

***VERACITY FINANCIAL SERVICES
PVT LTD***

CIN No: U67120GJ2012PTC083200

***Annual Report
For the year
2020-2021***

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BOARD OF DIRECTORS:

MR. PRAMIT BRAHMBHATT

MR. MANAN BRAHMBATT

REGISTERED OFFICE:

OFFICE NO.301, ASHIRVAD PARAS,
OPP PRAHLADNAGAR GARDEN, SATELLITE,
AHMEDABAD-380015

CORPORATE OFFICE:

OFFICE NO.301, ASHIRVAD PARAS,
OPP PRAHLADNAGAR GARDEN, SATELLITE,
AHMEDABAD-380015

AUDITORS:

ROHAN THAKKAR & CO.
A-110, OXFORD AVENUE,
OPP. C. U. SHAH COLLEGE,
INCOME TAX CIRCLE,
ASHRAM ROAD,
AHMEDABAD - 380 014

NOTICE


Notice is hereby given that Annual General Meeting of the shareholders of VERACITY FINANCIAL SERVICES PRIVATE LIMITED CIN No. U67120GJ2012PTC083200 will be held on 30th day of November, 2021 at 03:30 p.m. at registered office of the company Office No. 301, Ashirvad paras, Opp Prahladnagar garden, Satellite, Ahmedabad,-380 051 to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2021, the Profit and Loss Account for the year ended on that date together with the Reports of Directors and Auditors thereon and to consider and, if thought fit, to pass with or without modification(s), the following resolution as ordinary resolution:-

“RESOLVED THAT Balance sheet as on 31st March 2021, Profit & Loss account for the year ended on that date and the reports of the Directors and the Auditors as laid before the company at this meeting be and are hereby received, considered and adopted.”

By Order of the Board
For, VERACITY FINANCIAL SERVICES PRIVATE LIMITED



Mr. Pramit Brahmhatt
Director
DIN No. 02400764

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member. The instrument of proxy duly completed and signed should, however, be deposited at the registered office of the company not less than forty-eight hours before the commencement of the meeting. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act a proxy for any other Member.

2. Members / Proxies should bring the enclosed Attendance Slip duly filled in, along with the Annual Report for attending the Meeting.
3. Members are requested to immediately notify any change in their address to the Company

All documents referred to in the notice and Explanatory Statement are open for inspection at the registered office of the Company during office hours on all working days between 11.00 a.m. to 1.00 p.m. upto the date of the Annual General Meeting.

Director's Report

To,
The Members of
VERACITY FINANCIAL SERVICES PRIVATE LIMITED

Your Directors have pleasure in presenting the Director's Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended, 31st March, 2021.

FINANCIAL HIGHLIGHTS

Particulars	For the year ended as at 31 st March, 2021	For the year ended as at 31 st March, 2020
Total Income	75,24,347	1,24,30,744
Profit before tax and depreciation	(20,50,732)	6,46,245
Depreciation	1,97,144	2,77,406
Profit Before Tax	22,47,877	3,41,913
Deferred Tax	81,350	(1,06,129.92)
Current Tax	0	54000
Profit After Tax	(23,29,227)	3,94,042.92

STATE OF COMPANY'S AFFAIRS

During the year under review, the Company has generated total income of Rs. 75,24,347/-, however the company could not generate profit.

The main business of the company is to act as stock brokers, share brokers, investment brokers, insurance brokers, underwriters and to carry out brokerage of all and every kind whatsoever.

TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013

For the financial year ended 31st March, 2021, the Company is not planning to transfer any amount to reserves.

DIVIDEND

Your Directors do not recommend any dividend for the year ended 31st March, 2021 as the company wants to retain the profit for the working capital requirement of upcoming projects.

ANNUAL RETURN

The Extract of Annual Return in form No. MGT-9 as per Section 134 (3) (a) of the Companies Act, 2013 read with Rule 8 of Companies Act (Accounts) Rules 2014 and Rule 12 of Companies (Management & Administration) Rules, 2014 is annexed hereto and forms part of this report. (Annexure: I)

MEETINGS OF THE BOARD OF DIRECTORS

The following Meetings of the Board of Directors were held during the Financial Year 2020-21:

The Board of Directors of the Company met 5 times during the year in respect of which proper notices were given and the proceedings were properly recorded, signed and maintained in the Minutes book kept by the Company for the purpose. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) The directors had prepared the annual accounts on a going concern basis; and
- d) 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.

AUDITOR

M/s. Rohan Thakkar & Co., Chartered Accountants, Ahmedabad who are appointed as the statutory auditors of the Company, to conduct the audit for the period of 5 year beginning from 01.04.2018 to 31.03.2023.

Further the Auditors' Report for the financial year ended, 31st March, 2021 is annexed herewith for your kind perusal and information.

AUDITOR'S REPORT

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

AUDIT COMMITTEE

The provisions of section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 is not applicable to the company.

NOMINATION AND REMUNERATION COMMITTEE

The provisions of section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 is not applicable to the Company.

STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS

The provisions of section 149(4) of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 is not applicable to the company

DEPOSITS

The Company has not invited any deposits from the public under Section 73 of the Companies Act, 2013.

LOANS, GUARANTEES AND INVESTMENTS

During the year, the company not granted any loan or given guarantee or made any investment under the provision of section 186 of the Companies Act, 2013

DIRECTORS & KEY MANAGERIAL PERSONNEL

The Board of directors consists of following directors:

Sl. No.	Name	Designation
1.	Pramit Bharat Brahmhatt	Director
2.	KanakSinh AgarSinh Gohil	Director

ROTATION OF DIRECTOR U/S 152

The provisions of Section 152 of the Companies Act, 2013, is not applicable to the company.

RELATED PARTY TRANSACTIONS

All contracts / arrangements / transactions entered by the Company during the financial year with related are disclosed in Note no. 23 of the notes to the financial statements for the financial year 2020-21. AOC-2 has been attached to the report as Annexure-II

During the year, the Company had not entered into any contract/ arrangement/transactions with related parties which can be considered as material in nature.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption are not reported considering the nature of activities undertaken by the company during the year under review.

MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments between the end of the financial year of company to which the financial statements relate and the date of the report.

CORPORATE SOCIAL RESPONSIBILITY

Section 135 of the Companies Act, 2013 is not applicable to the Company and therefore the company is not required to report on same.

SUBSIDIARY/JOINT VENTURE/ASSOCIATE COMPANY

The Company does not have/is not subsidiary or Associate Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There have been no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations.

REPORTING OF FRAUD BY AUDITORS

There is no instance of fraud reported by the Auditors under section 143 (12) of the Companies Act, 2013 during the FY 2020-21.

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year, there are no foreign exchange earnings or outgo done by the Company.

