



VARDHAN CAPITAL & FINANCE LIMITED

CIN: L67120MH1995PLC084465

25th August, 2021

BSE Limited

Corporate Relations Department,
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001

SCRIP CODE: 542931
SCRIP ID: VARDHANCFL

Dear Sir/Madam,

SUB: Submission of 27th Annual Report - Financial year 2020-21

Pursuant to Regulation 34(1) of SEBI (LODR) Regulation, 2015 enclosed herewith please find the revised copy of annual report for the financial year 2020-21 together with notice of 27th Annual General Meeting. (correction w.r.t e-voting instructions carried out).

Kindly take the same on your record.

Yours Faithfully,

For Vardhan Capital and Finance Limited

Digitally signed by AKASH RAJESH VARDHAN
DN: CN=akash, o=signnow
Not Before: 09-Mar-2024
Not After: 08-Mar-2025
Subject: 2e9f825b159a7d2d8d4a0e0000000000
Serial Number: 402034
SHA256: 8f15a6b2a0a33a0a0a0a0a0a0a0a0a0a
Signature Hash: 87e121b187e0
Signature ID: 85a383d0a0a0a0a0a0a0a0a0a0a0a0a0
cn=AKASH RAJESH VARDHAN

**Akash Vardhan
Managing Director
DIN: 03043186**

Encl: As stated above.



VARDHAN CAPITAL AND FINANCE LIMITED

27TH ANNUAL REPORT

2020-2021

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Attendance Slip and Proxy Form	

Company's Registered Office:	Registrar & Share Transfer Agent
113, Commerce House, 140 N.M. Road, Fort, Mumbai, Maharashtra, 400023	Purva Sharegistry (India) Pvt. Ltd
Tel: 022-43226100/022-22672268	Address: Unit No.9, Ground Floor, Shiv Shakti Ind. Est, J.R. Boricha Marg, Lower Parel (East), Mumbai-400011
Email: vardhancapital@gmail.com	Tel: 022- 23018761/23012517
Website: www.vardhancapital.com	Email: support@purvashare.com

Team

Rajesh Vardhan	Non-Executive Director
Ramesh Vardhan	Non-Executive Director
Akash Vardhan	Managing Director
Prashansa Bora	Independent Non-Executive Director
Shailesh Jogani	Independent Non-Executive Director
Sonam Dipesh Vardhan	Chief Financial Officer (CFO)
Anmol Jain	Company Secretary and Compliance Officer

Board Committees*Audit Committee*

Rajesh Vardhan
Shailesh Jogani
Prashansa Bora

Stakeholders Relationship Committee

Rajesh Vardhan
Shailesh Jogani
Ramesh Vardhan

Nomination and Remuneration Committee

Rajesh Vardhan
Shailesh Jogani
Prashansa Bora

Asset Liability Management Committee

Rajesh Vardhan

Shailesh Jogani

Ramesh Vardhan

Statutory Auditors

M/s JMT & Associates,
Chartered Accountants,
304/305, A-Wing, Winsway Complex,
Opp. Andheri Railway Station,
Andheri (East), Mumbai-400069

Secretarial Auditors

M/s Priti J. Sheth & Associates
Company Secretaries
Office no 804, 8th floor, G Square,
Jawahar Road, Opp Ghatkopar Station
Ghatkopar (East), Mumbai-400077

Website: www.pjsassociates.com

Email-Id: priti.pjsassociates@gmail.com

Notice

Notice is hereby given that the 27th Annual General Meeting of the Members of **Vardhan Capital and Finance Limited** will be held on **Tuesday, September 14, 2021** at 11:00 a.m. at the Registered office of the Company at 113 Commerce House, 140 N.M. Marg, Fort, Mumbai – 400 001 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet and the Profit & Loss Account together with the Reports of the Directors and Auditors thereon for the financial year ended 31st March, 2021.
2. To appoint a Director in place of Ramesh Vardhan (DIN: 00207488) who retires by rotation and being eligible has offered himself for re-appointment.

SPECIAL BUSINESS :

3. **To appoint Mr. Shailesh Jogani (DIN: 06644699) as the director of the Company**

To Consider and if thought fit; to pass the following resolution as an Ordinary Resolution;

“RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Shailesh Jogani (DIN: 06644699) who was appointed as an Additional Director of the Company under provisions of section 161 of the Act w.e.f. 15th June, 2021 and holds the office till ensuing 27th AGM be and is hereby appointed as Non-Executive Independent Director of the Company not liable to retire by rotation to hold office as such for a term of 5 consecutive years w.e.f. 15th June, 2021 upto 14th June, 2026.

4. **Re-appointment of Mr. Akash Vardhan as Managing Director of the Company.**

To consider and if thought fit, to pass, the following Resolution as Special Resolution:-

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification thereto from time to time or any re-enactment thereof for the time being in force) and the rules framed thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the recommendation of the Nomination and Remuneration Committee of the Company Mr. Akash Vardhan (DIN – 03043186) be and is hereby re-appointed as Managing Director of the Company for a further period of 3 years with effect from 29th March, 2022 to 28th March, 2025 on the terms and conditions of appointment and remuneration as mentioned below with liberty and power to the Board, to grant increments and to alter and vary from time to time, the terms and conditions of the said appointment, subject to the same not exceeding the limits specified under the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof:

I. Salary:

Basic Salary up to Rs. 5,00,000/-per annum

II. Perquisites:

1. The expenses incurred by the appointee on gas, electricity, water will be reimbursed.
2. All the medical expenses incurred for him and his family shall be reimbursed by the Company subject to a ceiling of 1 month's salary.
3. Leave Travel Allowance for self and family once in every year as may be sanctioned by the Board.
4. Fees of club subject to a maximum of two clubs, this will include life membership fees.
5. Personal Accident Insurance, the premium for which shall not exceed Rs. 10,000/- per annum.
6. Provision of a car with driver for use on companies business and telephones at residence.
7. Other Perquisites and Allowance as may be sanctioned by the Board of Directors and as approved by the Nomination and Remuneration Committee subject to maximum Rs. 50,000 per year.
8. Re-imbursement of expenses incurred on behalf of the Company.

III. Others:

1. The terms and conditions of appointment of Managing Director may be altered or varied from time to time by the Board as may consider and deemed fit so as not to exceed the limits specified in Schedule V or the Companies Act 2013 or the statutory modification or re-enactments thereof.
2. Notwithstanding, where in any financial year during the currency of the tenure of the Managing Director, the Company has no Profits or if the profits are inadequate, it may continue to pay him remuneration, subject to Schedule V of the Companies Act 2013.
3. The Managing Director shall be entitled to leave as per the Policy of the Company. Leave accumulated and not availed at the time of leaving the services of the Company shall be allowed to be encashed. This will not be considered as a perquisite.
4. The Managing Director shall be liable to retire by rotation.
5. The appointment of Mr. Akash Vardhan as Managing Director shall be terminable by Company by a notice of two months, in writing.
6. Disputes between the Company and the Managing Director or their legal heirs or with the legal representatives may be settled by Arbitration under the Indian Arbitration Act 1940.
7. The Managing Director shall not be entitled to any sitting fees for attending the meetings of the Board or any Committee thereof.
8. The Managing Director shall not become interested or otherwise concerned directly or in any selling agency of the Company except with the consent of the Company and in accordance with the provisions of the applicable laws in force.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, notwithstanding anything to the contrary herein contained, the appointee shall be paid the above remuneration as the Minimum Remuneration subject to the overall limits as per provisions contained in the Schedule V to the Companies Act, 2013 or any amendments hereinafter made, as may be agreed to between the Board of Directors and the appointee.

RESOLVED FURTHER THAT the Board of Directors of the Company, severally and jointly, be and is hereby authorized to do all such acts, deeds, things and execute all such documents, instruments,

writings as, in its absolute discretion, it may be considered necessary, expedient or desirable, including power to sub delegate, in order to give effect to the foregoing resolution or otherwise as considered by the Board to be in the best interest of the Company as it may deem fit."

By Order of the Board

Date: 23rd August, 2021

Place: Mumbai

Sd/-

**Akash Vardhan
Managing Director
DIN: 03043186**

Notes:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('the Act'), in respect of the Special Business mentioned under item Nos. 3 and 4 is annexed hereto
2. The route map showing directions to reach the venue of the 27th AGM is annexed.
3. A Member entitled to attend and vote at the Annual General Meeting (the meeting) is entitled to appoint a proxy to attend and vote instead of herself/himself and a proxy need not be a Member of the Company.
4. The proxy form should be deposited at the Registered Office of the Company not less than 48 (Forty-Eight) hours before the commencement of the AGM and in default, the instrument of proxy shall be treated as invalid. Proxies shall not have any right to speak at the meeting.
5. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
6. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the meeting.
7. In case of joint holders attending the AGM, only such joint holder who is higher in order of names will be entitled to vote.
8. The members who hold shares in electronic form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number, in attendance slip for attending AGM.
9. For the convenience of the Members, an Attendance Slip is annexed to the Proxy Form. Members are requested to affix their signature at the space provided and fill up the particulars and hand over the attendance slip at the place of the Meeting.
10. The Ministry of Corporate Affairs (MCA), Government of India as a part of its Green Initiatives had issued Circular No. 17/2011 and 18/2011, dated 21st April 2011 and 29th April 2011 respectively, allowing Companies to send official documents to their shareholders electronically as part of its green initiatives in Corporate Governance.
In this behalf, we are confident that you would appreciate the "Green Initiative" taken by MCA. We solicit your cooperation in helping the Company to implement the e-governance initiatives of the Government.
11. Shareholders are requested to dematerialize their Shares. The Company has appointed **M/s. Purva Share registry (India) Private Limited**, Mumbai for handling Share transfer job and also for maintaining electronic connectivity with NSDL AND CDSL who have allotted ISIN ACTIVATION NUMBER AS – ISIN No – **INE128G01018**.
12. Members are requested to notify immediately any change in their address:
 - to their Depository Participants (DPs) in respect of their electronic Share accounts; and
 - to Registrar & Share Transfer Agent @ support@purvashare.com of the Company in respect of their physical Shares folios along with Bank particulars.
13. Members desirous of making nomination in terms of Section 72 of the Companies Act, 2013 in respect of their shareholding may approach the Registrar for assistance. Shareholders holding shares in electronic form may approach their DP with whom they maintain their account for nomination.

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14. Members desiring any information on the Accounts are requested to write to the Company at least one week before the meeting so as to enable the Management to keep the information ready & replies will be provided at the meeting.

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

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

If you have any queries or issues regarding attending AGM & e-Voting from the Purva e-Voting System, you can write an email to <https://evoting.purvashare.com> or contact at 022-49614132 and 022-23018261.

All grievances connected with the facility for voting by electronic means may be addressed to Ms. Deepali Dhuri, Compliance Officer, Purva Shareregistry (India) Private Limited, Unit No. 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Near Lodha Excelus, Lower Parel (East), Mumbai - 400011 or send an email to <https://evoting.purvashare.com> or contact at 022-49614132 and 022-23018261.

