

Independent Auditors' Report

To The Members of
MARWADI SHARES AND FINANCE LIMITED
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **MARWADI SHARES AND FINANCE LIMITED** which comprise the balance sheet as at **31st March 2022** and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and 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.

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There is no key audit matter to communicate in our report.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position and financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards (Ind AS) specified under section 133 of the Act read with relevant rules issued there under.

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

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

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

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

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

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

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

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



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure "A"**, a statement on the matters specified in the paragraph 3 and 4 of the order, to the extent applicable.
- 2.(A) As required by Section 143 (3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under;
 - (e) on the basis of the written representations received from the directors as on **31st March 2022** taken on record by the Board of Directors, none of the directors is disqualified as on **31st March 2022** from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) with respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure "B"**.
- (B) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements;
 - ii. the Company deed not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii. there were no amounts which required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;




(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. In our opinion and according to the information and explanations given to us, the company has not declared or paid any dividend during the year.

For MANDALIYA & ASSOCIATES
Chartered Accountants




Hiren Mandaliya
Proprietor
M. No. 137782
FRN: 131786W

UDIN: 22137782 ALFPYS4179

June 20th, 2022 at Rajkot

**ANNEXURE "A" TO INDEPENDENT AUDITORS' REPORT
MARWADI SHARES AND FINANCE LIMITED**

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2022, we report the following:

The explanations about the clauses are given below on the basis of verification of the books and records of the Company, as we considered appropriate, as also on the basis of the information and explanation given to us.

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner over a period of two years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, With respect to immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment, capital work-in progress, investment property and non-current assets held for sale, registered sale deed / title deed of such immovable properties are held in the name of the Company as at the balance sheet date.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. Further securities held in depository are verified by the management with confirmation statements received from them on a regular basis. The Company is maintaining proper records of securities held as stock in trade and no discrepancies were noticed on comparing the statement from custodian with books of accounts.



(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees from banks on the basis of the security of current assets during the year and quarterly statements filed by the company with banks are in agreement with books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments in or provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or any other parties during the year

(a) (A) According to information and explanations given to us, the Company has granted Rs. 148.66 cr to Subsidiary and Associates and same is maximum monthly outstanding amount and balance outstanding as at the balance sheet date is Rs. 5.91 cr.

(B) According to information and explanations given to us, the Company has provided guarantees to bank Rs. 1944.76 cr and granted loans to other parties (employee loans) Rs. 0.71 Cr and balance outstanding as at the balance sheet date is Rs. 1826.21 cr and Rs. 0.71 cr respectively.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made or guarantee provided or security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantee provided are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, in the case of loans and advances in the nature of loans given, the repayment of principal is on demand and interest payment is on yearly basis and same is regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans and advances in the nature of loans given.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loans granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdue of existing loans or advances in the nature of loans given to same parties.

(f) According to the information and explanations given to us, the Company has granted loans Rs. 148.66 cr which is repayable on demand and same is maximum monthly outstanding amount during the year. Company has not granted any loans to promoters.

In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Act, in respect of loans, investments, guarantees, securities to the extent applicable to the company.



- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, this clause of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) related to activities of Company. Accordingly, this clause of the Order is not applicable.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into Goods and Services Tax ("GST")

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including GST, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have been regularly deposited by the Company with the appropriate authorities;

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, except for the cases stated below, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

Nature of Statute	Nature of Dues	Amount under dispute not yet deposited (Rs Lakhs)	Period to which the amount relates	Forum where Dispute is pending
The Finance Act, 1994	Service Tax	9.18	2008-2011	Under Appeal
The Finance Act, 1994	Service Tax	3.43	2011-2012	Under Appeal
The Finance Act, 1994	Service Tax	5.00	2012-2013	Under Appeal
The Finance Act, 1994	Service Tax	5.46	2013-2014	Under Appeal
The Finance Act, 1994	Service Tax	5.92	2014-2015	Under Appeal
The Finance Act, 1994	Service Tax	7.72	2015-2016	Under Appeal

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, company has obtained term loans (only car loans) from bank or non banking financial company and purpose of the same is not diverted.



- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that company has not utilised funds raised for short term basis for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary, associates or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary, joint ventures or associate companies.
- (x) (a) The Company has raised moneys by way issue of non convertible debenture during the year and moneys raised through the same applied for the purposes for which those are raised.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us, the Company has not received any whistle-blower complaints during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, this clause of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate Internal Audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports issued to the Company during the year and covering the period upto 31st March 2022 for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.



- (xvi) (a) The Company is exempted from taking registration under Section 45-IA of the Reserve Bank of India Act, 1934 as company is engaged in stock broking activities and duly registered under SEBI. Accordingly, clauses 3(xvi)(a) and 3(xvi)(b) of the Order are not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CICs.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios (Annexure "C"), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year required a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For MANDALIYA & ASSOCIATES
Chartered Accountants




Hiren Mandaliya
Proprietor
M. No. 137782
FRN: 131786W
UDIN: 22137782ALFPYS4179

June 20th, 2022 at Rajkot

**ANNEXURE "B" TO INDEPENDENT AUDITORS' REPORT
MARWADI SHARES AND FINANCE LIMITED**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Marwadi Shares and Finance Limited** ("the Company") as of **31st March 2022** in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

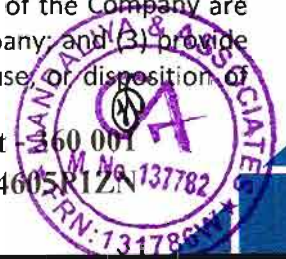
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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.