RISK MANAGEMENT

Risks are events, situations or circumstances which may lead to negative consequences on the Company's businesses. Risk management is a structured approach to manage uncertainty. A formal enterprise wide approach to Risk Management is being adopted by the Company and key risks will now be managed within a unitary framework. As a formal roll-out, all business divisions and corporate functions will embrace Risk Management Policy and Guidelines, and make use of these in their decision making. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews. The risk management process in our multi-business, multi-site operations, over the period of time will become embedded into the Company's business systems and processes, such that our responses to risks remain current and dynamic.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has always believed in providing a safe and harassment free workplace for every individual working in the company's premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has in place a robust policy on prevention of sexual harassment at workplace. The policy aims at prevention of harassment of employees as well as contractors and lays down the guidelines for identification, reporting and prevention of sexual harassment.

Your director's further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

INTERNAL FINANCIAL CONTROLS

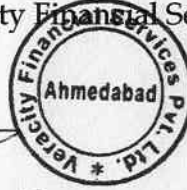
The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested by the management and no reportable material weaknesses in the design or operation were observed.


ACKNOWLEDGEMENT


Your Directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service of the Executives, staff and Workers of the Company.

Date: 30.11.2021
Place: Ahmedabad

For, Veracity Financial Services Private Limited




Shri Pramit Brahmhatt
(Director)
DIN # 02400764


Shri KanakSinh Gohil
(Director)
DIN# 02917131

FORM NO. AOC -2

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

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




1. Details of contracts or arrangements or transactions not at Arm's length basis.: NIL
2. Details of contracts or arrangements or transactions at Arm's length basis.

Sl. No	Name of the Related Party	Nature of relationship	Nature of Contract	Duration of the contracts/arrangements/transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Date of approval by the Members	Amount paid as advances, if any
1.	Manan Brahmhat	Relative of Director	Rent	2 Years and thereafter mutually decided by both.	• The rent shall be paid within 10 th date of the month.	07.04.2019	Not Required	NIL
			Service	2 Years and thereafter mutually decided by both.	• The amount is paid on the basis of task assigned and is paid for the work done in a month. The amount is fixed and paid as salary.	07.04.2019	Not required	NIL
2.	Pramit Brahmhat	Director	Rent	2 Years and thereafter mutually decided by both.	• The rent shall be paid within 10 th date of the month.	07.04.2019	Not Required	NIL

For, Veracity Financial Services Pvt. Ltd,

Date: 30.11.2021

Place: Ahmedabad




 Mr. Pramit Brahmhat Mr. KanakSinh Gohil
 DIN: 02400764 DIN: 02917131

Annual Report

*Veracity Financial Services
Private Limited*

Year : 2020-2021

**Rohan Thakkar & Co,
Chartered Accountants**

A-110, Oxford Avenue, Opp C U Shah College, Ashram Road, Ahmedabad-380014
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INDEPENDENT AUDITORS' REPORT

To the Members of
Veracity Financial Services Private Limited,

1. Opinion:

We have audited the accompanying standalone financial statements of Veracity Financial Services Private Limited ("the company"), which comprises the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss and the statement of cash flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended, ("AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit/loss and its cash flows for the year ended on that date.

2. Basis for Opinion:

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in



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accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

3. Information other than the Financial Statements and Auditors Report thereon.

The Company's Board of Directors is responsible for the preparation and presentation of its report (herein after called as "Board Report") which comprises various information required under section 134(3) of the Companies Act 2013 but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the Board Report and in doing so, consider whether the Board Report is materially inconsistent with the 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 in this Board Report, we are required to report that fact. We have nothing to report in this regard.

4. Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with



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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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

5. Auditor's Responsibilities for the Audit of the Financial Statements

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

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



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- i) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control systems.
- iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv) 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 Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- v) Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

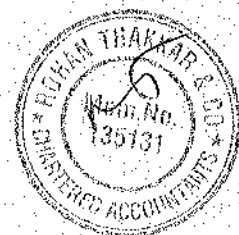
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

6. Report on Other Legal and Regulatory Requirements:

6.1 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, is enclosed as Annexure -A to this report.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.



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- (c) The Balance Sheet and the Statement of Profit and Loss and cash flow statement, dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) There is nothing to disclose which is having adverse effect on the functioning of the company.
- (f) On the basis of written representations received from the directors as on 31 March, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2021, from being appointed as a director in terms of Section 164(2) of the Act.
- (g) In our opinion, the provisions of Section 143(3)(i) with regard to opinion on internal financial controls with reference to financial statements and operating effectiveness of such controls is not applicable to the company.
- (h) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the companies (Audit and Auditors) Rules, 2014 in our opinion and to our best of our information and according to the explanations given to us:
- The Company does not have any pending litigations which would impact its financial position.
 - The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Ahmedabad

Date: 30.11.2021

For Rohan Thakkar & Co
Chartered Accountants



Signature
(Rohan Thakkar)
(Proprietor)

Membership Number #135131
FRN No # 130843W

UDIN Generated from ICAI Website #22135131AAAABA1212

Veracity Financial Services Private Limited

Annexure to the Auditors' Report

For the year ended as at 31.03.2021

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our Report of even date to the members of Veracity Financial Services Private Limited on the accounts of the company for the year ended 31st March, 2021]

On the basis of such checks as we considered appropriate and according to the information and Explanations given to us during the course of our audit, we report that:

(i) In respect of its fixed assets:

- (a)** The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b)** As explained to us, fixed assets have been physically verified by the management during the year in accordance with the phased programme of verification adopted by the management which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c)** The company does not own any immovable property till the end of the financial year, hence, the reporting requirement with respect to the title deeds of immovable properties in the name of the company does not arise.

(ii) In respect of Inventory:

- (a)** The company is into the business of stock broking and is providing financial services and therefore, does not maintain inventory, hence, the reporting requirement as stated in para 3(ii) of the Order is not applicable.
- (iii)** According to the information and explanations given to us, the Company has not granted any loans to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013; and therefore paragraph 3(iii) of the Order is not applicable.
- (iv)** In respect of loans, investments, guarantees, and security, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013.
- (v)** The company has not accepted deposits as required in terms of provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.



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- (vi) The company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, hence, reporting on the paragraph 3(vi) of CARO, 2016 will not apply.
- (vii) (a) The company is generally regular in depositing undisputed statutory dues relating to provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities except the observations as under:
- i. With respect to Provident Fund and ESIC, there have been minor delays in depositing the dues for the month of April 2020 to January 2021.
 - ii. With respect to Goods and Service Tax there were minor delays in depositing the tax for this financial year. However, the same has been repaid before the signing of this report.
- (b) The company does not have any disputed dues that has not been deposited pertaining to income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or income tax that have not been deposited on account of any dispute.
- (viii) The company has not taken borrowings from financial institutions, banks, government or debenture holder. Hence, this clause is not applicable.
- (ix) The company has not raised money by way of initial public offer or further public offer (including debt instruments). Hence, this clause is not applicable to the company.
- (x) No fraud on or by the company by its officers or employees has been noticed or reported during the year.
- (xi) The provisions of section 197 of the Act does not apply to the company as the company is a private limited company, hence, reporting is not required under the clause.
- (xii) The company is not a Nidhi Company, hence, the provisions of paragraph 3(xii) does not apply to the company.
- (xiii) The provisions of section 177 do not apply to the company, however, the transactions with related parties as covered in terms of section 188 of the Act have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.