THE INSTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING:

- (i) The voting period begins on Saturday, 11th September, 2021 at 09.00 A.M and ends on Monday, 13th September, 2021 at 05.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Tuesday, 07th September 2021 may cast their vote electronically. The e-voting module shall be disabled by Purva for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.
Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.
In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode is given below:

Type	of	Login Method
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shareholders	
Individual Shareholders holding securities in Demat mode with CDSL	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdsindia.com/myeasi/home/login or visit www.cdsindia.com and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME/PURVA, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdsindia.com/myeasi/Registration/EasiRegistration</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdsindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with NSDL	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

(v) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholder" module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com, www.evoting.nsdl.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

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

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant **Vardhan Capital & Finance Limited** on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO/ABSTAIN" for voting. Select the option YES or NO or ABSTAIN as desired. The option YES implies that you assent to the Resolution, option NO implies that you dissent to the Resolution and option ABSTAIN implies that you are not voting either for or against the Resolution.
- (xi) Click on the "NOTICE FILE LINK" if you wish to view the Notice.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

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(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) Facility for Non – Individual Shareholders and Custodians –Remote Voting

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

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

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

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

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

ANNEXURE I

Details of the Directors seeking appointment / reappointment at the 27th Annual General Meeting as per Secretarial Standard on General Meetings, Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015

Name of the Director	Mr. Ramesh Vardhan	Mr. Akash Vardhan	Mr. Shailesh Jogani
DIN	00207488	03043186	06644699
Date of Birth	01/10/1962	17 th February, 1992	16 th September, 1970
Age	59 years	29 years	51 years
Date of Appointment (Original)	09/01/1995	29 th March, 2019	15 th June, 2021
Qualification	B.Com	Masters in Business Administration	Commerce Graduate
Brief Resume and Experience	He is a veteran with 4 decades of excellence in the real estate industry. He is responsible for making the group customer focused and giving it the vision to make future progress. An astute finance professional, he is also the brain behind keeping the company in good financial health.	He has worked as Executive Assistant to Ramesh Nair for 2 years in Jones Lang Lasalle. Thereafter, he has contributed his time to widen Vardhman Group.	Mr. Jogani is a commerce graduate having vast cross functional experience in the industry.
Expertise in specific functional areas	Corporate Finance, Real Estate Finance, Project Marketing, Sales, HR & Administration	Corporate Finance, Real Estate Finance, Project Marketing, Sales, HR & Administration	Real Estate
Directorships held in other companies (excluding section 8 and foreign companies)	<p>Private Companies</p> <ul style="list-style-type: none"> 1. Vardhman Developers And Neelam Private Limited 2. Vardhman Growmore Developers Private Limited 3. Vardhman Home Developers Private Limited 4. Indelible Realtors Private Limited 5. Stork Realtors Private Limited 6. Vardhman Entertainment & Hospitality Private Limited 7. Indelible Holdings Private Limited 8. Vardhman Residency Private Limited 9. Enso Holdings & Finance Private Limited 10. Flower Boom Builders Private Limited 11. Vibuti Construction Private Limited 12. Stork Developers Private Limited 13. Pahlajani Developers Private Limited 	<p>Private Companies</p> <ul style="list-style-type: none"> 1. Diwali Developers Private Limited 2. Vibuti Construction Private Limited 3. Flower Boom Builders Private Limited 4. Enso holdings & Finance Private Limited 5. Vardhman Residency Private Limited 6. Indelible Holdings Private Limited 7. Vardhman Entertainment & Hospitality Private Limited 8. Vardhman Multicuisine Private Limited 9. Stock Realtors Private Limited 10. Indelible Realtors Private Limited 11. Swift Techpro Private Limited 12. Vardhan Home Developers Private Limited. 13. Vardhan Growmore Developers Private Limited. 	Vardhman Concrete Limited

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	<p>14. Bluestock Investments Private Limited</p> <p>Public Companies</p> <ol style="list-style-type: none"> 1. Vardhman Developers Limited 2. Vardhman Concrete Limited <p>Other Companies</p> <ol style="list-style-type: none"> 1. The Association Of The Commerce House Block Owners Limited 2. Hardcastle Waud And Company Limited LLP 1. Vardhman Lifestyle Buildcon LLP 2. Vardhman Realdev LLP 	<p>Public Companies</p> <ol style="list-style-type: none"> 1. Vardhan Developers Limited. 	
Memberships of committees across other companies*	1. Stakeholder's Relationship Committee Vardhaman Concrete Limited	NIL	1. Nomination & Remuneration Committee - Vardhman Concrete Limited
Relationship between directors inter-se	Mr. Ramesh Vardhan & Mr. Rajesh Vardhan are Brothers	Son of Mr. Rajesh Vardhan	NIL
Terms and Conditions of re-appointment	Director liable to retire by rotation	Director liable to retire by rotation and other terms of office of MD as elaborated in the Resolution	Independent Director appointed for a terms of 5 years
Remuneration to be paid	As decided by the Members	As elaborated in the proposed resolution	NIL
Remuneration last drawn	Nil	Rs. 1,20,000	NIL
Shareholding in the Company	3,97,500 Equity shares (9.14%)	11000 Shares (0.22%)	NIL
No. of Board Meetings attended/ held during the previous financial year	5	5	NA

*(includes only Audit & Shareholders' / Stakeholder Relationship Committee)

ANNEXURE II

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013

Item No. 3:

The Board of Directors, pursuant to Section 161 of the Companies Act, 2013 and recommendation of Nomination & Remuneration Committee, appointed Mr. Shailesh Jogani, as an Additional Director of the Company in the category of **Non-Executive Independent Director** on 15th June 2021. As per Section 161 of the Act and the Articles of Association, Mr. Shailesh Jogani holds office upto the date of this AGM. The details with regard to Mr. Shailesh Jogani as stipulated under the SEBI LODR and the applicable Secretarial Standards are stated herein and are enclosed as Annexure I of the AGM Notice. The Board is of the view that Mr. Shailesh Jogani's knowledge and experience will be of benefit and value to the Company, and therefore, has recommended his appointment as a Director of the Company for a term of 5 years. The Directors recommend the passing of the Resolution at Item No. 3 as an Ordinary Resolution.

Item No. 4

Mr. Akash Vardhan holds office as Managing Director of the Company on approved terms until 28th March 2022 and shall be reappointed on receipt of requisite approvals. On the basis of recommendation of the Nomination & Remuneration Committee ('the Committee'), the Board of Directors approves his re-appointment in terms of applicable provisions of the Act for a period of three years from 29th March, 2022 upto 28th March, 2025, upon the terms & conditions stated in the resolution, subject to approval of the Members.

Additional information in respect of Mr. Akash Vardhan, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings is enclosed as Annexure I.

Details as required pursuant to Schedule V of the Companies Act, 2013 is as under:

I. General Information																			
i.	Nature of industry	:	Non – Banking Finance Company																
ii.	Date or expected date of commencement of commercial production	:	NA																
iii.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	:	Not Applicable since the Company is already operational.																
iv.	Financial performance based on given indicators	:	The key indicators of financial performance of the Company based on the last three audited financial statements are set out below.																
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; padding: 5px;">Particulars</th><th style="text-align: center; padding: 5px;">2020-21 (Amount INR)</th><th style="text-align: center; padding: 5px;">2019-20 (Amount INR)</th><th style="text-align: center; padding: 5px;">2018-19 (Amount INR)</th></tr> </thead> <tbody> <tr> <td style="padding: 5px;">Sales and Other Income</td><td style="text-align: center; padding: 5px;">8,24,12,938</td><td style="text-align: center; padding: 5px;">7,31,12,443</td><td style="text-align: center; padding: 5px;">78,989,810</td></tr> <tr> <td style="padding: 5px;">Net Profit Before Tax</td><td style="text-align: center; padding: 5px;">46,08,705</td><td style="text-align: center; padding: 5px;">5,706,324</td><td style="text-align: center; padding: 5px;">5,754,535</td></tr> <tr> <td style="padding: 5px;">Net Profit After Tax</td><td style="text-align: center; padding: 5px;">33,47,515</td><td style="text-align: center; padding: 5px;">41,76,324</td><td style="text-align: center; padding: 5px;">4,099,535</td></tr> </tbody> </table>				Particulars	2020-21 (Amount INR)	2019-20 (Amount INR)	2018-19 (Amount INR)	Sales and Other Income	8,24,12,938	7,31,12,443	78,989,810	Net Profit Before Tax	46,08,705	5,706,324	5,754,535	Net Profit After Tax	33,47,515	41,76,324	4,099,535
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Sales and Other Income	8,24,12,938	7,31,12,443	78,989,810																
Net Profit Before Tax	46,08,705	5,706,324	5,754,535																
Net Profit After Tax	33,47,515	41,76,324	4,099,535																
v.	Foreign investments or collaborations, if any	:	NA																
II. Information about the appointee:																			
i.	Background details	:	As a part of the third generation in the family business of Real																

CIN: L67120MH1995PLC084465

		Estate, his end goal has always been to join the family business. He had worked at Jones Lang LaSalle with the Capital Markets team to raise funds for developers. He has pursued MBA from Babson College, F.W. Olin Graduate School of Business, Boston. After his MBA, returning in a turbulent real estate industry, he then worked on revamping sales.
ii.	Past remuneration	: Rs. 1,20,000
iii.	Recognition or awards	: • Gyan Karma Award • International Award for Young People (IAYP)
iv.	Job profile and his suitability	: As the Managing Director he is responsible for providing vital inputs for effective functioning of the Company.
v.	Remuneration proposed	: Basic Salary up to Rs. 5,00,000/-per annum and perquisites as mentioned in the resolution
vi.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	: Comparative figures cannot be determined as the financial performances and individual cases differ, though in the same industry.
vii.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	: Apart from receiving managerial remuneration Mr. Akash Vardhan does not have any pecuniary relationship with the Company. Mr. Akash Vardhan is son of Mr. Rajesh Vardhan (Relative of Director of the Company)
III.	Other information	
i.	Reasons of loss or inadequate profits	: Considering the present economy and overall regulatory and business environment changes; The Company is still finding and developing optimistic ways to maximize the profits and to achieve targets set and overall growth.
ii.	Steps taken or proposed to be taken for improvement	: The Company constantly endeavors for growth and is taking necessary steps to reduce the operating costs and book better profits.
iii.	Expected increase in productivity and profits in measurable terms	: The Company expects growth and profits in near future.

