

**VERACITY FINANCIAL SERVICES  
PVT LTD**

**CIN No: U67120GJ2012PTC083200**

Annual Report  
For the year  
2021-2022

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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 30<sup>th</sup> day of September, 2022 at 03:30 p.m. at registered office of the company Office No. 301, Ashirvad paras, OppPrahladnagar 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, 2022, 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 2022, 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, 2022.

### FINANCIAL HIGHLIGHTS

The Company has recorded the following financial performance for the year ended March 31, 2022

Particulars	For the year ended as at 31 <sup>st</sup> March, 2022 (in Lakhs)	For the year ended as at 31 <sup>st</sup> March, 2021 (in Lakhs)
<b>Total Income</b>	92.98	75.24
<b>Profit Before Interest, Depreciation &amp; Tax (EBITDA)</b>	(1.01)	(20.03)
Finance Cost	0.44	0.48
Depreciation	1.63	1.97
<b>Profit before tax</b>	(3.08)	(22.48)
Current Tax	0	0
Deferred Tax	(1.12)	0.81
<b>Profit after Tax</b>	(1.96)	(23.29)

### STATE OF COMPANY'S AFFAIRS

During the year under review, the Company has generated total income of Rs. 92.98 Lakh, 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, 2022, 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, 2022 as the company has occurred loss.

## **MEETINGS OF THE BOARD OF DIRECTORS**

The following Meetings of the Board of Directors were held during the Financial Year 2021-22:

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, 2022 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	Whole Time 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 2021-22. 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 2021-22.

## **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.

For, Veracity Financial Services Private Limited

  
\_\_\_\_\_  
Shri Pramit Brahmhatt

(Director)

DIN # 02400764

  
\_\_\_\_\_  
Shri KanakSinh Gohil

(Director)

DIN# 02917131

Date: 01/09/2022

Place: Ahmedabad

**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	Yearly and thereafter mutually decided by both.	• The rent shall be paid within 10 <sup>th</sup> date of the month.	20.04.2021	Not Required	NIL
			Service	Yearly 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.	20.04.2021	Not required	NIL
2.	Pramit Brahmhat	Director	Rent	Yearly and thereafter mutually decided by both.	• The rent shall be paid within 10 <sup>th</sup> date of the month.	20.04.2021	Not Required	NIL
3.	Sahaj Solar Private Limited	Common Director	Service	Yearly and thereafter mutually decided by both.	• The service fees shall be excluding GST.	20.04.2021	30/04/2021	NIL

For, Veracity Financial Services Pvt. Ltd,

Date: 01.09.2022  
Place: Ahmedabad

Mr. Pramit Brahmhat  
DIN: 02400764

Mr. KanakSinh Gohil  
DIN: 02917131



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# Annual Report

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*Veracity Financial Services  
Private Limited*

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**Year : 2021-2022**

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**Rohan Thakkar & Co,  
Chartered Accountants**

A-110, Oxford Avenue, Opp C U Shah College, Ashram Road, Ahmedabad-380014  
Voice: + 91 79 40324877 M: +91 9228720536 E : rohan@rthakkar.com

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**INDEPENDENT AUDITORS' REPORT**

To the Members of  
**Veracity Financial Services Private Limited,**

**1. Opinion:**

We have audited the accompanying financial statements of Veracity Financial Services Private Limited ("the company"), which comprises the Balance Sheet as at 31 March 2022 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, 2022, and its profit/loss 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 accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India



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(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. Emphasis of Matter**

Attention is invited to Note No 15 wherein the amount of Rs 40.23 Lakhs has been shown as Bad debt recovered. The said amount was written off in earlier years as the same was being pertaining to M/s Infrastructure Leasing & Financial Services Limited (Hereinafter referred to as ILFS) and at that time of said crises, the management was of the view that the same is not recoverable. in the year 2019-20. Subsequently, the ILFS is under Corporate Insolvency Resolution Process and as per the report updated till 31.03.2022, the claim of the company has been admitted to the tune of Rs 42.94 lakhs. However, its ultimate realization of amount will depend upon the order passed by Hon National Company Law Tribunal and that same has not been passed till 31.03.2022.

**4 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



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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.

**5. 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, 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 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.





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**6. 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:

- 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



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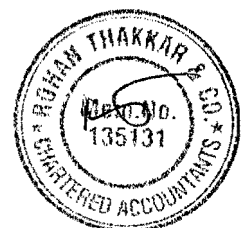
on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are 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

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.