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Chartered Accountants

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

(xv) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: Ahmedabad

Date: 30.11.2021

For, Rohan Thakkar & Co.

(Chartered Accountants)



Signature

(Rohan Thakkar)

(Proprietor)

Membership Number # 135131

FRN No # 130843W

Veracity Financial Services Private Limited

Financial Statements
For The Year Ended 31st March, 2021

Balance Sheet

Amount in Rs.

Particulars		Note No.	Year ended March, 31, 2021	Year ended March, 31, 2020
I. EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a)	Share capital	1	19,503,848.00	19,503,848.00
(b)	Reserves and surplus	2	3,956,731.82	4,284,959.00
			23,460,579.82	23,788,807.00
2 Non-current liabilities				
(a)	Long-term borrowings	22	16,664.18	
(b)	Deferred tax liabilities (Net)			322,301.00
(c)	Other Long term liabilities	3	424,384.00	
(d)	Long-term provisions			372,301.00
			441,048.18	722,602.00
3 Current liabilities				
(a)	Short-term borrowings	4	1,041,394.17	1,710,000.00
(b)	Trade payables	5	870,898.00	964,583.00
(c)	Other current liabilities	6	11,862,921.37	16,897,047.00
(d)	Short-term provisions	7	85,106.00	218,811.00
			14,860,319.54	19,790,441.00
			42,321,959.34	44,501,850.00
TOTAL				
II. ASSETS				
1 Non-current assets				
(a)	Property, Plant and Equipment	8	74,473.56	113,320.00
(i)	Tangible assets	8	415,673.43	560,897.00
(ii)	Intangible assets			
(iii)	Capital Work-in-progress			64,586.00
(iv)	Intangible assets under development			29,735,634.00
(b)	Non-current investments	22		
(c)	Deferred tax assets (net)	9	27,435,753.27	
(d)	Long-term loans and advances			
(e)	Other non-current assets			
			28,325,901.76	30,479,327.00
2 Current assets				
(a)	Current investments			2,346,642.00
(b)	Inventories	10	3,543,208.79	9,467,826.00
(c)	Trade receivables	11	7,888,389.16	4,084,875.00
(d)	Cash and Bank Balances	12	2,091,728.29	349,414.00
(e)	Short-term loans and advances	13	330,340.34	
(f)	Other current assets			
			14,059,015.58	16,448,594.00
			42,384,917.34	46,928,921.00
TOTAL				

Significant Accounting Policies and Notes to Accounts

A & D

For and on behalf of the Board
Veracity Financial Services Private Limited

(Director)

(Director)

(Pratik Kulkarni)

(Kanaksh Gandhi)

Date: 30.11.2021

Place: Ahmedabad

As per our audit report of the date
For Rohan Thakkar & Co
Chartered Accountants

(Rohan Thakkar)
(Partner)

Membership No. 135123
FKN No. 130663

Date: 30.11.2021

Place: Ahmedabad

VERACITY FINANCIAL SERVICES PRIVATE LIMITED

Financial Statements
For the Year ended as at 31.03.2021

Profit and Loss Account

Particulars	Refer Note No.	For the year ended as on 31st March 2021		For the year ended as on 31st March 2020	
I. INCOME					
Revenue From Operations					
Sale Of units					
Sale Of Services					
Other Operating Revenues	14	6374558.87		10,296,184.00	
II. Other income	15	1149788.217		2,134,560.00	
III. Total Revenue (I + II)			7,524,347.09		12,430,744.00
IV. EXPENDITURE					
Expenses:					
Cost of Materials consumed					
Purchases of stock in trade					
Changes in Inventory					
Employee benefits expense	16	3402072.48		3,772,531.00	
Finance costs	17	47660.8		26,926.00	
Depreciation and amortization expenses	8	197144.729		277,406.00	
Other expenses	18	6125346.08		8,011,968.00	
TOTAL EXPENSES			9,772,224.09		12,088,831.00
V. Profit before exceptional and extraordinary items and tax (III-IV)			(2,247,877.00)		341,913.00
VI. Exceptional items					
VII. Profit before extraordinary items and tax (V - VI)			(2,247,877.00)		341,913.00
VIII. Extraordinary Items					
IX. Profit before tax (VII- VIII)			(2,247,877.00)		341,913.00
X. Tax expense:					
(1) Current tax	19			54,000.00	
(2) Deferred tax	21	81,350.10		(106,129.92)	
(3) Excess IT Provision					
			81,350.10		(62,129.92)
XI. Profit (Loss) for the period from continuing operations (VII-VIII)			(2,329,227.10)		394,042.92
XII. Profit/(loss) from discontinuing operations					
XIII. Tax expense of discontinuing operations					
XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)					
XV. Profit (Loss) for the period (XI + XIV)			(2,329,227.10)		394,042.92
XVI. Earnings per equity share:					
(1) Basic	20		(1.19)		0.20
(2) Diluted	20		(1.19)		0.20
Significant Accounting Policies and Notes to Accounts					

For and on behalf of the Board
VERACITY FINANCIAL SERVICES PRIVATE LIMITED

(Pratik Brahmbhatt)
DIN # 02400764
(Director)

Date: 30.11.2021
Place: Ahmedabad

(Kanaksinh Gopal)
DIN# 02917131
(Director)

As per our audit report of even date
For Rohan Thakkar & Co
Chartered Accountants

(Rohan Thakkar)
(Proprietor)
Membership No # 135131
FRN No# 13064319

Date: 30.11.2021
Place: Ahmedabad

VERA CITY FINANCIAL SERVICES PRIVATE LIMITED

Standardized Financial Statements
2020-21

Cash Flow Statement

Particulars	Refer Note No.	2020-21	2019-20
A CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before tax as per Profit and Loss Statement		(2,347,877.00)	341,913.00
Adjusted for:			
Depreciation / Amortization Expense		197,144.75	277,406.00
Gain on disposal Investment		(37,111.72)	(553,108.00)
Non Cash Transaction - Gratuity Provision		102,083.00	187,479.00
Round off			(635,459.13)
Interest Received on Deposits		(483,270.00)	
Provision for Tax			
Cash Flow from Operating activities before changes in working capital		(2,469,070.99)	(381,839.13)
Adjusted For:			(665,747.00)
Increase/(decrease) in Trade Payables		266,535.00	
Increase/(decrease) in Short term provision		(131,505.00)	56,247.00
Increase/(decrease) in Long term provision			(3,793,329.00)
Increase/(decrease) in other current liabilities		(1,814,125.83)	(5,172,215.00)
Increase/(decrease) in Short Term Borrowings		(668,605.83)	(1,074,648.00)
(Increase)/decrease in Short term Loans and Advances		1,993,443.71	
		(760,926.34)	15,629.00
(Increase)/decrease in other current assets			
(Increase)/decrease in Inventories		(1,002,518.79)	5,358,238.00
(Increase)/decrease in Trade Receivables			
		(1,517,505.00)	(5,035,825.00)
		(3,986,534.07)	(5,417,664.13)
Cash flow from operations:			(54,000.00)
Income Tax Provision (Nil)			
Net Cash flow from operating activities		(3,986,534.07)	(5,471,664.13)
B CASH FLOW FROM INVESTING ACTIVITIES:			
Acquisition of Fixed Assets		(76,173.00)	
Disposal of Fixed Asset		100,000.00	6,928,100.00
Disposal of Investment		1,899,880.23	294,194.00
(Increase)/ Decrease in Long term loans and advances		483,270.00	635,459.13
Interest Received on Deposits			
Net Cash flow from investing activities		2,406,977.23	7,857,753.13
C CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds/(Repayment) towards Share Capital			(2,247.00)
Proceeds/(Repayment) from Long term Borrowings			
Increase / Decrease of Long Term Provision			
Proceeds/(Repayment) from Short term Borrowings			
Interest and Financial Expenses			
Net Cash flow from financing activities			(2,247.00)
Net increase / (Decrease) in cash and cash Equivalents		(1,579,556.84)	2,383,842.00
Opening balance of cash and cash equivalents		9,467,826.00	7,083,964.00
Closing Balance of Cash and Cash Equivalents		7,888,269.16	9,467,826.00

