limited and SICOM Realty Limited are considered for below analysis. Assets and Liabilities of other subsidiaries viz. SICOM Investments and Finance Limited, SICOM ARC Limited, SICOM Capital Management Private Limited and SICOM Trustee Company Private Limited, being non-going concern are not relevant and hence maturity analysis is not presented as the financials of such subsidiaries are prepared on realisable value basis for the financial year 202-21.

(Rs in Lakhs)

Particulars	As at 31 March 2021			As at 31 March 2020		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	161.08	-	161.08	18,250.66	-	18,250.66
Bank Balance other than cash and cash equivalents	2.07	-	2.07	3.73	2.07	5.80
Trade Receivables	44.48	-	44.48	24.56	-	24.56
Other receivable	17.79	-	17.79	20.15	-	20.15
Loans	9.26	15,797.05	15,806.31	1,718.81	23,980.81	25,699.62
Investments	6,287.52	51,248.60	57,536.12	8,587.60	62,767.11	71,354.71
Other Financial assets	778.79	69.47	848.26	742.34	987.02	1,729.36
Non-financial assets						
Current tax assets (net)	-	4,363.81	4,363.81	4,177.86	-	4,177.86
Deferred tax assets (net)	573.01	11,107.87	11,680.88	566.73	10,058.22	10,624.95
Investment property	347.46	48.75	396.21	379.96	16.25	396.21
Property, plant and equipment	0.24	17,275.22	17,275.46	0.24	17,862.00	17,862.24
Intangible assets under development	-	545.55	545.55	-	422.19	422.19
Other intangible assets	-	105.29	105.29	-	135.20	135.20
Other non-financial assets	181.49	518.04	699.53	233.99	420.52	654.51
Total assets	**8,403.19**	**1,01,079.65**	**1,09,482.84**	**34,706.63**	**1,16,651.39**	**1,51,358.02**
Financial liabilities						
Trade payables	113.90	-	113.90	511.79	-	511.79
Other payables	80.06	-	80.06	163.84	-	163.84
Borrowings (other than deposits)	4,743.58	-	4,743.58	4,743.58	-	4,743.58
Deposits	52,303.32	-	52,303.32	85,520.89	-	85,520.89
Subordinated Liabilities	-	750.00	750.00	-	750.00	750.00
Other Financial liabilities	11,356.53	35.96	11,392.49	12,522.54	121.53	12,644.07
Non-financial liabilities						
Current tax liabilities (net)	362.45	-	362.45	362.45	-	362.45
Provisions	133.72	254.80	388.52	75.92	273.28	349.20
Deferred tax liabilities (net)	-	-	-	-	-	-
Other non-financial liabilities	1,251.49	10.28	1,261.77	144.45	24.73	169.18
Total liabilities	**70,345.05**	**1,051.04**	**71,396.09**	**1,04,045.46**	**1,169.54**	**1,05,215.00**
Net	**(61,941.86)**	**1,00,028.61**	**38,086.75**	**(69,338.83)**	**1,15,481.85**	**46,143.02**

Notes to Consolidated financial statements (Continued)
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Note 49: Change in liabilities arising from financing activities

(Rs. in Lakhs)

Particulars	As at 31 March 2020	Cash Flows	Changes in fair value	Exchange difference	Other	As at 31 March 2021
Deposits #	85,520.89	(33,217.57)	-	-	-	52,303.32
Borrowings (other than debt securities)	4,743.58	12.19	-	-	-	4,755.77
Subordinated Liabilities	750.00	-	-	-	-	750.00
Total	**91,014.47**	**(33,205.38)**	**-**	**-**	**-**	**57,809.09**

(Rs. in Lakhs)

Particulars	As at 31 March 2019	Cash Flows		Exchange difference	Other	As at 31 March 2020
Deposits #	1,29,977.94	(44,457.05)	-	-	-	85,520.89
Borrowings (other than debt securities)	4,743.58	-	-	-	-	4,743.58
Subordinated Liabilities	750.00	-	-	-	-	750.00
Total	**1,35,471.52**	**(44,457.05)**	**-**	**-**	**-**	**91,014.47**

- Above amounts do not include accrued Interest

Notes to Consolidated financial statements (Continued)
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Note 50: Contingent liabilities and commitments

(a) Contingent Liabilities **(Rs in lakhs)**

Particulars	As at 31 March 2021	As at 31 March 2020
i) Claims against the Group not acknowledged as debts (Refer Note 50.1)	38,401.59	38,380.69
ii) Disputed income tax demands	4,948.08	4,948.08
iii) Disputed service tax demands	7152.92	7152.92
iv) Disputed demand from landlords (Refer Note 50.2)	1,825.00	1,825.00
v) Loan received Ministry of Food Processing Industries (MOFPI) Govt of India (Refer Note 50.3)	66.00	66.00
Total	**52,393.59**	**52,372.69**

(b) Commitments

(Rs in lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Undisbursed loans sanctioned	173.63	194.63
Capital Commitments	19.10	158.10
Total	**192.73**	**352.73**

50.1 (a) SICOM Limited- Including claims of Rs. 37,983.98 lakhs (previous year Rs. 37,963.08 lakhs) by way of damages claimed by various Customers against whom the company has initiated recovery proceedings in respect of loans aggregating Rs. 227 lakhs (previous year Rs. 227 lakhs).

Reserve Bank of India ('RBI') vide its letter No. DNBS(BD) No. 140/05.02/2000-01 dated 7th August, 2000 has concurred with the company's view that for the purpose of computation of Capital to Risk weighted assets ratio (CRAR), the contingent liability would be limited to amounts / dues outstanding as on the date of filing of suit or takeover of assets charged as security, irrespective of the damages claimed by the borrower.

50.1 (b) In respect of SICOM ARC Limited, Claim amounting to Rs. 17.88 lakhs (previous year Rs.17.88 lakhs) made by Reliable Industrial Services towards security charges, vide order dated 23rd March, 2017, passed by Recovery Officer (Debt Recovery Tribunal) for the period April, 2010 to February, 2017 in respect of an Non Performing Asset Solar Pharmachem Limited against which the company preferred an appeal with the presiding officer (Debt Recovery Tribunal).

50.1 (c) In respect of SICOM Realty Limited, Claim amounting to Rs. 399.73 lakhs (previous year Rs. 399.73 lakhs) made by Vidarbha Industries Power Ltd (VIPL) by way of Commercial Summary Suit filed in July 2017 pending before the High Court (Mumbai) in respect of recovery of refund of 50% professional fees paid by VIPL to the Company. In March, 2018, the High Court has granted the company an unconditional leave to defend the commercial suit filed against it by VIPL.

50.2 This is with respect to premises taken on rent by SICOM Limited

50.3 SICOM Limited - Loan received from Ministry of Food Processing Industires (MOFPI), Govt. of India, along with similar contribution by the Company was disbursed to Dynamix Dairy Industies ('Dynamix'). The company as well as Dynamix had written to Ministry for waiver of interest on such loans. Interest liability on such loans has been appropriated by the company against the Corporate Deposits placed by Dynamix. MOFPI may demand payment if application for waiver rejected.

50.4 SICOM Limited - As regards the land parcel situated at Village Parsodi and Dorli, Wardha, the Government of Maharashtra had vide its letter dated May 20, 2016 informed the company to remit 50% of the unearned income to the Government.

In response, SICOM has clarified to the Government vide its letter dated September 20, 2016 that the land parcel is owned by SICOM and the original land owners have been duly paid the consideration including additional compensation.

Further, the company has brought it to the notice of the Government of Maharashtra that in terms of the relevant GRs, unearned income is payable in respect of Government Land and since the land parcel at Wardha is owned entirely by SICOM no unearned income is payable to the Government.

In view of the above, the company has requested the Government of Maharashtra to waive the clause regarding remittance of the unearned income. The company has again vide its letter dated 18th January,2017 informed the Government that the decision regarding waiver of the clause is awaited from the Government. However, there has been no response from the Government in the matter nor has the Government raised any fresh demand in the matter.

The company is of the opinion, that having regard to the title of the land there is remote possibility of the company requiring to remit the unearned income as demanded by the Government of Maharashtra and therefore not shown as contingent liability.