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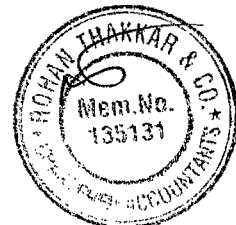
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**7. Report on Other Legal and Regulatory Requirements:**

7.1 The Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, is not applicable to the company as the company is a 'small company' in terms of section 2(85) of the Companies Act, 2013 as amended.

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

- i) 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.
- ii) 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.
- iii) The Balance Sheet and the Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account.
- iv) 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.
- v) There is nothing to disclose which is having adverse effect on the functioning of the company.
- vi) On the basis of written representations received from the directors as on 31 March, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2022, from being appointed as a director in terms of Section 164(2) of the Act.
- vii) 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.
- viii) 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:



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- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.
- iv.
  1. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or its joint operation companies incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
    - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or its joint operation companies incorporated in India or
    - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
  2. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company or its joint operation from any persons or entities, other than as disclosed in the notes to the accounts, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or its joint operation companies incorporated in India shall:
    - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or



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- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries

3. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (d) (1) and (d) (2) contain any material misstatement.

v. The Company has neither declared nor paid any dividend during the year. Hence, reporting with respect to compliance under section 123 of the Companies Act, 2013 as required in terms of Rule 11(f) of Companies (Audit and Auditors) Rules, 2014 is not required to be reported.

7.3 The company is a private Limited company, therefore, reporting of managerial remuneration as required in terms of section 197 is not applicable.

Place: Ahmedabad

Date: 01.09.2022



For Rohan Thakkar & Co  
Chartered Accountants

*Rohan Thakkar*  
Signature

(Rohan Thakkar)  
(Proprietor)

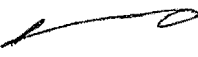
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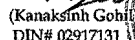
## Profit and Loss Account

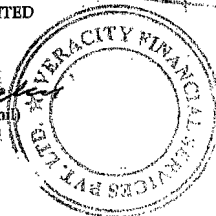
	Particulars	Refer Note No.	For the year ended as on 31st March 2022		For the year ended as on 31st March 2021	
	<b>INCOME</b>					
I.	Revenue From Operations					
	Sale Of units					
	Sale Of Services	14	36.94		63.75	
	Other Operating Revenues					
II.	Other income	15	56.04		11.50	
III.	<b>Total Revenue (I + II)</b>			<b>92.98</b>		<b>75.24</b>
	<b>EXPENDITURE</b>					
IV.	Expenses:					
	Cost of Materials consumed					
	Purchases of stock in trade					
	Changes in Inventory					
	Employee benefits expense	16	43.94		34.02	
	Finance costs	17	0.44		0.48	
	Depreciation and amortization expense	8	1.63		1.97	
	Other expenses	18	50.06		61.25	
	<b>TOTAL EXPENSES</b>			<b>96.06</b>		<b>97.72</b>
V.	<b>Profit before exceptional and extraordinary items and tax (III-IV)</b>			<b>(3.08)</b>		<b>(22.48)</b>
VI.	Exceptional items					
VII.	<b>Profit before extraordinary items and tax (V - VI)</b>			<b>(3.08)</b>		<b>(22.48)</b>
VIII.	Extraordinary Items					
IX.	<b>Profit before tax (VII- VIII)</b>			<b>(3.08)</b>		<b>(22.48)</b>
X.	Tax expense:					
	(1) Current tax	19				
	(2) Deferred tax	21	(1.12)		0.81	
	(3) Excess IT Provoision					
				<b>(1.12)</b>		<b>0.81</b>
XI.	<b>Profit (Loss) for the period from continuing operations (VII-VIII)</b>			<b>(1.96)</b>		<b>(23.29)</b>
XII.	Profit/(loss) from discontinuing operations					
XIII.	Tax expense of discontinuing operations					
XIV.	<b>Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>					
XV.	<b>Profit (Loss) for the period (XI + XIV)</b>			<b>(1.96)</b>		<b>(23.29)</b>
XVI.	Earnings per equity share:					
	(1) Basic	20		(0.10)		(1.19)
	(2) Diluted	20		(0.10)		(1.19)
	<i>Significant Accounting Policies and Notes to Accounts</i>					