A & B

Significant Accounting Policies and Notes to Accounts

Handed on behalf of the Board
VERA CITY FINANCIAL SERVICES PRIVATE LIMITED
Ahmedabad
(Pratik Brahmbhatt)
(Director)
DIN# 02400764

Ahmedabad
(Karanakshi)
(Director)
DIN# 02917131

As per our audit report of even date
For Rohan Thakkar & Co.
Chartered Accountants

(Rohan Thakkar)
(Proprietor)
Mem.No. 135131
Membership No. 135131
FRN No. 1308431V

Date: 30.11.2021
Place: Ahmedabad

Date: 30.11.2021
Place: Ahmedabad

VERACITY FINANCIAL SERVICES PRIVATE LIMITED

Note A: SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Accounting

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the Companies Act, 2013 to the extent notified. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The company is a small and medium sized company (SMC) as defined in the general instruction in respect of accounting standards prescribed under Companies (Accounting Standards) Rules, 2006. Accordingly, the company complies the accounting standards as applicable to SMC.

2. Use of Estimates

The preparation of the financial statements in conformity with GAAP requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provision for income tax, useful lives of tangible assets.

3. Revenue Recognition

i. Interest Income

Interest income is recognized as it accrues on a time proportion basis taking into account the amount outstanding and the rate applicable on it.

ii. Advisory Fees

Fees for advisory services is accounted in accordance with the terms and contracts into with respective clients / advisors.



iii. **Income from Trading in securities and Derivatives**

With respect to trading in derivatives, on settlement of transaction, the gains or loss are separately recognized in profit and loss account.

iv. **Brokerage Income:**

Brokerage Income is recognized net of tax on the date of transaction

4. **Fixed Assets**

- Fixed Assets are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.
- Gains or losses arising on retirement or disposal of fixed assets are recognized in the Statement of Profit and Loss.
- The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

5. **Depreciation**

- The intangible assets are amortized based on the estimated useful of intangible asset at Written Down Value Method.
 - a. Software : 10 years
- Depreciation is provided on a pro-rata basis on the written down value method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013 with the exception of the following:
 - o plant and equipment is depreciated over 5 to 15 years based on the technical evaluation of useful life done by the management.
 - o assets costing Rs 5,000 or less are fully depreciated in the year of purchase

6. **Impairment of Assets**

The carrying amount of cash generating units/assets is reviewed at the Balance Sheet date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount is estimated as the net selling price or value in use, whichever is higher. Impairment loss, if any, is recognised whenever carrying amount exceeds the recoverable amount. The impairment loss recognised in prior accounting period is reversed

7. **Employee Retirement Benefits**

- i. Short term employee benefits:



- o Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

ii. Post-employment benefits:

a. Defined Contribution Plan:

i. Provident Fund

The eligible employees of the Company are entitled to receive post employment benefits in respect of provident fund, in which both the employees and the Company make monthly contributions at a specified percentage of the employees' eligible salary (currently 12% of employees' eligible salary). The contributions are made to the provident fund set up as irrevocable trust to respective Regional Provident Fund Commissioner. The Company has no further obligations beyond making the contribution, except that any shortfall in the fund assets based on the Government specified minimum rates of return in respect of provident fund set up by the Company, and the Company recognises such contributions and shortfall, if any, as an expense in the year incurred.

ii. Defined Benefit Plan:

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death while in employment or on termination of employment, of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Contributions are not made to any fund for this purpose. The Company accounts for gratuity benefits payable in future on the basis of an actuarial valuation by an independent actuary at the year end, which is calculated using Project Unit Credit Method. Actuarial gains and losses which comprise experience adjustment and the effect of change in



actuarial assumptions are recognised in the Statement of Profit and Loss.

8. Operating Lease

Operating lease payments are recognised as an expense in the Statement of Profit & Loss on a straight-line basis, which is representative of the time pattern of the user's benefit.

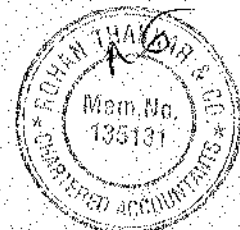
9. Income Taxes

Income Tax are accrued in the same period in which related revenue and expenses arise. A provision is made for income tax based on the tax liability computed after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowance or other matters is probable.

The differences that result between the profit considered for income taxes and profit as per the financial statements are identified and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on tax effect of the aggregate amount of the timing difference. The tax effect is calculated on the accumulated timing differences at the end of the accounting period based on enacted or substantially enacted regulations. Deferred tax asset in a situation where unabsorbed depreciation and carry forward business loss exists, are recognized only if there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax asset can be realized. Deferred tax assets, other than in situation of unabsorbed depreciation and carry forward business loss are recognized only if there is reasonable certainty that they will be realized. Deferred tax assets are reviewed for their appropriateness of their respective carrying values at each reporting date. Deferred tax assets and deferred tax liabilities have been offset wherever the company has legally enforceable right to set off current tax assets against current tax liabilities and where deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

10. Earning Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events, such as bonus issue, bonus element in a rights issue and additional allotment of shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating Diluted Earnings per share, the net profit or



loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares

11. Investments

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

Current investments are carried in the financial statements at lower of cost or fair value determined on an individual investment basis. Noncurrent investments are carried at cost and provision for diminution in value is made to recognise a decline other than temporary in the value of the investments. Trade investments are the investments made for or to enhance the Company's business interests.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

12. Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits with banks and short term highly liquid investments, which are readily convertible into cash. Further, the balance of funds lying in cash credit account has also been added into the cash and cash equivalents in the cash flow statement.

13. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- a) the Company has a present obligation as a result of a past event;
- b) a probable outflow of resources is expected to settle the obligation and
- c) the amount of the obligation can be reliably estimated.



Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.
Contingent liability is disclosed in case of

- a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- b) a present obligation arising from past events, when no reliable estimate is possible
- c) a possible obligation arising from past events where the probability of outflow of resources is not remote. Contingent assets are neither recognised, nor disclosed.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

14. Cash Flow Statement

Cash flow statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit is adjusted for the effects of:

- i. transactions of a non-cash nature,
- ii. any deferrals or accruals of past or future operating cash receipts or payments and,
- iii. Items of income or expense associated with investing or financing cash flows.