Mr. Rajesh Vardhan and Mr. Akash Vardhan are interested in this Resolution. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

By Order of the Board

Sd/-

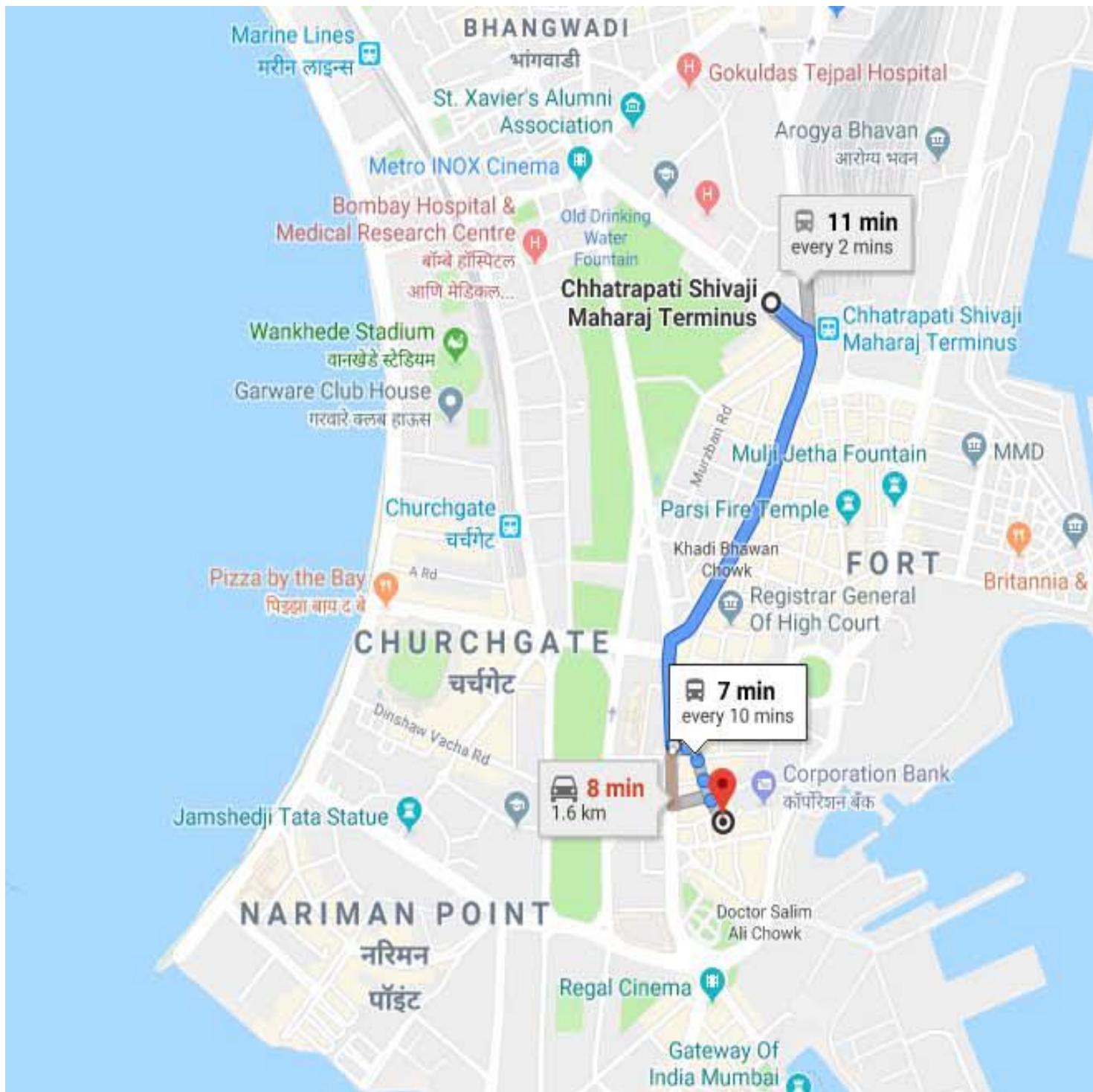
Akash Vardhan

Managing Director

DIN: 03043186

Date: 23rd August, 2021

Place: Mumbai

Route map to the 27th Annual General Meeting

DIRECTORS' REPORT

Dear Members,

The Board of Directors hereby presents the report of the business and operations of your Company, along with the audited financial statements, for the financial year ended March 31, 2021. In line with the requirements of the Companies Act, 2013 and the rules framed thereunder, this report covers the financial results and other developments during the Financial Year 1st April, 2020 to 31st March 2021.

1. Summary of operations/results

The financial results of the Company for the year ended March 31, 2021 as compared to that of previous year are summarized as under:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Total Income	824.12	731.12
(less) Expenses	778.04	674.06
Profit/(Loss) Before Income Tax	46.08	57.06
(less) Taxes	12.61	15.30
Net Profit/(Loss) after Tax	33.47	41.76

2. Company's Affairs

During the Financial Year ended March 31, 2021, the company has earned a net profit of Rs. 33.47 Lacs as compared to net Profit of Rs. 41.76 Lacs earned during the previous financial year ended March 31, 2020.

3. Transfer to general reserves

The Company has not transferred any amount to general reserves during the financial year ended March 31, 2021.

4. Transfer of Unclaimed / Unpaid Amount

The Company doesn't have any unclaimed/unpaid amount to be transferred in accordance of the provisions of Section 125(2) of the Companies Act, 2013.

5. Dividend

The Board has not recommended any dividend for the year under review.

6. Change in the Nature of Business and Financial Position

There are no changes in the nature of business during the Financial Year 2020-21 and till the date of issue of this report.

7. Material Changes and Commitments

There are no material Changes and Commitments affecting the Financial Position of the Company from 01st April, 2021 till the date of issue of this report.

8. Deposits

The Company has not accepted any deposits during the financial year as defined Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014, hence there is no default of re-payment, and

any unpaid / unclaimed deposits, as on March 31, 2021. Details of Inter Corporate borrowings are elaborated in note no. 7 of the attached financials.

9. RBI Prudential Norms

The Company is classified as Loan Company by RBI.

The Company continues to comply with all the applicable regulation prescribed by the Reserve Bank of India ("RBI") from time to time.

10. Share Capital

There were no changes in the Share Capital of the Company during the financial year ended March 31, 2021.

- A) **Issue of Equity Shares with Differential Rights:** The Company has not issued any equity shares with differential rights during the financial year ended March 31, 2021.
- B) **Issue of Sweat Equity Shares:** The Company has not issued any Sweat Equity Shares during the financial year ended March 31, 2021.
- C) **Issue of Employee Stock Options:** The Company has not issued any Employee Stock Options during the financial year ended March 31, 2021.

11. Subsidiary, Associate and Joint Ventures Companies

The Company does not have any subsidiary as per Clause 2(87) or associate as per Clause 2(6) of the Companies Act, 2013. The Company has not entered into any Joint Venture during the Financial Year ended March, 2021.

12. Maintenance of Cost Records

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable to the Company.

13. Board of Directors and Key Managerial Personnel

The Composition of Board of the Company as on March 31, 2021 is as follows:

Sr. No.	Name of Director	DIN/PAN	Category
1.	Akash Vardhan	03043186	Managing Director
2.	Rajesh Vardhan	00199986	Non-Executive Director
3.	Ramesh Vardhan	00207488	Non-Executive Director
4.	Prashansa Bora	0 8419397	Non-Executive Independent Director
5.	Sonam Vardhan	ACHPH7859M	Chief Financial Officer
6.	Anmol Jain	AXXPJ4634M	Company Secretary

There has been following changes in the Directors and KMP during the year under review:

➤ **Appointments / Re-appointments**

- i. Mr. Akash Vardhan (DIN: 03043186) retired by rotation at the 26th Annual General Meeting of the Company and was re-appointed u/s 152 of the Act.
- ii. Mr. Shailesh Jogani (DIN: 06644699) was appointed as an Additional director of the Company u/s 161 of Companies Act, 2013 to hold office upto the ensuing 27th AGM, in the capacity of Non- Executive Independent Director of the Company. The Board of Directors recommend to the shareholders to appoint him as Director for a term of 5 years commencing from the original appointment date.

➤ Resignations

Arvind Kothari has resigned from the position of Director with effect from 15th June, 2021.

➤ Retirement by rotation

Pursuant to provisions of Companies Act, 2013, Mr. Ramesh Vardhan (DIN: 00207488) retires by rotation at the ensuing 27th Annual General Meeting of the Company and being eligible seeks re-appointment.

14. Board Meetings and Attendance of Directors

During the Financial Year 2020-21, the Board of Directors duly met 5 times on the following dates:

31st July, 2020, 15th September, 2020, 12th November, 2020, 25th November, 2020 and 12th February, 2021.

The maximum interval between two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013 except in 1 instance during the strict lockdown situation in the city where the registered office is situated. On account of various relaxations provided by the Government and Ministry of Corporate Affairs, the Company was allowed to hold Board Meetings with a gap of 180 days.

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

15. Declaration by Independent Directors

The Company has received necessary declaration from each independent directors under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

In the opinion of the Board, the Independent Directors appointed during the year possess appropriate balance of skills, experience and knowledge that enable the Board to discharge its functions and duties effectively.

The Board shall comment on proficiency once the independent directors appear for the online proficiency self-assessment test as applicable.

16. Familiarization programme for independent directors

All new independent directors appointed on the Board attend a familiarization programme. After appointment a formal letter is issued to the independent directors outlining his/her roles, functions, duties and responsibilities.

17. Performance Evaluation of the Board/ Committees and Independent Directors

The Board of Directors have evaluated the overall performance of the Board as a whole and also of each director individually including the Independent Director and found the same to be satisfactory.

The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and Non – Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

The performance of the committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as composition of Committees, effectiveness of committee meetings, etc.

18. Independent Directors Meeting

During the year under review, the Independent Directors met once *inter alia*, to discuss:

1. Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole taking into account the views of Executive and Non-Executive Directors.
2. Performance evaluation of the Chairman of the Company, taking into account the views of Executive and Non-Executive Directors and independent directors was done by the entire board, excluding the independent director being evaluated.
3. Evaluation of the quality, content and timelines of flow of information between the Management and the board that is necessary for the Board to effectively and reasonably perform its duties

19. Committees of the Board

Currently, the Board has five committees:

1. Audit Committee
2. the Nomination and Remuneration Committee
3. the Stakeholders' Relationship Committee
4. the Risk Management Committee
5. Asset Liability Management Committee.

The details of the committees of Board are as follows:

Audit Committee

The Audit Committee of Directors is constituted as per the provisions of Section 177 of the Companies Act, 2013. The Composition of Audit Committee along with dates of meeting and directors attendance is as follows.

Name of the Member	Designation
Mr. Shailesh Jogani *	Chairman
Ms. Prashansa Bora	Member
Mr. Rajesh Vardhan	Member

*The Audit committee was re-constituted effective 15th June, 2021, consequent to resignation of Mr. Arvind Kohtari; Mr. Shailesh Jogani (chairman) was inducted in place of Mr. Arvind Kothari.

Audit Committee duly met 4 times during the F.Y 2020-21 on the following dates:

31st July, 2020, 15th September, 2020, 12th November, 2020 and 12th February, 2021

Nomination & Remuneration Committee

The Nomination & Remuneration Committee of Directors is constituted in accordance with the requirements of Section 178 of the Companies Act, 2013. The Composition of Nomination and Remuneration Committee is as follows. The Company's policy on Directors' appointment and remuneration including all other matters shall be available at the registered office of the Company for inspection.