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


  
(Pramit Brahmhatt)  
DIN # 02400764  
(Director)

Date: 01/09/2022  
Place : Ahmedabad

  
(Kanaksinh Gohil)  
DIN# 02917131  
(Director)



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

  
(Rohan Thakkar)  
(Proprietor)  
Membership No # 13513  
FRN No# 130843W

Date: 01/09/2022  
Place : Ahmedabad



**B. Notes to Accounts****Note 1. Share Capital**

Particulars	As at 31st March 2022		As at 31st March 2021	
	Total Number of shares	Total Value of Shares	Total Number of shares	Total Value of Shares
<b>Authorized Share Capital</b> Equity Shares of Rs 10 each	2,500,000.00	250.00	2,500,000.00	250.00
<b>Issued Share Capital</b> Equity Shares of Rs 10 each	1,950,384.00	195.04	1,950,384.00	195.04
<b>Subscribed &amp; fully Paid up</b> Equity Shares of Rs 10 each fully paid	1,950,384.00	195.04	1,950,384.00	195.04
<b>Total</b>	<b>1,950,384.00</b>	<b>195.04</b>	<b>1,950,384.00</b>	<b>195.04</b>

**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 2022		As at 31st March 2021	
	Total Number of shares	% of Holding	Total Number of shares	% of Holding
Varna Brahmhatt	639,423.00	33%	639,423.00	33%
Pramit Brahmhatt	1,062,881.00	54%	1,062,881.00	54%

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

Particulars	As at 31st March 2022		As at 31st March 2021	
	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	195.04	1,950,384.00	195.04
Additional Shares issued during the period				
Equity Shares bought back during the year				
<b>Equity Shares at the end of the Period</b>	<b>1,950,384.00</b>	<b>195.04</b>	<b>1,950,384.00</b>	<b>195.04</b>

**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, 490384 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**

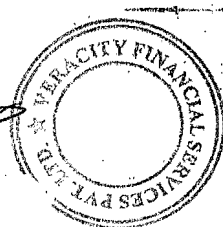
Particulars	As at 31st March 2022		As at 31st March 2021	
	Amount (Rs)		Amount (Rs)	
<b>Security Premium</b>				
Balance as on the beginning of the Financial year	14.71		14.71	
Add: Addition During the Year				
Less: Used for Any Purpose				
<b>Total ———&gt; (A)</b>		<b>14.71</b>		<b>14.71</b>

**2.2 Profit and Loss Account**

Particulars	As at 31st March 2022		As at 31st March 2021	
	Amount (Rs)		Amount (Rs)	
<b>Profit and Loss Account</b>				
Balance as on the beginning of the Financial year	44.89		68.18	
Add: Transferred from surplus in Statement of Profit and Loss	(1.96)		(23.29)	
<b>Balance Available for Appropriations</b>		<b>42.93</b>		<b>44.89</b>
<b>Total ———&gt; (B)</b>		<b>42.93</b>		<b>44.89</b>
<b>Total (A)+(B)</b>		<b>57.64</b>		<b>59.60</b>

**Note 3. Long Term Provision**

Particulars	As at 31st March 2022		As at 31st March 2021	
	Amount (Rs)		Amount (Rs)	
Provision for Gratuity	3.52		4.24	
<b>Total</b>		<b>3.52</b>		<b>4.24</b>



**Note 4. Short term Borrowings**

Particulars	As at 31st March 2022	As at 31st March 2021
	Amount (Rs)	Amount (Rs)
<b>From Director</b>		
From Pramit Brahmhatt	-	6.10
<b>From Relative Company</b>		
Veracity Broking Services Private Limited	-	0.03
Sahaj Solar Private Limited	-	4.28
<b>Total</b>		<b>10.41</b>

**Disclosure in terms of Rule 16A of Companies (Acceptance of Deposits) Rules, 2014**

Particulars	As at 31st March 2022	As at 31st March 2021
	Amount (Rs)	Amount (Rs)
<b>Amounts taken during the year (Including Journals)</b>		
<b>Directors</b>		
Pramit Brahmhatt	20.00	1.00
<b>From Relative Company</b>		
Sahaj Solar Private Limited	69.66	
Veracity Broking Service Private Limited	3.37	
<b>Total</b>	<b>93.03</b>	<b>1.00</b>
<b>Amount Repaid During the year</b>		
<b>Directors</b>		
Pramit Brahmhatt	26.10	12.00
<b>From Relative Company</b>		
Sahaj Solar Private Limited	73.94	-
Veracity Broking Service Private Limited	3.40	
<b>Total</b>	<b>103.44</b>	<b>12.00</b>