For, Rohan Thakkar Co,

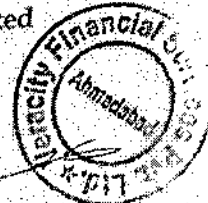
Chartered Accountants,
FRN No # 130843W


Rohan Thakkar
(Proprietor)

Membership No # 135131

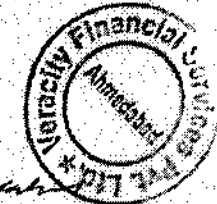
Date: 30.11.2021
Place: Ahmedabad

For, Veracity Financial Services Private
Limited


(Director)

(Prमित Brahmhatt)
DIN # 02400764

Date: 30.11.2021
Place: Ahmedabad


(Director)

(Kanaksinh Gohil)
DIN # 02917131

Date: 30.11.2021
Place: Ahmedabad

Annual Report 2020-21

B. Notes to Accounts

Note 1. Share Capital

Particulars	As at 31st March 2021		As at 31st March 2020	
	Total Number of shares	Total Value of Shares	Total Number of shares	Total Value of Shares
Authorized Share Capital Equity Shares of Rs 10 each	2,500,000.00	25,000,000.00	2,500,000.00	25,000,000.00
Issued Share Capital Equity Shares of Rs 10 each	1,950,384.00	19,503,840.00	1,950,384.00	19,503,840.00
Subscribed & fully Paid up Equity Shares of Rs 10 each fully paid	1,950,384.00	19,503,840.00	1,950,384.00	19,503,840.00
Total	1,950,384.00	19,503,840.00	1,950,384.00	19,503,840.00

Note:

The company has only one class of shares referred to as Equity Shares having par value of Rs 10. Each holder of one equity share is entitled to one vote per share.

1.1 The details of the shareholders holding more than 5% of the shares

Name of the Shareholder	As at 31st March 2021		As at 31st March 2020	
	Total Number of shares	% of Holding	Total Number of shares	% of Holding
Varna Brahmhatt	639,423.00	33%	639,423.00	33%
Prमित Brahmhatt	1,062,861.00	54%	1,062,861.00	54%

1.2 The reconciliation of the number of the shares outstanding is set out below:

Particulars	As at 31st March 2021		As at 31st March 2020	
	Total Number of shares	Total Value of Shares	Total Number of shares	Total Value of Shares
Equity Shares at the beginning of the Financial Period	1,950,384.00	19,503,840.00	1,950,384.00	19,503,840.00
Additional Shares issued during the period				
Equity Shares bought back during the year				
Equity Shares at the end of the Period	1,950,384.00	19,503,840.00	1,950,384.00	19,503,840.00

1.3 Information regarding issue of shares during last 5 years

- (i) No bonus shares have been issued
(ii) No shares have been bought back
(iii) Of the above shares, 490394 equity shares of Rs 10 each were issued for acquisition of 8,50,000 equity shares of Veracity Broking Services Private Limited during the year 2016-17. Except that, no other shares were allotted pursuant to contracts without payment being received in cash. During the year 2019-20, the said investment has been disposed off and cash and cash equivalents has been realized.

Note 2. Reserves and Surplus

2.1 Security Premium Reserve

Particulars	As at 31st March 2021		As at 31st March 2020	
	Amount (Rs)		Amount (Rs)	
Security Premium				
Balance as on the beginning of the Financial year	1,471,152.00		1,471,152.00	
Add: Addition During the Year				
Less: Used for Any Purpose				
Total ———— > (A)		1,471,152.00		1,471,152.00

2.2 Profit and Loss Account

Particulars	As at 31st March 2021		As at 31st March 2020	
	Amount (Rs)		Amount (Rs)	
Profit and Loss Account				
Balance as on the beginning of the Financial year	6,817,806.92		6,423,764.00	
Add: Transferred from surplus in Statement of Profit and Loss	(2,329,227.10)		394,042.92	
Balance Available for Appropriations		4,488,579.82		6,817,806.92
Total ———— > (B)		4,488,579.82		6,817,806.92
Total (A)+(B)		5,959,731.82		8,288,958.92



Note 3. Long Term Provision		
Particulars	As at 31st March 2021	As at 31st March 2020
	Amount (Rs)	Amount (Rs)
Provision for Gratuity	424,384.00	322,301.00
Total	424,384.00	322,301.00
Note 4. Short term Borrowings		
Particulars	As at 31st March 2021	As at 31st March 2020
	Amount (Rs)	Amount (Rs)
From Director		
From Pramit Brahmhatt	610,000.00	1,710,000.00
From Relative Company		
Veracity Broking Services Private Limited	3,156.17	
Sahaj Solar Private Limited	428,238.00	
Total	1,041,394.17	1,710,000.00
of Deposits) Rules, 2014		
Particulars	As at 31st March 2021	As at 31st March 2020
	Amount (Rs)	Amount (Rs)
Amounts taken during the year		
Directors		
Pramit Brahmhatt	100,000.00	9,100,000.00
From Relative Company		
Sahaj Solar Private Limited		
Total	100,000.00	9,100,000.00
Amount Repaid During the year		
Directors		
Pramit Brahmhatt	1,200,000.00	7,390,000.00
From Relative Company		
Veracity Broking Services Private Limited		6,582,213.00
Sahaj Solar Private Limited		
Total	1,200,000.00	13,972,213.00
Note 5. Trade Payable		
Particulars	As at 31st March 2021	As at 31st March 2020
	Amount (Rs)	Amount (Rs)
Sundry Creditors		
(A) total outstanding dues of micro enterprises and small enterprises;		
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	670,898.00	404,363.00
Total	670,898.00	404,363.00
Note: During the year 2019-20, the company has not received any instruction from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006		



Note 6. Other Current Liabilities		
Particulars	As at 31st March 2021	As at 31st March 2020
	Amount (Rs)	Amount (Rs)
Brokerage Payable	447,116.35	669,381.37
Client Margin Money	9,739,833.99	11,647,106.39
Employee Benefit Expenses	11,614.29	11,719.00
Employee Payable	13,818.00	19,244.00
Unpaid Audit Fees	158,400.00	158,400.00
AP Deposit	98,124.00	98,124.00
Other Payable	-	1,500.00
Rent Payable	667,715.00	667,715.00
Salary Payable	239,547.00	266,420.41
Statutory dues including Service tax, GST and withholding tax	167,127.36	321,445.10
Stamp Duty Trading	292,736.76	328,657.63
Margin Balance on account of Open Position	124,397.38	-
Payout on Hold	-	14,817.03
Exchange Charges Payable	206,390.80	73,782.40
Pay in - Pay Out Obligations	2,222,376.28	1,492,171.00
Suspense Account	326,474.30	802,388.00
Margin Shortage Penalty	(32,750.54)	(75,824.57)
Total	14682921.17	16,197,046.76
Note 7. Short Term Provision		
Particulars	As at 31st March 2021	As at 31st March 2020
	Amount (Rs)	Amount (Rs)
Income Tax Provision	-	214,000.00
Gratuity	5,106.00	2,411.00
Provision for Audit Fees	80,000.00	-
Total	85,106.00	216,411.00
Note 9. Long Term Loans and Advances		
Particulars	2020-21	2019-20
	Amount (Rs)	Amount (Rs)
Unsecured, considered good, unless otherwise stated		
Security Deposits		
Deposits with Exchanges and Others for trading	26,935,598.77	26,008,598.36
Rent Deposits & other Receivables	40,155.00	40,155.00
Loan to Body Corporate	100,000.00	2,926,881.00
Doubtful		
Deposit with Exchange - ILPS	760,000.00	760,000.00
Total	27,835,753.77	29,735,634.36
Disclosure of Loans given to the Entities in which director of the company is a director		
Particulars	2020-21	2019-20
	Amount (Rs)	Amount (Rs)
Unsecured, considered good, unless otherwise stated		
Loans given to		
Sahaj Solar Private Limited	-	2,826,881.00
Veracity Advisory Services Private Limited	100,000.00	100,000.00
Total	100,000.00	2,926,881.00



