

# 36<sup>TH</sup>

ANNUAL REPORT  
2020-2021

## STEPHANOTIS FINANCE LIMITED



**Registered office:**

**Stephanotis Financial Limited**

3, Ground Floor, Durga Chamber, Veena Industrial Estate,  
Off Veera Desai Road, Andheri (West), Mumbai – 400 053

CIN: L45200MH1985PLC036089

Email: [voraconstructions@ymail.com](mailto:voraconstructions@ymail.com)

# STEPHANOTIS FINANCIAL LIMITED

## CORPORATE INFORMATION

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### 36<sup>TH</sup> ANNUAL GENERAL MEETING

Thursday, September 30, 2021

### BOARD OF DIRECTORS

**Mr. Sureshababu G. Malge**

Chairman & Managing director

**Mr. Sumit S. Malge**

Director

**Mr. Jayesh J. Shah**

Independent director

**Mrs. Rizwana Rumani**

Independent director

**Mr. Kanwaljit Singh**

Independent director

### COMPANY SECRETARY & COMPLIANCE OFFICER

Miss Rashmi Raturi

### CHIEF FINANCIAL OFFICER

Mr. Anand S. Jain

### REGISTERED OFFICE

3, Ground Floor, Durga Chamber,

Veena Industrial Estate,

Off Veena Desai Road,

Andheri-(West),

Mumbai-400 053

CIN: L45200MH1985PLC036089

Email: voraconstructions@ymail.com

### CIN :

L45200MH1985PLC036089

### ISIN

INE902L01016

### BSE SCRIP CODE

512215

### STATUTORY AUDITORS

NGST & ASSOCIATES

Chartered Accountants,

1111/11th Floor,

Ghanshyam Enclave,

Laljipada Police Chowki, Link Road,

Kandivali (West),

Mumbai – 400 067

### SECRETARIAL AUDITORS

Shreyas Athavale & Co.

Practicing company secretary,

Mumbai

### BANKERS

Indian Bank – Mumbai

Axis Bank – Thane

### REGISTRAR & SHARE TRANSFER AGENT (RTA)

PURVA SHAREGISTRY INDIA PRIVATE LIMITED

#### REGISTERED OFFICE ADDRESS OF RTA

Shiv Shakti Industrial Estates,

G. Floor, Unit No. 9,

7-B, J. R. Boricha Marg,

Sitaram Mill Compound,

Mumbai – 400 011,

Maharashtra, India.

Ph. no.: (022) 2301 6761 / 2301 8261

Fax: (022) 2301 8261 ,

Email:support@purvashare.com

## Notice of 36<sup>th</sup> annual general meeting

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### NOTICE

**NOTICE is hereby given that the 36th Annual General Meeting of the members of Stephanotis Finance Limited (Formerly Known as Vora Constructions Ltd.) is scheduled to be held on Thursday, September 30, 2021 at 2:00 pm through electronic mode [video conference (“VC”) or other audio visual means (“OAVM”)] to transact the following business:**

Ordinary Businesses:

**Item no. 1 – Adoption of financial statements**

To receive, consider and adopt the Audited Financial Statements of the company for the financial year ended on March 31, 2021 together with Reports of the Directors and Auditors thereon.

**Item no. 2 – Re-appointment of director(s) retiring by rotation**

To appoint a Director in place of Mr. Sumit Malge (DIN: 07157093), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

**Registered Office**

3, Ground Floor,  
Durga Chambers,  
Veena Industrial Estate,  
Off Veera Desai Road,  
Andheri(W),  
Mumbai- 4000 53,  
Maharashtra, India

By order of board of directors  
For **Stephanotis Financial Limited**  
(Formerly Vora Constructions Ltd.)

**Sureshababu G. Malge**  
(Chairman & managing director)  
(DIN: 01481222)

Mumbai, September 2, 2021

## Annexure to item no. 2 of Notice:

Details of Mr. Sumit Suresh Malge DIN no. 02413173, who retires by rotation and seeks reappointment at the forthcoming AGM (Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, and Secretarial Standard 2 on General Meetings.

<b>Name of Director</b>	<b>Mr. Sumit Sureshbabu Malge</b>
<b>DIN</b>	<b>02413173</b>
<b>Date of Birth</b>	<b>26/11/1988</b>
<b>Date of original appointment</b>	<b>28/07/2017</b>
<b>Relationship with Directors</b>	<b>Son of Chairman</b>
<b>Expertise in specific functional Area</b>	<b>Real Estate, Constructions Business</b>
<b>Qualification(s)</b>	<b>Commerce Graduate</b>
<b>Directorship held in other Listed Companies</b>	<b>Nil</b>
<b>Chairmanship/Membership of committees of other public companies</b>	<b>Nil</b>
<b>Number of Shares held in the Company as on 31 March, 2021</b>	<b>6,29,964</b>

## Notes

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM. Hence, members can attend and participate in the ensuing AGM through VC / OAVM. National Securities Depository Limited ('NSDL') will be providing facility for voting through remote e-voting, for participation in the AGM through VC / OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC / OAVM is explained at note no. 9 below and is also available on the website of the company at [www.stephanotis.in](http://www.stephanotis.in).
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, as the AGM shall be conducted through VC / OAVM, the facility for appointment of proxy by the members is not available for this AGM and hence, the proxy form and attendance slip including route map are not annexed to this notice. However, the body corporates are entitled to appoint authorised representatives to attend the AGM through VC / OAVM and participate there at and cast their votes through e-voting.
3. Institutional / corporate members are requested to send a scanned copy (pdf / jpeg format) of the board resolution authorizing its representatives to attend and vote at the AGM, pursuant to section 113 of the Act, on email id of the scrutinizer at [csshreyasathavale@gmail.com](mailto:csshreyasathavale@gmail.com) and id of company at [voraconstructions@ymail.com](mailto:voraconstructions@ymail.com).
4. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.
7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at [www.stephanotis.in](http://www.stephanotis.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

8. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

#### **ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT**

9. Owing to the difficulties involved in dispatching of physical copies of the financial statements (including report of board of directors, auditor's report or other documents required to be attached therewith), such statements including the notice of AGM are being sent in electronic mode to members whose e-mail address is registered with the company or the depository participant(s). In line with the ministry of corporate affairs (MCA) circular no. 17/2020 dated April 13, 2020, the notice calling the AGM has been uploaded on the website of the company at [www.kifsfinance.com](http://www.kifsfinance.com). The notice can also be accessed from the websites of the stock exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the notice is also available on the website of NSDL (agency for providing the remote e-voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
10. Members holding shares in physical mode and who have not updated their email addresses with the company are requested to update their email addresses by writing to the RTA of the company on the email id [support@purvashare.com](mailto:support@purvashare.com) along with the copy of the signed request letter mentioning the name and address of the member, mobile number, self-attested copy of the PAN card, and self-attested copy of any document (eg.: driving license, election identity card, passport) in support of the address of the member. Members holding shares in dematerialized mode are requested to register / update their email addresses with the relevant depository participants. In case of any queries / difficulties in registering the e-mail address, members may write to RTA of the company on the email id [support@purvashare.com](mailto:support@purvashare.com).

#### **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

**The remote e-voting period begins on Monday 27<sup>th</sup>, September, 2021 at 9:00 A.M. and ends on Wednesday 29<sup>th</sup>, September, 2021 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 23<sup>rd</sup> September, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 23<sup>rd</sup> September, 2021.**

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





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

#### **Step 1: Access to NSDL e-Voting system**

- A) **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “<b>Login</b>” which is available under ‘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 <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: center; gap: 40px; margin-top: 10px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> </ol>

	<p>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</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. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

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

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices*



after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Password details for shareholders other than Individual shareholders are given below:
- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - How to retrieve your 'initial password'?
    - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

<b><u>How to cast your vote electronically and join General Meeting on NSDL e-Voting system?</u></b>	
	<ol style="list-style-type: none"> <li>1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.</li> <li>2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.</li> <li>3. Now you are ready for e-Voting as the Voting page opens.</li> <li>4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.</li> <li>5. Upon confirmation, the message “Vote cast successfully” will be displayed.</li> <li>6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.</li> <li>7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.</li> </ol>
<b><u>General Guidelines for shareholders</u></b>	
	<ol style="list-style-type: none"> <li>1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to <a href="mailto:csshreyasathavale@gmail.com">csshreyasathavale@gmail.com</a> with a copy marked to <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a>.</li> <li>2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “<a href="#">Forgot User Details/Password?</a>” or “<a href="#">Physical User Reset Password?</a>” option available on <a href="http://www.evoting.nsdl.com">www.evoting.nsdl.com</a> to reset the password.</li> <li>3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of <a href="http://www.evoting.nsdl.com">www.evoting.nsdl.com</a> or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a></li> </ol>

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to ([voraconstructions@ymail.com](mailto:voraconstructions@ymail.com)).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to ([voraconstructions@ymail.com](mailto:voraconstructions@ymail.com)). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1  
**(A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at ([voraconstructions@ymail.com](mailto:voraconstructions@ymail.com)). The same will be replied by the company suitably.

### **GENERAL INFORMATION**

- The members, who still hold share certificates in physical form, are advised to dematerialize their shareholding to avail the benefits of dematerialization, which includes easy liquidity since the trading is permitted in dematerialized form only, electronic transfer, savings in stamp duty and elimination of possibility of loss of documents and bad deliveries.
- As per the provisions of section 72 of the Act, the facility for making nomination is available for the members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting form no. SH-13. Members are requested to submit these details to their DP in case the shares are held by them in electronic form, and to the RTA Link Intime India Private Limited at [support@purvashare.com](mailto:support@purvashare.com), in case the shares are held in physical form.
- The company has appointed Mr. Shreyas Athavale, proprietor of M/s. Shreyas Athavale & Co., practicing company secretaries, Mumbai (ICSI membership no.: 52266, certificate of practice no.: 20573), who in the opinion of the board is a duly qualified person to scrutinize the voting processes in a fair and transparent manner.
- The scrutinizer shall, immediately after the conclusion of voting at the annual general meeting, count votes cast at the meeting, thereafter unblock votes cast through remote e-voting in presence of at least two witnesses not in employment of the company and present a consolidated scrutinizers' report of the total votes cast in favour or against, if any, to the chairman or a person authorized by him in writing who shall countersign the same.
- The results declared along with the scrutinizer's report shall be placed on the company's website [www.stephanotis.in](http://www.stephanotis.in) and on the website of NSDL and shall be communicated to the stock exchange within the time prescribed by the law.
- The resolution shall be deemed to be passed on the date of the annual general meeting, subject to the same being with requisite majority.

### **PROCEDURE FOR INSPECTION OF DOCUMENTS**

- The register of directors and key managerial personnel and their shareholding, maintained under section 170 of the Act, and the register of contracts or arrangements in which the directors are interested, maintained under section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the notice will also be available for electronic inspection without any fee by the members from the date of circulation of this notice up to Thursday, September 25, 2021. Members seeking to inspect such documents can send an email to [voraconstructions@ymail.com](mailto:voraconstructions@ymail.com).

## DIRECTORS' REPORT

To,  
The Members of  
**Stephanotis Finance Limited**

Your Directors have pleasure in presenting Thirty Sixth Annual Report together with the Audited Accounts of the Company for the financial year ended on 31st March, 2021.

### 1.FINANCIAL HIGHLIGHTS:

<u>Particulars</u>	<u>2020-21</u>	<u>2019-20</u>
Revenue from Operations	74.31	184.62
Other Income	0.09	0
Total Income	74.41	184.62
Total Expenses	(74.41)	(168.4)
Profit / (loss) before exceptional items & provision for tax	(02.07)	16.16
Exceptional items	0	0
Profit / (loss) before tax	(02.07)	16.16
Tax expenses	(0.46)	(4.05)
Profit/(Loss) after Tax	(01.61)	12.12
EPS - basic & diluted (₹)	(0.03)	0.19

### 2. STATE OF COMPANY'S AFFAIRS / PERFORMANCE OF THE COMPANY:

During the financial year under report, total income of the company stands to ` 74.41 lakhs comprised of ` 74.31 lakhs as revenue from operations and ` 0.09 lakhs as other income as compared to ` 184.62 lakhs comprised of ` 184.62 lakhs as revenue from operations and there is nil income as other income generated during the previous financial year. The revenue from operations has shown decline of 59.15% in compare to previous financial year. Profit before interest, depreciation and tax also stands at ` (0.52) lakhs as compared to ` 17.07 lakhs in the financial year ended on March 31, 2020. Considering increased finance cost, net profit after tax has been reduced from ` 12.12' lakhs to `(01.61)' lakhs which shows year to year decline of (113.28)%.