**Note 5. Trade Payable**

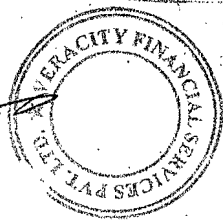
Particulars	As at 31st March 2022	As at 31st March 2021
	Amount (Rs)	Amount (Rs)
<b>Sundry Creditors</b>		
(A) total outstanding dues of micro enterprises and small enterprises;		
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	9.40	6.71
<b>Total</b>	<b>9.40</b>	<b>6.71</b>

**Note:**

During the year 2021-22 and 2020-21, the company has not received any instruction from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures if any, relating to amounts unpaid as at year end together with interest payable as required under the said Act have not been given.

**Note 6. Other Current Liabilities**

Particulars	As at 31st March 2022	As at 31st March 2021
	Amount (Rs)	Amount (Rs)
Brokerage Payable	0.40	4.47
Client Margin Money	66.03	97.40
Employee Benefit Expenses	0.30	0.12
Employee Payable	-	0.14
Unpaid Audit Fees	1.58	1.58
AP Deposit	0.98	0.98
Rent Payable		6.68
Salary Payable	3.44	2.40
Statutory dues including Service tax, GST and withholding tax	3.79	1.67
Stamp Duty Trading	2.95	2.93
Margin Balance on account of Open Position	3.43	1.24
Exchange Charges Payable	2.90	2.06
Pay in - Pay Out Obligations	4.83	22.22
Suspense Account	2.30	3.26
Margin Shortage Penalty	(0.04)	(0.33)
<b>Total</b>	<b>92.89</b>	<b>146.83</b>





**Note 7. Short Term Provision**

Particulars	As at 31st March 2022	As at 31st March 2021
	Amount (Rs)	Amount (Rs)
Gratuity	0.04	0.05
Provision for Audit Fees	0.72	0.80
<b>Total</b>	<b>0.76</b>	<b>0.85</b>

**Note 9. Long Term Loans and Advances**

Particulars	As at 31st March 2022	As at 31st March 2021
	Amount (Rs)	Amount (Rs)
<b>Unsecured, considered good, unless otherwise stated</b>		
<b>Security Deposits</b>		
Deposits with Exchanges and Others for trading	186.62	269.36
Rent Deposits & other Receivables	0.40	0.40
Loan to Body Corporate	-	1.00
<b>Doubtful</b>		
Deposit with Exchange - ILFS	42.95	7.60
<b>Total</b>	<b>229.97</b>	<b>278.36</b>

Disclosure of Loans given to the Entities in which director of the company is a director

Particulars	As at 31st March 2022	As at 31st March 2021
	Amount (Rs)	Amount (Rs)
<b>Unsecured, considered good, unless otherwise stated</b>		
Loans given to		
Sahaj Solar Private Limited		1.00
Veracity Advisory Services Private Limited		
<b>Total</b>		<b>1.00</b>

**Note 10. Trade Receivables**

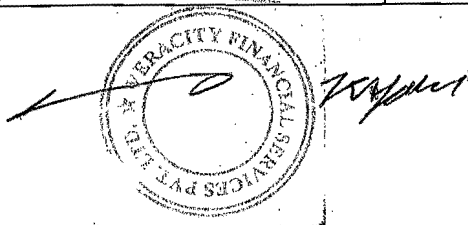
Particulars	As at 31st March 2022	As at 31st March 2021
	Amount (Rs)	Amount (Rs)
<b>Unsecured, Considered Good</b>		
<b>Outstanding for More than Six Month</b>	11.02	13.51
<b>Others</b>		
Unsecured, Considered Good		
Client Margin Money	6.53	21.98
<b>Unsecured, Considered Doubtful</b>		
Client Margin Money		
<b>Total</b>	<b>17.55</b>	<b>35.49</b>