Veacity Financial Services Private Limited

Annual Report

Note No # 8: Fixed Assets and Depreciation

SR. NO.	PARTICULARS	GROSS BLOCK			DEPRECIATION		NET BLOCK		NET BLOCK		
		AS ON 01.04.20	ADDITIONS/ ADJUSTMENT	DEDUCTIONS	AS ON 31.03.2021	AS ON 01.04.20	Depreciation for the Year	Adjustment	AS ON 31.03.2021	AS ON 31.03.2021	AS ON 31.03.20
	Tangible Assets										
1	Computer & Data	582,423.00	76,173.00	76,173.00	582,423.00	38,139.66	13,284.72	562,216.94	20,206.06	45,061.00	
2	Electric Installation	5,006.00	-	-	5,006.00	983.31	-	4,432.31	573.69	1,557.00	
3	Furniture & Fittings	-	-	-	-	-	-	-	-	-	
4	Office Equipments	390,517.00	-	-	390,517.00	12,808.19	-	336,823.19	93,693.81	66,502.00	
	Total (A)	977,946.00	76,173.00	76,173.00	977,946.00	51,931.16	13,284.72	903,474.44	74,473.56	113,120.00	
	Intangible Assets										
1	Software	395,334.00	-	-	395,334.00	10,497.06	-	365,236.06	30,047.94	40,545.00	
2	Membership Rights	730,000.00	-	-	750,000.00	134,716.51	-	364,374.51	385,625.49	520,342.00	
	Total (B)	1,145,334.00	-	-	1,145,334.00	145,213.57	-	729,660.57	415,673.43	560,887.00	
	Total (A) + (B)	2,123,280.00	76,173.00	76,173.00	2,123,280.00	197,144.73	13,284.72	1,639,131.01	490,146.99	674,007.00	
	PREVIOUS PERIOD	1,201,134.60	922,126.00	-	2,123,280.00	171,069.00	-	1,171,867.00	951,413.00	200,356.00	



Note 10. Trade Receivables		
Particulars	2020-21	2019-20
	Amount (Rs)	Amount (Rs)
Unsecured, Considered Good		
Outstanding for More than Six Month	1,351,307.94	155,194.76
Others		
Unsecured, Considered Good		
Client Margin Money	2,197,892.85	2,391,487.17
Unsecured, Considered Doubtful		
Client Margin Money		
Total	3,549,200.79	2,546,681.93

Note 11. Cash and Bank Balances

Particulars	2020-21	2019-20
	Amount (Rs)	Amount (Rs)
Balances with Bank		
In Current Account	1,238,269.16	3,192,826.39
Balance in term deposit accounts with Banks (Placed as Margin with Exchanges)	6,650,000.00	6,275,000.00
Total	7,888,269.16	9,467,826.39

Note 12. Short Term Loans and Advances

Particulars	As at 31st March 2021	As at 31st March 2020
	Amount (Rs)	Amount (Rs)
Unsecured, considered good, unless otherwise stated:		
Prepaid Expenses	260,428.00	272,867.34
Loan to Employees	390,561.34	246,210.53
Advances to Suppliers	212,790.10	443,409.00
Statutory dues including Income Tax Receivable	929,709.17	2,034,871.05
Other Advances	43,629.68	335,472.08
Rent Deposit	254,120.00	751,842.00
Total	2,091,228.29	4,084,672.00

Disclosure of Loans given to the Entities in which director of the company is a director and included in other advances above

Particulars	As at 31st March 2021	As at 31st March 2020
	Amount (Rs)	Amount (Rs)
Unsecured, considered good, unless otherwise stated		
Veracity Broking Services Private Limited		200,000.00
Total		200,000.00

Note 13. Other Current Asset

Particulars	As at 31st March 2021	As at 31st March 2020
	Amount (Rs)	Amount (Rs)
Accrued Interest on ILES	222,673.31	222,673.31
Accrued Interest on FD		
Accrued Interest on Exchange Deposit	25,933.00	25,933.00
Other Accrued but not due interest		3,000.00
Margin Shortage Penalty		
Shortfall on Delivery		
SEBI Charges Recoverable	(215.61)	38,825.92
Advance Brokerage Paid	281,949.64	78,981.28



Note 14. Revenue From Operations

Particulars	2020-21	2019-20
	Amount (Rs)	Amount (Rs)
Brokerage and incidental income	3,833,516.35	2,089,786.68
Clearing Charges	111,783.08	145,654.87
Demat Account Charges	-	-
Delayed Payment Charges	-	3,849.05
Gains from Derivatives transaction	-	8,023,397.25
DP Charges	29,259.44	24,969.50
Other Direct Income	-	8,526.09
Advisory Services	2,406,000.00	-
Total	6,374,558.87	10,296,183.64

Note 15 Other Income

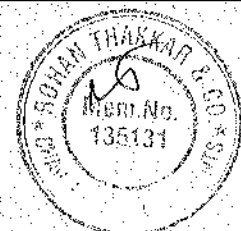
Particulars	2020-21	2019-20
	Amount (Rs)	Amount (Rs)
Fees for Research Analyst	-	-
Interest of Fixed Deposits	483,270.00	628,053.13
Interest of Exchange Deposit	11,621.00	7,406.00
Bad debt Recovered	599,893.00	695,386.26
Gain On Sales of Fixed Asset	-	-
Interest on Loan	-	88,423.00
Interest on Income tax refund	-	-
Excess Provision of Gratuity made in earlier Year	-	-
Other Income	978.57	46,426.65
Refund of Stamp Duty	-	115,737.00
Income from sale of Investment	-	553,108.00
AP Registration charges	8,560.00	-
Dividend Received	7,238.00	-
Short Margin Penalty Cash	420.74	-
Short Margin Penalty Prov Cash	30.37	-
SEBI Tax Written off	664.82	-
Gain On Sales of Fixed Asset	37,111.72	-
Total	1,149,788.22	2,134,560.04