Notes to Consoldiated financial statements (Continued)
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Note 51: Related party disclosures

	Relationship	Name of the party
(i)	Enterprises having significant influence over the Company	JCF BIN II Dhanavah Media Pvt. Ltd. Government of Maharashtra
(ii)	Key Management Personnel	Dr. Kavita Gupta, Managing Director (Upto 30th September, 2020) Dr. Harshadeep Shriram Kamble, Managing Director, Additional Charge (from 1st October, 2020 to 24th November, 2020) Ms. Aastha Luthra, Managing Director (from 24th November, 2020 to 11th December, 2020) Mr. Parrag Jaiin Nainutia, Managing Director, Additional charge (from 11th December 2020) Mr. Deba Prasad Roy, Independent Director (Upto 26th September, 2020) Mr. Suneet Shriniwas Maheshwari, Independent Director (Upto 28th September, 2020) Mr. Satish Madhukar Gavai, Nominee Director (upto 12th June, 2020) Mr. Rahul Gupta, Nominee Director (JCF BIN II, JCF BIN II A and JCF BIN II B) Mr. Anbalagan Ponnusamy, Nominee Director (from 19th December, 2018) Dr. Harshadeep Shriram Kamble, Nominee Director Mr. B. Venugopal Reddy, Nominee Director (from 13th June, 2020 to 3rd February, 2021) Mr. Baldev Harpal Singh, Nominee Director (from 4th February, 2021)
(iii)	Relatives of KMP (with whom there were transactions during the year/previous Year) -	None
(iv)	Joint Ventures	Tycoon avanti projects LLP. The Company sold its stake in the project during FY 2017-18. So, disclosure is given for FY 2017-18 Ramnath Realty LLP KRS Realty LLP

Notes to Consolidiated financial statements (Continued)
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Note 51 : Related party disclosures (Continued)

Related party transactions during the year:

(Rs. In Lakhs)

Particulars	Joint Ventures		Key Management Personnel	
	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2021	For the year ended 31 March 2020
PAYMENT / EXPENSES				
Compensation of key management personnel.				
Remuneration paid to key management personnel.	-	-	20.83	42.24
Sitting fee paid to directors	-	-	4.27	8.32
RECEIPTS / INCOME				
Profit on Sale of Investment				
Tycoons Avanti projects LLP	-	-	-	-
Investment Sold				
Tycoons Avanti projects LLP	-	-	-	-

(Rs. In Lakhs)

Particulars	Joint Ventures		Key Management Personnel	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Balance outstanding as at the year end:				
Interest accrued and due on ICD				
Ramnath Realty LLP	870.63	870.63	-	-
Investments in Joint Ventures				
Ramnath Realty LLP	1,241.43	1,241.90	-	-
KRS Realty LLP	0.76	0.76	-	-
Interest on delay in realising Receivable on sale of investment in Joint Venture -Tycoons				
Tycoons Avanti Projects LLP	270.21	184.36	-	-
Advances Given				
Ramnath Realty LLP	139.65	136.18	-	-
Inter Corporate Deposit Given				
Ramnath Realty LLP	1,200.00	1,200.00	-	-

Income /expenses are presented excluding Goods and service tax (GST).

Note:
a) Related parties have been identified on the basis of the declaration received by the management and other records available.

Compensation of key management personnel

Key management personnel are those individuals who have the authority and responsibility for planning and exercising power to directly or indirectly control the activities of the Group and its employees. The Group considers the members of the Board of Directors which include independent directors (and its sub-committees) and Executive Committee to be key management personnel for the purposes of IND AS 24 Related Party Disclosures.

(Rs. In Lakhs)

	31-Mar-21	31-Mar-20
(a) Remuneration paid to Key Management Personnel		
Dr Kavita Gupta	19.74	42.24
Ms. Aastha Luthra	1.09	-
TOTAL	**20.83**	**42.24**
(b) Sitting fee paid to directors		
Mr Deba Prasad Roy	1.08	2.25
Mr Suneet Shriniwas Maheshwari	1.33	2.63
Mr Rahul Gupta	1.62	2.20
Shri Urvinder Pal Singh		0.70
Dr Kavita Gupta	0.12	0.54
Shri Parrag Jain	0.12	
TOTAL	**4.27**	**8.32**
GROSS TOTAL	**25.10**	**50.56**

Notes to Consoldiated financial statements (Continued)
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Note 52: Capital

The Group maintains an actively managed capital base to cover risks inherent in the business which includes issued equity capital, share premium and all other equity reserves attributable to equity holders of the Company.

The RBI requires the companies into NBFC business to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of Tier I and Tier II capital of 15% of our aggregate risk weighted assets. Further, the total of our Tier II capital cannot exceed 100% of our Tier I capital at any point of time. The capital management process of the company ensures to maintain a healthy CRAR at all the times.

Capital Management

The primary objectives of the Group's capital management policy are to ensure that the Group complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Group manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

In case of Parent Company, which is an NBFC :

(Rs. in Lakhs)

Regulatory capital	As at 31 March 2021*	As at 31 March 2020*
Common Equity Tier1 (CET1) capital	2,424.01	13,530.16
Other Tier 2 capital instruments	2,424.01	5,649.28
Total capital	4,848.02	19,179.44
Risk weighted assets	79,688.72	1,06,446.69
CET1 capital ratio	3.04%	12.71%
Total capital ratio	6.08%	18.02%

* calculated as per RBI notification RBI/2019-20/170 DOR (NBFC).CC .PD .No.109/22.10.106/2019-20 "Implementation of Indian Accounting Standards" issued by RBI on March 13, 2020.

"Tier I capital", "Tier II capital" and "Owned fund" are calculated as defined in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 and notification RBI/2019-20/170 DOR (NBFC).CC .PD .No.109/22.10.106/2019-20 "Implementation of Indian Accounting Standards" issued by RBI on March 13, 2020.

Regulatory capital consists of CET 1 capital, which comprises share capital, share premium, retained earnings including current year profit less accrued dividends. Certain adjustments are made to Ind AS–based results and reserves, as prescribed by the Reserve Bank of India. The other component of regulatory capital is other Tier 2 Capital Instruments, which includes subordinate debt and ECL Provision on Stage 1 assets.

The group is not meeting the capital adequacy requirements of Reserve Bank of India (RBI) of India as on 31st March, 2021.

In case of SRL, the company manages its capital by reviewing its Debt - Equity Ratio.

For the purpose of the SRL's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of SRL. The primary objective of the SRL's capital management is to maximise the shareholder value.

SRL manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, SRL may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. SRL monitors capital using a adjusted net debt to adjusted equity ratio, which is adjusted net debt divided by adjusted equity capital. SRL's net debt is equal to borrowings, trade and other payables less cash and cash equivalents.

Particulars	Amount As at 31 March 2021	Amount As at 31 March 2020
	INR in Lakhs	INR in Lakhs
Borrowings	2,083.37	2,062.37
Trade payables	40.99	27.23
Other Financial Liabilities	196.08	3.44
Total Borrowings	**2,320.44**	**2,093.04**
Less: cash and cash equivalents	23.63	1.35
Adjusted Net debt	**2,296.81**	**2,091.69**
Equity	2,000.00	2,000.00
Other Equity	(7.41)	(212.03)
Adjusted Equity (Total Equity)	**1,992.59**	**1,787.97**
Adjusted Net Debt to Adjusted Equity Ratio	**115%**	**117%**

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2021 and 31 March 2020

For SARC, SIFL, SCMPL and STCPL, the financial statements have been prepared on realisable value basis for financial year 2020-21 and 2019-20. Accordingly, aforsaid disclosure is not made for these entities.

Notes to Consoldiated financial statements (Continued)
for the year ended 31 March 2021
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Note 53: Fair value measurement

53.1 Valuation Principle

This note is presented for the Parent Company and SRL, since the other subsidiary companies i.e SIFL, SARC, SCMPL and STCPL are non going concern entities and financial statements have been prepared on realisable value basis for the FY 2020-21 and 2019-20.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained in Note 6.15.