**Note 11. Cash and Bank Balances**

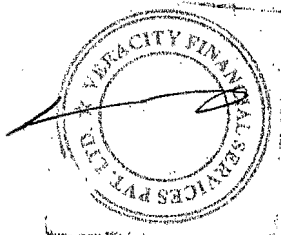
Particulars	As at 31st March 2022	As at 31st March 2021
	Amount (Rs)	Amount (Rs)
<b>Balances with Bank</b>		
In Current Account	16.34	12.38
Balance in term deposit accounts with Banks (Placed as Margin with Exchanges)	65.50	66.50
<b>Total</b>	<b>81.84</b>	<b>78.88</b>

**Note 12. Short Term Loans and Advances**

Particulars	As at 31st March 2022	As at 31st March 2021
	Amount (Rs)	Amount (Rs)
<b>Unsecured, considered good, unless otherwise stated:</b>		
Loan to Employees	3.84	3.91
<b>Total</b>	<b>3.84</b>	<b>3.91</b>



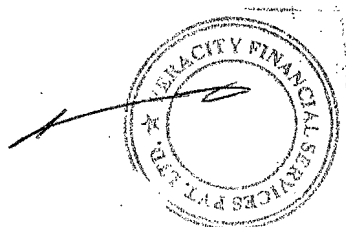
<b>Note 13. Other Current Asset</b>		
<b>Particulars</b>	<b>As at 31st March 2022</b>	<b>As at 31st March 2021</b>
	<b>Amount (Rs)</b>	<b>Amount (Rs)</b>
Accrued Interest on ILFS	-	2.23
Accrued Interest on Exchange Deposit	0.39	0.26
SEBI Charges Recoverable	(0.00)	(0.00)
Advance Brokerage Paid		2.82
Prepaid Expenses	2.45	2.60
Advances to Suppliers	1.79	2.13
Statutory dues Including Income Tax Receivable	12.90	9.30
Other Advances	-	0.44
Rent Deposit	2.54	2.54
<b>Total</b>	<b>20.06</b>	<b>22.31</b>
<b>Note 14. Revenue From Operations</b>		
<b>Particulars</b>	<b>2021-22</b>	<b>2020-21</b>
	<b>Amount (Rs)</b>	<b>Amount (Rs)</b>
Brokerage and incidental income	19.85	38.34
Clearing Charges	1.37	1.12
DP Charges	0.26	0.29
Advisory Services	15.46	24.00
<b>Total</b>	<b>36.94</b>	<b>63.75</b>
<b>Note 15 Other Income</b>		
<b>Particulars</b>	<b>2021-22</b>	<b>2020-21</b>
	<b>Amount (Rs)</b>	<b>Amount (Rs)</b>
Fees for Research Analyst		
Interest of Fixed Deposits	4.39	4.83
Interest of Exchange Deposit	0.15	0.12
Bad debt Recovered	40.23	6.00
Credit Balance Written Off	11.71	
Other Income	0.00	0.01
AP Registration charges	0.01	0.09
Dividend Received	0.06	0.07
Short Margin Penalty Cash	(0.51)	0.00
Short Margin Penalty Prov Cash		0.00
SEBI Tax Written off	0.00	0.01
Gain On Sales of Fixed Asset		0.37
<b>Total</b>	<b>56.04</b>	<b>11.50</b>
<b>Note 16. Employee Benefit Expense</b>		
<b>Particulars</b>	<b>2021-22</b>	<b>2020-21</b>
	<b>Amount (Rs)</b>	<b>Amount (Rs)</b>
Salary and wages	40.31	30.88
Employer Contribution to ESIC	0.18	0.24
Employer Contribution to PF	1.79	1.49
Gratuity	0.27	1.05
PF Admin Charges	0.07	0.06
Ex Gratia	1.05	-
Bonus	0.26	0.30
<b>Total</b>	<b>43.94</b>	<b>34.02</b>
<b>Note 17. Finance costs</b>		
<b>Particulars</b>	<b>2021-22</b>	<b>2020-21</b>
	<b>Amount (Rs)</b>	<b>Amount (Rs)</b>
Bank Charges	0.18	-
Other Interest	0.26	0.22
GST Expenses		0.25
<b>Total</b>	<b>0.44</b>	<b>0.48</b>