Note 16. Employee Benefit Expense

Particulars	2020-21	2019-20
	Amount (Rs)	Amount (Rs)
Salary and wages	3,088,097.48	3,307,797.00
Employer Contribution to ESIC	23,994.00	25,345.00
Employer Contribution to PF	148,978.00	139,860.00
Gratuity	104,778.00	187,409.00
PF Admin Charges	6,185.00	5,620.00
Ex Gratia	-	106,500.00
Bonus	30,040.00	-
Total	3,402,072.48	3,772,531.00

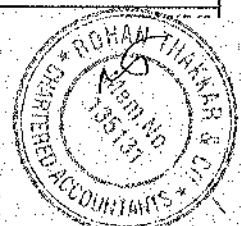
Note 17. Finance costs

Particulars	2020-21	2019-20
	Amount (Rs)	Amount (Rs)
Bank Charges	-	350.00
Interest on Statutory Payments	-	-
Interest on Income Tax	-	14,361.00
Other Interest	22,292.80	12,215.23
CST Expenses	25,368.00	-
Total	47,660.80	26,926.23



Note 18. Other Expenses

Particulars	2020-21	2019-20
	Amount (Rs)	Amount (Rs)
Audit fees	80,000.00	80,000.00
AP Registration charges		2,260.00
Annual Maintenance Charges	352,810.82	176,048.38
Broker Sharing		142,111.65
Bad Debt	1,094,280.00	817,302.49
Clearing Charges	110,474.86	37,096.31
Cleaning Expenses	30,500.00	
Conveyance expenses	142.00	780.00
Commission Expense	1,063,455.31	793,310.00
Courier & Postage	4,137.20	34,474.26
Dividend Expense	6,989.00	10,223.61
Diwali Expense		
NSCC1. Non Settlement Dues		
Punching Error	11,600.00	5,368.00
STT on Trading		9,744.00
Settlement Charges		
Other Charges Control Written off		11,560.37
Electricity Expenses	42,137.00	57,696.00
Electric Expenses		
Early Payincharges	90,544.44	162,736.31
Exchange Charges	410,181.63	163,328.49
Equity Trading Expense / Stamp Duty		4,785.00
GST Expense		47,132.13
Insurance Exp	113,692.50	71,459.50
Internet & Communication Exps	324,582.87	347,413.99
Investor Protection Fund	786.00	232.00
KRA Charges	1,385.00	900.00
KYC Verification		
Legal Expense	9,900.00	1,500.00
Lease Line Expenses	228,115.00	240,652.86
Legal & Professional fees	286,000.00	231,900.00
Misc. Expenses	45,543.56	
Monthly Transaction Charges LIFS	11,000.00	
Misc Balance Written off		
Mobile Expenses		5,802.61
LIFS Amount Written off		3,234,254.63
Office Expense	23,691.84	13,049.49
Other Expenses		
Printing & Stationery	21,906.00	28,031.93
Maintenance Expense	210,600.00	
Prior Period Exp	351,840.79	
Penalty Expense	1,534.00	6,000.00
Income Tax Penalty	28,401.00	
Rounding Off		(4.40)
Rent Expense	676,284.00	1,070,316.00
Repair and Maintenance Expenses	4,000.00	18,905.00
ROC Filing Fees		4,100.00
Refreshment Expenses	12,554.00	25,981.00
Turnover charges		
Exchange Penalty		
Subscription Charges	135,400.00	132,450.00
SMS Chagres		
Web Hosting charges	5,605.00	20,684.00
Water Charges	5,960.00	7,540.00
Refund of Stamp Duty	118,757.00	
Option Control written off	73,481.00	
NSDL Payout Charges	12,000.00	
Petrol Expense	61,387.00	
Postage Charges	2,000.00	
EDS Late Fees	4,000.00	
Television Expense	4,142.18	
Delayed Payment Charges	781.86	
F&O Brok. Payable	55,163.22	



Note: 19 Current Tax

During the year 2020-21, no provision of current tax has been made as during the year, company has suffered loss.

During the year 2019-20, the company is required to make payment of tax of around Rs 54000 which is payable as per MAT is 151667. Since, the company has carried forward MAT Credit, the company can utilize the MAT credit to the extent of Rs 54000 and for this, provision has been made.

Note: 20 Disclosure as per AS-20

Particulars	2020-21	2019-20
	Amount (Rs)	Amount (Rs)
Net Profit / (Loss) after tax	(2,329,227.10)	394,042.92
Weighted Average Number of Equity Shares	1,950,384.00	1,950,384.00
Earning Per Share		
Basic	(1.19)	0.20
Diluted	(1.19)	0.20

The Earning per share has been calculated taking into consideration the net profit attributable to Equity Share

Note 21. Deferred Tax Liabilities

Particulars	2020-21	2019-20
	Amount (Rs)	Amount (Rs)
Opening Deferred Tax Liability / (Asset)	(64,685.92)	41,444.00
Reversal of Deferred Tax liability / (Asset)	64,685.92	
Creation of Deferred Tax Liability / (Asset) on account of Depreciation	16,664.18	19,739.20
Creation of Deferred Tax Liability / (Asset) on account of Continuity		(84,425.12)
Reversal of Deferred Tax liability / (Asset)		(41,444.00)
Balance of DTL / (DTA) at the close of the year	16,664.18	(64,685.92)

Note:

In Accordance with Accounting Standard 22 on Accounting for Taxes on Income, issued by the Ministry of Corporate Affairs in terms of Companies (Accounting Standards) Rules, 2006, the deferred tax for timing differences between the book and the tax profits for the year is to be accounted for using the tax rates and laws that have been enacted or substantively enacted as of the balance sheet date.

Note: 22. Auditor's Remuneration

Particulars	2020-21	2019-20
	Amount (Rs)	Amount (Rs)
As Audit Fees		
Statutory Audit	80,000.00	80,000.00
Tax Audit		
Total	80,000.00	80,000.00

Note No 23 # Information on related party transactions as required by Accounting Standard - 18 on Related Party Transactions**a) Promoters and their relatives having control**

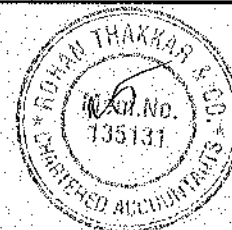
Name	
Pranit Bharat Brahmhatt	Director
Kanaksinh Agarsinh Gohil	Director

b) Companies in which directors of the company is able to exercise control or have significant influence

- Veracity Advisory Services Private Limited
- Sahaj Solar Private Limited
- Veracity Energy and Infrastructure Private Limited
- Veracity Broking Services Private Limited
- Alpari Financial Services (India) Private Limited

c) Relatives of Key Managerial Personnel

- Pranit Brahmhatt HUF
- Manan Brahmhatt, Brother of Sh Pranit Brahmhatt
- Varna Brahmhatt, Spouse of Sh Pranit Brahmhatt