The detailed analysis as to review of company's operational and financial performance is given in the management discussion and analysis report.

### 3.DIVIDEND:

In order to preserve funds for future activities, the Board of Directors of your Company do not recommend any Dividend for the Financial Year 2020-2021.

### 4.AMOUNT TRANSFERRED TO RESERVE:

During the year, the Company does not propose to transfer any amount to the any Reserve.

### 5.DEPOSITS:

During the financial year ended on March 31, 2021, the company has not accepted any deposits from the public within the meaning of the provisions of applicable directions and notifications issued by the Reserve Bank of India in this respect.

Further, being a non-deposit taking non-banking financial company, the disclosures with respect to deposits, required as per rule 8(5)(v) & (vi) of the Companies (Accounts) Rules, 2014 read with the Companies (Acceptance of Deposits) Rules, 2014 and section 73 of the Companies Act, 2013 are not applicable to it.

**6.SHARE CAPITAL:**

During the financial year under report, the company has neither made any issue of equity shares with differential voting rights, sweat equity shares or under employee stock options scheme nor it has made any provision of money for purchase of its own shares by employees or by trustees for the benefit of employees.

As on March 31, 2021, the authorized share capital of the company stands at ₹ 9,00,00,000/- consisting of 90,00,000 number of equity shares of ₹ 10/- each and issued, subscribed and paid up share capital of the company stands at ₹ 6,44,93,800/- consisting of 64,49,380 number of equity shares of ₹ 10/- each fully paid-up.

**7.DETAILS OF SUBSIDIARY / JOINT VENTURE / ASSOCIATE COMPANIES:**

The company doesn't have any subsidiary, joint venture or associate company.

**8.EXTRACT OF ANNUAL RETURN:**

Pursuant to the provisions of section 134(3)(a) and section 92(3) of the Companies Act, 2013 read with rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the annual return as at March 31, 2021, in the form MGT - 9 is enclosed herewith.

**9.MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY:**

There are no material changes and commitments, but for affecting the financial position of the company which have been occurred between the end of the financial year i.e. March 31, 2021 and the date of signing of the directors' report i.e. 2nd September, 2021.

**10.APPOINTMENTS AND RESIGNATIONS DURING THE FINANCIAL YEAR:**

- Secretarial Auditor, M/s. Amruta Kothari & Associates, Practicing Company Secretaries, Mumbai was resigned from the post of Secretarial Auditor and M/s Samuel & Associates, Mumbai has been appointed w.e.f 26th June , 2020 as Secretarial Auditor for the financial year 2019-2020.
- Secretarial Auditor, M/s Samuel & Associates, Practicing Company Secretaries, Mumbai was resigned from the post of Secretarial Auditor and M/s. Shreyas Athavale & Co., Mumbai has been appointed as Secretarial Auditor for the financial year 2020-2021.
- Miss Rashmi S. Raturi, Company Secretary and Compliance Officer of the Company, re- appointed as Internal Auditor of the Company for the financial year 2020-2021.

**11. LOANS / GUARANTEES OR INVESTMENT IN SECURITIES:**

Being a non banking financial company pursuing loan business in its ordinary course of business, the disclosures relating to the details of loans made, guarantees given, securities provided or subscription / acquisition of securities, pursuant to the provisions of section 186(11) of the Companies Act, 2013 and rule 11 of the Companies (Meetings of Board and its Powers) Rules, 2014 are not required to be given. Details of loans as financial assets are given in the financial statements of the company.

**12.DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):****Details of Directors and Key Managerial Personnel (KMP):**

SR. NO.	NAME AND ADDRESS	DESIGNATION	DATE OF APPOINTMENT	DIN/PAN
1	Mr. Sureshbabu Ganpati Malge	Chairman & Managing Director	28/07/2017	01481222
2	Mr. Jayesh Jashvantlal Shah	Non-Executive, Independent Director	01/09/2017	00260876
3	Mr. Sumit Sureshbabu Malge	Director	28/07/2017	02413173
4	Mr. Kanwaljit Singh	Non-Executive, Independent Director	12/05/2018	08122223
5	Mrs. Rizwana Muazzam Rumani	Non-Executive, Independent Director	12/05/2018	08122263
6	Mr. Sonu Sureshbabu Malgee	Chief Executive Officer	18/05/2018	AOPPM0149B
7	Mr. Anand Suresh Jain	Chief Finance Officer	02/07/2015	AGUPJ8122E
8	Miss. Rashmi Satyendra Raturi	Company Secretary	31/08/2019	AVOPR6680A

**13.DIRECTOR RETIRING BY ROTATION**

Pursuant to the provisions of section 152 of the Companies Act, 2013 and in accordance with the articles of association of the company, Mr. Sumit S. Malge, non-executive director of the company, retires by rotation at the ensuing annual general meeting and being eligible offers himself for re-appointment. The board of directors of the company recommends his re-appointment.

**14.INDEPENDENT DIRECTORS**

The independent directors have submitted the declaration, confirming that they meet the criteria of independence as prescribed under both the provisions of the relevant laws. Further, the independent directors have complied with the code for independent directors prescribed in schedule IV of the Companies Act, 2013 and code of conduct prescribed for the directors, management and senior managerial personnel.

Further, a separate meeting of independent directors of the company was held on February 13, 2021 in accordance with the provisions of clause VII of the schedule IV of the Companies Act, 2013.

All the independent directors of the company have completed their registration on the independent directors' data bank within the timeline stipulated by the law.

**15.KEY MANAGERIAL PERSONNEL**

Pursuant to the provisions of section 203 of the Companies Act, 2013, Mr. Sureshababu S. Malge holds position of Managing director, Mr. Sonu Malgee holds the position Chief Executive Officer, Miss Rashmi S. Raturi holds position of Company Secretary and Mr. Anand S. Jain holds the position of Chief Financial Officer of the company.

**16.WOMAN DIRECTOR**

Pursuant to the provisions of section 149 of the Companies Act, 2013 and regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. Rizwana Rumani holds position of a non-executive Independent woman director of the company.

All of the directors of the company have confirmed that they are not disqualified under provisions of section 164 of the Companies Act, 2013 from being appointed / continue to hold position of directors of the company.

**17.NUMBER OF BOARD MEETINGS:**

During the Financial Year 2020-21, four meetings of the Board of Directors of the company were held. The date of the meetings of the board held is as under-

Sr. No.	Date of Meeting	Total strength of the Board	No. of Directors Present
1	26 <sup>th</sup> June, 2020	5	4
2	28 <sup>th</sup> July, 2020	5	5
3	4 <sup>th</sup> September, 2020	5	5
4	2 <sup>nd</sup> November, 2020	5	5
5	12 <sup>th</sup> February, 2021	5	5

The intervening gap between any two board meetings did not exceed 120 days, as prescribed under the provisions of the law(s), except where relaxation provided by the appropriate authorities.

**18.INDEPENDENT DIRECTORS' MEETING:**

During the year under review, Independent Directors met on 12th February 2021, inter-alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board as whole.
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality, quantity content and timelessness of flow of information between the management and the Board.



**19.PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

All related party transactions that were entered during the financial year under report were in the ordinary course of business of the company and were on arm's length basis. There were no materially significant related party transactions entered by the company with its promoters, directors, key managerial personnel or other persons, which may have a potential conflict with

the interest of the company. All such related party transactions are being quarterly placed before the audit committee for its review. Omnibus approval has been obtained from the audit committee, board of directors and shareholders of the company for all the related party transactions (including transactions which are foreseen and repetitive in nature).

Since no material related party transactions were entered by the company and all the transactions entered into by the company with its related parties were in the ordinary course of business and on arm's length basis, disclosure in the form AOC-2 is not being given.

**20.AUDIT COMMITTEE:**

The Audit Committee has been reconstituted as per regulation 18 of SEBI(LODR) regulations, 2015 & Section 177 of Companies Act, 2013 during the year as:

<b>Name of Director</b>	<b>Designation</b>
Mr. Jayesh Shah	Chairman (Independent Director)
Mr. Kanwaljit Singh	Member (Independent Director)
Mr. Sumit Malge	Member (Director)

**21.NOMINATION & REMUNERATION COMMITTEE:**

In compliance with section 178 of the Act & regulation 19 of SEBI(LODR) regulations, 2015 the Board has constituted "Nomination and Remuneration Committee as:

<b>Name of Director</b>	<b>Designation</b>
Mr. Kanwaljit Singh	Chairman (Independent Director)
Mr. Jayesh Shah	Member (Independent Director)
Mr. Sumit Malge	Member (Director)

**22.STAKEHOLDERS RELATIONSHIP COMMITTEE:**

In compliance with regulation 20 of SEBI(LODR) regulations, 2015 the Board has constituted during the year as:

<b>Name of Director</b>	<b>Designation</b>
Mrs. Rizwana Rumani	Chairman (Independent Director)
Mr. Kanwaljit Singh	Member (Independent Director)
Mr. Sumit Malge	Member (Director)

**23.PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The disclosures required to be made under section 134(3)(m) of the Companies Act, 2013 read with rule (8)(3) of the Companies (Accounts) Rules, 2014 pertaining to the conservation of energy, technology absorption and foreign exchange earnings and outgo are not applicable to the company as the company being a non banking financial company, is neither involved in any manufacturing, processing activities nor any of its transactions involves foreign exchange earnings and outgo.

**24.INTERNAL CONTROL AND SYSTEM:**

The company has internal control systems, commensurate with the size, scale and complexity of its operations. Your company has laid down set of standards, processes and structure which enable it to implement internal financial control systems across the organization and ensure that the same are adequate and operating effectively. Internal financial control systems of the company provide a reasonable assurance with regard to maintaining of proper accounting controls, monitoring of operations, protecting assets from unauthorized use or losses, compliance with regulations and for ensuring reliability of financial reporting.

**25.PARTICULARS OF EMPLOYEES:**

During the year, there was no employee in receipt of remuneration as prescribed in the Rule 5(2) of the companies (Appointment and Remuneration of managerial personnel) Rules, 2014.

**26.COMPLIANCE WITH THE RESERVE BANK OF INDIA GUIDELINES**

The company being a non banking financial company categorized as a loan company continues to comply with all the applicable regulations, directions and guidelines issued by the Reserve Bank of India from time to time.

**27.BOARD EVALUATION:**

Formal Annual evaluation has been made by the Board of its own Performance and that of its Committees & Individual Directors during the meeting of Board of Directors and by common discussion with concerned persons.

**28.MANAGERIAL REMUNERATION:**

The Disclosure pursuant to Rule 5 (1) of the Companies (Appointment of Managerial Personnel) 2014 is as follows:

Name of the Director	Amount of remuneration to Directors
Sureshbabu Malge	12,00,000/-

The Independent Directors do not receive any sitting fees.

1. Remuneration of Key Managerial Personnel/Director are disclosed in Annual Return i.e. MGT-9.
2. As on 31st March 2021, there were a total of 5 employees on the roll of the Company.
3. It is affirmed that the remuneration is as per the remuneration policy of the company.

A) None of the employee of the Company was in receipt of the remuneration (throughout the financial year or part thereof) as per Rule 5(2) of the Companies (Appointment of Managerial Personnel) 2014.

B) The Company do not have any Holding or Subsidiary Company and None of the Directors of the Company are the Managing Director or Whole Time Director in the Associate Company.

### **29.TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:**

There are no amounts due and outstanding to be credited to investor Education and Protection Fund as 31st March, 2021.

### **30.IMPACT OF COVID-19 PANDEMIC:**

The business of the Company being primarily a Non-Banking Financial Company ("NBFC"), has also been impacted by COVID-19 pandemic. The operations of the Company are based in the city Mumbai which has been declared most of the financial year 2020-2021 as red zone. The lockdown due to COVID-19 pandemic and the subsequent nationwide lockdown led to a slowdown in the disbursements and collections, across the country. This impacted the operating performance of the Company.

The duration of this lockdown is uncertain at this point of time and will depend upon directives issued by the respective Government authorities. Moreover, the company has adopted work from home policy in accordance with applicable governmental and regulator's guidelines and accordingly no operations of the company are required to be shut down for any period.

### **31.CORPORATE SOCIAL RESPONSIBILITY:**

During the financial year under report, your company did not meet the criteria laid down under the provisions of section 135(1) of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and accordingly the provisions including but not limited upto constitution of corporate social responsibility committee and formulation / implementation of a policy on corporate social responsibility are not applicable to the company.