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<b>Note 18. Other Expenses</b>		
<b>Particulars</b>	<b>2021-22</b>	<b>2020-21</b>
	<b>Amount (Rs)</b>	<b>Amount (Rs)</b>
Audit fees	0.80	0.80
Annual Maintenance Charges	4.39	3.53
Bad Debt	4.90	10.94
Clearing Charges	1.99	1.10
Clearing Expenses	0.27	0.31
Conveyance expenses	0.14	0.00
Commission Expense	6.56	10.63
Courier & Postage	0.16	0.04
Dividend Expense	0.08	0.07
DP Charges Pool Account	1.82	
Punching Error		0.12
Electricity Expenses	0.29	0.42
Early Payincharges	1.17	0.91
Exchange Charges	0.92	4.10
Insurance Exp	1.35	1.14
Internet & Communication Exps	3.16	3.25
Investor Protection Fund	0.01	0.01
KRA Charges	0.00	0.01
Legal Expense		0.10
Lease Line Expenses	1.74	2.28
Legal & Professional fees	5.32	2.86
Misc. Expenses	2.25	0.46
Monthly Transaction Charges LIFS	0.28	0.11
Mobile Expenses	0.25	-
Office Expense	0.29	0.24
Printing & Stationery	0.12	0.22
Maintenance Expense	1.66	2.11
Prior Period Exp	1.07	3.52
Penalty Expense	0.39	0.02
Income Tax Penalty		0.28
Rent Expense	6.82	6.76
Repair and Maintenance Expenses	0.11	0.04
Refreshment Expenses	0.12	0.13
Subscription Charges	1.30	1.35
Web Hosting charges	0.11	0.06
Water Charges	0.03	0.06
Refund of Stamp Duty		1.16
Option Control written off		0.73
NSDL Payout Charges	0.09	0.12
Petrol Expense	0.00	0.61
Postage Charges	0.04	0.02
TDS Late Fees	0.05	0.04
Television Expense	0.02	0.04
Delayed Payment Charges		0.01
R&O Brok. Payable		0.55
<b>Total</b>	<b>50.06</b>	<b>61.25</b>
<b>Note: 19 Current Tax</b>		
During the year 2021-22 and 2020-2021, no provision of current tax has been made as during the year, company has suffered loss.		
<b>Note: 20 Disclosure as per AS-20</b>		
<b>Particulars</b>	<b>2021-22</b>	<b>2020-21</b>
	<b>Amount (Rs)</b>	<b>Amount (Rs)</b>
Net Profit / (Loss) after tax	(1.96)	(23.29)
Weighted Average Number of Equity Shares	1,950,384.00	1,950,384.00
<b>Earning Per Share</b>		
Basic	(0.10)	(1.19)
Diluted	(0.10)	(1.19)
The Earning per share has been calculated taking into consideration the net profit attributable to Equity Share Holders per weighted number of equity shares for the year.		



*W. J. J. J.*



**Note 21. Deferred Tax Liabilities**

Particulars	2021-22	2020-21
	Amount (Rs)	Amount (Rs)
Opening Deferred Tax Liability / (Asset)	0.17	(0.65)
Reversal of Deferred Tax liability / (Asset)	(0.17)	0.65
Creation of Deferred Tax Liability / (Asset) on account of Depreciation	(0.95)	0.17
Creation of Deferred Tax Liability / (Asset) on account of Gratuity		
Reversal of Deferred Tax liability / (Asset)		
<b>Balance of DTL/ (DTA) at the close of the year</b>		<b>0.17</b>

**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	2021-22	2020-21
	Amount (Rs)	Amount (Rs)
<b>As Audit Fees</b>		
Statutory Audit	0.80	0.80
<b>Total</b>	<b>0.80</b>	<b>0.80</b>

**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
Pramit Bharat Brahmhatt Kanaksinh Agarsinh Gohil

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

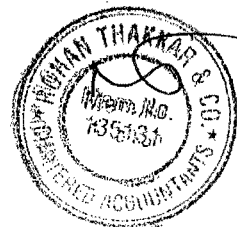
- Veracity Advisory Services Private Limited
- Sahaj Solar Private Limited
- Veracity Energy and Infrastructure Private Limited
- Veracity Broking Services Private Limited
- Alpari Financial Services (India) Private Limited

**c) Relatives of Key Managerial Personnel**

- Pramit Brahmhatt HUF
- Manan Brahmhatt, Brother of Sh Pramit Brahmhatt
- Varna Bhramhatt, Spouse of Sh Pramit Brahmhatt