Related Party Transactions		
Particulars	2020-21	2019-20
	Amount (Rs)	Amount (Rs)
Loan Accepted		
Praniti Brahmhatt	100,000.00	9,100,000.00
Loan Repaid		
Praniti Brahmhatt	1,200,000.00	7,390,000.00
Veracity Broking Services Private Limited		6,362,213.00
Closing Balances of Loan at the end of the Year		
Praniti Brahmhatt	610,000.00	3,710,000.00
Manan Brahmhatt		
Veracity Advisory Services Private Limited		
Closing Balance of Loans Given		
Veracity Broking Services Private Limited		200,000.00
Sahaj Solar Private Limited		2,826,681.00
Veracity Advisory Services Private Limited	100,000.00	100,000.00
Salary		
Relative of Director		
Manan Brahmhatt	865,200.00	830,400.00
Rent Paid		
Manan Brahmhatt	414,720.00	368,640.00
Praniti Brahmhatt	207,360.00	184,320.00
Interest Received		
Sahaj Solar Private Limited		85,423.00
Veracity Broking Services Private Limited		3,000.00
Services Provided		
Sahaj Solar Private Limited (Excluding GST)	1,500,000.00	

Disclosure as per AS-5

1) In the year 2019-20, w.r.t loans taken by the company from Praniti Brahmhatt, there was also an additional repayment of Rs 2000000 which inadvertently, could not be separately disclosed in the disclosure related to AS-18 and disclosure related to Rule 16A of Companies (Acceptance of Deposit) Rules, 2014. Consequently, the closing balance of the said loan will remain only Rs 1700000.00. Considering this aspect, the closing balance has been reported in the year 2020-21.

Note: 24 # Disclosure w.r.t Lease Payments in terms of AS-19

Particulars	2020-21	2019-20
	Amount (Rs)	Amount (Rs)
i) With respect to Operating Lease		
Total of future minimum lease payments (excluding tax) under non-cancellable operating leases for		
(i) not later than one year;	342,000.00	370,940.00
(ii) later than one year and not later than five years;	37,000.00	399,000.00
(iii) later than five years;		769,940.00
ii) Lease Payment Recognized in Profit and Loss Account		
Minimum Lease Payment (Excluding Tax, if any)	573,062.00	871,300.00
Contingent Rent		871,300.00

Note: 25 # Disclosure w.r.t Employee Benefits in terms of AS-15

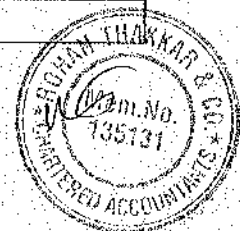
Particulars	2020-21	2019-20
	Amount (Rs)	Amount (Rs)
i) Defined Contribution Plan		
Recognized in Profit and Loss A/c		
Provident Fund	155,165.00	139,860.00
ESIC	23,994.00	25,345.00

ii) Defined Benefit Plan

The Gratuity is accounted under defined benefit plan by the company



I. Assumption	2020-2021	2019-20
Expected Return on plan assets	N.A.	N.A.
Rate of Discounting	6.85%	6.83%
Rate of Salary Increase	10.00%	10.00%
Rate of Employee Turnover	For service 4 years and below 20.00% p.a. For service 5 years and above 2.00% p.a.	For service 4 years and below 20.00% p.a. For service 5 years and above 2.00% p.a.
Mortality Rate during Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Mortality Rate After Employment	N.A.	N.A.
II. Table Showing Change in Benefit Obligation:		
	2020-2021	2019-20
Present Value of Benefit Obligation at the Beginning of the Period	324,712.00	137,303.00
Interest Cost		
Current Service Cost		
Past Service Cost - Non-Vested Benefit Incurred During the Period		
Past Service Cost - Vested Benefit Incurred During the Period		
Liability Transferred In/ Acquisitions (Liability Transferred Out/ Divestments)		
(Gains)/ Losses on Curtailment (Liabilities Extinguished on Settlement)		
(Benefit Paid Directly by the Employer) (Benefit Paid From the Fund)		
The Effect Of Changes in Foreign Exchange Rates		
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions		
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(104,778.00)	(187,409.00)
Actuarial (Gains)/Losses on Obligations - Due to Experience		
Present Value of Benefit Obligation at the End of the Period	429,490.00	324,712.00
III. Annual Recognised in the Balance Sheet:		
	2020-2021	2019-20
Present Value of Benefit Obligation at the end of the Period	(429,490.00)	(324,712.00)
Fair Value of Plan Assets at the end of the Period		
Funded Status (Surplus/ (Deficit))	(429,490.00)	(324,712.00)
Unrecognized Past Service Cost at the end of the Period		
Net (Liability)/ Asset Recognized in the Balance Sheet	(429,490.00)	(324,712.00)
IV. Expenses Recognised in the Statement of Profit and Loss		
	2020-2021	2019-20
Current Service Cost		
Net Interest Cost		
Actuarial (Gains)/ Losses	104,778.00	187,409.00
Past Service Cost - Non-Vested Benefit Recognized During the Period		
Past Service Cost - Vested Benefit Recognized During the Period		
(Expected Contributions by the Employees)		
(Gains)/Losses on Curtailments And Settlements		
Net Effect of Changes in Foreign Exchange Rates		
Change in Asset Ceiling		
Expenses Recognised in Statement of Profit and Loss	104,778.00	187,409.00
V) The estimate of future salary increases takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in employment market.		
VI) Balance Sheet Reconciliation		
	2020-2021	2019-20
Opening Net Liability	324,712.00	137,303.00
Expense Recognized in statement of Profit or Loss	104,778.00	187,409.00
Net Liability / (Asset) Transfer In		
Net Liability / (Asset) Transfer Out		
(Benefit directly paid by employer (Employer's contribution)		
Net Liability / (Asset) Recognized in Balance Sheet	429,490.00	324,712.00

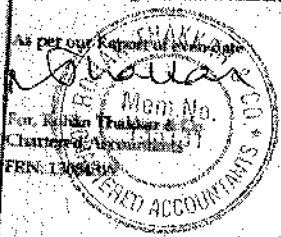


Note 26 # Contingent Liabilities		
Particulars	2020-2021 Amount (Rs)	2019-20 Amount (Rs)
<p>Claims against the company not acknowledged as debt Income tax matters in respect of earlier year under dispute</p> <p>(a) Pending in Commissioner of Income Tax Appeal</p> <p>In respect of items above, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgments pending at said forums/authorities.</p>		113,605.00
Total		113,605.00

Note No 27 #

The previous year's figures have been re-grouped / re-classified to conform to this year's classification which is as per Schedule III of the Companies Act, 2013. This adoption does not impact recognition and measurement principles followed for preparation of financial statements as at 31st March, 2021

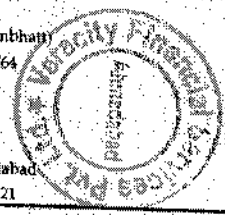
As per our Report of 30/11/2021



CA Rohan Thakkar
Proprietor
M.No. 135131
Place: Ahmedabad
Date: 30.11.2021

For, VERACITY FINANCIAL SERVICES PRIVATE LIMITED

(Pratik Deshmukh)
DIN # 02400764
(Director)
Place: Ahmedabad
Date: 30.11.2021



(Kanaksinh Gohil)
DIN# 00000000
(Director)
Place: Ahmedabad
Date: 30.11.2021