Name of the Director	Designation
Mr. Shailesh Jogani *	Chairman
Mr. Rajesh Vardhan	Member
Ms. Prashansa Bora *	Member

*The nomination and remuneration committee was re-constituted effective 15th June, 2021, consequent to resignation of Mr. Arvind Kohtari; Mr. Shailesh Jogani (chairman) was inducted in place of Mr. Arvind Kothari.

The nomination and remuneration policy as required under Section 178 (3) of the Company is available on our website <https://www.vardhancapital.com/>

Nomination & Remuneration Committee duly met thrice during the F.Y 2020-21 on the following dates:

31st July 2021, 25th November, 2020 and 12th February, 2021

Stakeholders Relationship Committee

Pursuant to Section 178 of the Companies Act, 2013, the Board of Directors has constituted the Stakeholders Relationship Committee. The Composition of Stakeholders Relationship Committee is as follows:

Name of the Member	Designation
Mr. Shailesh Jogani *	Chairman
Ms. Rajesh Vardhan	Member
Mr. Ramesh Vardhan	Member

*The Stakeholders Relationship committee was re-constituted effective 15th June, 2021, consequent to resignation of Mr. Arvind Kohtari; Mr. Shailesh Jogani (chairman) was inducted in place of Mr. Arvind Kothari.

Stakeholders Relationship Committee met once during the F.Y 2020-21 on 25th November, 2020.

Asset Liability Management Committee (ALCO)

The Board of Directors has constituted the ALCO Committee as required under RBI's NBFC regulations. Composition of the same is as follows:

Name of the Member
Mr. Rajesh Vardhan
Mr. Shailesh Jogani *
Mr. Ramesh Vardhan

*The ALCO committee was re-constituted effective from 15th June, 2021, Mr. Arvind Kohtari; Mr. Shailesh Jogani (chairman) was inducted in place of Mr. Arvind Kothari.

Risk Management Committee

The Board of Directors has constituted the Risk Management Committee as required under RBI's NBFC regulations. Composition of the same is as follows:

Name of the Member
Mr. Rajesh Vardhan

Mr. Ramesh Vardhan

20. Particulars of transaction between the Company and the Non-Executive Directors

During the year under review the Company has not entered into any Transaction with its Non-Executive Director.

21. Management Discussion and Analysis

The Management Discussion and Analysis report forms integral part of this Annual Report.

22. Conservation of Energy and Technology Absorption

The information relating to conservation of energy and technology absorption by the Company is annexed to the report as "Annexure A"

23. Foreign Exchange Earnings and Outgo

There was no earning in Foreign Exchange nor was there any outflow during the year under review

24. Extract of Annual Return

Annual return for the financial year 2020-21, once filed shall be available on the on the website of the Company <https://www.vardhancapital.com/>

25. Corporate Governance

Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, provide threshold for applicability of corporate governance rules. Your company does not exceed such threshold. Hence, provision of corporate governance is not applicable on your company.

26. Vigil Mechanism for Directors and Employees

The Company has a Vigil Mechanism policy to report genuine concerns or grievances as per the provisions of section 177 of the Companies Act, 2013 and regulation 22 of SEBI (Listing Obligations & Disclosure Requirements), Regulations 2015.

27. Internal Financial Control and their Adequacy

The Company has internal financial control and risk mitigation system which is constantly assessed and strengthened. The Audit committee actively reviews the adequacy and effectiveness of the Internal Financial control and suggests the improvements for the same.

28. Risk Management Policy

The Board of Directors in consultation with the Audit Committee have framed a policy for management and mitigation of risk faced by the Company in its day to day operations, further the Board of Directors and the Senior Management of the Company have been entrusted with the responsibility of identification, development and implementation of the same across the organization.

29. Corporate Social Responsibility

The provisions of Section 135 with regards to Corporate Social Responsibility are not applicable to the Company.

30. Auditors' Report

The Statements made by the Auditors in their report are self-explanatory and doesn't require any comments by the Board of Directors.

31. Fraud Reported by Auditors

During the year under review, there have been no instances of fraud, which required the Statutory Auditors to report to the Audit Committee and/or Board or Central Government under Section 143(12) of Act and Rules framed thereunder.

32. Statutory Auditors

In accordance with the provisions of Section 139 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, M/s. Amar Bafna & Associates, Chartered Accountants, statutory auditors were appointed for 5 years from the conclusion of 23rd AGM till the conclusion of the 28th AGM to be held for the year 2022.

M/s. Amar Bafna & Associates, Chartered Accountants, shall continue as Statutory Auditors for the remaining period of the term till the AGM to be held for the year 2022.

As per the communication received vide letter dated 21st October, 2020 from the office of the Auditors of the Company, the Statutory Auditors M/s Amar Bafna & Associates (FRN: 114854W) have merged with M/s. JMT & Associates (FRN: 104167W) and consequently name of the auditor's firm has been changed to JMT & Associates, Chartered Accountants (FRN: 104167W) with effect from 21.10.2020

33. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act 2013 and the rules made there under the Company has appointed **M/s. Priti J Sheth & Associates**, Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2021.

The Secretarial Audit Report is included as "**Annexure B**" and forms an integral part of this report.

34. Directors Comment on qualification or observation

With regards to the remarks by the Secretarial Auditor of the Company, the management would state as under:

1. Due to low business operations, the Company has not appointed an internal auditor; however, considering the business environment, the management is in the process to appoint one.
2. Proof of online dispatch of notices to the shareholders have been misplaced and hence could not be presented during the process of secretarial Audit.

Other remarks mentioned in Statutory Audit Report and Secretarial Audit Report are self-explanatory and do not require any further clarifications.

35. Particulars of Employees

The Company wishes to place on record its appreciation to the contribution made by the employees to the operations of the company during the period.

During the year under review, there were no employees who were in receipt of the remuneration beyond the limits prescribed under Rule 5 (2) of Companies (Appointment and Remuneration) Rules, 2014 and therefore no disclosures need to be made under the said section.

Further, the details of the top 10 employees in terms of remuneration drawn pursuant to Rule 5(2) of Companies (Appointment and Remuneration) Rules, 2014 shall be available at the registered office of the Company during the business hours and the details of ratios of the remuneration of each Director to the median remuneration to the employees of the Company for the year under review are enclosed as "**Annexure C**" to the Board's Report.

36. Related Party Transactions

The details of Related Party Transactions entered into by the Company are annexed hereto in "Annexure D" in form AOC-2.

Further, the disclosure of Related Party Transactions in compliance with Accounting Standards form a part of Note No. 25 of the financial statements.

37. Particulars of Loans, Guarantees and Investments

The Company being a Non-Banking Financial Company, its Main Business is of giving loans and making investments. The details of loans given and investments made are provided in Notes to financial statements.

38. Listing of Shares

Formerly, the Company's Shares were listed on Ahmedabad Stock Exchange Limited, Pune Stock Exchange Limited, Jaipur Stock Exchange Limited and Vadodara Stock Exchange Limited. These stock exchanges were granted exit by SEBI and de-recognized as Stock Exchange.

In the interest of the shareholders, the Board of Directors decided to list the Shares of the Company on Bombay Stock Exchange Limited. Accordingly, shares were listed on BSE Limited through 'Direct Listing' route on 11th February, 2020.

39. Significant and Material Orders passed by the Regulators or Courts or Tribunal

There are no significant material orders passed by the Courts/Tribunals.

The Bombay Stock Exchange Limited granted approval for listing of Company's Shares on 11th February, 2020.

40. Directors' Responsibility Statement

In terms of Section 134(5) of the Companies Act, 2013 in relation to financial statements for the year ended 31st March 2021, the Board of Directors state that:

- In the preparation of the Annual Accounts, the applicable accounting standards had been followed;
- The Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors had prepared the Annual Accounts on a going concern basis;
- The Directors had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively;
- The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

41. Disclosure under sexual harassment of women at workplace

In order to prevent sexual harassment of women at work place, your Company has adopted a Policy for prevention of Sexual Harassment of Women at Workplace. During the year under review, the Company has not received any complaints in this regard.

CIN: L67120MH1995PLC084465

Further, the provisions relating to constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are not applicable.

42. Acknowledgments

The Directors wish to place on record their appreciation of the contribution made by the executives and employees at all levels for their outstanding professionalism, initiatives and commitment to organizations growth and success and helping the organization in its continuous drive towards progress.

Your Directors also appreciate with gratitude the continuous support of clients, bankers, institutions, the Shareholders and well-wishers.

By Order of the Board

Date: 23rd August, 2021
Place: Mumbai

Sd/-	Sd/-
Akash Vardhan	Rajesh Vardhan
Managing Director	Director
DIN: 03043186	DIN: 00199986

"Annexure A" to Director's report

The information relating to conservation of energy and technology absorption by the Company

(A) Conservation of Energy

- i. the steps taken or impact on conservation of energy: **As the Company is not engaged in any manufacturing activity the consumption of energy is relatively low.**
- ii. the steps taken by the company for utilizing alternates source of energy: **NIL**
- iii. the Capital Investment on energy conservation equipment: **NIL**

(B) Technology Absorption

- i. the efforts made towards technology absorption: **NIL**
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution: **NIL**
- iii. in case of imported technology (imported during last three years reckoned from beginning of financial year)
 - (a) Details of technology imported: **Nil**
 - (b) Year of Import: **Nil**
 - (c) Whether technology has been fully absorbed: **Nil**
 - (d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof: **Nil**
- iv. The expenditure incurred on Research and Development: **Nil**

By Order of the Board

Sd/-	Sd/-
Akash Vardhan	Rajesh Vardhan
Managing Director	Director
DIN: 03043186	DIN: 00199986

Date: 23rd August, 2021

Place: Mumbai

CIN: L67120MH1995PLC084465

"Annexure B" to Directors Report
Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2021

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

To,
The Members,
Vardhan Capital and Finance Limited

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

Based on my/our verification of the **Vardhan Capital and Finance Limited** 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board - processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Vardhan Capital and Finance Limited ("the Company") for the financial year ended on 31st March, 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 during the Audit Period)
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009/2018 (Not Applicable during the Audit Period)

V. Other Laws applicable to the Company namely:

- (a) The Reserve Bank of India Act, 1934
- (b) Non-Banking Financial Regulations issued by Reserve Bank of India from time to time

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable

Formerly, the Company's Shares were listed on Ahmedabad Stock Exchange Limited, Pune Stock Exchange Limited, Jaipur Stock Exchange Limited and Vadodara Stock Exchange Limited. These stock exchanges were granted exit by SEBI and de-recognized as Stock Exchange. The Shares of the Company were listed on Bombay Stock Exchange Limited through 'Direct Listing' route on 11th February, 2020.