53.2 Fair Value Hierarchy of assets and liabilities

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

As at 31 March 2021

(Rs. in Lakhs)

Assets measured at fair value on a recurring basis	**Level-1**	**Level-2**	**Level-3**	**Total**
Financial assets				
Mutual funds	-	1.00	-	1.00
Equity instruments	61.17	-	11,144.01	11,205.18
Debt Securities		-	43,182.20	43,182.20
Preference Shares	-	-	1,206.31	1,206.31
Security Recepits	-	-	700.00	700.00
Total financial assets measured at fair value on a recurring basis	**61.17**	**1.00**	**56,232.52**	**56,294.69**
Total financial assets measured at fair value	**61.17**	**1.00**	**56,232.52**	**56,294.69**

As at 31 March 2020

(Rs. in Lakhs)

Assets measured at fair value on a recurring basis	**Level-1**	**Level-2**	**Level-3**	**Total**
Financial assets				
Mutual funds	-	17.00	-	17.00
Equity instruments	32.38	-	9,364.50	9,396.88
Debt Securities		-	57,695.24	57,695.24
Preference Shares	-	-	991.48	991.48
Security Recepits	-	-	700.00	700.00
Total financial assets measured at fair value	**32.38**	**17.00**	**68,751.22**	**68,800.60**

Notes to Consoldiated financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 53 : Fair value measurement (Continued)

53.3 Valuation techniques

Equity instruments

Equity instruments in non-listed entities are initially recognised at transaction price and re-measured (to the extent information is available) and valued on a case-by-case and classified as Level 3. Equity instruments in listed entities are initially recognised at transaction price and fair valued at FVTPL on a case-by-case and classified as Level 1.

Debt securities

The investment in Debt securities are initially recognised at transaction price which is revalued at FVTPL based on FIMMDA Valuation which are classified in Level 3.

Preference shares

The Investment made in preference shares are either measured at amortised cost for which ECL is provided as per Ind AS 109 or fair valued through FVTPL which is classified as Level 3.

53.4 During the year, there were no transfers between level 1 and level 2. Similarly, there were no transfers from or transfer to level 3.

53.5 Movements in Level 3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities which are recorded at fair value. Transfers from Level 3 to Level 2 occur when the market for some securities became more liquid, which eliminates the need for the previously required significant unobservable valuation inputs. Since the transfer, these instruments have been valued using valuation models incorporating observable market inputs. Transfers into Level 3 reflect changes in market conditions as a result of which instruments become less liquid. Therefore, the Group requires significant unobservable inputs to calculate their fair value.

Notes to Consoldiated financial statements (Continued)
for the year ended 31 March 2021
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Note 53 : Fair value measurement (Continued)

The following tables show the reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities measured at fair value:

(Rs. in Lakhs)

Particulars	**As at 1 April 2020**	**Purchase**	**Sales**	**As at 31 March 2021**	**Unrelaised gains and losses related to balances held at the end of the period**
Financial assets					
Equity instruments	9,364.50	-	21.11	11,144.01	1,800.62
Debt securities	57,695.24	-	10,785.17	41,288.73	(5,621.34)
Preference Shares	991.48	-	-	1,206.31	214.83
Security Receipts	700.00	-	-	700.00	-
Total financial assets	**68,751.22**	**-**	**10,806.28**	**54,339.05**	**(3,605.89)**

The following tables show the reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities measured at fair value:

(Rs. in Lakhs)

Particulars	**As at 1 April 2019**	**Purchase**	**Sales**	**As at 31 March 2020**	**Unrelaised gains and losses related to balances held at the end of the period**
Financial assets					
Equity instruments	8,919.05	-	(91.70)	9,364.50	353.75
Debt securities	77,453.46	-	(14,356.49)	57,695.24	(5,401.73)
Preference Shares	991.48	-	-	991.48	-
Security Receipts	700.00	0	0.00	700.00	-
Total financial assets	**88,063.99**	**-**	**(14,448.19)**	**68,751.22**	**(5,047.98)**

53.6 Impact on fair value of level 3 financial instruments measured at fair value of changes to key assumptions

The table summarises the valuation techniques together with the significant unobservable inputs used to calculate the fair value of the Group's Level 3 assets and liabilities. The range of values indicates the highest and lowest level input used in the valuation technique and, as such, only reflects the characteristics of the instruments as opposed to the level of uncertainty to their valuation. Relationships between unobservable inputs have not been incorporated in this summary.

(Rs. in Lakhs)

Particulars	**Fair value**		**Valuation technique**	**Significant unobservable inputs**
	Level 3 assets	**Level 3 liabilities**		
	31-Mar-2021	**31-Mar-2021**		
Equity instruments	11,144.01	-	Based on the networth of the investee company	Networth of the investee company
Debt securities	41,288.73	-	Based On The valuation technique given by FIMMDA. (Fixed Income Money Market And Derivatives Association Of India)	Yields of Debt securities
Preference Shares	1,206.31	-	Based on the networth of the investee company	Networth of the investee company
Security Receipts	700.00	-	Based on rating agency Brickwork ratings india Pvt Ltd recovery Value	Recovery Value
Total	**54,339.05**	**-**		

(Rs. in Lakhs)

Particulars	**Fair value**		**Valuation technique**	**Significant unobservable inputs**
	Level 3 assets	**Level 3 liabilities**		
	31-Mar-2020	**31-Mar-2020**		
Equity instruments	9,364.50	-	Based on the networth of the investee company	Networth of the investee company
Debt securities	57,695.24	-	Based On The valuation technique given by FIMMDA. (Fixed Income Money Market And Derivatives Association Of India)	Yields of Debt securities
Preference Shares	991.48		Based on the networth of the investee company	Networth of the investee company
Security Receipts	700.00	-	Based on rating agency Brickwork ratings india Pvt Ltd recovery Value	Recovery Value
Total	**68,751.21**	**-**		

Notes to Consolidated financial statements (Continued)
for the year ended 31 March 2021
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Note 53 : Fair value measurement (Continued)

Note 53.7 Sensitivity of fair value measurement to changes in unobservable market data

The table below describes the effect of changing the significant unobservable inputs to reasonable possible alternatives. All changes except for debt instruments classified as FVOCI would be reflected in the Statement of profit and loss. Sensitivity data are calculated using a number of techniques, including analysing price dispersion of different price sources, adjusting model inputs to reasonable changes within the fair value methodology. The ranges are not comparable or symmetrical as the model inputs are usually not in the middle of the favourable/unfavourable range.

The table below shows data in relation to Level 3 inputs that are already aggregated on the underlying product levels without assuming any potential diversification effect, but including potential off-sets from economic or accounting hedge relationships in place. The Group is of the opinion that, whilst there may be some diversification benefits, incorporating these would not be significant to the analysis.

(Rs. In Lakhs)

Particulars	31-Mar-2021		31-Mar-2020	
	Favourable changes	Unfavourable changes	Favourable changes	Unfavourable changes
Equity instruments	**11,765.43**	**10,644.92**	9,866.72	8,927.04
Debt securities	**45,341.31**	**41,023.09**	60,580.00	54,810.47
Preference Shares	**1,266.62**	**1,145.99**	1,041.05	941.90
Security Receipts	**735.00**	**665.00**	735.00	665.00

53.8 Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Group's financial instruments that are not carried at fair value in the Consolidated financial statements. This table does not include the fair values of non-financial assets and liabilities.

(Rs. In Lakhs)

As on March 31, 2021	Carrying Amount	Fair Value			
		Level-1	Level-2	Level-3	Total
Financial assets:					
Cash and cash equivalents	161.08	161.08	-	-	161.08
Bank balance other than cash and cash equivalents	2.07	2.07	-	-	2.07
Receivables	-	-			-
(i) Trade receivables	44.48	-		44.48	44.48
(ii) Other receivables	17.79	-		17.79	17.79
Loans	15,806.31	-	-	15,806.31	15,806.31
Investments at amortised cost	-	-	-	-	-
Other financial assets	848.26	-	-	848.26	848.26
Total financial assets	**16,879.99**	**163.15**	**-**	**16,716.84**	**16,879.99**
Financial liabilities:					
Payables					
Trade Payables	113.90	-	-	113.90	113.90
Other Payables	80.06	-	-	80.06	80.06
Deposits	52,303.32	-	-	52,303.32	52,303.32
Borrowings (other than deposits)	4,743.58	-	-	4,743.58	4,743.58
Subordinated liabilities	750.00	-	-	750.00	750.00
Other financial liabilities	11,392.49	-	-	11,392.49	11,392.49
Total financial liabilities	**69,383.35**	**-**	**-**	**69,383.35**	**69,383.35**

(Rs. In Lakhs)

As on March 31, 2020	Carrying Amount	Fair Value			
		Level-1	Level-2	Level-3	Total
Financial assets:					
Cash and cash equivalents	18,250.66	18,250.66	-	-	18,250.66
Bank balance other than cash and cash equivalents	5.80	5.80	-	-	5.80
Receivabes	-	-			-
(i) Trade receivables	24.56	-		24.56	24.56
(ii) Other receivables	20.15	-		20.15	20.15
Loans	25,699.62	-	-	25,699.62	25,699.62
Investments at amortised cost	-	-	-	-	-
Other financial assets	1,729.36	-	-	1,729.36	1,729.36
Total financial assets	**45,730.15**	**18,256.46**	**-**	**27,473.69**	**45,730.15**
Financial liabilities:					
Payables:					
Trade Payables	511.79	-	-	511.79	511.79
Other Payables	163.84	-	-	163.84	163.84
Deposits	85,520.89	-	-	85,520.89	85,520.89
Borrowings (other than deposits)	4,743.58	-	-	4,743.58	4,743.58
Subordinated liabilities	750.00	-	-	750.00	750.00
Other financial liabilities	12,644.07	-	-	12,644.07	12,644.07
Total financial liabilities	**1,04,334.17**	**-**	**-**	**1,04,334.17**	**1,04,334.17**

Notes to Consolidated financial statements (Continued)
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Note 53 : Fair value measurement (Continued)

53.9 Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the consolidated financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables and, as such, may differ from the techniques and assumptions explained in Notes 6.16.