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Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For MANDALIYA & ASSOCIATES
Chartered Accountants




Hiren Mandaliya
Proprietor

M. No. 137782
FRN: 131786W

UDIN: 22137782ALFPY34179

June 20th, 2022 at Rajkot

MARWADI SHARES AND FINANCE LIMITED
BALANCE SHEET

	Particulars	Note	Figures as at the end of current reporting period ended	Figures as at the end of previous reporting period ended
			31 March 2022 (Rs)	31 March 2021 (Rs)
A	ASSETS			
	Non-current assets			
	1 Property, plant and equipment	1	26,02,05,939	20,83,24,463
	2 Other intangible assets	2	62,61,412	70,12,482
	3 Financial assets			
	Investments	3	25,59,92,782	41,56,95,410
	Other financial asset		-	-
	4 Other non current assets	4	13,10,35,474	12,70,73,403
	Total non-current assets		65,34,95,607	75,81,05,758
	Current assets			
B	1 Inventories	5	1,85,74,34,380	23,33,18,274
	2 Financial assets			
	Current investments		-	-
	Trade receivables	6	4,46,12,34,585	1,80,37,23,275
	Cash and cash equivalents	7	4,29,08,97,269	4,67,38,05,173
	Bank balances	8	14,92,90,94,334	11,52,68,83,306
	Loans	9	71,06,947	58,75,262
	Other financial asset		-	-
	3 Current tax asset	10	22,86,79,081	13,61,35,850
	4 Other current assets	11	75,07,63,214	47,55,17,661
	Total current assets		26,52,52,09,810	18,85,52,58,801
	Total Assets		27,17,87,05,417	19,61,33,64,559
C	EQUITY AND LIABILITIES			
	Equity			
	1 Equity share capital	12	9,97,24,810	9,97,24,810
	2 Other equity	13	4,16,46,36,731	3,40,47,25,122
	Total Equity		4,26,43,61,541	3,50,44,49,932
	Non-current liabilities			
	1 Financial liabilities			
	Borrowings		-	-
	Other financial liabilities		-	-
	2 Other non-current liabilities	14	5,15,61,470	5,13,98,374
	3 Deferred tax liabilities (net)	15	1,93,300	24,80,300
	4 Long-term provisions		-	-
	Total non-current liabilities		5,17,54,770	5,38,78,674
E	Current liabilities			
	1 Financial Liabilities			
	Borrowings	16	1,37,81,35,129	1,50,74,34,395
	Trade payables	17	5,17,68,24,788	2,86,04,46,980
	Other financial liabilities	18	13,20,10,72,094	7,46,30,24,069
	2 Other current liabilities	19	2,85,15,57,095	4,05,91,30,509
	3 Current tax liabilities		-	-
	4 Short term provisions	20	25,50,00,000	16,50,00,000
	Total current liabilities		22,86,25,89,106	16,05,50,35,953
	Total Equity and Liabilities		27,17,87,05,417	19,61,33,64,559

Summary of significant accounting policies and
Other Explanatory Notes and information

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The accompanying notes referred to above which form an integral part of the Financial Statements

As per our report of even date

For MANDALIYA & ASSOCIATES

Chartered Accountants

FRN : 131786W

Hiren Mandaliya
HIREN MANDALIYA
Proprietor

M.No. 137782

UDIN: 22137782 ALP/2021/189



For and on behalf of the Board

Ketan Marwadi
Ketan Marwadi
Managing Director
DIN: 00088018

Sandip Marwadi
Sandip Marwadi
Whole-time Director
DIN: 00088051

Tushit Manganiya
Tushit Manganiya
Company Secretary
FCS-5286



June 20th, 2022 at Rajkot

June 20th, 2022 at Rajkot

MARWADI SHARES AND FINANCE LIMITED

Standalone Statement of Profit and Loss

Particulars	Note	Figures as at the end of current reporting period ended	Figures as at the end of previous reporting period ended
		31 March 2022 (Rs)	31 March 2021 (Rs)
Revenue			
Revenue from operations	21	2,95,26,14,998	2,42,38,32,582
Other income	22	7,55,54,898	1,86,49,862
		3,02,81,69,896	2,44,24,82,444
Expenses			
Employee benefits expense	23	70,59,08,934	61,48,51,576
Finance costs	24	38,70,47,290	36,08,16,962
Depreciation and amortisation expense	25	5,81,65,807	4,60,21,480
Other Administrative expenses	26	86,14,49,012	77,59,15,152
		2,01,25,71,043	1,79,76,05,170
Profit before Exceptional Items and Tax		1,01,55,98,853	64,48,77,274
Exceptional items		-	-
Profit before Tax from Continuing Operations		1,01,55,98,853	64,48,77,274
Tax expense	27	25,27,13,000	16,42,36,900
Profit (Loss) for the period from Continuing Operations		76,28,85,853	48,06,40,374
Profit/(loss) from discontinued operations		-	-
Tax expense of discontinued operations		-	-
Profit/(loss) from Discontinued operations (after tax)		-	-
Net profit for the year		76,28,85,853	48,06,40,374
Other Comprehensive Income			
A i) Items that will not be reclassified to profit and 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		-	-
ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Other Comprehensive Income for the year		-	-
Total Comprehensive Income for the year		76,28,85,853	48,06,40,374
Earnings per equity share Rs 10 per share			
Basic (Rs)		76.50	48.20
Diluted (Rs)		76.50	48.20

Summary of significant accounting policies and

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Other Explanatory Notes and information

The accompanying notes referred to above which form an integral part of the Financial Statements