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

1. The Company has not appointed an internal auditor required to be appointed by the company pursuant to section 138 of the Companies Act, 2013 and Companies (Accounts) Rules, 2014;
2. The Public Notice by way of advertisement in newspapers pursuant to General Circular No.: 20/2020 and No. 14/2020 dated May 05, 2020 and April 08, 2020 and Rule 20 of the Companies (Management and Administration) Rules 2014 has not been published.
3. Proof of dispatch of notices to the shareholders via permitted modes could not be verified.
4. Company has not published Notice of Board Meeting and financial results as stipulated under Regulation 29 and Regulation 33 respectively of SEBI (LODR), 2015 for each respective quarters.
5. The Company has not provided E-Voting facility to its Shareholders for the Annual General Meeting held in the year 2020 as required under Section 108 of Companies Act, 2013.
6. The Company is yet to submitted form MGT 14 for adoption of Board Report in one of the instances.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were 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.

All the decisions at the Board & Committee Meetings were carried out unanimously.

I report that 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.

I further report that during the audit period the company was not involved in any activity which is having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above

CIN: L67120MH1995PLC084465

For Priti J. Sheth & Associates
Company Secretaries

Sd/-

Priti J. Sheth
(Proprietor)
C.P. No.: 5518
F.C.S. No.: 6833

Place: Mumbai

Dated: 18th August, 2021

UDIN: F006833C000802133

Annexure to the Secretarial Audit Report

To,
The Members,
Vardhan Capital and Finance Limited

Our Secretarial Audit Report dated **18th August, 2021** is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company.
Our responsibility is to make a report based on the secretarial records produced for 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 report.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as it is taken care in the statutory audit.
4. We have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
5. Compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. This 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 Priti J. Sheth & Associates
Company Secretaries*

Sd/-

**Priti J. Sheth
(Proprietor)
C.P. No.: 5518
F.C.S. No.: 6833**

**Place: Mumbai
Dated: 18th August, 2021**

CIN: L67120MH1995PLC084465

"Annexure C" to Directors Report**PARTICULARS OF EMPLOYEES**

i. Ratio of remuneration of each director to the median remuneration of employees of the Company for the financial year 2020-21.

Name of the Director / KMP	Designation	Total Remuneration paid in F.Y 2020-21	Ratio of remuneration of Director to the median remuneration	% increase in remuneration
Anmol Jain	Company Secretary	3.10 Lacs	NA	-26.90&

ii. the percentage increase in the median remuneration of employees in the financial year- NA

iii. the number of permanent employees on the rolls of company- 3

iv. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

Percentile increase in the salaries of employees	Percentile increase in managerial personnel	Justification
-65%	NA	On account of COVID Impact on Business and cash flows, no remuneration was paid to Managerial Personnel.

v. *The Board of Directors hereby affirm that the remuneration is as per the remuneration policy of the Company.*

By Order of the Board

Sd/-

Akash Vardhan

Managing Director

DIN: 03043186

Sd/-

Rajesh Vardhan

Director

DIN: 00199986

Date : 23rd August, 2021

Place: Mumbai

CIN: L67120MH1995PLC084465**"Annexure D" to the Board's Report****FORM NO. AOC -2**

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

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

- I. Details of contracts or arrangements or transactions not at Arm's length basis: NIL
- II. Details of material contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	Vardhman Developers Limited
2	Nature of contracts /arrangements / transaction	Payment of Business Support Charges
3	Duration of the contracts / arrangements / transaction	Renewed Annually
4	Salient terms of the contracts or arrangements or transaction including the value, if any	Payment of Business Support Charges of Rs. 14,16,000/-
5	Justification for entering into such contracts or arrangements or transactions'	Business Support Charges paid
6	Date of approval by the Board	14 th February, 2020
7	Amount paid as advances, if any	NIL

By Order of the Board**Sd/-****Sd/-****Akash Vardhan****Rajesh Vardhan****Managing Director****Director****DIN: 03043186****DIN: 00199986****Date : 23rdAugust, 2021****Place: Mumbai**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The key issues of the Management Discussion and Analysis are given below.

Industry Structure and Developments

With various initiatives by the Government of India, the Management is expecting a boost in the overall development of Industry.

Opportunities and Threats

Being a primarily investment company fluctuating markets and interest rate pose a threat to the business of the Company, however the same can be converted into opportunity proper planning and implementation.

Risk and Concerns

As per the Management of the Company, the major risk and concerned that might affect the overall Growth and Development of the Company is the inflation, interest rate, dynamic regulatory environment and fast changing Government policies.

Segment wise performance

There were no major operations in the Company during the year, no segmental results are given.

Outlook

The Management of the Company is optimistic towards the growth and future of the Company.

Risk Mitigation

Although the Company has been following the principle of risk minimization as is the norm in every industry, it has now become a compulsion. The Board members were informed about risk assessment and minimization procedures after which the Board formally adopted steps for framing, implementing and monitoring the risk management plan for the Company through Audit Committee. The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

Management Perception and Initiatives

The Management looks forward to better risk-reward scenarios in the future. We also expect to expand loan spectrum of the Company as the economy stabilizes more progressive borrowers are in look out for loans.

Internal control systems and their adequacy

Considering the size of the Company, the Management of Company is of the opinion that the internal control systems are adequate. However the Management of the Company is always striving to improve and develop the Internal Control Systems.

Discussion on financial performance with respect to operational performance

During the year under review the Company earned Profits from its operations and the management is of the opinion that the Company will be able to sustain and be able to increase the same in future years.

CIN: L67120MH1995PLC084465**Material developments in Human Resources / Industrial Relations front**

The Company has in place a policy for Human Resource Management and the Board of Directors are assigned with the responsibility to maintain Industrial relationship.

→ Key Financial Ratios

Particulars	FY21	FY20
(i) Debtors Turnover	NA	NA
(ii) Inventory Turnover	NA	NA
(iii) Interest Coverage Ratio	1.06	1.10
(iv) Current Ratio	105.11	105.26
(v) Debt Equity Ratio	15.58	14.89
(vi) Operating Profit Margin (%)	5.60	7.85
(vii) Net Profit Margin (%)	4.60	5.75
(viii) RONW	5.04	6.61

Disclosure of Accounting Treatment

The company has followed all the relevant and applicable Accounting Standards while preparing the Financial Statements.

There are no changes of more than 25% in any of the significant key financial ratios.

By Order of the Board**Date : 23rd August, 2021****Place: Mumbai****Sd/-****Akash Vardhan****Managing Director****DIN: 03043186****Sd/-****Rajesh Vardhan****Director****DIN: 00199986**

INDEPENDENT AUDITORS' REPORT**TO MEMBERS OF
VARDHAN CAPITAL AND FINANCE LIMITED*****Report on the Audit of Financial Statements*****Opinion**

We have audited the financial statements of **VARDHAN CAPITAL AND FINANCE LIMITED** (hereinafter referred to as "the Company"), which comprise the balance sheet as at March 31, 2021 and the Statement of Profit & 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 financial statements, including a summary of significant accounting policies and other explanatory information (collectively referred to as 'Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us, the Financial Statements give the information required by the Companies Act, 2013 (hereinafter referred to as "the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, and amended and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2021, and its profit including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under provisions of the Act and the 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 opinion.

Key Audit Matters

Key Audit Matters are those matters that in our professional judgment were of most significance in our audit of the Financial Statements for the year ended March 31, 2021. These matters were addressed in the context of our audit of the Financial Statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the Key Audit Matters to be communicated in our report:

Sr. No.	Key Audit Matter	Our Response
1	Related Party Transactions During the year the Company has	Our audit procedures included considering the compliance with the various requirements

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	<p>entered into various transactions with related parties.</p> <p>Determination of transaction price for such related parties transactions outside the normal course of business is a key audit matter considering the significance of the transaction value and the significant judgements involved in determining the transaction value.</p>	<p>for entering in to such related party transactions.</p> <p>We have read the approvals obtained for the transactions.</p> <p>We have assessed the disclosures in accordance with Ind AS 24 "Related Party Disclosures".</p>
2	<p><i>Modified Audit Procedures carried out in light of COVID-19 outbreak:</i></p> <p>Due to COVID-19 pandemic, Nation-wide lockdown and travel restrictions imposed by Central/ State Government/ Local Authorities during the period of our audit to facilitate carrying out audit remotely wherever physical access was not possible, audit could not be conducted by visiting the premises of the Company.</p> <p>As we could not gather audit evidence in person/physically/ through discussions and personal interactions with the officials at the Company's Office, we have identified such modified audit procedures as a Key Audit Matter.</p> <p>Accordingly, our audit procedures were modified to carry out the audit remotely.</p>	<p>Due to the outbreak of COVID-19 pandemic that caused nationwide lockdown and other travel restrictions imposed by the Central and State Governments/local administration during the period of our audit, we could not travel to the Company's Office and carry out the audit processes physically.</p> <p>Wherever physical access was not possible, necessary records/ reports/ documents/ certificates were made available to us through digital medium and emails. To this extent, the audit process was carried out on the basis of such documents, reports and records made available to us which were relied upon as audit evidence for conducting the audit and reporting for the current period.</p> <p>Accordingly, we modified our audit procedures as follows:</p> <ol style="list-style-type: none"> Conducted verification of necessary records/ documents through emails wherever physical access was not possible. Carried out verification of scanned copies of the documents, deeds, certificates and the related records made available to us through emails. Making enquiries and gathering necessary

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	<p>audit evidence through Video Conferencing, dialogues and discussions over phone calls/conference calls, emails and similar communication channels.</p> <p>d. Resolution of our audit observations telephonically/through email instead of a face-to-face interaction with the designated officials.</p>
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Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 the fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

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

Auditor's Responsibilities for Audit of the Financial Statements

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in "Annexure A" - a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company, so far as 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 Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion the Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

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- e) On the basis of 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;
- f) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid or provided any managerial remuneration;
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B"
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us, we report that:
 - i) The Company does not have any pending litigations which would impact its financial position other than those mentioned in the notes to the accounts;
 - ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii) There were no amounts which were required to be transferred to the Investors Education and Protection Fund by the Company;

For and on behalf of
M/s. J M T & ASSOCIATES
Chartered Accountants
ICAI Firm Regn No. 104167W

(Amar Bafna)
Partner
Membership No. 048639
UDIN :21048639AAAAEY6723

Place : Mumbai
Dated: May 25, 2021

ANNEXURE-A TO INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 under the 'Report on Other Legal and Regulatory Requirements' our report to the members of VARDHAN CAPITAL AND FINANCE LIMITED, ('the Company') for the year ended on March 31, 2021. We report that:

- i. In respect of its fixed assets:
The Company does not have any fixed assets, accordingly, this clause is not applicable
- ii. In respect of its inventories:
The Company does not have any inventory, accordingly, this clause is not applicable
- iii. According to the information and explanations given to us, the Company has granted unsecured loans to 6 (six) related parties, covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:
 - (a) The terms and conditions of the grant of such loans are, in our opinion, *prima facie*, not prejudicial to the Company's interest.
 - (b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.
 - (c) There is no overdue amount remaining outstanding as at the year end.
- iv. The Company has not granted any loans or made any investments, or provided any guarantee or security to the parties covered under Section 185 and the provisions of section 186 of the Act pertaining to investment and lending activities were not applicable to the Company since the Company is an NBFC. Accordingly, provisions of this Clause are not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed thereunder to the extent notified.
- vi. In our opinion and according to the information and explanations given to us maintenance of cost records under sub-section (1) of the Section 148 of the Act has not been prescribed by the government.
- vii. (a) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, GST, sales tax, wealth tax, duty of customs, duty of excise, value added tax or cess and other statutory dues applicable to it. No undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, wealth tax, duty of customs, duty of excise, value added tax or cess and other statutory dues were outstanding, as at 31-03-2021, for a period of more than six months from the date they became payable.
(b) According to the records of the Company and information and explanations given to us no dues of income tax, GST, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess that have not been deposited on account of any disputes.