Short-term financial assets and liabilities

For financial assets and financial liabilities those having a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: Trade receivables and trade payables without a specific maturity. Such amounts have been classified as Level 3 on the basis that no adjustments have been made to the balances in the balance sheet.

Financial assets at amortised cost
The held-to-maturity investments are not fair valued due to unavailability of observable market inputs henceforth classified in Level 3.

Loans and advances to customers
The loans and receivables are net of impairment and not fair valued due to unavailability of observable market inputs henceforth classified in Level 3.

Borrowings and Deposits
The borrowings and deposits are at amortised cost and not fair valued due to unavailability of observable market inputs henceforth classified in Level 3.

Notes to Consolidated financial statements (Continued)
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Note 54: Risk management

54.1 Introduction and Risk Profile

54.1.1 Risk management structure

The Group's business activities are exposed to a variety of financial risks namely liquidity risk, market risk and credit risk.

The Board of Directors are responsible for the overall risk management of the Group and for approving the risk management strategies and adherence to Regulatory requirements on an ongoing basis.

A Board constituted Sub-Committee of Board of Directors i.e. Risk Management Committee (RMC) is responsible for monitoring the overall risk process within the Company. The Risk Management Committee is responsible for the development of risk strategy, policies, frameworks and limits. The Risk Management Committee is responsible for ongoing monitoring of risk levels and giving directions for containing risks within acceptable limits.

The task of the Chief Risk Officer and Integrated Risk Group (IRG) is to evaluate and mitigate the Credit Risks, Operational Risks, Liquidity Risks and all types of risks associated with the Group and make presentations to the RMC. IRG functions as a control function apart from performing the reporting function and suggest suitable actions to be taken in order to identify, analyze and mitigate risk in a better manner. IRG is responsible for implementing the approved risk policies, procedures and control processes.

The Internal Audit function is responsible for periodic audit and assessment of the risk management processes to ensure the adequacy of the procedures and the Group’s compliance with the procedures. Internal Audit reports are reviewed by the management and the Risk Management Committee.

The Group’s Treasury Department is responsible for managing assets and liabilities and the overall financial structure of the Group as per policies approved by the Board of Directors and Regulatory requirements. The treasury Department also addresses the funding and liquidity risks of the Group.

54.1.2 Risk measurement and reporting systems

The Group’s policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities. Standard Operating Procedures and Risk Control Matrix are put in place to cover all the departments and processes of the organisation.

As a financial intermediary, risk is inherent in the Parent Company’s activities. Risk is managed through an integrated risk management framework which covers identification, measurement and monitoring of risk and application of defined risk limits and other controls. The Group is exposed to credit risk, legal risk, liquidity risk and market risk, operational and business risks. Risk management is critical to the Company’s sustainability and growth and each department and employee of the Group has a role to play in managing the risk associated with his or her function.

The subsidiaries SIFL, SARC, SCMPL and STCPL being non-going concern, and hence, note not being relevant and therefore, not presented.

The risk rating of each loan account at the time of origination is monitored on an on-going basis through the life cycle of the loan and deterioration in the rating (external or internal rating assigned by the Group) is reported to the Risk Management Committee.

As per contemporary risk management practices, the Group uses the method of computing the expected and unexpected loss to estimate the eventual actual loss.

54.1.3 Risk Limits - Setting and Monitoring

In order to ensure proper diversification of risk in Parent Company, single borrower / group exposure limits have been defined which are in line with the prescribed regulatory Prudential Norms for exposure.The limit were checked at the time of sanction. Limits have also been specified for industries and sectors to prevent excessive concentration of exposures to similar business activities which may collectively impact their business due to changes in macro-economic environment or other conditions like policy changes or developments in the external environment.

54.2 Credit Risk

Credit risk is the potential that the Group may incur a loss on account of its borrowers or counterparties fail to fulfill their contractual obligations in accordance with agreed terms. The Parent Company manages credit risk ascribing a risk rating at loan origination stage to the proposed exposure, by setting limits for exposure to individual/group borrowers, and by monitoring exposures in relation to such limits and ratings. Limits prescribed for industry/sector exposure are also monitored.

Credit risk is monitored by the Integrated Risk of the Group. It is their responsibility to review and manage credit risk for all borrowers.

The Group has a system in place for early identification of deterioration in the credit profile of borrowers, impact of external and macro-economic developments on the overall portfolio quality and these reviews are made available to the Risk Management Committee on a quarterly basis. This review process enables the Group to assess the expected loss in the future and take appropriate corrective actions.

Notes to Consolidated financial statements (Continued)
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Note 54 : Risk management (Continued)

The Parent Company's internal credit rating grades on days past due (dpd) basis:

Internal rating grade	Internal rating description
Performing	
High grade	0 dpd
Standard grade	1 to 30 dpd
Sub-standard grade	31 to 60 dpd
Past due but not impaired	61 to 90 dpd
Non-performing	90+ dpd

54.2.1 Impairment assessment

In case of Parent Company, the following impairment assessment model is used by the Company:

- Estimation and monitoring of probability of default, exposure at default and loss given default. (Notes 54.2.1.2, 54.2.1.3, 54.2.1.4)

- Judgment of the Group about a significant increase in the credit risk associated with an exposure. (Notes 54.2.1.5)
- For majority of Stage 3 assets, the ECL is assessed on individual recoverability basis and for remainder on collective basis as per segmentation of financial assets as Stage 1, Stage 2 and Stage 3 assets for assessment of ECL. (Refer Note 54.2.1.6)

The model should be read and interpreted in conjunction with the summary of significant accounting policies.

54.2.1.1 Definition of default

A borrower is considered to be in Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on any of its contractual payments.

Besides the above consideration, as a part of a qualitative assessment of whether an exposure to any borrower is likely to result in a loss for the company, the company also considers indicators that may point towards a likelihood of a default.
In such an event, the company evaluates judiciously, after weighing in all factors and data available, whether the exposure should be classified as Stage 2 or Stage 3 for the purpose of ECL computations. Such events include:

- A significant impairment of the value of the collateral or potential realization from sale of the collateral
- A significant covenant breach, not corrected by the borrower and not expressly waived by the Company
- The borrower filing for bankruptcy application/protection

In the event of any borrower becoming credit impaired, all exposures to the borrower are treated as Stage 3.

54.2.1.2 PD estimation process
It is an estimate of the likelihood of default over a given time horizon.

It is an estimate of the likelihood of default over a given time horizon. PD estimation process is done based on historical internal data available with the company. While arriving at the PD, the company also ensures that the factors that affects the macro economic trends are considered to a reasonable extent, wherever necessary. company calculates the 12 month PD by taking into account the past historical trends of the portfolio and its credit performance. In case of assets where there is a significant increase in credit risk, lifetime PD has been applied which is computed based on survival analysis. For credit impaired assets, a PD of 100% has been applied.

Notes to Consolidated financial statements (Continued)
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Note 54 : Risk management (Continued)

54.2.1.3 Exposure at Default (EAD)

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 months ECL.
For Stage 2 and Stage 3, the exposure at default is considered for events over the lifetime of the instruments or exposures
In case of undrawn loan commitments, the entire amount of undrawn loan commitment is considered as the expected drawdown.