As per our report of even date

For **MANDALIYA & ASSOCIATES**

Chartered Accountants


FRN : 131786W


HIREN MANDALIYA
 Proprietor
 M.No. 137782
 UDIN: 22137782ALFPY34179



For and on behalf of the Board


Ketan Marwadi
 Managing Director
 DIN: 00088018


Sandip Marwadi
 Whole-time Director
 DIN: 00088051


Tushit Mangukhiya
 Company Secretary
 FCS-5286



June 20th, 2022 at Rajkot

June 20th, 2022 at Rajkot

MARWADI SHARES AND FINANCE LIMITED

Standalone Cash Flow Statement

Particulars	Figures as at the end of current reporting period ended	Figures as at the end of previous reporting period ended
	31 March 2022 (Rs)	31 March 2021 (Rs)
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	1,01,55,98,853	64,48,77,274
Adjustments for:		
Depreciation and amortisation expense	5,81,65,807	4,60,21,480
Gain on disposal of fixed assets (net)	(6,59,435)	-
Loss on disposal of fixed assets (net)	-	72,140
Operating profit before working capital changes	1,07,31,05,225	69,09,70,894
Movement in working capital		
Decrease/(Increase) in non-current assets	(39,62,071)	(1,57,10,621)
Decrease/(Increase) in Stock	(1,62,41,16,106)	69,30,72,771
Decrease/(Increase) in short term loan	(12,31,685)	2,39,901
Decrease/(Increase) in Other current assets	(27,52,45,553)	16,36,40,428
Decrease/(Increase) in Debtors	(2,65,75,11,310)	2,22,10,63,237
Increase/(Decrease) in Other non-current liabilities	1,63,096	-
Increase/(Decrease) in Other Liabilities	(1,20,75,73,414)	86,17,34,218
Increase/(Decrease) in Trade Payable	2,31,63,77,808	2,09,65,73,041
Cash flow from operating activities post working capital changes	(2,37,99,94,010)	6,71,15,83,869
Income tax paid (net)	(26,05,17,475)	(6,56,99,050)
Net cash flow from operating activities (A)	(2,64,05,11,485)	6,64,58,84,819
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(10,96,06,778)	(4,76,04,099)
Proceeds from sale/disposal of fixed assets	9,70,000	-
(Increase)/Decrease in investments	15,97,02,628	(27,24,89,832)
Net cash flows used in investing activities (B)	5,10,65,850	(32,00,93,931)
C CASH FLOWS FROM FINANCING ACTIVITIES		
(Decrease)/Increase in Short-term borrowings	(12,92,99,266)	(1,05,97,95,113)
(Decrease)/Increase in other financial liabilities	5,73,80,48,025	5,42,41,550
Net cash used in financing activities (C)	5,60,87,48,759	(1,00,55,53,563)
Net change in cash and cash equivalents (A+B+C)	3,01,93,03,124	5,32,02,37,325
Cash and cash equivalents at the beginning of the year	16,20,06,88,479	10,88,04,51,154
Cash and cash equivalents at the end of the year	19,21,99,91,603	16,20,06,88,479

As per our report of even date

For **MANDALIYA & ASSOCIATES**

Chartered Accountants

FRN : 131786W


HIREN MANDALIYA
Proprietor

M.No. 137782

UDIN: 22137782 ALFPYS 4179



For and on behalf of the Board


Ketan Marwadi
Managing Director
DIN: 00088018


Sandip Marwadi
Whole-time Director
DIN: 00088051


Tushit Mangukhiya
Company Secretary
FCS-5286
June 20th, 2022 at Rajkot



June 20th, 2022 at Rajkot

MARWADI SHARES AND FINANCE LIMITED
Notes forming part of Standalone Financial Statements

Note 1 : Property, Plant and Equipment

Figures in Rs.

Sr. No.	Particulars	Gross Block				Depreciation				Net Block	
		As on 1 April 2021	Addition	Deduction	As on 31 March 2022	As on 1 April 2021	Depreciation for the year	Deduction	As on 31 March 2022	As on 31 March 2022	As on 31 March 2021
1	Land	-	1,55,13,735	-	1,55,13,735	-	-	-	-	1,55,13,735	-
2	Cars	9,21,73,593	1,25,21,499	-	10,46,95,092	4,09,56,473	1,09,77,020	-	5,19,33,493	5,27,61,599	5,12,17,120
3	Other Vehicles	10,07,051	-	-	10,07,051	6,26,766	70,012	-	6,96,778	3,10,273	3,80,285
4	Office Premises	10,09,33,196	68,40,862	4,06,624	10,73,67,734	1,67,09,112	16,33,491	96,059	1,82,46,544	8,91,21,190	8,42,24,384
5	Furniture & Fixture	12,05,74,042	3,89,48,507	-	15,95,22,549	9,86,34,892	74,05,597	-	10,60,40,489	5,34,82,060	2,19,39,150
6	Computer Hardware	18,49,04,889	2,16,55,398	-	20,65,60,287	16,54,69,508	2,69,77,803	-	19,24,47,311	1,41,12,976	1,94,35,381
7	V-Sat & Server	4,12,31,649	36,44,427	-	4,48,76,076	2,21,21,417	44,98,298	-	2,66,19,715	1,82,56,361	1,91,10,232
8	Electric Fittings	2,61,98,800	15,00,154	-	2,76,98,954	2,37,63,506	9,19,400	-	2,46,82,906	30,16,048	24,35,294
9	Office Equipments & Others	7,77,39,753	89,82,196	-	8,67,21,949	6,81,57,136	49,33,116	-	7,30,90,252	1,36,31,697	95,82,617
	Total	64,47,63,273	10,96,06,778	4,06,624	75,39,63,427	43,64,38,810	5,74,14,737	96,059	49,37,57,488	26,02,05,939	20,83,24,463

Note 2 : Other Intangible assets

Figures in Rs.

Sr. No.	Particulars	Gross Block				Depreciation				Net Block	
		As on 1 April 2021	Addition	Deduction	As on 31 March 2022	As on 1 April 2021	Depreciation for the year	Deduction	As on 31 March 2022	As on 31 March 2022	As on 31 March 2021
1	SKSE Membership Rights	5,00,000	-	-	5,00,000	5,00,000	-	-	5,00,000	-	-
2	OTCEI Membership Rights	25,00,000	-	-	25,00,000	25,00,000	-	-	25,00,000	-	-
3	Software	2,04,14,730	-	-	2,04,14,730	1,34,02,248	7,51,070	-	1,41,53,318	62,61,412	70,12,482
	Total	2,34,14,730	-	-	2,34,14,730	1,64,02,248	7,51,070	-	1,71,53,318	62,61,412	70,12,482



MARWADI SHARES AND FINANCE LIMITED
Notes forming part of Standalone Financial Statements

Note 3 : Investments

Figures in Rs.