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- viii. Based on our audit procedures and according to the information and explanations given to us by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions and bank.
- ix. Based on our audit procedures and according to the information and explanations given to us by the management, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loan.
- 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 material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- xi. As per the information and explanations given to us, The Company has not paid/provided any managerial remuneration under the provision of the Section 197 read with Schedule V of the Act.
- xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to the Company and hence provisions of Clause 3(xii) of the aforesaid Order are not applicable to the Company.
- xiii. The Company has entered into the transaction with the related parties in compliance with the provisions of the Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence provisions of Clause 3(xiv) of the aforesaid Order are not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or the persons connected with him and hence provisions of Clause 3(xv) of the aforesaid Order are not applicable to the Company.
- xvi. The Company has obtained registration as required under Section 45-IA of the Reserve Bank of India Act, 1934.

For and on behalf of
M/s. J M T & ASSOCIATES
Chartered Accountants
ICAI Firm Regn No. 104167W

(Amar Bafna)
Partner
Membership No. 048639
UDIN :21048639AAAAEY6723

Place : Mumbai
Dated: May 25, 2021

ANNEXURE-B TO INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 2(f) under the 'Report on Other Legal and Regulatory Requirements' our report to the members of VARDHAN CAPITAL AND FINANCE LIMITED, ('the Company') for the year ended on March 31, 2021.

Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Act

We have audited internal financial controls over financial reporting of **VARDHAN CAPITAL AND FINANCE LIMITED** ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year then ended on that date.

Management's Responsibility for the Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities includes design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of business, including adherence to Company's policies, the safeguarding of the 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 Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and Guidance note require that we comply with ethical requirements and plan and perform audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedure to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal 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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide a reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purpose in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
2. Provide reasonable assurance that the transactions are recorded as necessary to permit preparation of financial statements in accordance with the 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 over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material aspects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For and on behalf of
M/s. J M T & ASSOCIATES
Chartered Accountants
ICAI Firm Regn No. 104167W

(Amar Bafna)
Partner
Membership No. 048639
UDIN :21048639AAAAEY6723

Place : Mumbai

Dated: May 25, 2021

VARDHAN CAPITAL AND FINANCE LTD.

(CIN: L67120MH1995PLC084465)
Statement of Assets & Liability as at 31st Mar 2021

(Rs in Lakhs)

	PARTICULARS	Note	As at 31st Mar, 2021	As at 31st Mar, 2020
			Audited	Audited
1	ASSETS			
1	Financial Assets			
	Cash and cash equivalents	2	7.27	6.32
	Loans & Advances	3	10,737.65	9,820.49
	Investments	4	135.35	136.51
	Other financial assets	5	129.95	80.89
	Total Financial Assets		11,010.22	10,044.21
2	Non-Financial Assets			
	Other Non financial assets		-	-
	Total Non-Financial Assets		-	-
	Total Assets		11,010.22	10,044.21
1	EQUITY AND LIABILITIES			
1	Equity			
	Equity attributable to Owners of Parent			
	Equity share capital	6A	434.86	467.45
	Other equity	6B	229.33	164.59
	Total Equity attributable to Owners of Parent		664.19	632.04
	Non Controlling Interest		-	-
	Total Equity		664.19	632.04
2	Liabilities			
2.1	Financial Liabilities			
	Borrowings (Other then Debt Securities)	7	10,280.33	9,380.90
	Other financial liabilities	8	65.71	31.27
	Total Financial Liabilities		10,346.03	9,412.18
	Other Non Financial liabilities		-	-
	Total Non-Financial Liabilities		-	-
	Total Liabilities		10,346.03	9,412.18
	TOTAL EQUITY AND LIABILITIES		11,010.22	10,044.21

See accompanying notes to the financial statements

1 - 25.

As per our report of even date.

For M/S JMT & ASSOCIATES
 CHARTERED ACCOUNTANTS
 Firm Regn No. 104167W

For and on behalf of the Board

Sd/-
AMAR BAFNA
PARTNER
M. No. 048639

Sd/-
AKASH R. VARDHAN
(DIN : 03043186)
Managing Director

Sd/-
RAMESH B. VARDHAN
(DIN : 00207488)
Director

PLACE | MUMBAI
 DATED | 25.05.2021

Sd/-
SONAM D. VARDHAN
Chief Financial Officer
ANMOL JAIN
Company Secretary

VARDHAN CAPITAL AND FINANCE LTD.
(CIN: L99999MH1982PLC028556)
Statement of Profit & Loss for the year ended 31st Mar, 2021

Particulars		Note	As at 31st Mar, 2021	As at 31st Mar, 2020
I	INCOME			
	Interest	9	823,54,146	726,90,023
	Dividend		36,180	30,354
	Other Operating Income	10	22,613	3,92,066
	Total Income		824,12,938	731,12,443
	II EXPENSES			
	Employee benefits expense	11	6,30,396	18,28,347
	Finance costs	12	743,44,235	594,28,970
	Other expenses	13	28,29,602	61,48,802
	Total expenses		778,04,233	674,06,119
III	Profit/(loss) before exceptional items and tax (I - II)		46,08,705	57,06,324
IV	Exceptional Item		-	-
V	Profit/(loss) before tax (III - IV)		46,08,705	57,06,324
VI	Tax expense:			
	(1) Current tax		12,61,190	15,30,000
	(2) Deferred tax		-	-
VII	Profit (Loss) for the period from continuing operations (V - VI)		33,47,515	41,76,324
VIII	Profit/(loss) from discontinued operations			
IX	Tax expense of discontinued operations			
X	Profit/(loss) from Discontinued operations (after tax) (VIII - IX)			
XI	Profit/(loss) for the period (VII + X)		33,47,515	41,76,324
XII	Other Comprehensive Income/(Expenses)			
	A (i) Items that will not be reclassified to profit or loss			
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	B (i) Items that will be reclassified to profit or loss		-1,71,572	-18,69,917
	(ii) Income tax relating to items that will be reclassified to profit or loss		39,256	4,27,837
XIII	Total Comprehensive Income for the period (XI + XII) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		32,15,199	27,34,244
XIV	Earnings per equity share (for continuing operation):			
	(1) Basic		0.77	0.89
	(2) Diluted		-	-
XV	Earnings per equity share (for discontinued operation):			
	(1) Basic		-	-
	(2) Diluted		-	-
XVI	Earnings per equity share(for discontinued & continuing operations)			
	(1) Basic		0.77	0.89
	(2) Diluted		-	-

See accompanying notes to the financial statements

1 - 25.

The accompanying notes are an integral part of these standalone financial statements

This is the Statement of Profit & Loss referred to in our report of even date

For M/S JMT & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn No. 104167W

Sd/-
AMAR BAFNA
PARTNER
M. No. 048639

PLACE : Mumbai
DATED | 25.05.2021

For and on behalf of the Board

Sd/-
AKASH R. VARDHAN
(DIN : 03043186)
Director

Sd/-
SONAM D. VARDHAN
Chief Financial Officer

Sd/-
RAMESH B. VARDHAN
(DIN : 00207488)
Director

Sd/-
ANMOL JAIN
Company Secretary

VARDHAN CAPITAL AND FINANCE LTD.

(CIN : 67120MH1995PLC084465)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2021

(Rs in Lakhs)

No.	PARTICULARS		
		As at 31st Mar, 2021	As at 31st Mar, 2020
		Audited	Audited
A.	Cash Flow from Operating Activities:		
	Net Profit as per Profit & Loss a/c	32.152	27.34
	Adjustment for:		
	Provision for Tax	12.612	15.30
	OCI due to Change in FMV	1.716	12.29
	Investment written off	0.000	5.04
	Loss on Sale of Investment	0.000	1.36
	Tax effect on OCI	(0.393)	-4.28
	Prior period expenses		-4.96
	Dividend Income	(0.362)	-0.30
	Operating Cash Profit Before Working Capital Changes	45.725	51.80
	Adjustment for:		
	Increase/ (Decrease) in Short Term Borrowings	899.424	1,941.81
	Increase/ (Decrease) in Current Liabilities	34.433	-42.56
	(Increase)/ Decrease in Short Term Loans & Advances	(917.165)	-1,966.18
	(Increase)/ Decrease in Other Current Assets & Non Current Investment	(49.059)	33.57
	Cash Flow From Operations	13.358	18.44
	Income Tax Paid/ (Refund)	12.612	15.29
	Net Cash Inflow/ (Outflow) From Operating Activities	0.746	3.15
B	Cash Flow from Investing Activities:		
	Sale of Investment	0.000	1.29
	Purchase of Investment	(0.161)	-
	Dividend Income	0.362	0.30
	Net Cash Inflow/ (Outflow) From Investing Activities	0.201	1.59
C	Cash Flow from Financing Activities:		
		0.000	-
	Net Increase/ Decrease) in Cash & Cash Equivalents (A + B + C)	0.947	4.74
	Add: Balance at the Beginning of the Year	6.325	1.58
	Cash and Cash Equivalent at the Close of the Year	7.272	6.32

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow.

As per our report of even date.

For M/S JMT & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn No. 104167W

For and on behalf of the Board

Sd/-
AMAR BAFNA
PARTNER
M. No. 048639

Sd/-
AKASH R. VARDHAN
(DIN : 03043186)
Managing Director

Sd/-
RAMESH B. VARDHAN
(DIN : 00207488)
Director

PLACE | MUMBAI
DATED | 25.05.2021

Sd/-
SONAM D. VARDHAN
Chief Financial Officer

Sd/-
ANMOL JAIN
Company Secretary

VARDHAN CAPITAL AND FINANCE LTD.

Note 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

I Brief Profile:

VARDHAN CAPITAL & FINANCE LIMITED is registered with the Reserve Bank of India ("RBI") as a Systemically Important Non-Deposit Accepting Core Investment Company ("NBFC-CIC"). As an NBFC-CIC, the Company carries out only such activities as are permitted under the guidelines issued by RBI for NBFC-CICs.