54.2.1.4 Loss Given Default (LGD)
LGD is an estimate of the loss arising in case where a default occurs. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realization from sale of any security. The LGD in case of stage 3 assets is computed majorly on individual basis and remainder on collective basis.

54.2.1.5 Significant increase in credit risk

The Company continuously monitors all assets to assess whether there has been an event which could cause a significant increase in the credit risk of the underlying asset or the borrower’s ability to pay and accordingly changes the 12 month ECL to a lifetime ECL.

Under certain circumstances, the Company may also consider that events explained in ”Definition of Default” section above (Refer Note 54.2.1.1) are a significant increase in credit risk as against a default. However, for all exposures which are greater than 30 days past due, the credit risk is considered to have increased significantly since initial recognition.

While estimating ECLs on a collective basis for similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

54.2.1.6 Grouping financial assets measured on a collective basis

The Company calculates ECLs on the portfolio which is broadly bifurcated into 2 categories:
1. Bills Discounted
2. Loans other than Bills Discounted

Loans other than bill discounted are further sub-categorised into the following:
a. Long term loans
b. Short Term Loans
c. Corporate Term Loan (CTL)
d. Loan against Deposit (LACD)
e. Loan Against Property (LAP) / Security Based Lending (SBL)
f. Loan against shares
g. Loan against guarantee
h. Revolving short term loans
i. Inter Corporate Deposit (ICD)
j. Receivable Finance

54.2.2 Analysis of risk concentration

Credit risk exposure analysis:

(Rs. in Lakhs)

Particulars	As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total
Corporate Term Loan (CTL)	-	-	36,494.54	**36,494.54**
Inter Corporate Deposit (ICD)	-	-	4,735.14	**4,735.14**
Long Term Loans (LTL)	-	-	17,591.06	**17,591.06**
Loan against Shares (PROMO)	-	-	16,237.60	**16,237.60**
Revolving Short Term Loan (RSTL)	-	-	28,811.22	**28,811.22**
Short Term Loan (STL)	-	-	11,719.84	**11,719.84**
Bill Discounting	-	-	13,338.60	**13,338.60**
Employee Loan	20.69	-	-	**20.69**
Total	**20.69**	**-**	**1,28,928.00**	**1,28,948.69**

Notes to Consolidated financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 54 : Risk management (Continued)

54.3 Liquidity risk management:

Liquidity risk is the risk that the Group may be unable to meet its short term financial obligations due to the non-availability of adequate funds at an appropriate cost or tenure. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Group relies on cash flows from operating and financial activities to meet its financial obligations as and when they fall due. The Group has a dedicated treasury department to manage liquidity whose primary function is resource raising and day to day cash flow management. The Group has taken a conservative approach to invest only in highly liquid assets such as G-Secs, T Bills and rated Commercial Papers. The Group has further taken a conscious decision avoid investment in derivatives.

The Treasury Department is also primarily responsible for the funding and liquidity risks of the Company. There is a daily monitoring of fund availability and deployment. Market risk and Investment

The table below provides details regarding the undiscounted non-contractual maturities of significant financial assets and liabilities as on:-

Consolidated (SICOM and SRL)

Maturity pattern of financial assets and liabilities as on March 31, 2021:

(Rs. In Lakhs)

Particulars	**Upto 3 months**	**3 to 6 months**	**6 months to 1 year**	**1 to 3 years**	**3 to 5 years**	**Over 5 years**	**Total**
Financial assets							
Cash and cash equivalents	137.45	-	23.63	-	-	-	**161.08**
Bank Balance other than cash and cash equivalents	-	-	2.07	-	-	-	**2.07**
Trade Receivables	44.48	-	-	-	-	-	**44.48**
Other Receivable	14.36	-	3.43				**17.79**
Loans	2.53	2.33	4.40	1,379.91	1.01	14,416.13	**15,806.31**
Investments	961.27	5,265.08	61.17	7,054.98	5,104.98	39,088.64	**57,536.12**
Other Financial assets	407.68	30.12	340.99	-	-	69.47	**848.26**
Financial liabilities							
Trade payables	110.95	-	2.95	-	-	-	**113.90**
Other payables	80.06	-	-	-	-	-	**80.06**
Borrowings (other than deposits)	4,743.58	-	-	-	-	-	**4,743.58**
Deposits	19,778.18	101.14	32,424.00	-	-	-	**52,303.32**
Subordinated Liabilities	-	-	-	-	-	750.00	**750.00**
Other Financial liabilities	10,804.47	12.83	539.23	11.68	24.28	-	**11,392.49**

Maturity pattern of financial assets and liabilities as on March 31, 2020:

(Rs. In Lakhs)

Particulars	**Upto 3 months**	**3 to 6 months**	**6 months to 1 year**	**1 to 3 years**	**3 to 5 years**	**Over 5 years**	**Total**
Financial assets							
Cash and cash equivalents	18,249.31	-	1.35	-	-	-	**25,695.66**
Bank Balance other than cash and cash equivalents	-	3.73	-	2.07	-	-	**9.76**
Trade Receivables	24.56	-	-	-	-	-	**22.85**
Other Receivable	20.15	-	-	-	-	-	**0.51**
Loans	7.47	115.32	226.53	1,382.80	0.19	23,967.31	**33,415.25**
Investments	-	-	7,345.70	26,682.46	8,158.99	29,167.56	**92,023.23**
Other Financial assets	380.29	51.75	310.30	254.37	422.88	309.77	**3,165.44**
Financial liabilities							
Trade Payables	484.56	-	27.23	-	-	-	**244.45**
Other payables	163.84	-	-	-	-	-	**26.74**
Borrowings (other than deposits)	4,743.58	-	-	-	-	-	**4,743.58**
Deposits	14,697.62	14,099.27	56,724.00	-	-	-	**1,29,977.94**
Subordinated Liabilities	-	-	-	-	-	750.00	**750.00**
Other Financial liabilities	12,410.12	3.73	108.69	121.53	-	-	**11,288.39**

Notes to Consolidated financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 54 : Risk management (Continued)

54. 4 Market Risk:

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity and other market changes. The Company is exposed to two types of market risk as follows:

54.4.1 Interest Rate Risk:

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Parent Company is subject to interest rate risk, primarily because it is in the business of lending to borrowers at fixed interest rates and for periods that may differ from our funding sources, while its borrowings are at both fixed and variable interest rates for different periods. The Company manages its interest rate risk by managing its assets and liabilities. Asset Liability Management Committee (ALCO) evaluates asset liability management, and ensures that all significant mismatches, if any, are being managed appropriately.

The Company has Board Approved Asset Liability Management (ALM) policy for managing interest rate risk and policy for determining the interest rate to be charged on the loans given.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before tax is affected through the impact on floating rate borrowings, as follows:

(Rs. In Lakhs)

Particulars	**31-Mar-21**	**31-Mar-20**
Finance Cost	4,883.38	8,639.11
0.50 % increase	NIL*	NIL*
0.50% decrease	NIL*	NIL*

* During financial year 2020-21 & 2019-20, the Company has not availed any borrowings with floating rate of interest.

54.4.2 Price Risk:

The Company's exposure to price risk is not material and it is primarily on account of investment of temporary treasury surpluses in the highly liquid debt funds for very short durations. The Company has a board approved policy of investing its surplus funds in highly rated debt mutual funds, fixed deposits and other instruments having insignificant price risk, not being equity funds/risk bearing instruments.

Notes to Consolidated financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 55: Corporate Social Responsibility

As per the provisions of Section 135 of the Companies Act, 2013 (the ‘Act’), the Group has formulated the Corporate Social Responsibility (CSR) Policy. The Board has constituted a CSR Committee in accordance with Section 135 of the Act.

The Group is not required to incur CSR Expenditure for the current year (Previous Year: NIL), as average net profit of the past three years is negative.