Particulars	Number of Shares		Current reporting period ended	Previous reporting period ended
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
In Equity Instruments (at cost)				
In subsidiaries (unquoted)				
Marwadi Commodity Broker Private Limited (FV Rs. 100 each)	2,48,735	2,48,735	10,88,31,250	10,88,31,250
Marwadi Stock Broking Limited (FV Rs. 10 each)	10,00,000	10,00,000	1,00,00,000	1,00,00,000
Marwadi International Securities (IFSC) Limited (FV Rs. 10 each)	11,22,000	11,22,000	1,12,19,999	1,12,19,999
Sub Total (a)			13,00,51,249	13,00,51,249
In Associate (unquoted)				
Marwadi Chandarana Intermediaries Brokers Private Limited (FV Rs. 10 each)	1,25,00,000	1,25,00,000	12,50,00,000	12,50,00,000
Sub Total (b)			12,50,00,000	12,50,00,000
In other companies (quoted)	53,500	2,55,887	5,39,065	14,04,41,809
Sub Total (c)			5,39,065	14,04,41,809
In other companies (unquoted)	1,92,550	1,92,550	4,02,468	4,02,468
Sub Total (d)			4,02,468	4,02,468
In Partnership				
Marwadi Enterprise			-	7,55,357
Marwadi Chandarana Enterprise LLP *			-	49,00,000
Marwadi Chandarana Enterprise LLP (Current Capital Account)			-	1,41,44,527
(*Company retired from partnership during the financial 2021-22)				
Sub Total (e)			-	1,97,99,884
Total Investment (a+b+c+d+e)			25,59,92,782	41,56,95,410



MARWADI SHARES AND FINANCE LIMITED
Notes forming part of Standalone Financial Statements

Note 4 : Other Non Current Assets

Figures in Rs.

Particulars	Current reporting period ended 31 March 2022	Previous reporting period ended 31 March 2021
Advances recoverable in cash or kind		
Balances with statutory authorities	12,78,091	11,46,981
Other Deposits	12,97,57,383	12,59,25,422
Total	13,10,35,474	12,70,73,403

Note 5 : Inventories

Particulars	Current reporting period ended 31 March 2022	Previous reporting period ended 31 March 2021
Valued at cost or market value, whichever lower		
Stock in trade	1,85,74,34,380	23,33,18,274
Total	1,85,74,34,380	23,33,18,274

Note 6 : Trade Receivables

Particulars	Current reporting period ended 31 March 2022	Previous reporting period ended 31 March 2021
Trade Receivables - Considered Good from		
Clients	3,97,93,00,809	1,64,39,33,832
Exchanges & Sub Brokers (Refer note for ageing schedule)	48,19,33,776	15,97,89,443
Total	4,46,12,34,585	1,80,37,23,275

Note 7 : Cash and Cash Equivalents

Particulars	Current reporting period ended 31 March 2022	Previous reporting period ended 31 March 2021
Cash and cash equivalents		
Cash on hand	9,65,054	8,27,519
Balances with banks		
Current accounts	4,28,99,32,215	4,67,29,77,654
Total	4,29,08,97,269	4,67,38,05,173



MARWADI SHARES AND FINANCE LIMITED
Notes forming part of Standalone Financial Statements

Note 8 : Bank Balance

Particulars	Current reporting period ended 31 March 2022	Previous reporting period ended 31 March 2021
Other than cash & Cash equivalents		
Fixed deposits having maturity for more than 3 months but less than 12 months	14,92,90,94,334	11,52,68,83,306
Total	14,92,90,94,334	11,52,68,83,306

Note 9 : Loans

Particulars	Current reporting period ended 31 March 2022	Previous reporting period ended 31 March 2021
Loan to employees	71,06,947	58,75,262
Total	71,06,947	58,75,262

Note 10 : Current Tax Assets

Particulars	Current reporting period ended 31 March 2022	Previous reporting period ended 31 March 2021
Advance Income tax	11,50,00,000	5,50,00,000
TDS Receivable	10,36,47,742	7,12,16,278
TCS Receivable	1,75,105	63,338
Income Tax Refund Receivable	98,56,234	98,56,234
Total	22,86,79,081	13,61,35,850

Note 11 : Other Current Assets

Particulars	Current reporting period ended 31 March 2022	Previous reporting period ended 31 March 2021
Advances recoverable in cash or kind for value to be received		
Secured	-	-
Unsecured	6,26,22,521	8,21,29,777
Advances to suppliers	1,27,79,127	1,21,12,483
GST Receivable	3,05,20,811	92,73,569
Accrued Interest on Fixed Deposits	23,55,87,003	23,59,45,953
Prepaid expenses	11,38,60,044	9,32,62,171
Deposits with exchanges	29,53,93,708	4,27,93,708
Total	75,07,63,214	47,55,17,661



MARWADI SHARES AND FINANCE LIMITED
Notes forming part of Standalone Financial Statements

Note 12 : Equity Share Capital

Particulars	Figures in Rs.	
	Current reporting period ended 31 March 2022	Previous reporting period ended 31 March 2021
Authorised capital 2,50,00,000 Equity Shares of Rs. 10/- each	25,00,00,000	25,00,00,000
	25,00,00,000	25,00,00,000
Issued, subscribed and paid-up capital Equity Shares of Rs. 10/- each, Fully Paid-up 99,72,481 Equity Shares of Rs. 10/- each, Fully Paid-up	9,97,24,810	9,97,24,810
	9,97,24,810	9,97,24,810
Total	9,97,24,810	9,97,24,810

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	Current reporting period ended 31 March 2022		Previous reporting period ended 31 March 2021	
	No of shares	Rs In Lakhs	No of shares	Rs in Lakhs
Equity shares at the beginning of the year	99,72,481	997.25	99,72,481	997.25
Add : Issued during the year	-	-	-	-
Less : Buyback during the year	-	-	-	-
Equity shares at the end of the year	99,72,481	997.25	99,72,481	997.25

b) Rights/preferences/restrictions attached to equity shares

The Company has only one class of shares, i.e., equity shares having a face value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. Dividend is paid in Indian Rupees. The final dividend per share, recommended by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting. In the event of liquidation of the Company, equity shareholders will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. There is no dividend declared for the financial year 2021-22.