### **32.CORPORATE GOVERNANCE:**

Your company practices a culture that is built on core values and ethical governance practices and is committed to transparency in all its dealings. A report on corporate governance IS exempted under Regulation 27 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and a certificate from company secretary for non-applicability of corporate governance report for the company as per Regulation 15 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the compliance with the Corporate Governance provisions specified in Regulation 27 of SEBI (LODR)

### **33.STOCK EXCHANGE**

The Company's equity shares are listed at BSE Limited vide scrip code 512215 and the Annual Listing Fees for the year 2020-21 has been paid.

**34.DISCLOSURE ON ESTABLISHMENT OF A VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

The company promotes ethical behavior in all its business activities and has put in place a mechanism wherein the employees are free to report illegal or unethical behavior, actual or suspected fraud or violation of the company's of conduct or corporate governance policies, raise concerns against management and business practices, incorrect or misrepresentation of any financial statements and reports or any improper activity being negative in nature to the chairman of the audit committee of the company or chairman of the board. The whistle blower policy has been appropriately communicated within the company.

Under the whistle blower policy, the confidentiality of those reporting violation(s) is protected and they are not subject to any discriminatory practices. No personnel have been denied access to the audit committee. The functioning of the vigil mechanism is reviewed by the audit committee from time to time.

The Company has Vigil Mechanism/Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. No personnel had been denied access to the Audit Committee to lodge their grievances.

**35.DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

A policy under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been laid down and circulated to every employee of the company so as to inform them about the redressal mechanism available to them against any kind of harassment. Your directors state that during the financial year under report, there were no cases filed or compliant received from any employee pertaining to the sexual harassment.

**36.FRAUD REPORTING (REQUIRED BY COMPANIES AMENDMENT BILL, 2014):**

No Fraud reported / observed during the financial year 2020-2021.

**37.STATEMENT OF DEVELOPMENT & IMPLEMENTATION OF RISK MANAGEMENT POLICY:**

The company has developed and implemented a risk management policy to meet the risks associated with the business of the company. Business risk evaluation and management is an ongoing process within the company. The assessment is periodically examined by the risk management committee of the board. The company, while giving loan to its customers, follows the criteria and procedure laid down in policy and the credibility of the clients 2020-21.

**38.STATUTORY AUDITORS:**

The Auditors M/s. NGST & Associates, Chartered Accountants, Mumbai (Firm Registration No.135159W), were appointed as Statutory Auditors of the Company for the period of five consecutive years in accordance with the provisions of the Companies Act, 2013 at the conclusion of Annual General Meeting held on 29th September, 2017, in terms of provisions of section 139 (1) the appointment of M/s NGST & Associates, Chartered Accountants, as statutory auditors of the Company for 5 year ending the tenure as on 31-3-2022.

In accordance with the provisions of the Companies (Amendment) Act, 2017, requirement of placing the matter of ratification of appointment of statutory auditors at every annual general meeting has been omitted.

Further, the company, being engaged in the financial service activities, is not required to maintain cost records under the provisions of section 148 of the Companies Act, 2013.

#### **39.INTERNAL AUDITORS:**

In accordance with the provisions of section 138 of the Companies Act, 2013 and rules framed thereunder, your company has re-appointed Rashmi Raturi, Company Secretary & Compliance Officer, as the internal auditors of the company in the board meeting held on June 26, 2021 to conduct the internal audit of the functions and activities of the company for the financial year ending on March 31, 2021.

#### **40.DIRECTORS RESPONSIBILITY STATEMENT:**

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

- a. In the preparation of the annual accounts for the financial year ended 31st March, 2021, the applicable Ind-AS had been followed along with proper explanation relating to material departures;
- b. The directors had selected such accounting policies and applied 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 as at 31st March, 2021
- c. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. The directors had prepared the annual accounts on a going concern basis;
- e. 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.
- f. The proper internal financial controls are in place and that such internal financial controls are adequate and are operating effectively.
- g. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **41.SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations

**42.SECRETARIAL AUDIT REPORT**

Pursuant to the provisions of section 204 of the Companies Act, 2013 and rules framed thereunder, the board has appointed the Secretarial Auditors of the company, M/s. Shreyas Athavale & Co., Practicing Company Secretary, Mumbai, for conducting the secretarial audit for the financial year ending on March 31, 2021.

Secretarial audit report issued by the secretarial auditor of the company for the financial year ended on March 31, 2021 is attached to the directors' report as Annexure - 3. Further, the company has complied with the secretarial standards to the extent applicable to the company.

Sr No.	Observation	Reply
1.	The Compliance with respect to the Website could not be up-to-datedness.	The website of the company is undergoing upgradation and would be updated shortly
2.	The Company has filed applicable RBI returns on COSMOS Portal and Migration to new XBRL portal is in Process.	The Company is in the process of filing the same with the respective authorities

**43.ACKNOWLEDGMENT**

Your Directors take this opportunity to express their grateful appreciation for the excellent assistance and co-operation received from all our Clients, Financial Institutions, Bankers, Business Associates and the Government and other regulatory authorities and thank all stakeholders for their valuable sustained support and encouragement towards the conduct of the proficient operation of the Company. Your Directors would like to place on record their gratitude to all the employees who have continued their support during the year.

The Directors also express sincere thanks to Government of India and Government of others States, Police, Doctors, Nurses, Sanitary workers, NGO's and every individual who are risking their lives in the fight against Covid-19.

For and on behalf of the Board of Directors  
**Stephanotis Finance Limited**

**Sureshababu Malge**

**Sumit Malge**

**Managing Director**  
**DIN - 01481222**

**Director**  
**DIN -02413173**

**Place: Mumbai**  
**Date: 02.09.2021**

## FORM NO. MGT 9

## EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2021

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014

## I. REGISTRATION &amp; OTHER DETAILS:

1.	CIN	L45200MH1985PLC036089
2.	Registration Date	30/04/1985
3.	Name of the Company	STEPHANOTIS FINANCE LIMITED
4.	Category/Sub-category of the Company	Public Company / Limited by Shares
5.	Address of the Registered office & contact details	3, Ground Floor, Durga Chamber, Veena Industrial Estate, Off Veera Desai Road, Andheri (West) Mumbai - 400 053
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Purva Share Registry (India) Pvt. Ltd. Shiv Shakti Industrial Estate, Gr. Floor, Unit No 9, 7B, JR Boricha Marg, Sitaram Mill Compound, Mumbai, Maharashtra, 400011

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Non-Banking Financial Corporation Services	6519	100%

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

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the Company
1	-	-	-

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

## Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 31-03-2020)				No. of Shares held at the end of the year (As on 31-03-2021)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter s</b>									
(1) Indian									
a) Individual/ HUF	4663009	-	4663009	72.30%	4673292	-	4673292	72.46%	+0.16
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI									
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	4663009	-	4663009	72.30%	4673292	-	4673292	72.46%	+0.16



<b>B. Public Shareholding</b>									
<b>1. Institutions</b>	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									
<b>a) Bodies Corp.</b>									-
i) Indian	3975	700	4875	0.08%	4020	700	4725	0.07%	0.0
ii) Overseas	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	106165	72750	178915	2.77%	116818	73750	190568	2.95%	+0.18
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1361404	23400	1384804	21.47%	1340729	22400	1363129	21.14%	-0.34
<b>c) Others (specify)</b>									
HUF	77389	0	77389	1.84%	77433	0	77433	1.20%	-0.64
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
N.R.I									
Foreign Nationals									
LLP	125	0	125	0	275	0	275	0	+0.00
Clearing Members	140263	0	140263	0	139963	0	139963	2.17%	-0.00
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies-D R	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):</b>	1689521	96850	1786371	27.70%	1679238	96850	1776088	27.54%	-0.16
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	1689521	96850	1786371	27.70%	1679238	96850	1776088	27.54%	-0.16
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	6352530	96850	6449380	100%	6352530	96850	6449380	100%	0

**B) Shareholding of Promoter-**

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Sureshababu Malge	2685817	41.64%	0	2783400	43.16%	0	+01.52%
2	Sonu Malge	629964	09.77%	0	629964	09.77%	0	0.00%
3	Sushila Malge	629964	09.77%	0	629964	09.77%	0	0.00%
4	Sumit Malge	629964	09.77%	0	629964	09.77%	0	0.00%

**C) Change in Promoters' Shareholding**

SL No.	Shareholder's Name	Share Holding at the beginning of the year		Cumulative Share Holding at the end of the year	
		31/03/2020		31/03/2021	
		No of Shares	% of Total Shares of the Company	No. of Shares	% change in share holding during the year
1	SURESHBABU MALGE	2773117	43.00%		-
	Buy on 03-04-2020	300	0.00%	2773417	43.00%
	Buy on 10-04-2020	10183	0.16%	2783600	43.16%
	Sell on 03-01-2020	-200	0.00%	2783400	43.16%
	31-03-2021	786	0.01%	2783400	43.16%
2	SONU SURESHBABU MALGEE	629964	9.77%	629964	-
	31-03-2021			629964	9.77%
3	SUSHILA S MALGE	629964	9.77%	629964	-
	31-03-2021			629964	9.77%
4	SUMIT SURESHBABU MALGE	629964	9.77%	629964	-
	31-03-2021			629964	9.77%

**D) Shareholding Pattern of top ten Shareholders:  
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

SR. NO	FOR EACH OF THE TOP 10 SHAREHOLDERS	SHAREHOLDING AT THE BEGINNING OF THE YEAR (AS ON 31.03.2020)		CUMULATIVE SHAREHOLDING DURING THE YEAR (AS ON 31.03.2021)	
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY
1	<b>MANISH RUPAREL</b>	540840	8.39		
	Buy on 26-02-2021	+50	0.00	540890	8.39
	31-03-2021			540890	8.39
2	<b>VIKAS KUMAR JAIN</b>	200000	3.10		
	31-03-2021			200000	3.10
3	<b>NIRMAL RAJNIKANT SHAH</b>	140000	2.17		
	Buy on 04-12-2020	+50	0.00	140050	
	31-03-2021			140050	2.17
4	<b>ARCADIA SHARE &amp; STOCK BROKERS PVT. LTD</b>	139963	2.17		
	Buy on 30-10-2020	200	0.00	140163	2.17
	Sell on 06-11-2020	-200	-0.00	139963	2.17
	31-03-2021			139963	2.17
5	<b>PARTH HEMANT SHETH</b>	82251	1.28		
	31-03-2021			82251	1.28
6	<b>DEV HEMANT SHETH</b>	74490	1.15		
	31-03-2021			74490	1.15
7	<b>PREMLATA P BOHRA</b>	72000	1.12		
	31-03-2021			72000	1.12
8	<b>VIPUL CHANDAKANT DESAI</b>	69956	1.08		
	31-03-2021			69956	1.08
9	<b>SAMIR RAMESH KOTHARI HUF .</b>	67200	1.04		
	31-03-2021			67200	1.04
10	<b>ASHISH PURUSHOTAM BOHRA</b>	60000	0.93		
	31-03-2021			60000	0.93

## E) Shareholding of Directors and Key Managerial Personnel:

SL No.	Shareholder's Name	Share Holding at the beginning of the year		Cumulative Share Holding at the end of the year	
		31/03/2020		31/03/2021	
		No of Shares	% of Total Shares of the Company	No. of Shares	% change in share holding during the year
1	SURESHBABU MALGE	2773117	43.00%		-
	Buy on 03-04-2020	+300	0.00%	2773417	43.00%
	Buy on 10-04-2020	+10183	0.16%	2783600	43.16%
	Sell on 12-03-2021	-200	0.00%	2783400	43.16%
	31-03-2021			2783400	43.16%
2	SONU SURESHBABU MALGEE	629964	9.77%	629964	-
	31-03-2021			629964	9.77%
3	SUMIT SURESHBABU MALGE	629964	9.77%	629964	-
	31-03-2021			629964	9.77%
4	ANAND S. JAIN	NIL	NIL	NIL	NIL
5	RASHMI S. RATURI	NIL	NIL	NIL	NIL

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

**VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

Sr. No	Particulars of Remuneration	Name of Managing Director	Total Amount
1	Gross salary	Mr. Sureshababu G. Malge	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12,00,000	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify...	-	-
5	Others, please specify	-	-
	Total (A)		
	Ceiling as per the Act	12,00,000	12,00,000

**B. Remuneration to other Directors**

Sr. No	Particulars of Remuneration	Name of Director	Total Amount
1	Gross salary	Mr. Sumit S. Malge	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12,00,000	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify...	-	-
5	Others, please specify	-	-
	Total (A)		
	Ceiling as per the Act	12,00,000	12,00,000

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN  
MANAGING  
DIRECTOR / MANAGER / WTD**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		SONU S. MALGEE	ANAND S. JAIN	RASHMI S. RASTURI
		CEO	CFO	Company Secretary
1	Gross salary (P.M.)	12,00,000	3,60,000	4,80,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total	12,00,000	3,60,000	4,80,000

**VII) PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES - NIL**

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **GLOBAL OUTLOOK**

The Coronavirus (COVID-19) pandemic is inflicting high and rising human costs worldwide, and the necessary protection measures are severely impacting economic activity. As a result of the pandemic, the global economy is projected to contract sharply by 3 percent in 2020, much worse than during the 2008–2009 financial crisis.