Accordingly, CSR expenditure incurred by the Group approved by the Board of Director/CSR committee is as follows:

(Rs. In Lakhs)

Amount spent during the year ending on March 31, 2021	In Cash	Yet to be Paid in Cash	Total
(i) Construction / acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	-	-	-

Amount spent during the year ending on March 31, 2020	In Cash	Yet to be Paid in Cash	Total
(i) Construction / acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	-	-	-

Note 56: Expenditure and Income in Foreign Currency (Accrual Basis)

Expenditure in Foreign Currency

(Rs. In lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31 , 2020
Legal and professional charges	7.23	-
Total	7.23	-

Income in Foreign Currency for the year ended March 31, 2021 : Nil (March 31, 2020 : Nil)

Note 57A: Note on Exposure in ILFS

As of March 31, 2021, the Holding Company has outstanding exposure by way of investment in Non- Convertible Debentures of Rs 5,000 lakhs issued by IL&FS Energy Development Company Ltd (IEDCL) and outstanding exposure by way of Investment in Non- Convertible Debentures of Rs, 3,709.05 lakhs issued by IL&FS Transportation Network Ltd (ITNL). Thus aggregate exposure to the aforesaid IL&FS Group Companies stood at Rs 8,709.05 lakhs. Total provisions made during FY 21 in respect of exposure to IL&FS group companies stood at Rs 4,421.05 lakhs.

The matter is under NCLT / NCLAT. In terms of the resolution plan submitted by the GOI appointed Board to the NCLAT, ILFS had issued a Public announcement on May 22, 2019 calling the financial creditors to file their claims against the various IL&FS group companies including IL&FS Energy Development Company Ltd and IL & FS Transportation Network Ltd.(where SICOM has exposure).The Public announcement had specifically directed Debenture Holders to file their claim through the Debenture Trustees with interest accrued and due as of October 15, 2018. The Company has already filed claims for IL&FS Energy Development Company Ltd and IL & FS Transportation Network Ltd with the Debenture Trustee viz. IDBI Trusteeship Services Ltd on May 24, 2019.

Note 57B: Note on Exposure in DHFL

As of March 31, 2021, the Holding Company has outstanding exposure by way of investment in Non- Convertible Debentures of Rs 3,500.65 lacs issued by Dewan Housing Finance Corporation Ltd (DHFL). Total provisions made during FY 21 in respect of exposure DHFL stood at Rs 2,080.65 lacs.

The Mumbai bench of the NCLT has approved Piramal Group’s resolution plan for the DHFL on June 7, 2021. The plan put forward by Piramal Group, has offered to pay Rs 37,25,000 Lacs, has been approved by the CoC, the Reserve Bank of India (RBI), and the Competition Commission of India (CCI).

Note 57C :
The Holding company has incurred a net loss of Rs. 11,024.84 lakhs and also incurred cash losses during the current year and previous year. There is no progress in the development of business since last several years and there have been delays/ defaults in repayment of inter-corporate deposits and other obligations. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern. However, The Management is addressing this issue robustly and the Company has generally met its inter-corporate deposits and other obligations. The Management is confident that they will be able to arrange sufficient liquidity by monetization of non-core assets, mobilisation of additional funds and other strategic initiative to meet its obligations. Accordingly, the Standalone Financial Statements are prepared on a going concern basis.

Notes to Consolidated financial statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 58: Offsetting

Certain financial assets and financial liabilities are subject to master netting arrangements, whereby in the case of insolvency, financial assets and financial liabilities will be settled on a net basis. The tables below summarise the financial assets and liabilities subject to offsetting, enforceable master netting and similar agreements, as well as financial collateral received to mitigate credit exposures for these financial assets, and whether offset is achieved in the balance sheet:

Financial assets subject to offsetting, netting arrangements.

Particulars	Offsetting recognised on the balance sheet			Netting potential not recognised on the balance sheet			Assets not subject to netting arrangements	Total assets	Maximum exposure to
	Gross assets before offset	Offset with gross liabilities	Net assets recognised on the balance sheet	Financial liabilities	Collaterals received	Assets after consideration of netting potential	Assets recognised on the balance sheet	Recognised in the balance sheet	After consideration of netting potential
Financial assets									
At 31 March, 2021	-	-	-	-	-	-	-	-	-
At 31 March, 2020	-	-	-	-	-	-	-	-	-

Financial liabilities subject to offsetting, netting arrangements

Particulars	Offsetting recognised on the balance sheet			Netting potential not recognised on the balance sheet			Liabilities not subject to netting arrangements	Total liabilities	Maximum exposure to risk
	Gross liabilities before offset	Offset with gross assets	Net liabilities recognised on the balance sheet	Financial assets	Collaterals received	Liabilities after consideration of netting potential	Liabilities recognised on the balance sheet	Recognised in the balance sheet	After consideration of netting potential
Financial liabilities									
At 31 March, 2021	-	-	-	-	-	-	-	-	-
At 31 March, 2020	-	-	-	-	-	-	-	-	-

Note 59: Note on Impairement Reserve

In respect of SICOM Ltd, As per RBI Notification RBI/2019-20/170 DOR (NBFC).CC. PD.NO.109/22.10.106/2019-20 where impairment allowance under Ind AS 109 is lower than the provisioning required under Income Recognition, Asset Classification and Provisioning (IRACP) (including standard asset provisioning), NBFCs/ARCs shall appropriate the difference from their net profit or loss after tax to a separate account called 'Impairment Reserve'. The Impairment Reserve of Rs. 416.49 lakhs for FY 2019-20 represents the difference provisioning under IND AS 109 and IRACP provisioning. During F.Y 2020-21, Impairement Reserve of Rs. 416.49 lakhs reversed since impairment allowance under Ind AS 109 is higher than provision required under Income Recognition, Asset Classification and Provisioning (IRACP).

Note 60: Leases

Lease transactions are accounted in accordance with Ind AS 116 'Leases' prescribed by the The Companies (Indian Accounting Standards) Rules, 2015.

Premises given on lease

The Holding Company has entered into operating lease arrangements/ agreements in respect four premises. The period of lease ranges from 1 to 3 years. The leases are cancellable operating leases and no contingent rent is recognized during the year.

Premises taken on lease

The Holding Company has entered into operating lease arrangements/ agreements in respect one premise. The leases are cancellable operating leases and no contingent rent is recognized during the year.

Notes to Consolidated financial statements (Continued)
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Note 61: Note on exposure on Ramnath Realty LLP, KRS Realty LLP (Joint Venture) and affiliated entities of Ramnath Group

SRL has following exposure on Ramnath Realty LLP, KRS Realty LLP (Joint Venture) and Affiliate Entities of Ramnath Group :

(Rs. in Lakhs)

Financial Statement Line Item and Name of the entity	Amount as at 31 March 2021	ECL Provision held as at 31 March 2021	Amount as at 31 March 2020	ECL Provision held as at 31 March 2020
Investments by way of contribution in LLPs (Valued at Cost)				
- Ramnath Realty LLP	1,805.45	137.23	1,805.45	137.04
- KRS Realty LLP	0.43	-	0.43	-
Other Non Current Assets - Advance to Related Party				
- Ramnath Realty LLP	139.66	69.83	136.18	68.09
Loans - Inter Corporate Deposits to Related Parties				
- Ramnath Realty LLP	2,070.63	1,035.32	2,070.63	1,035.32
Total - Related Parties	**4,016.17**	**1,242.38**	**4,012.69**	**1,240.45**
Exposure to Affiliate Entities of Ramnath Group				
Investment in Preference Shares (Unquoted, Fully paid up) at amortised cost				
- Ramnath Developers Pvt. Ltd. Face value Rs. 100 each	25.00	25.00	25.00	25.00
Loans - Inter Corporate Deposits (Secured)				
- Ramnath Developers Pvt. Ltd.	468.35	234.17	468.35	234.17
- Ramnath Enterprise Ltd.	200.00	100.00	200.00	100.00
Total - Affiliates of Ramnath Group	**693.35**	**359.17**	**693.35**	**359.17**

In December 2011, the SRL had invested by way of 43% capital contribution in Ramnath Realty LLP (RRLLP), a joint venture, the other venturers being Ramnath Life Style Private Limited (RLS) with 24% stake and K G Millenium Realtors Private Limited (KGM) with 33% stake. During 2012 to 2014, the Company had lent monies by way of inter-corporate deposits (ICDs) to RRLLP and affiliate entities of other venturer – Ramnath Life Style Private Limited. RRLLP had acquired 93 acres land at village Shivmadka, Nagpur ('the Nagpur Land') with plan to develop the same, of which, 56 acres are held in the name of the promoter of Ramnath Group. The said land development project has been stalled since March 2015 and the aforementioned ICDs, bearing multiple due-dates, are overdue. The above exposure of Rs.4016.17 lacs (Previous Year: Rs.4012.69 lacs) is fully secured by the Nagpur Land, having a fair market value of Rs.19601 lakhs, valued by a Govt Registered Valuer and Chartered Engineers, vide valuation report dated April 10, 2021. The Management has made a provision on the ICD towards Principal and the interest accrued thereon to the extent of 50%. Considering the fair market value of the underlying land, there is no diminution other than temporary in the value of the investment in RRLLP. During the financial year 2020-21, as per adoption of IND AS Accounting System, SRL made provision for impairement and Expected Credit loss provision of Rs 1242.38 lakhs (Previous Yera Rs 1240.45 lakhs) in terms of Related Party exposure and Rs 359.17 lakhs (Previous Year Rs 359.17 lakhs) in terms of exposure to affiliate entities on the said dues as on Balance Sheet dates.