c) Details of shareholders holding more than 5% shares in the company

Particulars	Current reporting period ended 31 March 2022		Previous reporting period ended 31 March 2021	
	No of shares	% holding	No of shares	% holding
Marwadi Services Private Limited	24,30,000	24.37%	24,30,000	24.37%
Marwadi Investment Private Limited	19,19,963	19.25%	19,19,963	19.25%
Mr Ketan H Marwadi	8,50,410	8.53%	8,50,410	8.53%
Mrs Savitha K Marwadi	8,50,400	8.53%	8,50,400	8.53%
Mr Deven H Marwadi	8,50,410	8.53%	8,50,410	8.53%
Mrs Mira D Marwadi	8,50,400	8.53%	8,50,400	8.53%
Mr Sandip H Marwadi	8,50,409	8.53%	8,50,409	8.53%
Mrs Kanan S Marwadi	8,50,400	8.53%	8,50,400	8.53%

Shares held by promoters at the end of the year

Promoter name	No. of Shares	% of total shares	% of Change during the year
Mr. Ketan H. Marwadi	8,50,410	8.53	-
Mrs. Savitha K. Marwadi	8,50,400	8.53	-
Mr. Deven H. Marwadi	8,50,410	8.53	-
Mrs. Mira D. Marwadi	8,50,400	8.53	-
Mr. Sandip H. Marwadi	8,50,409	8.53	-
Mrs. Kanan S. Marwadi	8,50,400	8.53	-
M/s. Marwadi Metals and Minerals Private Limited	2,50,800	2.51	-
M/s. Marwadi Investment Private Limited	19,19,963	19.25	-
M/s. Marwadi Services Private Limited	24,30,000	24.37	-
Mr. Jeet K. Marwadi	-	-	-
Mrs. Juhli V. Patel	-	-	-
Mr. Dhruv S. Marwadi	-	-	-

* Above details are as certified by the Company.

Details of shares reserved for issue under options

As at 31st March 2022, the Company does not have any outstanding options.

Details of Aggregate number and class of shares bought back for the period of five years immediately preceding the Balance Sheet date

Aggregate number of shares bought back	2500000
Class of shares bought back	Equity Shares
Date of bought back	July 16th, 2018



MARWADI SHARES AND FINANCE LIMITED
Notes forming part of Standalone Financial Statements

Note 15 : Deferred Tax Liabilities

Particulars	Current reporting period ended 31 March 2022	Previous reporting period ended 31 March 2021
Opening Balance	24,80,300	32,43,400
Add / (Less) during the year	(22,87,000)	(7,63,100)
Total	1,93,300	24,80,300

Note 16 : Short Term Borrowings

Particulars	Current reporting period ended 31 March 2022	Previous reporting period ended 31 March 2021
Secured		
Bank Facility (Against FDR, Book Debts & Car Loans)	1,10,71,35,129	1,50,74,34,395
Unsecured		
Non Convertible Debenture (Redeemable as on October 2nd, 2022 coupon rate 10.50%)	27,10,00,000	-
Total	1,37,81,35,129	1,50,74,34,395

Note 17 : Trade Payables

Particulars	Current reporting period ended 31 March 2022	Previous reporting period ended 31 March 2021
Sundry Creditors		
Trade Payables due to other than micro and small enterprises	11,26,71,994	9,46,35,088
Sundry Creditors for Services		
Clients	4,91,56,00,225	2,64,47,11,314
Exchanges & Sub Brokers (Refer notes for ageing schedule)	14,85,52,569	12,11,00,578
Total	5,17,68,24,788	2,86,04,46,980

Note 18 : Other Financial Liabilities

Particulars	Current reporting period ended 31 March 2022	Previous reporting period ended 31 March 2021
Security deposits	52,19,76,756	28,87,06,338
Client Margin	12,67,90,95,338	7,17,43,17,731
Total	13,20,10,72,094	7,46,30,24,069



MARWADI SHARES AND FINANCE LIMITED
Notes forming part of Standalone Financial Statements

Note 19 : Other Current Liabilities

Particulars	Current reporting period ended 31 March 2022	Previous reporting period ended 31 March 2021
Statutory dues	17,12,35,357	8,54,22,656
Other Current liabilities	2,10,10,97,006	3,59,62,32,852
Expenses Payable	57,92,24,732	37,74,75,001
Total	2,85,15,57,095	4,05,91,30,509

Note 20 : Short term Provisions

Particulars	Current reporting period ended 31 March 2022	Previous reporting period ended 31 March 2021
Provision for Income Tax	25,50,00,000	16,50,00,000
Total	25,50,00,000	16,50,00,000



MARWADI SHARES AND FINANCE LIMITED
Notes forming part of Standalone Financial Statements

Note 21 : Revenue from Operations

Figures in Rs.

Particulars	Current reporting period ended 31 March 2022	Previous reporting period ended 31 March 2021
Operating Revenue		
Brokerage	1,33,42,10,080	98,72,92,284
Depository Receipts	4,44,68,845	3,35,32,981
Distribution Income	1,92,03,799	91,05,614
Advisory fees	3,07,33,476	2,59,22,500
Income from Capital Market Operations	61,89,53,481	53,16,38,732
Sub Total	2,04,75,69,681	1,58,74,92,111
Other Operating Revenue		
Interest on Fixed Deposit	66,12,96,493	57,57,44,091
Interest on Delayed Payment	6,06,51,315	3,13,02,620
Other Interest	16,27,80,578	17,94,47,946
Miscellaneous Income	8,38,265	25,31,182
Dividend	1,94,78,666	4,73,14,632
Sub Total	90,50,45,317	83,63,40,471
Total	2,95,26,14,998	2,42,38,32,582

Note 22 : Other Income

Particulars	Current reporting period ended 31 March 2022	Previous reporting period ended 31 March 2021
Profit on disposal of fixed assets	6,59,435	-
Long Term Capital Gain	7,48,95,463	-
Interest on Income Tax Refund	-	41,38,828
Share of Profit from firm	-	1,45,11,034
Total	7,55,54,898	1,86,49,862