In a baseline scenario which assumes that the pandemic fades in the second half of 2020 and containment efforts can be gradually unwound, the global economy is projected to grow by 5.8 percent in 2021 as economic activity normalizes, helped by policy support.

The COVID-19 pandemic poses unprecedented health, economic, and financial stability challenges. Following the COVID-19 outbreak, the prices of risk assets collapsed and market volatility spiked, while expectations of widespread defaults led to a surge in borrowing costs. Several factors amplified asset price moves. Previously overstretched asset valuations, pressures to unwind leveraged trades, dealers' balance-sheet constraints and a deterioration in market liquidity.

Emerging market economies experienced the sharpest reversal of portfolio flows on record. As a result, financial conditions tightened at an unprecedented speed.

Fiscal measures can save lives, protect the most-affected people and firms from the economic impact of the pandemic, and prevent the health crisis from turning into a deep long-lasting slump. A key priority is to fully accommodate spending on health and emergency services. Global coordination is required for a universally low-cost vaccine and to support countries with limited health capacity. Large, temporary and targeted support is urgently needed for affected workers and firms until the emergency abates.

Since, the economic fallout is acute in specific sectors, policymakers will need to implement substantial targeted fiscal, monetary, and financial market measures to support affected households and businesses domestically. And internationally, strong multilateral cooperation is essential to overcome the effects of the pandemic, including to help financially constrained countries facing twin health and funding shocks, and for channelling aid to countries with weak health care systems.

### **INDIA ECONOMY**

As per the World Bank's latest assessment, India is expected to grow 1.5 per cent to 2.8 per cent. Similarly, the IMF has projected a GDP growth of 1.9 per cent for India in 2020, as the global economy hits the worst recession since the Great Depression in 1930s.

The pandemic (Covid-19) and consequent lockdown have hit various sectors, including MSME, hospitality, civil aviation, agriculture and allied sector.

The growth in GDP during 2019-20 is estimated at 5.0 per cent as compared to 6.1 per cent in 2018-19.

### **INDUSTRY STRUCTURE AND DEVELOPMENTS**

India entered into a recession in 2020 and the pandemic hit the economy when the growth was declining however data from the Central Statistical Office states sequential improvement in quarterly GDP growth driven by gross capital formation and private and government consumption expenditure. In response to the pandemic crisis, the government announced stimulus measures worth INR 17trn, directed primarily towards the poor, migrants and rural areas. The economic slowdown in 2020 directly reflected in the negative growth in revenues. Still, the Centre held up spending and revised its gross-fiscal deficit-to-GDP target for FY2020-21 from 3.5% to 9.5%. This is a significant improvement considering 23.9% shrinkage recorded in GDP for April-June quarter. Considering positive sentiments of the last two quarters of FY 2020-21, the World Bank estimates that the Indian economy will recover by 5.4% in FY 2021-22. The Reserve Bank of India (RBI) in its Monetary Policy Committee (MPC) estimated Indian economy to grow by 9.5% in FY 2021- 22 on the back of implementation of key structural reforms and the improved fiscal and monetary policies. RBI also reduced the repo rate to 4% from 4.4%, and reverse repo rate to 3.35% from 3.75%, in May 2020. However, the massive vaccination drive by the Government provided boost to consumer sentiment during the fiscal end.

On the sectoral level, the industrial and service sectors faced severe ramifications due to the disruptions caused by the virus-containing lockdown. However, despite preceding events, FY21 was also a classic live experiment of flexibility, adaptability & resilience.

To address the adversities arising from the pandemic led economic disruptions, the Central Government announced ` 29.87 Lakhs Cr (15% of GDP) Aatmanirbhar Bharat package to support the economy's most distressed segments. As part of the relief package, it also allowed borrowers to halt repayment of loans between March and August 2020 without impacting their credit history.



## **BUSINESS & FINANCIAL PERFORMANCE**

Stephanotis Finance Limited being a registered NBFC with RBI has been primarily engaged into A) Lending activities & Investing in securities.

The investment portfolio of your company is as financial services. Your Company, as in the last few years, continues to evaluate investment opportunities in transactions with good growth prospects.

The details with respect to financial performance has been included in the Directors' Report.

## **OPPORTUNITIES:**

The sentiment in the Indian financial market has changed considerably over the past few years; the economic growth, though subdued for last couple of years, is likely to show positive momentum over the coming years. This has presented opportunities for lending to Indian corporate and investments in the vibrant secondary as well as primary markets. The following factors present specific opportunities across our businesses include:

- Growing Corporate activities and related need for investments;
- Credit penetration in India is low as compared to other economies. On similar benchmarks, the non-bank finance penetration in India is even lower;
- Growing midsize segment of corporate activity where the need for customized solution is particularly high;
- Low penetration of financial services and products in India along with unique nature of credit demand makes difficult traditional bank lending;
- Digital trends in consumer and MSME to offer new disruptive opportunities for innovation and partnerships;
- Deepening of wholesale debt markets to provide easier access to funds.
- Regulatory reforms including policy framework aiding greater participation by all class of investors;
- Growing Financial Services industry's share of wallet for disposable income;

- Wealth management business is transforming from mere wealth safeguarding to growing wealth;
- Emerging technology to enable best practices and processes;
- Size of the Indian capital market and favourable demographics like huge middle class, relatively large younger population with disposable income and investible surplus and risk taking abilities of the youth.

### **THREATS:**

Despite great opportunities, there are significant factors presenting threats to our businesses viz.

- Impact of Covid-19
- Impact on economic growth of the rising prices of oil and industrial raw materials, decelerating investment demand and high inflation;
- Regulatory changes impacting the landscape of business;
- Increased competition from local and global players operating in India;

However, your Company is well aware of the above threats and has worked steadily to strengthen its business operations by putting appropriate policies and measures in place and well positioned to counter any adverse threat successfully.

### **STRENGTHS**

- Simplified and prompt loan appraisals and disbursements;
- Experienced senior management team;
- A well-defined and scalable organizational structure;
- Distinguished financial services provider with close control on investment.

### **WEAKNESS**

- Uncertain economic and political environment;

Growth directly linked with the GDP growth of the country

### **IMPACT OF COVID 19 ON THE COMPANY**

On account of COVID- 19, the Government of India has declared nation-wide lockdown from March 22, 2020 onwards. In the nation-wide lockdown, some essential services were allowed to operate and were exempted from the lockdown. The lockdown due to COVID-19 pandemic and the subsequent nationwide lockdown led to a slowdown in the disbursements and collections, across the country. This impacted the operating performance of the Company. The Management and Directors are actively engaged and will continue to closely monitor the future developments during the partial lockdown period.

The Company has provided work from home facility to the employees of the Company. The employees visit office alternatively and on need basis.

### **RISK MANAGEMENT:**

The risk for the Company arises mainly out of the risks associated with the operations we carry. Experienced professionals review and monitor risks in our Company. We have comprehensive risk management policies and processes for risk identification, risk assessment and risk mitigation planning for business, strategic, operational, financial and compliance related issues. The management also periodically reviews the policies and procedures and formulates plans for control of identified risks and improvements in the systems.

A risk/compliance update report is regularly placed before the Audit Committee /Board of Directors of the Company. The Directors/ Audit Committee review the risk/ compliance update reports and the course of action taken or to be taken, to mitigate and manage the risks is taken.

### **HUMAN RESOURCES:**

The Human Resources initiative focuses on structured training programs (both in-house and external) intended to equip employees at all levels, with the necessary knowledge and experience in order to demonstrate high levels of performance.

Stephanotis Finance Limited believes in taking care of its employees and ensuring that their career aspirations are met through professional growth, personal development and fair economic rewards.

Our organization is committed and focused on identifying and retaining the right talent to meet the overall business strategy and objective. The broad range of activity includes viz. robust manpower planning process in line with the business objective, enhancement of employee skill-sets by identifying training

and development needs, retention programs, reward and recognition, learning and development.

#### **INTERNAL CONTROL AND THEIR ADEQUACY:**

The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations.

The Company being in lending and investment industry, has put in place an adequate internal control system to safeguard all assets and ensure operational excellence. The system also meticulously records all transaction details and ensures regulatory compliance.

The Company's internal control system is commensurate with the size, nature and operations of the Company.

#### **SEGMENT-WISE PERFORMANCE**

The Company is a Non-Banking Finance Company (NBFC). It is engaged in the business of financing which is the major segment in the Company.

#### **CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of the applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the Company's operations include economic and political conditions in which the Company operates, interest rate fluctuations, changes in Government / RBI regulations, Tax laws, other statutes and incidental factors. This report contains statements extracted from reports of Government Authorities / Bodies, Industry Associations etc.

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2021.**

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

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To,  
The Members,  
**STEPHANOTIS FINANCE LIMITED.**

We have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **STEPHANOTIS FINANCE LIMITED** (CIN: L45200MH1985PLC036089) (hereinafter called "The Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our limited verification electronically of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31<sup>st</sup> 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:

We have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and produced before us for the financial year ended March 31, 2021, as per the provisions of:

- I. The Companies Act, 2013 ("The Act") and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") to the extent applicable to the Company: -
  - a. The securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulation 2015.
  - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) guidelines, 1999; (Not applicable to Company during Audit Period)
- f. The Securities and Exchange Board of India (Issue and Listing of debt Securities) Regulations, 2008; (Not applicable to Company during Audit Period)
- g. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations 1993 regarding Companies Act and dealing with clients; (Not applicable to the Company during Audit Period)
- h. The Securities and Exchange Board of India (delisting of equity Shares) Regulations, 2009; (Not applicable to the Company during Audit Period)
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to Company during Audit Period)
- j. The Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited.

VI The Management has identified and confirmed the applicable Acts, Laws and Regulations specifically applicable to the Company as mentioned bellows:

- i) Reserve Bank of India Act, 1934; and
- ii) All the Rules, Regulations, Guidelines and Circulars applicable to Non-Banking Financial Companies under the RBI Act, 1934

I have also examined compliances with the Applicable Secretarial Standards issued by The Institute of Company Secretaries of India.

During the year under review, the Company in general has complied with the provisions of the Act, Rules, Regulations, Guidelines, and Standards otherwise as mentioned elsewhere in this report except with the observation that:

SR No.	Applicable Law	Observation
1	SEBI Listing (Obligations and Disclosure Requirements) Regulations, 2015	The Compliance with respect to the Website could not be up-to-datedness.
2	RBI Act 1934 and Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions 1998	The Company has filed applicable RBI returns on COSMOS Portal and Migration to new XBRL portal is in Process.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors were took place during the year 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.

We further 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.

**Date: 2<sup>nd</sup> September, 2021**  
**Place: Kalyan**

**For SHREYAS ATHAVALE & CO**  
**Practicing Company Secretary**

**CS Shreyas Athavale**  
**ACS No.: 52266**  
**CP No.: 20573**  
**UDIN: A052266C000885331**

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

**Annexure - I**

To,  
The Members,  
**STEPHANOTIS FINANCE LIMITED.**

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. Due to the outbreak of COVID 19 and a country wide lock down, we have conducted the audit and relied upon the information, documents, forms, returns, papers and other records maintained by Company and provided to us electronically.

**Date: 2<sup>nd</sup> September, 2021**  
**Place: Kalyan**

**For SHREYAS ATHAVALE & CO**  
**Practicing Company Secretary**

**CS Shreyas Athavale**  
**ACS No.: 52266**  
**CP No.: 20573**  
**UDIN: A052266C000885331**



## Independent Auditor's Report

**To the Members of  
Stephanotis Finance Limited  
(Formerly Known as Vora Constructions Ltd.)**

### **Report on the Audit of the Standalone Ind AS Financial Statements Opinion**

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its Profit /loss, including Other Comprehensive Income, Cash Flow and the changes in equity for the year ended on that date.