Vardhan Capital and Finance Limited is a strong player in the Non banking financial sector and was established in 1995. Headquartered in Mumbai, Vardhan capital and Finance Limited offers funding services to different sectors like trade, industry, Commercial loans, Individual and corporate. Company is involved in to the business of providing loans and advances to the various companies, Vardhan Capital's Financial Advisory Services practice provides a diverse and comprehensive service offering that meets the demands of today's transaction environment by providing innovative customized financing solutions to different clients, Vardhan Capital provides services related with Investment Banking and expertise and comprehensive services for the private capital community. Using an industry-first approach, our senior experts work with the leading private equity firms, hedge funds and investment banks, providing pragmatic, transaction and execution-oriented services that drive shareholder value throughout the deal life cycle.

II Significant Accounting Policies followed by the Company

A Basis of preparation

i Compliance with Ind AS

The financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) issued by Ministry of Corporate Affairs in exercise of the powers conferred by section 133 read with sub-section (1) of section 210A of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied along with compliance with other statutory promulgations require a different treatment. The financial statements for the year ended March 31, 2020 of the Company is the first financial statements prepared in compliance with Ind AS. The date of transition to Ind AS is April 1, 2019. The financial statements upto the year ended March 31, 2019, were prepared in accordance with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") and other relevant provisions of the Act. The figures for the year ended March 31, 2019 have now been restated under Ind AS to provide comparability. The accounting policies are applied consistently to all the periods presented in the financial statements.

ii Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

1. Certain financial assets and liabilities that are measured at fair value;
2. Assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
3. Defined benefit plans - plan assets measured at fair value;

iii Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Companies Act, 2013 ("the Act") applicable for Non-Banking Finance Companies ("NBFC"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Amounts in the financial statements are presented in Indian Rupees.

iv Current non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

v Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupees as per the requirement of Schedule III, unless otherwise stated.

B Use of Estimates and judgements

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/ materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

C Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, bank overdraft, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

D Borrowings

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

G Borrowing costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. All other interest and borrowing costs are charged to Statement of Profit and Loss.

H Provisions and Contingent Liabilities
A provision is recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent Liability is disclosed in case of:

- a. A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- b. A possible obligation, unless the probability of outflow of resources is remote.

Contingent Assets are neither recognized nor disclosed.

Contingent liabilities not provided for

Contingent Assets are neither recognized nor disclosed.

I Contingencies and Events Occurring after the Balance Sheet date

Adjustment to assets and liabilities are made for events occurring between balance sheet date and the date on which the financial statements are approved that provide additional information materially affecting the determination of the amounts relating to the conditions existing at the balance sheet date.

J Prior period items

Prior period items are income and expenses that arises in the current period as a result of errors and omissions in the preparation of the financial statements of the one and more prior periods. Prior period does not include other adjustments necessitated by circumstances, which though related to prior periods, are determined in the current period.

K Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery. Revenue is measured at the fair value of the consideration received or receivable as reduced for estimated customer credits and other similar allowances. Interest income is recognised in the Statement of Profit and Loss and for all financial instruments except for those classified as held for trading or those measured or designated as at fair value through profit or loss (FVTPL) is measured using the effective interest method (EIR). The calculation of the EIR includes all fees and points paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at FVTPL transaction costs are recognised in profit or loss at initial recognition. The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses (ECLs)). For financial assets originated or purchased credit-impaired (POCI) the EIR reflects the ECLs in determining the future cash flows expected to be received from the financial asset. Dividend income is recognised when the Company's right to receive dividend is established by the reporting date and no significant uncertainty as to collectability exists. Any differences between the fair values of the financial assets classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain/loss in the statement of profit and loss. In cases there is a net gain in aggregate, the same is recognised in "Net gains or fair value changes" under revenue from operations and if there is a net loss the same is disclosed "Expenses", in the statement of profit and loss. Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

L Employee benefits

- a) Short term employee benefits are recognized as expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.
- b) Post employment and other long term employee benefits are recognized as an expense in the Statement of Profit and Loss of the year in which the employee has rendered services. The expense is recognized at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Statement of Profit and Loss.

Retirement benefits

- a) Contributions to the provident fund, a defined contribution scheme, are charged to the Statement of Profit and Loss.
- b) Gratuity has been accounted on actuarial valuation. Any curtailment in the liability during the year is recognized as Income and credited to Statement of Profit & Loss.
- c) Presently, the Company does not have any other defined benefit for staff payable on retirement/ cessation of service.

M Taxation

Income tax comprises of Current Tax and Deferred Tax. Current Tax is the amount of tax payable as determined in accordance with the provisions of Income Tax Act, 1961. Deferred Tax charge or credit is recognized using the tax rates and tax laws that have been substantially enacted at the Balance Sheet date. There is no Deferred Tax Liability and Asset for the year under review.

Undisputed assessment dues if any, are accounted on cash basis and disputed matters under appeal are disclosed by way of contingent liabilities.

Note 2 Cash and cash equivalents

	As at 31st Mar, 2021	As at 31st Mar, 2020
Cash on hand	1,84,434	78,879
Balances with Banks - In current accounts		
HDFC Bank Ltd	4,97,694	7,939
Oriental Bank of Commerce(St. Exch)	45,094	5,45,666
Total	7,27,222	6,32,485

Note 3 Loans & Advances

	As at 31st Mar, 2021	As at 31st Mar, 2020
<u>Unsecured - Considered Good</u>		
Inter Corporate Deposit to Related Parties		
M/s Bluestock Investment Pvt Ltd	-	-
M/s Vardhman Developers Ltd	9865,72,968	8731,06,615
M/s Vardhman Residency Pvt Ltd	78,20,000	60,95,000
M/s Vibhuti Construction Private Ltd	5,55,000	
M/s Stork Realtors Pvt Ltd	26,25,000	26,25,000
M/s Swift Tech Pro Pvt Ltd	-	5,65,000
Inter Corporate Deposit to Others	557,00,000	638,00,150
Loans and Advances to Related Parties		
M/s Vardhman Resources	-	34,48,100
Loans and Advances to Others	204,92,293	324,08,943
Total	10737,65,261	9820,48,808

Note 4 Investments

	As at 31st Mar, 2021	As at 31st Mar, 2020
	Fair Value	
IN EQUITY SHARES		
I - QUOTED		
<i>In Associates Concerns</i>		
Vardhman Concrete Limited	40,78,486	61,83,128
<i>In Other Companies</i>		
Jaihind Synthetics Ltd.	6,700	6,375
Nagarjuna Fertilizers & Chemicals Ltd	72,534	36,036
Nagarjuna Oil Refinery Ltd.	2,625	2,625
NTPC Ltd	3,35,318	2,65,230
Peninsula Land Ltd	1,23,750	35,100
Reliance Communication Ltd.	1,670	660
Reliance Ind. Ltd.	-	-
Reliance Ind. Ltd. (Conv.- RPL - 5958)	27,80,442	15,44,081
Reliance Power Ltd	87,488	24,481
State Bank of India	5,24,664	2,63,913
Suzlon Energy Ltd	8,715	3,500
Tech Mahindra Eq	4,63,905	2,64,397
II - UNQUOTED		
<i>In Other Companies</i>		
Kinetic Trust Ltd.	20,360	34,120
IN DEBENTURES		
I - QUOTED		
NTPCL - Debenture	35,805	34,309
Deferred Tax Assets on OCI (Net)	49,92,562	49,53,307
Total	135,35,023	136,51,260

Note 5 Other Financial assets

	As at 31st Mar, 2021	As at 31st Mar, 2020
Advance Tax & TDS (Net of Provisions)	129,94,671	80,88,751
Total	129,94,671	80,88,751

Note 6 (A)**Equity Share Capital**

PARTICULARS	As at 31st Mar, 2021	As at 31st Mar, 2020
Authorised:		
59,50,000 Equity Shares of Rs.10/- each 50,000 Preference Shares of Rs. 10/- each.	595,00,000 5,00,000 600,00,000	595,00,000 5,00,000 600,00,000
Issued:		
50,00,300 Equity Shares of Rs. 10/- each	50,00,300 50,00,300	50,00,300 50,00,300
Subscribed and Paid up:		
43,48,600 (50,00,300) Equity Shares of Rs. 10/- each Less: Allotment Money in Arrears (<i>NOTE : 6,51,700 Equity Shares of Rs.10 each ,Rs.5/- paid up were forfeited for the non-payment of call money of Rs.5 per share</i>)	434,86,000 - 434,86,000	500,03,000 32,58,500 467,44,500

Reconciliation of number of shares

Particulars	As at 31st Mar, 2021		As at 31st Mar, 2020	
	No of Shares	Amount	No of Shares	Amount
Balance as at beginning of the year	50,00,300	50003000	50,00,300	50003000
Less : Allotment Money in Arrear	-	-	-	(32,58,500)
Less : Forfeited	(6,51,700)	(65,17,000)	-	-
Balance as at the end of the year	43,48,600	434,86,000	50,00,300	46744500

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

Particulars	As at 31st Mar, 2021		As at 31st Mar, 2020	
	No of Shares	Percentage	No of Shares	Percentage
Bluestock Investments Pvt Ltd	7,46,000	17.15%	7,46,000	14.92%
Ramesh Vardhan	3,97,500	9.14%	3,97,500	7.95%
Manju Vardhan	3,24,400	7.46%	3,24,400	6.49%
Rajesh Vardhan	4,08,000	9.38%	4,08,000	8.16%
Total	18,75,900	43.14%	18,75,900	37.52%

Note 6 (A)**Other Equity**

	Reserves and Surplus			
	Capital Reserves	General Reserves	Retained Earnings	Total
Balance as at 1st April, 2018	11,000	12,00,000	88,02,377	100,13,377
Profit for the year	-	-	40,99,535	40,99,535
Prior Period Expenses	-	-	-718	-718
Other Comprehensive Income for the year	-	-	1,39,694	1,39,694
Tax Effect on OCI	-	-	-31,962	-31,962
Balance as at 31st March, 2019	11,000	12,00,000	130,08,925	142,19,925
Balance as at 1st April, 2019	11,000	12,00,000	130,08,925	142,19,925
Profit for the year	-	-	41,76,324	41,76,324
Prior Period Expenses	-	-	-4,94,892	-4,94,892
Other Comprehensive Income for the year	-	-	-18,69,917	-18,69,917
Tax Effect on OCI	-	-	4,27,837	4,27,837
Balance as at 31st March, 2020	11,000	12,00,000	152,48,277	164,59,277
Balance as at 1st April, 2020	11,000	12,00,000	152,48,277	164,59,277
Profit for the year	32,58,500	-	33,47,516	66,06,016
Prior Period Expenses/ Income	-	-	-	-
Other Comprehensive Income for the year	-	-	-1,71,572	-1,71,572
Tax Effect on OCI	-	-	39,256	39,256
Balance as at 31 Mar, 2021	32,69,500	12,00,000	184,63,477	229,32,977

Note 7 Borrowings (Other then Debt Securities)