MARWADI SHARES AND FINANCE LIMITED
Notes forming part of Standalone Financial Statements

Note 23 : Employee Benefit Expenses

Particulars	Current reporting period ended 31 March 2022	Previous reporting period ended 31 March 2021
Salaries, wages and bonus	70,05,75,272	61,04,32,610
Staff welfare	53,33,662	44,18,966
Total	70,59,08,934	61,48,51,576

Note 24 : Finance Costs

Particulars	Current reporting period ended 31 March 2022	Previous reporting period ended 31 March 2021
Interest on		
Bank Overdraft	17,14,77,764	22,98,94,635
Car Loans/Other Loans	25,38,099	14,27,682
Non Convertible Debenture	1,39,54,644	-
Bank Guarantee Commission	18,43,61,486	12,03,89,233
Bank charges	1,47,15,297	91,05,412
Total	38,70,47,290	36,08,16,962

Note 25 : Depreciation & Amortisation

Particulars	Current reporting period ended 31 March 2022	Previous reporting period ended 31 March 2021
Depreciation on		
Property, plant and equipment	5,74,14,737	4,52,70,410
Amortisation on		
Intangible Assets	7,51,070	7,51,070
Total	5,81,65,807	4,60,21,480



MARWADI SHARES AND FINANCE LIMITED
Notes forming part of Standalone Financial Statements

Note 26 : Other Administrative Expenses

Particulars	Current reporting period ended 31 March 2022	Previous reporting period ended 31 March 2021
Communication Expenses	1,70,14,127	1,03,73,274
Travelling Expenses	2,32,06,440	33,03,949
Exchange & Depository Charges	27,72,368	8,75,91,556
Business Development Expenses	5,27,51,042	1,48,99,051
Business Support Expenses	9,79,929	37,01,167
Computer Hardware & Software Maintenance	7,77,79,932	4,76,67,944
General Expenses	3,27,58,508	2,57,01,715
Conveyance Expenses	16,51,944	11,53,352
Legal & Professional Fees	9,55,46,722	14,65,67,870
Printing & Stationery Expenses	57,26,727	1,29,11,901
Auditors' Remuneration	1,80,000	1,45,200
Rent Rates & Taxes	6,58,42,926	5,85,11,819
Advertisement & Publicity	1,35,76,560	23,84,067
Donation	6,28,000	2,00,200
Sub-Brokerage & Commission	36,45,93,860	30,94,97,389
Distribution Passout	1,01,77,955	71,48,429
Repairs & Maintenance Expenses	82,47,805	67,30,581
Vehicle Expenses	78,31,252	53,08,944
Management Fees to Directors	5,63,36,000	1,16,32,258
Corporate Social Responsibility (CSR) Expenses	82,00,000	58,75,000
Transportation Expenses	1,78,554	1,17,287
Loss on Sale of Assets	-	72,140
Electricity Charges	1,54,68,361	1,44,20,059
Total	86,14,49,012	77,59,15,152

Note 27 : Tax Expenses

Particulars	Current reporting period ended 31 March 2022	Previous reporting period ended 31 March 2021
Current tax	25,50,00,000	16,50,00,000
Deferred tax	(22,87,000)	(7,63,100)
Total	25,27,13,000	16,42,36,900



MARWADI SHARES AND FINANCE LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022

Note: 28

NOTES TO FINANCIAL STATEMENTS

1 Company Overview and significant Accounting Policies

1.1 Description of business

The company is closely held company domiciles in India and is incorporated under the provisions of the Companies Act, 1956. The registered office of the company is located at **Office No 1 MCX Office, 17th Floor, Unit No. 1 & 2 Gift One Tower, S. C. Road, Zone- 5, Gift City, Gandhinagar - 382355**. The Company is engaged broking business of Shares, Securities, Commodity and other ancillary services and also deals in Shares, Securities and Commodities trading through exchange.

1.2 Basic of preparation of Financial Statement

The financial statement of the company have been prepared in accordance with Indian Accounting Standard (Ind AS) as prescribed under section 133 of the Act to be read with Rule 3 of the companies (Indian Accounting Standards) Rules, 2015 and companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements have been prepared on the historical cost basis.

1.3 Composition of financial statements

The financial statements are drawn up in INR, the functional currency of the company, and in accordance with Ind AS presentation. The financial statements comprise:

- Balance Sheet
- Statement of profit and loss
- Statement of Cash Flow
- Statement of Changes in Equity

1.4 Significant Accounting Policies and explanatory notes

I Significant Accounting Policies

a) Revenue recognition

Brokerage income is recognized on the trade date of transaction upon confirmation of the transaction by the stock exchange. Income from depository services are recognized on the basis of agreement entered into with clients and when the right to receive the income is established. Commission income from financial products distribution is recognized when the right to receive the income is established; interest income from margin funding is recognised on loans given to clients on time proportion basis.

Interest income recognised on accrual basis. Dividend income is accounted for when the right to receive the income is established. The Profit/(Loss) earned on Sale of Stock-in-trade are recognised on trade date basis.



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In respect of non-delivery based transactions such as derivatives, the profit & loss is accounted for at the completion of each settlement.

All revenues are disclosed net of Credit notes and GST.

b) Employee benefits

- i) Provident Fund is accounted on accrual basis with Contribution to the Employees' Provident Fund administered by the Central Government.
- ii) Contribution to Life Insurance Corporation of India towards Gratuity is made on the basis of Actuarial Valuation carried out by the corporation on the basis of the information provided by the Company.

c) Property, plant and equipment

Property, plant and equipment are recorded at cost of acquisition/construction less accumulated depreciation.

Components of an asset are separated where their value is significant in relation to the total value of the asset and where those components have difference useful lives to the remainder of the asset.

The Cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

d) Intangible Assets

Intangible assets are stated at cost less provisions for amortization and impairments. Software licenses fees are charged to statement of profit and loss when incurred.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between disposal proceeds and carrying amount of the asset and are recognised as income or expenses in the statement of Profit and Loss.

e) Depreciation/Amortisation on Property, Plant & Equipment and Investment Properties

Depreciation/Amortisation on Property, Plant and Equipment is charged on a Straight Line Basis so as to write off the original cost of the assets over the useful lives. The useful life of the fixed assets has been adopted based on Technical Evaluation, Company policy and in the other cases, as prescribed under the Companies Act, 2013. Details for the same are as under:



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Class of Assets

Sr. No.	Class of Assets	Range of Useful life (In Years)
1	Building	60
2	Computer	3
3	Furniture & Fixtures	10
4	Office Equipment	5
5	Motor Car	8
6	Vehicles	10
7	Electrical Fitting	10
8	VSAT/Servers	6
9	Intangible Assets	10

f) Capital work-in-Progress

Assets under construction wherein assets are not ready for use in the manner as intended by the management are shown as capital work-in -Progress.

g) Impairments of non-current assets

The Management Periodically assesses using external and internal sources, whether there is an indication that an asset may be impaired.

An Impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use, which means the present value of future cash flow expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset other than goodwill is reversed if and only if the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

In assessing the recoverability of company's assets such as Investment, Loan, Intangible assets, Trade Receivable, Inventories etc. The company has considered internal and external information up to the date of approval of these financial statements.

h) Inventories

All Inventories are valued at the lower of cost or net realizable value.



MARWADI SHARES AND FINANCE LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022

i) Trade Receivables

Trade receivables are carried at original invoice amount less any provisions for doubtful debts. Provisions are made where there is evidence of a risk of non-payment, taking into account ageing, previous experience and general economic conditions. When a trade receivable is determined to be uncollectable it is written off, firstly against any provision available and then to the Statement of Profit and Loss.

j) Cash and Cash equivalents

Cash and cash equivalents include cash at bank, bank balances and cash on hand.

k) Borrowing Costs

Borrowing costs directly attributable to the acquisition and/or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they are incurred.

l) Taxation

i) Current income tax

Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity/reserve. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws assets and current tax liabilities. Company is not offsetting current tax assets and current liabilities, both are shown in balance sheet.

ii) Deferred tax

Deferred tax resulting from timing differences between book and tax profits is accounted for under the liability method, at the tax rates that have enacted or substantively enacted after the balance sheet date, to the extent that the timing difference are expected to crystallize as deferred tax or benefit in the profit and loss account and as deferred tax assets/liabilities in the balance sheet.

m) Foreign Currency Transactions

During the year company has paid Rs. 26,71,765/- to foreign parties.



MARWADI SHARES AND FINANCE LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022

n) Provisions, Contingent liabilities and Assets

i) Provisions

Provision are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

ii) Contingent Liabilities

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by the future events not wholly within the control of the company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. So far company is not making any provision for contingent liabilities. All contingent liabilities have been disclosed at their estimated value in notes to Accounts.

iii) Contingent Assets

Contingent Assets are not recognised in the financial statements. Contingent Assets if any, are disclosed in the notes to the financial statements.

o) Key accounting judgments, estimates and assumptions

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Estimates are often based on complex judgments and assumptions that management believes to be reasonable, but estimates and underlying assumptions are reviewed on an ongoing basis. Any change in these estimates and assumptions will generally be reflected in the financial statements in current period or prospectively, unless they are required to be treated retrospectively under relevant accounting standards.

p) Investment

Investments valued at cost of acquisition.



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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022

q) Explanatory notes

i) Related party transaction for the year ended 31st March

Amount Rs.			
Sr. No	Particulars	2022	2021
1	<u>Management Services Fees Paid to Directors</u>		
	Mr. Ketan H Marwadi	50,00,000	30,00,000
	Mr. Deven H Marwadi	1,75,00,000	30,00,000
	Mr. Sandeep H Marwadi	2,00,00,000	30,00,000
	Mrs. Mira D Marwadi	1,00,00,000	-
	Mr. Jeet K Marwadi	24,00,000	24,00,000
	Mr. Dhruv S Marwadi	12,00,000	2,32,258
	Mr. Kantilal K Khakhar	1,19,500	-
	Mr. Nareshkumar D Jadeja	1,16,500	-
	Total	5,63,36,000	1,16,32,258
2	<u>Office Rent Paid to</u>		
	Marwadi Investment Private Limited	75,00,000	75,00,000
	Marwadi Chandarana Intermediaries Brokers Private Limited	15,00,000	-
	Total	90,00,000	75,00,000
3	<u>Building Service Charges Paid to</u>		
	Marwadi Investment Private Limited	30,00,000	30,00,000
	Total	30,00,000	30,00,000
4	<u>Business Development/Promotional Expenses</u>		
	Paperheads	-	35,000
	Paperheads Studio LLP	24,00,000	4,00,000
	Total	24,00,000	4,35,000

- Above figures are net of GST whenever applicable.

ii) Break up of net deferred tax liability for the year ended 31st March

Amount Rs.		
Particulars	2022	2021
Deferred Tax Liability		
Difference between book and tax depreciation	90,84,319	30,31,619
Deferred Tax Assets		
Provision	(22,87,000)	(7,63,100)
Net Deferred Tax Liability	1,93,300	24,80,300



MARWADI SHARES AND FINANCE LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

iii) Auditor remuneration for the year ended 31st March

Particulars	Amount Rs.	
	2022	2021
a) As Auditor	1,80,000	145,200
b) As advisor, or in any other capacity, in respect of taxation matters	-	-
c) In any other manner	-	-
Total	1,80,000	145,200

iv) Contingent liabilities

Bank guarantee issued by the banks on behalf of company to the stock exchanges are Rs. 1826.21 Cr (Previous Year Rs.1545.66 Cr)

v) Trade Receivables Ageing Schedule

As on 31st March 2022

Amount Rs.