### **Other Matters**

The Comparative Financial Information of the Company for the transition date Opening balance sheet as at 1<sup>st</sup> April, 2018 included in this standalone Ind AS Financial statement, are based on the previously issued statutory financial statement prepared in accordance with the companies ( Accounting Standards) Rules 2006 audited by our firm expressed an unmodified opinion on that standalone Ind AS Financial statements, and have been restated to comply with Ind AS, Adjustment made to the previously issued said financial information prepaid in accordance with Companies (Accounting Standards) rules, 2006 to comply with ind AS have been Audited by us .

Our opinion is not modified in respect of this matter

### **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 Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Companies Act, 2013 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 on the Standalone Ind AS financial statements.

### **Key Audit Matters**

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

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

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

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

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

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

### **Responsibility of Management for the Standalone Financial Statements**

The Company's Management and 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, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone financial statements, management and Board of Director are 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.

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

### **Auditor's Responsibility for the Audit of the Standalone financial statements**

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

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

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

Materiality is the magnitude of misstatements in the Standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone 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 Standalone financial statements.

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

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

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("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 paragraphs 3 and 4 of the Order, to the extent applicable
2. As required by section 143 (3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of changes in Equity dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the aforesaid Ind AS Standalone financial statements comply with the

Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e. On the basis of written representations received from the directors as on March 31, 2021 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 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**”.
3. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us :
- i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements
  - ii. The Company, did not have any long-term contracts including derivative contracts for which there were no material foreseeable losses;
  - ii. There were no amount which were required to be transferred to the Investor Education and Protection Fund by the Company.
4. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

**For NGST & Associates**

Chartered Accountants

Firm Registration No. 135159W

Bhupendra Gandhi

(Partner)

Membership No. 122296

UDIN: 21122296AAAADF2394

Place: Mumbai

Date: 22/06/2021

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

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the Standalone financial statements of the Company for the year ended March 31, 2021:

- 1) In respect of the Company’s fixed assets:
  - (a) The company has maintained proper records showing full particulars including details of quantity and situation of the fixed assets
  - (b) As explained to us physical verification of the fixed assets is conducted by the management at reasonable intervals and no Material discrepancies were noticed on such verification
  - (c) The title deeds of Investment in property i.e. immovable properties are held in the name of the company.
- 2) The Company does not possessed inventory as on balance sheet date and hence the clause is not applicable.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has not granted loans, guarantees and security covered u/s 185 and 186 ; the investment made by the company is in compliance with the provisions of section 186 of the Companies Act, 2013.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) According to the information and explanations given to us, in respect of statutory dues:
  - (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess, wherever applicable, and any other applicable statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2021 for a period of more than six months from the date on when they become.
  - (b) According to the information and explanation given to us, there are no dues of income

tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) The company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans during the year.
- 10) During the course of our examination of the books and records of the company, carried in accordance with auditing standard generally accepted in India, we have neither come across any instance of fraud by the Company or on the company by its officers or employees noticed or reported during the course of our audit nor have we been informed of any such instance by the management.
- 11) As explained to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Standalone Financial Statements as required by the applicable Indian Accounting Standards.
- 14) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

**For NGST & Associates**

Chartered Accountants

Firm Registration No. 135159W

Bhupendra Gandhi

(Partner)

Membership No. 122296

UDIN: 21122296AAAADF2394

Place: Mumbai

Date: 22/06/2021

**“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of Stephanotis 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 **Stephanotis Finance Limited (“the Company”)** as of March 31, 2021 in conjunction with our audit of the Standalone 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. 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 judgement, including the assessment of the risks of material misstatement of the Standalone 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 Standalone 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 Standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone 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 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 or for other reasons.

### **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 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 the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **For NGST & Associates**

Chartered Accountants

Firm Registration No. 135159W

Bhupendra Gandhi

(Partner)

Membership No. 122296

UDIN:21122296AAAADF2394

Place: Mumbai

Date: 22/06/2021

**STEPHANOTIS FINANCE LIMITED**  
**(Formerly known as VORA Constructions Ltd)**  
**STANDALONE BALANCE SHEET AS AT 31st MARCH 2021**

PARTICULARS	NOT E NO.	AS AT 31 <sup>st</sup> MARCH 2021 Rs.	AS AT 31 <sup>st</sup> MARCH 2020 Rs.
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	11	88,579	3,42,415
Bank balances other than Cash and Cash equivalents above		-	-
Loans & Advances	12	9,37,69,563	8,68,06,660
Non-Investments	9	4,75,252	4,91,640
Other Financial Assets	13	17,16,50,087	17,16,50,087
<b>Total Financial Assets</b>		<b>26,59,83,481</b>	<b>25,92,90,802</b>
<b>Non-Financial Assets</b>			
Inventories	10	66,39,483	56,67,879
Deferred Tax Assets (Net)		10,42,404	12,06,553
Property, plant and equipment (a) Tangible Assets	8	1,66,315	2,52,587
(d) Intangible assets		35,012	-
Other Non financial assets	14	-	59,705
<b>Total Non-Financial Assets</b>		<b>78,83,214</b>	<b>71,86,723</b>
<b>Total Assets</b>		<b>27,38,66,696</b>	<b>26,64,77,526</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Financial Liabilities</b>			
Borrowings	4	1,07,00,000	1,00,00,000
Trade payables	5	45,45,499	22,07,908
Other financial liabilities	6	69,95,584	32,27,665
<b>Total Financial Liabilities</b>		<b>2,22,41,083</b>	<b>1,54,35,573</b>
<b>Non-Financial Liabilities</b>			

Deferred tax liabilities (net)			
Provisions	7	-	-
<b>Total Non-Financial Liabilities</b>		-	-
<b>Total Liabilities</b>		<b>2,22,41,083</b>	<b>1,54,35,573</b>
<b>Equity</b>			
Equity share capital	2	6,44,93,800	6,44,93,800
Other equity	3	18,71,31,813	18,65,48,152
<b>Total Equity</b>		<b>25,16,25,613</b>	<b>25,10,41,952</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>27,38,66,696</b>	<b>26,64,77,525</b>
<b>Other notes to Accounts &amp; the accompanying notes are an integral part of Standalone Financial Statements</b>			

As per our report of even date  
For NGST & Associates  
Chartered Accountants  
FRN - 135159W

For & on behalf of the Board  
STEPHANOTIS FINANCE LIMITED  
CIN NO. L45200MH1985PLC036089

**Bhupendra Gandhi**  
Partner  
M.NO.122296  
Place : Mumbai  
Date : 22-06-2021

**Suresh Malge**  
Managing Director  
DIN NO:01481222

**Sumit Malge**  
Director  
DIN  
NO:02413173

**Rashmi Raturi**  
Company Secretary  
(ACS-48368)

**Anand Jain**  
Chief Financial Officer

**STEPHANOTIS FINANCE LIMITED**  
**(Formerly known as VORA Constructions Ltd)**

**Statement of Profit and loss for the year ended 31st March 2021**

	PARTICULARS	NOTE NO.	For the year ended	For the year ended
			31st MARCH 2021	31st MARCH 2020
			Rs.	Rs.
	<b>Income</b>			
I.	Revenue From Operations	15	74,31,304	1,84,61,692
II.	Other Income	16	9,827	-
III.	<b>Total Income</b>		<b>74,41,131</b>	<b>1,84,61,692</b>
IV.	<b>Expenses:</b>			
	Purchase of Stock-in-Trade	17	-	3,45,070
	Income reversed due to change in fair value of assets		-	1,01,47,148
	Employee benefits expense	18	47,40,000	28,64,980
	Depreciation and amortization expense		1,54,880	90,930
	Other expenses	19	27,53,659	33,96,690
	<b>Total expenses</b>		<b>76,48,539</b>	<b>1,68,44,818</b>
V	<b>Profit before exceptional and extraordinary items and tax (III - IV)</b>		2,07,408	16,16,874
VI	<b>Exceptional items</b>	20	-	-
VII	<b>Profit before extraordinary items and tax (V - VI)</b>		(2,07,408)	16,16,874
VIII	<b>Extraordinary items</b>		-	-
IX	<b>Profit before tax (VII - VIII)</b>		<b>(2,07,408)</b>	<b>16,16,874</b>
X	<b>Tax expense:</b>			
	(1) Current tax		-	4,05,000

	(2) Deferred tax		(46,000)	-
	(3) Tax for earlier years			-
			<b>(46,000)</b>	<b>4,05,000</b>
<b>XI</b>	<b>Profit/(Loss) for the period from continuing operations (IX-X)</b>		<b>(1,61,408)</b>	<b>12,11,874</b>
<b>XII</b>	<b>Profit/(Loss) from discontinuing operations</b>		-	-
<b>XIII</b>	<b>Tax expense of discontinuing operations</b>		-	-
<b>XIV</b>	<b>Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)</b>		-	-
			-	-
<b>XV</b>	<b>Profit/(Loss) for the period (XI+XIV)</b>		<b>1,61,408</b>	<b>12,11,874</b>
	<b>Other Comprehensive Income</b>			
	Income reclassifiable to P&L		9,55,216	9,29,214
	Tax thereon		(2,10,149)	2,32,303
	Income not reclassifiable to P&L			
	Tax thereon			
	<b>Total Other Comprehensive Income</b>		<b>7,45,068</b>	<b>6,96,912</b>
	<b>Total Comprehensive Income</b>		<b>5,83,660</b>	<b>5,14,963</b>
<b>XVII</b>	<b>Earnings per equity share of face value of Rs. 10 each</b>			
	Basic & Diluted (in Rupees)	<b>21</b>	<b>0.03</b>	<b>0.19</b>
<b>Other notes to Accounts &amp; the accompanying notes are an integral part of Standalone Financial Statements</b>				

As per our report of even date attached

**For NGST & Associates**

**Chartered Accountants**

**FRN - 135159W**

**For & on behalf of the Board**

**STEPHANOTIS FINANCE LIMITED**

**CIN NO. L45200MH1985PLC036089**

**Bhupendra Gandhi**

**Partner**

**M.NO.122296**

**Place : Mumbai**

**Date : 22-06-2021**

**Suresh Malge**

**Managing Director**

**DIN NO:01481222**

**Sumit Malge**

**Director**

**DIN NO:02413173**

**Rashmi Raturi**

**Company Secretary**

**(ACS-48368)**

**Anand Jain**

**Chief Financial Officer**

**STEPHANOTIS FINANCE LIMITED (Formerly known as VORA Constructions Ltd)****Statement of Cash Flow  
for the year ended 31 March 2021**

<b>Particulars</b>	<b>For the Year Ended 31 March 2021</b>	<b>For the Year Ended 31 March 2020</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before tax for the year</b>	-2,07,408	16,16,874
<b>Adjustments for:</b>		
Non Cash / Separately Considered Income/Expenses	1,54,880	90,930
Other Adjustments		
<b>Operating profit before working capital changes</b>	<b>-52,528</b>	<b>17,07,804</b>
<b>Movements in working capital:</b>		
(Increase)/Decrease in trade and other receivables	-	-
(Increase)/decrease in Loans & Advances	-69,62,903	-52,52,091
(Increase)/decrease in Investments	-	-
(Increase)/decrease in inventories	-	3,41,162
(Increase)/decrease in other assets	59,705	-59,705
(Decrease)/increase in Trade Payables	23,37,591	11,35,048
(Decrease)/increase in Provision	-	-
(Decrease)/increase in other liabilities	37,67,919	18,75,004
<b>Cash flow from / (utilized in) operating activities post working capital changes</b>	<b>-7,97,688</b>	<b>-19,60,581</b>
Income Taxes	-	4,05,000
<b>Net cash flow from / (utilized in) in operating activities (A)</b>	<b>-8,50,216</b>	<b>-6,57,777</b>
<b>Cash flows from investing activities</b>		
Payments to acquire Plant, Property & Equipment	-1,03,620	-2,04,899
Proceeds on sale of Plant, Property & Equipment	-	-
Payments to other financial assets	-	-4,42,06,337
Proceeds from other financial assets	-	1,00,00,000
<b>Net cash (used in) investing activities (B)</b>	<b>-1,03,620</b>	<b>-3,44,11,236</b>
<b>Cash flows from financing activities</b>		
Proceed From Borrowing	7,00,000	-
Repayment of Borrowing		-
<b>Net cash used in financing activities (C)</b>	<b>7,00,000</b>	<b>-</b>