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Note 62: Note related to SRL (as per respective individual financial statement)

For FY 2014-15 and FY 2015-16 and FY 2016-17, SRL's financial assets constitutes more than 50 percent of the total assets and income from financial assets constitutes more than 50 percent of the gross income. Therefore, SRL had, vide its letter dated September 1, 2016, approached the Reserve Bank of India (RBI) to seek guidance on the matter of applicability of the proviso to Section 45-IA of the RBI Act. The predecessor auditor had submitted an exception report dated January 20, 2017 to the RBI stating that SRL needs to seek registration as a Non-Banking Financial Institution (NBFI). RBI has, vide its response dated March 6, 2017, advised SRL to seek registration an NBFC, since financing of SPVs is treated an NBFI activity and hence SRL meets the Principal Business Criteria.

However, SRL believes that, the financial exposure taken by SRL is going towards building actual real estate as an end product. Since its incorporation from July 2007 and as provided in the Memorandum of Association of SRL, the main business of SRL is investing in real estate and carrying out activities such as buying land parcels on its books. SRL also invests in joint venture with other companies / LLPs to develop land parcels as residential projects in separate SPVs wherein SRL has equity stakes. In order to keep the projects live and running, SRL also provides interim financial assistance by way of Inter Corporate Deposits to these SPVs. Apart from that, SRL also undertakes various advisory assignments in the field of Real Estate and Infrastructure sector.

SRL had clarified the aforesaid position to the RBI. SRL intends to take corrective actions whereby SRL would not engage in any fresh investment / lending activity to new real estate projects and divest / liquidate the existing investment / inter-corporate deposits respectively in a phased manner.

SRL had, vide letter dated August 24, 2017, sought time of one year from the RBI, to take the aforementioned corrective actions and, to operate without being registered as an NBFC with the RBI. The RBI vide their letter dated December 11, 2017 had granted time upto March 31, 2018 to SRL to bring down the financial assets / income below 50% of the total assets / income and also cautioned that failing this SRL would not be able to operate without registration as NBFC. SRL liquidated some of its asset during FY 2017-18 and SRL did not engage in any fresh lending activity during FY 2017-18. SRL has, vide its letter dated April 27, 2018, submitted unaudited financial statements for FY 2017-18 to the RBI and requested additional time of twelve months from RBI to comply with RBI directions.

Vide its response dated June 19, 2018, RBI has advised SRL to submit certificate from statutory auditors on whether SRL meets principal business criteria defined by RBI for NBFCs along with the audited financial statements of SRL for FY 2017-18.

From June 2018 till June 2019, SRL vide its various communications with RBI, submitted data as asked by RBI including the Statutory Auditors report as of March 2018. Finally RBI vide its letter dated June 11, 2019 asked SRL to seek NBFC registration.

In response to the said letter from RBI, SRL has submitted application for certificate of registration with RBI on July 15, 2019 (under provisional Company Registration Number 26664 received from RBI's online site). As per the directions from its SRL Board has also made a detailed representation to the RBI vide its letter dated August 8, 2019 requesting it to reconsider its decision on asking Company to register as NBFC.

RBI vide its letter dated December 18, 2019 informed that RBI is not agreeable to grant NBFC license to the Company and has returned its application with an advice to apply a fresh. The Company has not carried out any NBFI activity for the year ended March 31, 2021 and as decided by the Board, is in the process of taking corrective steps to comply with the asset-income pattern in a phased manner, for which the Company is seeking additional time from RBI.

Notes to Consolidated financial statements (Continued)
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Note 63: Notes related to SARC (as per respective individual financial statement)

The Securities and Exchange Board of India (SEBI), vide its show cause notice dated August 12, 2016 in the matter of Ashok Alco-Chem Limited, informed SARC of its alleged violations of provisions of (i) Regulation 29(2) read with Regulation 29(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and (ii) Regulation 13(3) read with regulation 13(5) of SEBI (Prohibition of Insider Trading) Regulations, 1992.

Thereafter, SARC had certain meetings with the Internal Committee of the SEBI. Upon the Company's application filed on February 20, 2017, proposing the settlement of the matter, a High Powered Advisory Committee (HPAC) of the SEBI in its meeting held on January 29, 2018 considered the settlement terms proposed and recommended the case for settlement upon payment of Rs.1,242,149 by SARC towards settlement charges for aforementioned violations. Upon payment by SARC of the said amount, SEBI, vide it's settlement order dated March 26, 2018, informed SARC that SEBI shall not initiate any enforcement action against SARc for the said defaults.

Note 64: Notes related to SIFL (as per respective individual financial statement)

SICOM Investments and Finace Limited (SIFL) has finalised the financial statements for FY 2020-21 after expensing out Service Tax & GST Input Credits as of March 31, 2021. The SIFL shall take necessary steps to obtain GST Registration.

Note 65: Notes related to SIFL (as per respective individual financial statement)

o SIFL has not appointed Chief Financial Officer (key managerial person) as required by section 203 of the Act.

o The financial statements of SIFL have not been authenticated by Company Secretary (key managerial personnel) as required by section 134 of the Act.

Note 66: Notes related to SIFL (as per respective individual financial statement)

Show Cause Notice issued to SIFL by RBI

The Company is registered with Reserve Bank of India (RBI) as non-deposit taking Non Banking Financial Company (NBFC) with Registration no.N-13.01842. The Company had received a Show Cause Notice (SCN) dated April 19, 2018 as to why the Certificate of Registration (CoR) issued to the Company should not be cancelled. RBI in the said show cause notice had mentioned that the Revised Regulatory Framework for NBFCs (RB1/2014- 15/520DNBR (PD) CC. No. 024/ 03.10.001/ 2014-15) read with Notification No.DNBR.007/CGM(CDS)- 2015 dated March 27, 2015 issued by the RBI had specified two hundred lakh rupees as the net owned fund (NOF) required for a non-banking financial company to commence or carry on the business of non-banking financial institution. Also, all non-banking financial companies holding a Certificate of Registration (CoR) issued by the Bank and having net owned fund of less than two hundred lakhs of rupees, were permitted to carry on the business of non-banking financial institution, provided such companies achieve the net owned fund of two hundred lakhs of rupees before April 1, 2017.

The aforesaid show cause notice further stated that since the Company was already holding CoR issued by the RBI and has failed to achieve the NOF of two hundred lakhs of rupees before April 1, 2017 thus violating the provision under which the Company was permitted to continue the business of a non-banking financial institution.

Further, the Reserve Bank of India vide its letter no. DNBS.MRO.CMD.No.1512/13.19.280/2018-19 dated March 26, 2019 advised the Company to approach the Bank for voluntary cancellation and surrender of Certificate of Registration by April 15, 2019.

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Note 67: MSME Compliance note

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro Small and Medium Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on the information available with the management on the above, as at 31 March 2021, no dues were outstanding to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Further, the Group has not received any claim for interest from any supplier under the said Act till 31 March 2021.