Particulars	Less than 6 months	6 Months - 1 Year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed Trade Receivables Clients - Considered good	3,52,95,33,789	55,57,261	4,42,09,759	-	-	3,57,93,00,809
Undisputed Trade Receivables Sub Broker & Exchanges - Considered good	48,19,33,776	-	-	-	-	48,19,33,776
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-
Disputed Trade Receivables - Considered good	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-
Total	4,41,14,67,565	55,57,261	4,42,09,759	-	-	4,46,12,34,585

As on 31st March 2021

Amount Rs.

Particulars	Less than 6 months	6 Months - 1 Year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed Trade Receivables Clients - Considered good	1,59,39,30,159	46,45,050	4,53,58,613	-	-	1,64,39,33,832
Undisputed Trade Receivables Sub Broker & Exchanges - Considered good	15,97,89,443	-	-	-	-	15,97,89,443
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-
Disputed Trade Receivables - Considered good	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-
Total	1,75,37,19,602	46,45,050	4,53,58,613	-	-	1,80,37,23,275

vi) Trade Payables Ageing Schedule

As on 31st March 2022

Amount Rs.

Particulars	Less than 1 years	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	-	-	-	-	-
Others - Clients	4,91,49,91,490	6,08,735	-	-	4,91,56,00,225
Others - Sub Broker & Exchanges	14,85,52,569	-	-	-	14,85,52,569
Other Payables	11,26,71,994	-	-	-	11,26,71,994
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	5,17,62,16,053	6,08,735	-	-	5,17,68,24,788



MARWADI SHARES AND FINANCE LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

As on 31st March 2021

Amount Rs.

Particulars	Less than 1 years	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	-	-	-	-	-
Others - Clients	2,64,45,81,344	1,29,469	-	-	2,64,47,11,314
Others - Sub Broker & Exchanges	12,11,00,578	-	-	-	12,11,00,578
Other Payables	9,46,35,088	-	-	-	9,46,35,088
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	2,86,03,17,310	1,29,469	-	-	2,86,04,46,980

vii) Disclosure related to CSR Activities

Particulars	Amount Rs.
Average Net Profit as per Section 135(5)	40,99,15,861
2% of average net profit as per section 135(5)	81,98,317
Total CSR obligation for the financial year	81,98,317
CSR amount spent for the financial year	82,00,000
Shortfall at the end of the year	Nil
Total previous years shortfall	Nil

viii) The Company has been granted exemption from registration with Reserve Bank of India under section 45IA of RBI Act, 1934, vide RBI Letter No. DNBS (AH) 7685/R1395/97-98 dated 23.03.1998.

ix) As per information and explanation given to us, there are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2022. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. Further in view of management, impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any parties as at the Balance Sheet date.



MARWADI SHARES AND FINANCE LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022

- x) All the figures in the report have been rounded off to the nearest multiple of one rupee and previous years' figures have been regrouped, rearranged, restated and reclassified to compare with that of the current years' figures wherever necessary.

As per our report of even date

For MANDALIYA & ASSOCIATES

Chartered Accountants

FRN: 131786W


HIREN MANDALIYA


Proprietor

M.No. 137782

UDIN : 22137782 ALFPYS4079



For and on behalf of the Board



Ketan Marwadi

Managing Director

DIN: 00088018



Sandip Marwadi

Whole-time Director

DIN: 00088051



Tushit Mangukriya

Company Secretary

FCS-5286

June 20th, 2022 at Rajkot

June 20th, 2022 at Rajkot

MARWADI SHARES AND FINANCE LIMITED

Annexure: C : Disclosure relating to Ratio for the year ended 31 March 2022

Sr No.	Ratios	Numerators	Denominators	Numerators Current period Previous period	Denominators Current period Previous period	Current Period	Previous Period	% Variance	Reason for Variance
[a]	Current Ratio	Current Assets	Current Liabilities	26,52,52,09,810 18,85,52,58,801	22,86,25,89,106 16,05,50,35,953	1.16 1.17		-1.21%	No major variance
[b]	Debt-Equity Ratio	Borrowings	Shareholder's Equity	1,37,81,35,129 1,50,74,34,395	4,26,43,61,541 3,50,44,49,932	0.32 0.43		-24.87%	No major variance
[c]	Debt-Service Coverage Ratio	PBT+Interest Cost	Short term debt+ Interest Paid	1,40,26,46,143 1,00,56,94,236	1,76,51,82,419 1,86,82,51,357	0.79 0.54		47.61%	There is a improvement in DSCR on account of increase in profit for the year
[d]	Return on Equity Ratio	Net Profit after taxes	Shareholder's Equity	76,28,85,853 48,06,40,374	4,26,43,61,541 3,50,44,49,932	0.18 0.14		30.44%	There is a improvement in return on equity ratio on account of increase in Net profit for the year
[e]	Inventory Turnover Ratio			-	-	-	-	-	Not Applicable due to nature of business
[f]	Trade Receivables Turnover Ratio			-	-	-	-	-	Not Applicable due to nature of business
[g]	Trade Payables Turnover Ratio			-	-	-	-	-	Not Applicable due to nature of business
[h]	Net Capital Turnover Ratio	Revenue from operation	Working Capital= CA - CL	2,95,26,14,998.00 2,42,38,32,582.00	3,66,26,20,704.00 2,80,02,22,847.91	0.81 0.87		-6.87%	Company having income from share broking, Capital Market operation and interest income. Hence total revenue from same taken as total sales
[i]	Net Profit Ratio	Net Profit	Revenue from Operations	76,28,85,853 48,06,40,374	3,02,81,69,896 2,44,24,82,444	0.25 0.20		28.02%	Company having income from share broking, Capital Market operation and interest income, hence gross receipts from same taken as sales. This ratio not applicable due to nature of business. However disclosed for information.
[j]	Return on Capital employed	EBIT	Total Assets - Current liabilities	1,40,26,46,143 1,00,56,94,236	4,31,61,16,311 3,55,83,28,606	0.32 0.28		14.98%	No major variance
[K]	Return on Investment	LTCG	Cost of Investment	7,48,95,463 -	13,93,26,994 -	0.54 -		-	Not Applicable