Cash and cash equivalents at the beginning of the year	3,42,415	3,54,11,428
<b>Cash and cash equivalents at the end of the year(A+B+C)</b>	88,579	3,42,415
<b>Reconciliation of cash and cash equivalents as per the cash flow Statement</b>		
Cash and cash equivalents	88,579	3,42,415
Other Balance with bank	-	-
<b>Balance as per statement of cash flows</b>	88,579	3,42,415

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 attached  
**For NGST & Associates**  
**Chartered Accountants**  
**FRN - 135159W**

**For & on behalf of the Board**  
**STEPHANOTIS FINANCE LIMITED**  
**CIN NO. L45200MH1985PLC036089**

**Bhupendra Gandhi**  
**Partner**  
**M.NO.122296**  
**Place : Mumbai**  
**Date : 22-06-2021**

**Suresh Malge**                      **Sumit Malge**  
**Managing Director**              **Director**  
**DIN NO:01481222**                  **DIN NO:02413173**

**Rashmi Raturi**                      **Anand Jain**  
**Company Secretary**              **Chief Financial Officer**  
**(ACS-48368)**

**STEPHANOTIS FINANCE LTD****Standalone Statement of Changes in Equity Capital**

As At 31 st March 2021

**A Equity share capital**

(Also refer Note )	(Rs. In Lakhs)
Particulars	Total Equity
As on 1st April 2020	644.94
Issue of Share Capital During the Year	-
<b>As on 31st March 2021</b>	<b>644.94</b>

**B Other Equity**

Particulars	Surplus					Total Other Equity
	General Reserve	Surplus as per Profit and Loss	Other Reserve	Security Premium Reserve	Other Comprehensive Income	
<b>Balance as at 1st April 2020</b>	-	84.75	0.82	1,779.91	-	<b>1,865.48</b>
Profit/Loss for the year		5.84				5.84
Amt Trf Into Surplus A/c		0				-
Total inclusive of comprehensive income for the year		5.84	-	-	-	5.84
Transfer to/From General Reserve	-	-				-
Transfer to/ From other Reserve		-	-			-
<b>Balance as at 1st April 2021</b>	-	<b>90.58</b>	<b>0.82</b>	<b>1,779.91</b>	-	<b>1,871.32</b>

As per our report of even date attached  
**For NGST & Associates**  
**Chartered Accountants**  
**FRN - 135159W**

**For & on behalf of the Board**  
**STEPHANOTIS FINANCE LIMITED**  
**CIN NO. L45200MH1985PLC036089**

**Bhupendra Gandhi**  
**Partner**  
**M.NO.122296**  
**Place : Mumbai**  
**Date : 22-06-2021**

**Suresh Malge**  
**Managing Director**  
**DIN NO:01481222**

**Sumit Malge**  
**Director**  
**DIN NO:02413173**

**Rashmi Raturi**  
**Company Secretary**

**Anand Jain**  
**Chief Financial Officer**



## 1 *Corporate Information*

Stephanotis Finance Limited ('the Company') is a public limited company domiciled in India and incorporated on 30th April 1985 under the provisions of Companies Act, 1956. The Company has received a Certificate of Registration number 13.00890 dated 26th May 1998 from the Reserve Bank of India ('RBI') to carry on the business of Non-Banking Financial Institution ('NBFC') without accepting public deposits. The Company has been classified as a Non-Deposit taking Non-Systemically Important NBFC or Holding Non-Banking Financial Company as defined under Section 45-IA of the Reserve Bank of India ('RBI') Act, 1934 w.e.f.28th January 2019. The equity shares of the Company are listed on the Bombay Stock Exchange ("BSE") in India.

## 2 *Significant accounting Policies*

### 2.1 **Basis of Preparation of financial statements**

#### A) **Statement of Compliance**

These financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with Companies ( Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act and guidelines issued by the RBI or other regulators to the extent applicable.

The Company has adopted Ind AS from 1st April 2019 and the financial statements for the year ended 31st March 2021 are the Company's first Ind AS Financial Statements. However, the effective date of transition to Ind AS is 1st April 2018, being the beginning of the earliest period for which the company needs to present comparative information.

The transition to Ind AS has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules issued thereunder, guidelines issued by the RBI and other generally accepted accounting principles in India (collectively referred to as 'the Previous GAAP'). The impact of transition has been recorded in the opening reserves as at 1st April 2018 and is provided in Note 45. The corresponding comparative previous period as presented in these financial statements have been restated / reclassified in order to conform to current year presentation.

The adoption of Ind AS has been carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 45.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April 2018 being the 'date of transition to Ind AS'.

**B) *Functional and presentation currency***

The Company's presentation and functional currency is Indian Rupees. All figures appearing in the financial statements are in Indian rupees in lakh rounded off to two decimal places as permitted by Schedule III to the Act. Per share data are presented in Indian Rupee to two decimal places.

**C) *Basis of preparation, presentation and disclosure of financial statements***

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Further, Assets and liabilities are classified as per the normal operating cycle (determined at 12 months) and other criteria set out in Schedule III of the Act as applicable to NBFCs.

**D) *Fair value measurement***

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset **or liability** nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Valuation using quoted market price in active markets: The fair value for financial instruments traded in active markets at the reporting date is based on their quoted market price, without any deduction for transaction costs. A market is regarded as active, if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 - Valuation using observable inputs: If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates most of the factors that market participants would take into account in pricing a transaction.

Level 3 - Valuation with significant unobservable inputs: The valuation techniques are used only when fair value cannot be determined by using observable inputs. The Company regularly reviews significant unobservable inputs and valuation adjustments. Level 3 assets are typically very illiquid, and fair values can only be calculated using estimates.

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

#### *E) Use of judgment and Estimates*

The preparation of the financial statements requires the management to make judgments, estimates and assumptions in the application of accounting policies that affects the reported amount of assets, liabilities and the accompanying disclosures along with contingent liabilities as at the date of financial statements and revenue & expenses for the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes different from the estimates. Difference between actual results and estimates are recognised in the year in which the results are known or materialise i.e. prospectively.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The key areas involving estimation uncertainty, higher degree of judgement or complexity, or areas where assumptions are significant to the financial statements include:

- i) Impairment of financial assets
- ii) Estimation of fair value measurement of financial assets and liabilities
- iii) Effective interest rate
- iv) Business model assessment
- v) Provisions and Contingencies
- vi) Useful life and expected residual value of assets
- vii) Tax position for current tax and recognition of deferred tax assets/liabilities
- viii) Measurement of Defined Benefit Obligations and actuarial assumptions
- ix) Classification of lease and related discount rate

## *2.2 Financial Instruments*

### **a) Recognition and initial measurement –**

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provision of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or

deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction cost directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in Statement of Profit and Loss.

**b) *Classification and Subsequent measurement of financial assets*** –

On initial recognition, a financial asset is classified as measured at

- Amortised cost
- FVOCI – debt instruments
- FVOCI – equity instruments
- FVTPL

**Amortised cost** - The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios being the level at which they are managed. The financial asset is held with the objective to hold financial asset in order to collect contractual cash flows as per the contractual terms that give rise on specified dates to cash flows that are solely payment of principal and interest (SPPI) on the principal amount outstanding. Accordingly, the Company measures Bank balances, Loans, Trade receivables and other financial instruments at amortised cost.

**FVOCI - debt instruments** - The Company measures its debt instruments at FVOCI when the instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets; and the contractual terms of the financial asset meet the SPPI test.

**FVOCI - equity instruments** - The Company subsequently measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments and are not held for trading.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. This includes all derivative financial assets.

*Subsequent measurement of financial assets*

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain and loss on derecognition is recognised in Statement of Profit and Loss.

Debt investment at FVOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in Statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition gains and losses accumulated in OCI are reclassified to Statement of Profit and Loss.

For equity investments, the Company makes selection on an instrument-by-instrument

basis to designate equity investments as measured at FVOCI. These selected investments are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to Statement of profit and loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for strategic purpose. Dividend income received on such equity investments are recognised in Statement of Profit and Loss.

Equity investments that are not designated as measured at FVOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in Statement of Profit and Loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of Profit and Loss.

*c) Derecognition of financial assets*

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all of the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amount it may have to pay.

If the Company enters into transactions whereby it transfers assets recognised on its Balance Sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised and the proceeds received are recognised as a collateralised borrowing.

*d) Financial guarantee contracts*

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

*e) Offsetting*

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

*f) Impairment of financial instruments*

The Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets measured at amortised cost or FVTOCI, except for investments in equity instruments. Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition.

**Stage 1 (Performing Assets)** – includes financial assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date. For these assets, 12-month ECL is recognised and interest income is calculated on the gross carrying amount of the assets (that is, without deduction for credit allowance). 12-month ECL are the portion of ECL that results from default events on a financial instrument that are possible within 12 months after the reporting date, if the credit risk has not significantly increased since initial recognition.

**Stage 2 (Under performing Assets with significant increase in credit risk since initial recognition)** – includes financial instruments that have had a significant increase in credit risk since initial recognition (unless they have low credit risk at the reporting date) but that do not have objective evidence of impairment. For these assets, lifetime ECL are recognised, but interest income is calculated on the gross carrying amount of the assets. Lifetime ECL are the expected credit losses that result from all possible default events over the expected life of the instrument.

**Stage 3 (Non-performing or Credit-impaired assets)** – includes financial assets that have objective evidence of impairment at the reporting date. For these assets, lifetime ECL is recognised and interest income is recognised on Net exposure (that is Gross carrying amount less Provision for Expected credit losses).

*Measurement of Expected Credit Loss*

Expected Credit Losses (ECL) on financial assets is an unbiased probability weighted amount based out of possible outcomes after considering risk of credit loss even if probability is low and incorporate all available information which is relevant to the assessment including information about past events, current conditions and reasonable and supportable forecasts of future events and economic conditions at the reporting date. Measurement of expected credit losses are based on 3 main parameters.

- **Probability of default (PD):** It is defined as the probability of whether borrowers will default on their obligations in future. Since the company don't have any history of past losses therefore it was not adequate enough to create our own internal model through which actual defaults for each grade could be estimated. Hence, the default study published by one of the recognised rating agency is used for estimating the PDs for each range grade.
- **Loss given default (LGD):** It is the magnitude of the likely loss, if there is a default. The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value.

The default study published by one of the recognised rating agency is used for estimating the LGD for secured and unsecured loans.

- **Exposure at default (EAD):** EAD represents the expected balance at default, taking into account the repayment of principal and interest from the Balance Sheet date to the date of default together with any expected drawdowns of committed facilities.
  
- g) Write offs** –The gross carrying amount of a financial asset is written-off (either partially or in full) to the extent that there is no reasonable expectation of recovering the asset in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off and when there is no reasonable expectation of recovery from the collaterals held. However, financial assets that are written-off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.
  
- h) Presentation of allowance for ECL in the Balance Sheet** – Loss allowances for ECL are deducted from the gross carrying amount of financial assets measured at amortised cost.
  
- i) *Financial liabilities and equity instruments:***  
Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### *Equity instruments*

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

#### *Financial liabilities*

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit or Loss. Any gain or loss on derecognition is also recognised in Statement of Profit or Loss.

The Company de-recognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not

attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognized in profit or loss.

### 2.3 *Cash and Cash equivalents*

Cash and cash equivalents consist of cash in hand, bank balances, demand deposits with banks and other short term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have original maturities of less than or equal to three months. These balances with banks are unrestricted for withdrawal and usage.

Other bank balances includes balances and deposits with banks that are restricted for withdrawal and usage.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits.

### 2.4 *Statement of Cash Flow*

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 inventories and operating receivables and payables transactions of a non-cash nature;
- ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; 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.

### 2.5 *Property, plant and equipment*

#### a) **Recognition and Measurement**

Tangible property plant and equipment are stated at cost less accumulated depreciation and impairment, if any. The cost of property, plant and equipment comprise purchase price and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-financial assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.



An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on the disposal or retirement of an item of PPE, is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

The residual values and useful lives and method of depreciation of PPE are reviewed at each financial year end and adjusted prospectively.

*b) Subsequent expenditure*

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred.