	As at 31st Mar, 2021	As at 31st Mar, 2020
SHORT TERM BORROWINGS (Unsecured)		
Inter Corporate Deposit from Related Parties		
M/s Blue Stock Investmenet Pvt. Ltd.	183,44,334	170,65,346
M/s Diwali Developers Pvt Ltd	8,66,000	8,66,000
M/s Vardhman Entertainment & Hospitality Pvt Ltd	-	45,000
M/s Vardhman Growmore Developers Pvt Ltd	417,19,262	417,33,183
M/s Vardhman Home Developers Pvt Ltd	425,61,021	425,29,856
M/s Vardhman Multicuisine Pvt Ltd	6,80,000	-
M/s Swift Tech Pro Pvt Ltd	15,00,000	-
Inter Corporate Deposit from Others	382,95,213	362,81,585
Loans and Advances from Related Parties		
M/s Vardhman Lifestyle Developers	8840,66,754	7995,69,196
Total	10280,32,584	9380,90,166

Note 8 Other Financial Liabilities

	As at 31st Mar, 2021	As at 31st Mar, 2020
Expenses Payable	9,01,000	8,09,889
Statutory Dues Payable	56,69,617	23,17,471
Total	65,70,617	31,27,360

Note 9**Revenue from Operations**

	As at 31st Mar, 2021	As at 31st Mar, 2020
Interest Income	823,54,146	726,90,023
Total	823,54,146	726,90,023

Note 10**Other Income**

	As at 31st Mar, 2021	As at 31st Mar, 2020
Interest on I Tax Refund	-	3,89,280
Sale of Rights Entitlement	19,827	-
Interest on Debentures	2,786	2,786
Total	22,613	3,92,066

Note 11**Employee Benefit Expenses**

	As at 31st Mar, 2021	As at 31st Mar, 2020
Salaries & Allowances	6,30,396	18,28,347
Total	6,30,396	18,28,347

Note 12**Finance Cost**

	As at 31st Mar, 2021	As at 31st Mar, 2020
Interest Expenses	743,44,235	594,28,970
Total	743,44,235	594,28,970

Note 13**Other Expenses**

	As at 31st Mar, 2021	As at 31st Mar, 2020
Audit Fees	1,18,000	1,18,000
Bad Debts	1,21,667	-
Bank & Demat Charges	1,918	1,189
Business Support Charges	14,16,000	14,16,000
Depository Expenses	64,900	1,06,288
Filing Fees	5,400	12,500
Interest / Late Payment of TDS	4,06,423	6,98,369
Legal & Professional Charges	1,80,170	2,86,470
Listing Fees	3,54,000	33,27,600
Office General Expenses	83,744	65,160
Postage & Couriers	10,837	12,271
Printing & Stationery	39,400	36,015
Sundry Balances W/off	1,194	40,000
Telephone Charges	25,949	28,940
Total	28,29,602	61,48,802

Note 14**Other Comprehensive Income/(Expenses)**

	As at 31st Mar, 2021	As at 31st Mar, 2020
Due to change in Fair Market Value	-1,71,572	-12,29,307
Investment W/off / Write Bank	-	-5,04,198
Loss on sale of shares	-	-1,36,412
Total	-1,71,572	-18,69,917

Note 15 Income tax expenses IND AS 22

Tax expenses recognized in the Statement of Profit and Loss

	As at 31st Mar, 2021	As at 31st Mar, 2020
Current tax		
Current tax on taxable income for the year	12,65,000	15,30,000
Total current tax expense	12,65,000	15,30,000
Deferred tax		
Deferred tax charge / (credit)	-	-
MAT Credit (taken)/ utilised	-	-
Total deferred income tax expense / (benefit)		
Tax in respect of earlier years	-3,810	-1,164
Total income tax expense	12,61,190	15,28,836

Current Tax includes write back of tax of earlier years: Rs.3810/- in Current Year and Rs.1164/- in Previous Year.

The Provision for Tax is made for after considering exemptions and deductions available under the Income Tax Act, 1961

Note 16 Earnings per share IND AS 33

	As at 31st Mar, 2021	As at 31st Mar, 2020
Earnings per share has been computed as under:		
Profit / (Loss) for the year	33,47,515	41,76,324
Weighted average number of equity shares outstanding	43,48,600	46,74,450
Nominal Value Per Share (Rs)	10	10
Earnings per share() - Basic (Face value of ` 10 per share)	0.77	0.89

The Company presents basic earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Note 17**Auditor Remuneration**

Particulars	Amount (Rs.)
1) Auditors Remuneration	1,00,000
2) GST on above	18,000
Total	1,18,000

Note 18**Financial Assets : Investments: IND AS 40 , IND AS 12 & IND AS 113**

Financial assets at fair value through profit or loss (FVTPL) Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are recognised in profit or loss on Quarterly basis.

All fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, on sale/disposal the Company may transfer the cumulative gain or loss within equity.

Note 19**Loans & Advances:**

Loans and Advances are stated at the values which in the opinion of the Board of Directors are realisable during the ordinary course of business.

Note 20**Cash Flow Statement IND AS 7**

Statement of cash flows is prepared segregating the cash flows into operating, investing and financing activities. cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of: (i) changes during the period in operating receivables and payables transactions of a non-cash nature; (ii) non-cash items such as depreciation, provisions, deferred taxes, unrealised gains and losses; and (iii) all other items for which the cash effects are investing or financing cash flows. Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

Note 21**Employees Retirement Benefits: IND AS 19**

- (i) The Provisions of Provident Fund and Employee State Insurance Scheme is not applicable to the company.
- (ii) The Provisions of the Payment of Gratuity Act 1972 is not applicable to the company.
- (iii) Presently, the Company does not have any other defined benefit for staff payable on retirement/ cessation of service.

Note 22

Sundry Debit and Credit Balances are subject to confirmation.

Note 23

Previous Year's figures have been restated and regrouped wherever necessary to meet current year's classifications.

Note 24**SEGMENT REPORTING - IND AS 108**

The Company is having only one main business segment namely "Finance and Investment and Allied Activities" and as such disclosure of segment results as per IND AS 108 does not arise.

Note 25**RELATED PARTY TRANSACTIONS - IND AS 24**

I	Parties where control exists	
	Holding/Subsidiary Company	Not Applicable
II	Other Parties where control does not exists	
a)	List of Related Parties :	
(i)	Key Management Personnel/Directors :	
	Mr. Rajesh B. Vardhan	Mr. Ramesh B. Vardhan
	Mr. Arvindkumar Kothari	Ms. Foram B. Mehta
	Mr. Akash Rajesh Vardhan	Ms. Prashansa P. Bora
(ii)	Relative of Key Management Personnel :	
	Mr. Vishal R. Vardhan (Prop. M/s. Vardhman Resources)	
(iii)	Other Related Parties :	
	M/s. Bluestock Investments P. Ltd.	M/s. Vardhman Developers Ltd.
	M/s. Diwali Developers Pvt. Ltd.	M/s. Vardhman Growmore Developers Pvt Ltd.
	M/s Enso Holdings & Finance Pvt Ltd.	M/s. Vardhman Home Developers Pvt Ltd.
	M/s Flower Boom Builders Pvt Ltd.	M/s. Vardhman Residency Pvt. Ltd.
	M/s. Indelible Holdings Pvt Ltd	M/s. Diwali Construction Co.
	M/s. Indelible Realtors Pvt Ltd	M/s. Vardhman Lifestyle Developers
	M/s. Stork Realtors Pvt Ltd	M/s Swift Techpro Pvt Ltd

Contd. ...2

III)	Details of transactions with related parties :	2020 - 21	2019 - 20
(i)	INCOME		
	-- Interest received from parties {referred to in (a)(iii)}	765,97,649	650,43,190
(ii)	EXPENSES		
	Salary paid to parties{referred to in (a)(i)}	-	1,20,000
	Business Support Charges paid to parties {referred to in (a)(iii)}	14,16,000	14,16,000
	Interest Paid to parties {referred to in (a)(iii)}	721,67,340	573,58,237
(iii)	LOANS AND ADVANCES		
	Loans and Advances given or repaid		
	-- to parties {referred to in (a)(ii)}	5,25,000	-
	-- to parties {referred to in (a)(iii)}	3906,04,528	3803,18,100
	Loans and Advances received or recovered		
	-- from parties {referred to in (a)(ii)}	39,73,100	-
	-- from parties {referred to in (a)(iii)}	3674,50,000	4070,98,000

Signature to Notes 1 to 25

As per our report of even date.

For M/S JMT & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn No. 104167W

Sd/-
AMAR BAFNA
PARTNER
M. No. 048639

PLACE | MUMBAI
DATED | 25.05.2021

Sd/-
AKASH R. VARDHAN
(DIN : 03043186)
Managing Director

Sd/-
SONAM D. VARDHAN
Chief Financial Officer

Sd/-
RAMESH B. VARDHAN
(DIN : 00207488)
Director

Sd/-
ANMOL JAIN
Company Secretary

CIN: L67120MH1995PLC084465**Form No. MGT-11****Proxy Form**

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

CIN : L67120MH1995PLC084465
Name of the Company : Vardhan Capital and Finance Limited
Registered Office : Commerce House, 140 N M Road Fort Mumbai-400023

Name of the member(s)
Registered address
Email Id
Folio No. / Client Id
DP ID

I/We, being the member (s) of **Vardhan Capital and Finance Limited** hold _____ shares of the above named company, hereby appoint

1. Name: _____

Address: _____

E-mail Id: _____ Signature _____, or failing him /her

2. Name: _____

Address: _____

E-mail Id: _____ Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the company, to be held on Tuesday, 14th September 2021 at registered office of the Company at 113 Commerce House, 140 N M Road Fort Mumbai-400023 and any adjournment thereof in respect of such resolutions as are indicated below:

Sr. no	Resolution	For	Against
1.	To consider and adopt Audited Financial Statements and Board Report as on 31 st March 2021.		
2.	To appoint a Director in place of Rajesh Vardhan (DIN: 00199986) who retires by rotation and being eligible has offered himself for re-appointment.		
3.	Special Business To appoint Mr. Shailesh Jogani (DIN: 06644699) as the Director of the Company		
4.	To re-appoint Mr. Akash Vardhan as Managing Director of the Company		

Signed this..... day of..... 20....



Member's Signature

Signature of 01st proxy

Signature of 02nd proxy

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

CIN: L67120MH1995PLC084465**ATTENDANCE SLIP**

PLEASE COMPLETE THIS ATTENDENCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Name of the Attending Member/ Proxy/Authorized Representative	:	
Member's Folio Number	:	
*DP ID & Client ID	:	
No of Shares held	:	

*** Note:** In case the shares are held in dematerialized form

I hereby record my presence at the 27th Annual General Meeting at the registered Office of the Company at 113 Commerce House 140 N M Road Fort Mumbai-400023 held on Tuesday, 14th September, 2021 or at any adjournment thereof.

Member's / Proxy Signature