(Rs. In Lakhs)

Particulars	**As At March 31, 2021**	**As At March 31, 2020**
The principal amount remaining unpaid to supplier as at the end of the year	30.11	25.20
The interest due thereon remaining unpaid to supplier as at the end of the year	-	-
The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond theappointed day during the year) but without adding the interest specified under this Act	-	-
The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	-	-

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Note 68: Disclosure pursuant to Reserve Bank of India notification DOR (NBFC).CC.PD. No. 109/22.10.106/2019-20 dated 13 March 2020 pertaining to Asset Classification as per RBI Norms

As at 31 March 2021

Asset Classification as per RBI Norms	Asset classification	Gross Carrying Amount as per Ind AS	Loss Allowance (Provisions) as per required Under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	* Difference between Ind AS 109 provisions
1	2	3	4	5 (3-4)	6	7 (4)-(6)
Performing Assets						
Standard	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
Subtotal		**-**	**-**	**-**	**-**	**-**
Non-Performing Assets						
Substandard	Stage 3	-	-	-	-	-
Doubtful - upto 1 year	Stage 3	20,378.36	20,200.11	178.25	20,200.45	(0.34)
Doubtful - 1 to 3 years	Stage 3	8,120.82	5,307.93	2,812.89	2,264.00	3,043.93
Doubtful - Above 3 years	Stage 3	1,18,068.20	1,06,464.95	11,603.25	1,08,841.30	(2,376.35)
Subtotal for doubtful		**1,46,567.38**	**1,31,972.99**	**14,594.39**	**1,31,305.75**	**667.24**
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**1,46,567.38**	**1,31,972.99**	**14,594.39**	**1,31,305.75**	**667.24**

Other item such as guarantees, loan commitments, etc.which are in the scope of Ind AS 109 but not convered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms.	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
	Stage1	-	-	-	-	-
	Stage2	-	-	-	-	-
	Stage3	1,46,567.38	1,31,972.99	14,594.39	1,31,305.75	667.24
	Total	**1,46,567.38**	**1,31,972.99**	**14,594.39**	**1,31,305.75**	**667.24**

* During the FY 2020-21, amount of the Impairment Reserve is reversed, since impairment allowances made under Ind AS 109 exceeds the provision required under IRACP Norms, (RBI Notification :- RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20, Dated March 13, 2020).

Aforesaid disclosure made on the basis of standalone financial statements of SICOM Ltd only and it does not include loan extended by SIFL.

As at 31 March 2020

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowance (Provisions) as per required Under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	* Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	5 (3-4)	6	7 (4)-(6)
Performing Assets						
Standard	Stage 1	372.57	42.22	330.35	1.49	40.73
	Stage 2	-	-	-	-	-
Subtotal		**372.57**	**42.22**	**330.35**	**1.49**	**40.73**
Non-Performing Assets						
Substandard	Stage 3	-	-	-	-	-
Doubtful - upto 1 year	Stage 3	1,722.43	1,179.61	542.82	344.49	835.12
Doubtful - 1 to 3 years	Stage 3	9,361.01	6,270.63	3,090.38	2,635.21	3,635.42
Doubtful - Above 3 years	Stage 3	1,21,521.20	1,01,187.07	20,334.12	1,06,114.85	(4,927.78)
Subtotal for doubtful		**1,32,604.64**	**1,08,637.31**	**23,967.32**	**1,09,094.55**	**(457.22)**
Loss	Stage 3					
Subtotal for NPA		**1,32,604.64**	**1,08,637.31**	**23,967.32**	**1,09,094.55**	**(457.22)**

Other item such as guarantees, loan commitments, etc.which are in the scope of Ind AS 109 but not convered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms.	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
	Stage1	372.57	42.22	330.35	1.49	40.73
	Stage2	-	-	-	-	-
	Stage3	1,32,604.64	1,08,637.31	23,967.32	1,09,094.55	(457.22)
	Total	**1,32,977.21**	**1,08,679.53**	**24,297.67**	**1,09,096.04**	**(416.49)**

* During the FY 2019-20, difference in impairement allowances made under Ind AS 109 and provision required under IRACP Norms of Rs 416.49 Lakhs is been tranfererred to Impairment Reserve in Statement of Profit & Loss in current financial year as per RBI Notification :- RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20, Dated March 13, 2020

Notes to Consolidated Financial Statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 69: Events After Reporting Date

There have been no events after the reporting date that require disclosure in these financial statements.

Note 70: Covid-19

In the last quarter of the previous financial year, COVID-19 was declared a global pandemic and the Government of India announced a country wide lockdown which still continues across many parts of the country with some variations. In this nation-wide lock-down, the group has continued to operate and provide its services to its customers without much disruption. The group has evaluated the carrying value of the assets, recoverability of trade receivable and liquidity position and have concluded that no material adjustments required at this stage in the financial statement.

Note 71: Code on Social Security

The Code on Social Security, 2020 ('Code') received the Indian Parliament approval and Presidential Assent in September 2020. The Code once made effective would impact the employee benefits during employment as well as post employment benefits. The implementation of the Code has been deferred by the Central Government on March 30, 2021 and the date from which the code will be effective is yet to be notified. The impact assessment of the Code will be done by the Group once the same is made is effective.

Note 72: New Preannouncement related to Schedule III and Others

Recent pronouncements

The Ministry of Corporate Affairs ("MCA") vide notification dated March 24, 2021 amended the Schedule III of the Companies Act, 2013. The amendments related to Division I, II and III of Schedule III and are applicable starting April 01, 2021. Key amendments relating to Division III which related to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.

Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

Specified format for disclosure of shareholding of promoters. Specified format for ageing schedule of trade receivables, trade payables, capital work-in progress and intangible asset under development

If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The said amendments will be given effect by the Company for period starting April 01, 2021.

Note 73: Information on instances of fraud

Instances of fraud for the year ended March 31, 2021 (Holding Company) :

Nature of Fraud	No. of cases	Amount of fraud	Recovery	Amount written off
Fraud committed by borrowers and outsider	6	33,195.39	425.00	-

Instances of fraud for the year ended March 31, 2021 (SIFL) :

Nature of Fraud	No. of cases	Amount of fraud	Recovery	Amount written off
Fraud committed by borrowers and outsider	25	21,926.27	1.62	-

Instances of fraud for the year ended March 31, 2020 (Holding Company) :-

Nature of Fraud	No. of cases	Amount of fraud	Recovery	Amount written off
Fraud committed by borrowers and outsider	4	-	14,620.39	-

Instances of fraud for the year ended March 31, 2020 (SIFL) :-

Nature of Fraud	No. of cases	Amount of fraud	Recovery	Amount written off
Fraud committed by borrowers and outsider	-	-	-	-

Notes to Consolidated Financial Statements (Continued)
for the year ended 31 March 2021
(Currency : Indian Rupees in Lakhs)

Note 74: Previous year's figures

Previous year figures have been regrouped/rearranged /reclassified wherever necessary to conform to the current year classification.

As per our report of even date
For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

For and on behalf of the Board of Directors of SICOM Limited
CIN - U65990MH1966PLC013459

Snehal Shah
Partner
Membership No. 048539

Dr Nitin Jawale
Managing Director
DIN - 03204116

Dr Harshadeep Shriram Kan
Director
DIN : 07183938

Swagat Sawant
Chief Financial Of

Chetna Vasani
Company Secretary

Mumbai
November 01, 2021

Mumbai
November 01, 202

Mumbai
November 01, 2021

Additional information as required by paragraph 2 of the general instructions for preparation of Consolidated Financial statements to schedule III to the Companies Act,2013.

(Rs in Lakhs)

Name of the Entity	Net Assets as at 31-Mar-21		Net Assets as at 31-Mar-20		Share in Profit or loss for FY 20-21		Share in Profit or loss for FY 19-20	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Net Assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated profit or loss	Amount
Parent								
SICOM Limited	93.44%	38,370.21	97.72%	48,037.50	115.93%	(11,441.25)	34.47%	(1,450.37)
Subsidiaries								
SICOM Investments and Finance Limited	-(76.27%)	(31,321.49)	-(58.90%)	(28,955.18)	23.98%	(2,366.32)	(123.13%)	(5,180.54)
SICOM Realty Limited	3.81%	1,565.37	3.64%	1,787.97	2.25%	(222.20)	(3.45%)	(145.28)
SICOM ARC Limited	7.74%	3,180.03	6.40%	3,147.73	-(0.33%)	32.31	-(0.65%)	27.28
SICOM Trustee Company Private Limited	-(0.04%)	(15.09)	-(0.01%)	(5.01)	0.10%	(10.08)	(0.06%)	(2.44)
SICOM Capital Management Private Limited	0.00%	(1.04)	0.01%	7.28	0.08%	(8.32)	(0.05%)	(2.23)
Inter Company Elimination and other consolidated adjustments	71.32%	29,286.02	51.14%	25,139.56	-(42.01%)	4,146.36	-60.51%	2,546.09
Total	**100.00%**	**41,064.01**	**100.00%**	**49,159.85**	**100.00%**	**(9,869.50)**	**100.00%**	**(4,207.48)**

SICOM LIMITED

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