*c) Depreciation, estimated useful lives and residual value*

Depreciation is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives as prescribed in Part C of Schedule II to the Companies Act 2013. The estimated lives used and differences from the lives prescribed under Schedule II are noted in the table below:-

<b>Type of Assets</b>	<b>Estimated useful life as assessed by the Company</b>	<b>Estimated useful life under Schedule II of the Act</b>
Computers	3 years	3 years
Software and system development	3 years	3 years
Office equipment	5 years	5 years
Motor cars	5 years	8 years
Furniture and fixtures	10 years	10 years
Leasehold improvements	Tenure of lease agreements	Tenure of lease agreements

Depreciation is provided on a pro-rata basis i.e. from the month in which asset is ready for use. Individual assets costing less than or equals to Rs. 5,000 are depreciated in full, in the year of purchase. Depreciation on assets sold during the year is recognised on a pro-rata basis in the Statement of Profit and Loss up to the month prior to the month in which the assets have been disposed off.

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

## 2.6 *Intangible assets*

Intangible assets comprises of computer software are capitalised at cost of acquisition including cost attributable to readying the asset for use. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

The useful life of these intangible assets is estimated at 3 years with zero residual value.

Any expenses on such software for support and maintenance payable annually are charged to the Statement of Profit and Loss.

## 2.7 *Impairment of non-financial assets*

The carrying values of assets at each Balance Sheet date are reviewed for impairment, if any indication of impairment exists. If the carrying amount of the assets exceeds the estimated recoverable amount, impairment is recognised for such excess amount in Statement of Profit and Loss. Recoverable amount is the greater of the net selling price and value in use. If at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment losses previously recognised are reversed such that the asset is recognised at its recoverable amount but not exceeding written down value which would have been reported if the impairment losses had not been recognised initially.

## 2.8 *Investment in subsidiaries*

Subsidiaries are all entities over which the Company has control. The Company controls an entity when the company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

Investment in subsidiaries is measured at cost less accumulated impairment, if any.

## 2.9 *Provisions, contingent liabilities and contingent assets*

Provisions are recognised only when:

- an entity has a present obligation (legal or constructive) as a result of a past event; and
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation

These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Further, long term provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

Contingent liability is disclosed in case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- a present obligation arising from past events, when no reliable

estimate is possible. Contingent Assets:

Contingent assets are not disclosed in the financial statements.

#### *2.10 Commitments*

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- estimated amount of contracts remaining to be executed on capital account and not provided for;
- uncalled liability on loan sanctioned and on investments partly paid; and
- other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

#### *2.11 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.

##### *a) Recognition of Interest income*

Interest income on financial asset at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ('EIR'). 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 ECLs.)

Interest income on penal interest and tax refunds is recognized on receipt basis. Interest income on fixed deposit is recognised on time proportionate basis.

##### *b) Fee and Commission income*

Fee and commission income include fees other than those that are an integral part of EIR. The fees included in the Company Statement of Profit and Loss include among other things fees charged for servicing a loan, loan advisory fees and documentation charges.

##### *c) Other financial charges*

Cheque bouncing charges, late payment charges and foreclosure charges are recognised on a point-in-time basis, and are recorded when realised since the probability of collecting such monies is established when the customer pays.

d) *Income from securities*

Gains or losses on the sale of securities are recognised in Statement of profit and loss on trade date basis as the difference between fair value of the consideration received and carrying amount of the investment securities.

e) *Net gain/ Loss on fair value changes*

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 on fair value changes” under income and if there is net loss in aggregate, the same is recognised in “Net loss on fair value changes” under expense in the Statement of Profit and Loss.

f) *Dividend income*

Dividend income is recognised when the Company’s right to receive dividend is established by the reporting date and no significant uncertainty as to collect ability exists.

## 2.12 *Employee benefits*

### **Short term employee benefits**

Employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

### *Long Term employee benefits*

Company’s net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. Long-term employee benefit primarily consists of Leave encashment benefits wherein employees are entitled to accumulate leave subject to certain limits for future encashment/availment. Long-term compensated absences are provided for on the basis of an actuarial valuation at the end of each financial year using Projected Unit Credit (PUC) Method.

Actuarial gains/losses, if any, are recognised immediately in the Statement of Profit and Loss

Post-employment benefits

a) **Defined contribution Plans**

**Provident fund:** Contributions as required under the statute, made to the Provident Fund (Defined Contribution Plan) are recognised immediately in the Statement of Profit and Loss. There is no obligation other than the monthly contribution payable to the Regional Provident Fund Commissioner.

**ESIC and Labour welfare fund:** The Company's contribution paid/payable during the year to Employee state insurance scheme and Labour welfare fund are recognised in the Statement of Profit and Loss.

b) *Defined benefit Plans*

Gratuity liability is defined benefit obligation and is provided on the basis of an actuarial valuation performed by an independent actuary based on projected unit credit method, at the end of each financial year.

*Defined benefit costs are categorised as follows:*

- i) Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements)
- ii) Net interest expense or income
- iii) Re-measurement

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI, net of taxes. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

The Company's net obligation in respect of gratuity (defined benefit plan), is calculated by estimating the amount of future benefit that the employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The retirement benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the company's defined benefit plans. Any surplus resulting from this calculation is recognised as an asset to the extent of present value of any economic benefits

available in the form of refunds from the plans or reductions in the future contribution to the plans.

#### Share based Payments

Equity-settled share-based payments to employees are recognised as an expense at the fair value of equity stock options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight-line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to the general reserve within equity.

#### **2.13 Finance cost**

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at amortised cost. Financial instruments include bank term loans, Vehicle loans and non- convertible debentures. Finance costs are charged to the Statement of Profit and Loss. Ancillary and other borrowing costs are amortised on straight line basis over the tenure of the underlying loan.

#### **2.14 Leases**

The Company has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019. The Company's lease asset classes primarily consist of leases for Premises. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after April 1, 2018.

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116. The Company as a lessee

The Company assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves–

- a) the use of an identified asset,
- b) the right to obtain substantially all the economic benefits from use of the identified asset, and
- c) the right to direct the use of the identified asset.

The Company at the inception of the lease contract recognises a Right-of-Use (RoU) asset at cost and a corresponding lease liability, for all lease arrangements in which it is a lessee, except for leases with term of less than twelve months (short term) and low-value assets (assets of less than Rs. 10 Lakhs in value).

Certain lease arrangements includes the options to extend or terminate the lease before the end

of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The cost of the ROU assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The ROU assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of ROU assets.

ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

For lease liabilities at inception, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

The Company recognises the amount of the re-measurement of lease liability as an adjustment to the ROU assets. Where the carrying amount of the ROU assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in the Statement of Profit and Loss.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

Lease liability has been presented in Note 14 “Other Financial Liabilities” and ROU asset has been presented in Note 9B “Property, Plant and Equipment” and lease payments have been classified as cash flows from financing activities.

### *2.15 Share issue expenses*

Expenses incurred in connection with fresh issue of Share capital are adjusted against Securities premium account in accordance with the provisions of Section 52 of the Companies Act, 2013 and Ind AS.

### *2.16 Collateral*

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as securities, letter of credit/guarantees, receivables, inventories, other non-financial assets and credit enhancements such as netting arrangements.

The Company provides fully secured, partially secured and unsecured loans to Corporates and individuals.

### *2.17 Income Tax*

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

#### *Current Tax*

The Current tax is based on the taxable profit for the year of the Company. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period.

#### *Deferred tax*

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.



Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax assets and tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off tax assets against tax liabilities.

Minimum Alternate Tax (MAT) credit entitlement (i.e. excess of amount of MAT paid for a year over normal tax liability for that year) eligible for set-off in subsequent years is recognised as an asset in accordance with Ind AS 12, Income Taxes, if there is convincing evidence of its realisation.

MAT credit is created by way of a credit to the Statement of Profit and Loss. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

#### **2.18 Earnings per share**

Basic earnings per share is computed by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

#### **2.19 Segment reporting**

The company is predominantly engaged in Lending business, whose revenue and operating income are reviewed regularly by Chief Operating Decision Maker. As such there are no separate reportable segments as per Ind-AS 108

#### **2.20 Dividend distribution to equity holders of the Company**

The Company recognises a liability to make distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Act, final dividend is authorised when it is approved by the shareholders and interim dividend is authorised when it is approved by the Board of Directors of the Company.

#### **2.21 Goods and Services Input Tax Credit**

Goods and Services tax input credit is accounted for in the books in the period in which the

supply of goods or service received is accounted and when there is no uncertainty in availing/utilising the credits.

#### *2.22 Operating cycle for current and non-current classification*

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

**STEPHANOTIS FINANCE LIMITED****Notes on financial statement as on and for the year ended 31st March 2021****NOTE 2:- SHARE CAPITAL**

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number	Rs.	Number	Rs.
- <b><u>Authorised</u></b>				
Equity Shares of ` 10/- each	90,00,000	9,00,00,000	90,00,000	9,00,00,000
<b><u>Issued,Subscribed &amp; Paidup</u></b>				
Equity Shares of ` 10/- each	64,49,380	6,44,93,800	64,49,380	6,44,93,800
<b>Total</b>	<b>64,49,380</b>	<b>6,44,93,800</b>	<b>64,49,380</b>	<b>6,44,93,800</b>

2.1 Reconciliation of No. of Shares	As at 31 March 2021		As at 31 March 2020	
	Number	Rs.	Number	Rs.
-				
<b><u>No. of Shares at Beginning</u></b>	64,49,380	6,44,93,800	64,49,380	6,44,93,800
Add : No of Shares Issued				
-				
<b>No of Equity Shares at the End</b>	<b>64,49,380</b>	<b>6,44,93,800</b>	<b>64,49,380</b>	<b>6,44,93,800</b>

**2.2 Terms/Rights Attached to Shares**

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends to the holders of equity shares in Indian rupees. The dividend proposed by Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

**2.3 The details of shareholder holding more than 5% shares as at March 31, 2021 is set out below:**

Name of Shareholder	As at 31 March 2021		As at 31 March 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>Class of Shares: Equity Shares</b>				
Sureshbabu Malge	27,83,400	43.16	2773117	43.00
Sonu Sureshbabu Malge	6,29,964	9.77	6,29,964	9.77
Sushila Sureshbabu Malge	6,29,964	9.77	6,29,964	9.77
Sumit Sureshbabu Malge	6,29,964	9.77	6,29,964	9.77
Manish Ruparel	5,40,890	8.39	5,40,000	8.37

2.4 There are no Bonus Shares /Buyback/Shares for consideration other than cash issued during past 3 years

**STEPHANOTIS FINANCE LIMITED**

Notes on financial statement as on and for the year ended 31st March 2021

**NOTE 3:- RESERVES AND SURPLUS**

Particulars	31 <sup>ST</sup> MARCH 2021 Rs.	31 <sup>ST</sup> MARCH 2020 Rs.
<b>A) <u>General Reserves</u></b>	-	
Opening Balance	-	-
Add: Transferred From Surplus	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>B) <u>Securities Premium Reserve</u></b>	-	
Opening Balance	17,79,91,200	17,79,91,200
Add: Increase in Reserve	-	-
<b>Total</b>	<b>17,79,91,200</b>	<b>17,79,91,200</b>
<b>C) <u>Other Reserves</u></b>	-	
<b>Reserves Fund U/S.45 of RBI Act</b>		
Opening Balance	82,421	82,421
Add: Transferred From Surplus	-	-
<b>Total</b>	<b>82,421</b>	<b>82,421</b>
<b>D) <u>Surplus in Profit &amp; loss a/c</u></b>	-	
Surplus - Opening balance	84,74,531	79,59,568
Add : Trf into surplus a/c	-	-
Add: Net Profit after tax transferred	5,83,660	5,14,963
Add: Fair Value Gain (Restated)(Post Tax)	-	-
Amount available for appropriation	<b>90,58,191</b>	<b>84,74,531</b>
Appropriations:		
Proposed Dividends	-	-
Dividend Tax	-	-
Amount transferred to General reserves	-	-
Amount transferred to Reserves Fund U/S.45 of RBI Act	-	-
Surplus - Closing Balance	<b>90,58,191</b>	<b>84,74,531</b>
<b>Total (A+B+C+D)</b>	<b>18,71,31,812</b>	<b>18,65,48,152</b>

**STEPHANOTIS FINANCE LIMITED****Notes on financial statement as on and for the year ended 31st March 2021****NOTE 4:- Borrowings**

Particulars	31 <sup>ST</sup> MARCH 2021	31 <sup>ST</sup> MARCH 2020
	Rs.	Rs.
Unsecured	1,07,00,000	1,00,00,000
<b>Total</b>	<b>1,07,00,000</b>	<b>1,00,00,000</b>

**NOTE 5:- Trade Payable**

Particulars	31 <sup>ST</sup> MARCH 2021	31 <sup>ST</sup> MARCH 2020
	Rs.	Rs.
Trade Payable	45,45,499	22,07,908
<b>Total</b>	<b>45,45,499</b>	<b>22,07,908</b>

**NOTE 6:- OTHER CURRENT LIABILITIES**

Particulars	31 <sup>ST</sup> MARCH 2021	31 <sup>ST</sup> MARCH 2020
	Rs.	Rs.
Duties & Taxes	5,66,119	35,000
Salary payable	59,70,345	27,33,545
Others	4,59,120	4,59,120
<b>Total</b>	<b>69,95,584</b>	<b>32,27,665</b>

**NOTE 7:- SHORT TERM PROVISIONS**

Particulars	31 <sup>ST</sup> MARCH 2021	31 <sup>ST</sup> MARCH 2020
	Rs.	Rs.
Provision For Income Tax (Net)	-	-
Provision For N.P.A	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**STEPHANOTIS FINANCE LIMITED****Notes on financial statement as on and for the year ended 31st March 2021****NOTE 9:- NON CURRENT INVESTMENTS**

Particulars	31 <sup>ST</sup> MARCH 2021 Rs.	31 <sup>ST</sup> MARCH 2020 Rs.
<b>QUOTED - Investment (At FVTPL)</b>	4,91,640	5,20,560
Less: Fair Value Gain/(Loss)	(16,388)	(28,920)
Investment in Listed Entities		
<b>Total</b>	<b>4,75,252</b>	<b>4,91,640</b>

**NOTE 10:- INVENTORIES**

Particulars	31 <sup>ST</sup> MARCH 2021 Rs.	31 <sup>ST</sup> MARCH 2020 Rs.
Stock in Trade (At Cost)	98,04,608	98,04,608
Less: Fair Value Loss	(31,65,124)	(41,36,729)
<b>Total</b>	<b>66,39,483</b>	<b>56,67,879</b>

**NOTE 11:- CASH AND BANK BALANCES:**

Particulars	31 <sup>ST</sup> MARCH 2021 Rs.	31 <sup>ST</sup> MARCH 2020 Rs.
<b><u>Balances with banks</u></b>		
In Current accounts	65,136	3,18,972
Cash in hand	23,443	23,443
<b>Total</b>	<b>88,579</b>	<b>3,42,415</b>

**NOTE 12:- SHORT TERM LOANS AND ADVANCES**

Particulars	31 <sup>ST</sup> MARCH 2021	31 <sup>ST</sup> MARCH 2020
	Rs.	Rs.
<b><u>Un-secured considered good</u></b>		
Loans to employees	1,79,666	4,59,815
Loan & Advances to related party	5,89,11,085	5,27,93,278
Loans & advances to Others	3,40,61,781	3,34,70,746
TDS and Advance tax (Net of Provision)	6,17,031	82,821
<b>Total</b>	<b>9,37,69,563</b>	<b>8,68,06,660</b>

**NOTE 13:- Other Financial Assets**

Particulars	31 <sup>ST</sup> MARCH 2021	31 <sup>ST</sup> MARCH 2020
	Rs.	Rs.
Project Advance	17,16,50,087	17,16,50,087
<b>Total</b>	<b>17,16,50,087</b>	<b>17,16,50,087</b>

**NOTE 14:- Other Current Assets**

Particulars	31 <sup>ST</sup> MARCH 2021	31 <sup>ST</sup> MARCH 2020
	Rs.	Rs.
Prepaid Expenses	-	59,705
<b>Total</b>	<b>-</b>	<b>59,705</b>

**NOTE 15:- REVENUE FROM OPERATION**

Particulars	For the year ended 31 <sup>ST</sup> MARCH 2021	For the year ended 31 <sup>ST</sup> MARCH 2020
	Rs.	Rs.
Sale of Shares & Securities	-	4,44,702
Interest Income	74,31,304	1,79,96,884
Dividend	-	20,106
Others	-	-
<b>-</b>	<b>74,31,304</b>	<b>1,84,61,692</b>

**NOTE 16:- OTHER INCOME**

Particulars	For the year ended 31ST MARCH 2021	For the year ended 31ST MARCH 2020
	Rs.	Rs.
<u>Other Income</u>		
Interest on I.T Refund	9,827	-
<b>Total</b>	<b>9,827</b>	<b>-</b>

**NOTE 17:- COST OF SECURITIES SOLD**

Particulars	For the year ended 31ST MARCH 2021	For the year ended 31ST MARCH 2020
	Rs.	Rs.
Opening Stock	98,04,608	1,01,45,770
Add: Purchases	-	3,908
	98,04,608	1,01,49,678
Less: Closing Stock	98,04,608	98,04,608
<b>Total</b>	<b>-</b>	<b>3,45,070</b>

**NOTE 18:- EMPLOYEES BENEFIT EXPENSES**

Particulars	For the year ended 31ST MARCH 2021	For the year ended 31ST MARCH 2020
	Rs.	Rs.
Salaries	35,40,000	28,50,000
MD Remuneration	12,00,000	-
Staff Welfare expenses	-	14,980
<b>Total</b>	<b>47,40,000</b>	<b>28,64,980</b>



**STEPHANOTIS FINANCE LIMITED****Notes on financial statement as on and for the year ended 31st March 2021****NOTE 19:- OTHER EXPENSES**

Particulars	For the year ended 31ST MARCH 2021	For the year ended 31ST MARCH 2020
	Rs.	Rs.
Printing & Stationery Expenses	1,000	6,200
Conveyance & Travelling Expenses	11,800	2,28,729
Miscellaneous Expenses	11,677	89,733
Administrative Expenses	3,01,704	10,49,871
Office Rent	18,00,000	9,00,000
Postage & Telegram	-	-
Auditor's Remuneration	2,00,000	2,00,000
Listing Fees	3,54,000	3,80,550
Legal & Professional Fees	69,365	5,37,400
Bank Charges	4,013	3,606
Interest - Others	100	600
Bad Debts W/off		-
<b>Total</b>	<b>27,53,659</b>	<b>33,96,690</b>

**Note:20 Exceptional Item**

Particulars	For the year ended 31ST MARCH 2021	For the year ended 31ST MARCH 2020
	Rs.	Rs.
Share Issue Expenses	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note:21 Earning Per Share**

Particulars	For the year ended 31ST MARCH 2021	For the year ended 31ST MARCH 2020
	Rs.	Rs.
Profit After Tax	(1,61,408)	12,11,874
No. of Equity Shares	6,44,93,800	64,49,380
EPS (basic & Diluted)	<b>(0.00)</b>	<b>0.19</b>

**Note:****22 Auditor's Remuneration**

Particulars	For the year ended 31ST MARCH 2021	For the year ended 31ST MARCH 2020
	Rs.	Rs.
For Audit fees	2,00,000	2,00,000
<b>Total</b>	<b>2,00,000</b>	<b>2,00,000</b>

**STEPHANOTIS FINANCE LIMITED****Note 8:- Property, Plant and Equipments****(In Rs.)**

Fixed Assets	Gross Block			Accumulated Depreciation			Net Block	
	Balance as at 1 April 2020	Additions/ (Disposals)	Balance as at 31 March 2021	Balance as at 1 April 2020	Depreciation charge for the year	Balance as at 31 March 2021	Balance as at 31 March 2021	Balance as at 31 March 2020
<b>Tangible Assets</b>								
Furniture & Fixtures	1,50,333	-	1,50,333	90,724	15,600	1,06,324	<b>44,009</b>	59,609
Office Equipments	1,49,899	-	1,49,899	95,059	18,448	1,13,507	<b>36,392</b>	54,840
Computer	4,83,450	39,900	5,23,350	3,45,312	92,124	4,37,436	<b>85,914</b>	1,38,138
	<b>7,83,682</b>	<b>39,900</b>	<b>8,23,582</b>	<b>5,31,095</b>	<b>1,26,172</b>	<b>6,57,267</b>	<b>1,66,315</b>	<b>2,52,587</b>
<b>InTangible Assets</b>								
Computer Software	-	63,720.00	63,720	-	28,708	28,708	<b>35,012</b>	-
<b>Total</b>	<b>7,83,682</b>	<b>1,03,620</b>	<b>8,87,302</b>	<b>5,31,095</b>	<b>1,54,880</b>	<b>6,85,975</b>	<b>2,01,327</b>	<b>2,52,587</b>
<b>P.Y.</b>	<b>5,78,783</b>	<b>2,04,899</b>	<b>7,83,682</b>	<b>4,40,165</b>	<b>90,930</b>	<b>5,31,095</b>	<b>2,52,587</b>	

**STEPHANOTIS FINANCE LIMITED****Notes on financial statement as on and for the year ended 31st March, 2021**

Note:-  
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**Disclosure of Related party transactions pursuant to (Ind AS - 24) and Companies act 2013 "Related Party Disclosures"**

(i) Names of related parties:

Name of the related party	Nature of relationship
SBM International Pvt. Ltd.	Entities in which KMP/relatives of KMP exercise significant influence
SBM Realtors Pvt. Ltd.	Entities in which KMP/relatives of KMP exercise significant influence
Mount Mary Builders Pvt Ltd	Entities in which KMP/relatives of KMP exercise significant influence
Mr. Sureshababu Malge	Chairman & Managing Director
Mr. Sumit Malge	Director
Mr. Sonu Malge	CEO
Mr. Anand Jain	CFO
Ms. Rashmi Raturi	Company Secretary

Note: Related party and their relationships are reported only where the Company has transactions with those parties during the current year.

Nature of the Transaction	Key Managerial Personnel									
	Sureshababu Malge		Sumit Malge		Sonu Malge		Anand Jain		Rashmi Raturi	
	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Transactions during the period:										
Remuneration paid	12,00,000	6,00,000	12,00,000	6,00,000	12,00,000	6,00,000	3,60,000	3,60,000	4,80,000	2,80,000
Sitting fees paid	-	-	-	-	-	-	-	-	-	-
Closing balances	-	-	-	-	-	-	-	-	-	-
Receivable/ (Payable)	-	-	-	-	-	-	-	-	-	-
	10,00,000	5,00,000	-	-	-	-	-	-	-	-

Nature of the Transaction	Entities in which KMP/relatives of KMP exercise significant influence					
	SBM International Pvt. Ltd.		SBM Realtors Pvt. Ltd.		Mount Mary Builders Pvt Ltd	
	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar
	2021	2020	2021	2020	2021	2020
Transactions during the period:						
Interest on Loan	71,97,420	71,97,420	-	-	-	-
Receivable/ (Payable)	5,89,11,085	5,27,93,278	8,10,000	8,10,000	7,00,000	-
Rent	-	-	24,30,000	9,00,000	-	-

Note:-  
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**Disclosure pursuant to Ind AS 12 'Income Taxes'**

(i) Tax Expenses recognised in the Statement of Profit and Loss

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
<b>Current tax:</b>		
In respect of current year	-	4,05,000
In respect of prior years	-	-
<b>Deferred Tax:</b>	-	-
Deferred tax relating to origination and reversal of temporary differences	-	-
<b>Total Income Tax recognised in profit or loss</b>	-	-
Current tax	-	-
Deferred tax	2,10,149	-
<b>Total Income Tax recognised in profit or loss</b>	-	<b>4,05,000</b>

(ii) Income Tax recognised in Other comprehensive income

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
<b>Deferred tax related to items recognised in Other comprehensive income during the year:</b>		
Income reclassifiable to P&L	-	2,32,303
<b>Total Income tax recognised in Other comprehensive income</b>	-	<b>2,32,303</b>

**Note:-**  
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**Financial Risk Management**

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has constituted the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions.

The Company has exposure to the following risks arising from its business operations:

**i) Credit risk**

Credit risk is the risk of financial loss if a customer or counterparty fails to meet an obligation under a contract. Lending activities account for most of the Company's credit risk. Other sources of credit risk also exist in loans and transaction settlements. Credit risk is measured as the amount that could be lost if a customer or counterparty fails to make repayments. The maximum exposure to credit risk in case of all the financial instruments is restricted to their respective carrying amount.

Credit Risk is monitored through stringent credit appraisal, counterparty limits and internal risk ranges of the borrowers. Exposure to credit risk is managed through regular analysis of the ability of all the customers and counter parties to meet interest and capital repayment obligations and by changing lending limits where appropriate.

Credit risk on Cash and Cash equivalents is considered to be Nil as these are generally held with leading banks.