**Related Party Transactions**

Particulars	2021-22	2020-21
	Amount (Rs)	Amount (Rs)
<b>Loan Accepted</b>		
Pramit Brahmhatt	20.00	1.00
Sahaj Solar Private Limited	69.66	
Veracity Broking Service Private Limited	3.37	
<b>Loan Repaid</b>		
Pramit Brahmhatt	26.10	12.00
Sahaj Solar Private Limited	73.94	
Veracity Broking Service Private Limited	3.40	
<b>Closing Balances of Loan at the end of the Year</b>		
Pramit Brahmhatt	-	6.10
<b>Closing Balance of Loans Given</b>		
Veracity Broking Services Private Limited	-	-
Sahaj Solar Private Limited	-	-
<b>Salary</b>		
<b>Relative of Director</b>		
Manan Brahmhatt	900,000.00	865,200.00
<b>Rent Paid</b>		
Manan Brahmhatt	137,750.00	414,720.00
Pramit Brahmhatt	261,250.00	207,360.00
<b>Interest Payable</b>		
Sahaj Solar Private Limited	20,318.00	
Veracity Broking Services Private Limited	-	
<b>Services Provided</b>		
Sahaj Solar Private Limited (Excluding GST)	1,200,000.00	1,500,000.00



**Note 24 # Disclosure as per AS-5**

1 In the year 2020-21, the balance of Fixed Deposit to the tune of Rs 100000 was shown excess. The same has been written off during the year.  
 2 In the year 2019-20, w.r.t loans taken by the company from Pramit Bhambhatt, 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 1710000.00. Considering this aspect, the closing balance has been reported in the year 2020-21.

**Note: 25 # Disclosure w.r.t. Lease Payments in terms of AS-19**

Particulars	2021-22	2020-21
	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; (ii) later than one year and not later than five years; (iii) later than five years;	0.57	3.42 0.57
ii) Lease Payment Recognized in Profit and Loss Account  Minimum Lease Payment (Excluding Tax, if any) Contingent Rent	6.82	5.73

**Note: 26 # Disclosure w.r.t. Employee Benefits in terms of AS-15**

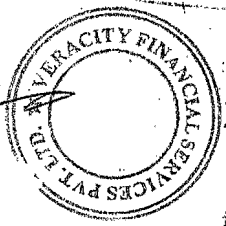
Particulars	2021-22	2020-21
	Amount (Rs)	Amount (Rs)
i) Defined Contribution Plan Recognized in Profit and Loss A/c		
Provident Fund	1.86	1.55
ESIC	0.18	0.24

## ii) Defined Benefit Plan

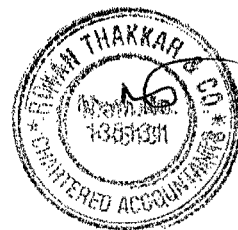
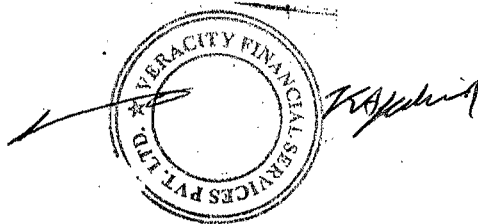
The Gratuity is accounted under defined benefit plan by the company

**Note No 27: #Disclosure as per AS-15**

Particulars	2021-22	2020-21
	Amount (Rs)	Amount (Rs)
<b>Gratuity</b>		
<b>Data Summary</b>		
Number of Employees	10	9.00
Total Monthly Salary	18,950.00	144,750.00
Average Salary	1,895.00	11,227.65
<b>Valuation Results</b>		
Discontinuance Liability	275,625.00	292,500.00
Projected Benefit Obligation	355,905.00	429,490.00
<b>Other Results</b>		
Average Future Service	12 Years	12 Years
<b>Current &amp; Non-Current Liability</b>		
Funding Status	Unfunded	Unfunded
Fund Balance	N.A	N.A
Current Liability	3,765.00	5,106.00
Non-Current Liability	352,140.00	424,384.00
<b>(i) Financial Assumptions</b>		
Salary Escalation Rate	10 % p.a.	10 % p.a.
Discount Rate	7.23 % p.a.	6.85 % p.a.
<b>(ii) Demographic Assumption</b>		
Mortality Rate	Indian Assured Lives Mortality 2012-2014 (URBAN)	Indian Assured Lives Mortality 2006-08 (Ultimate)
Attrition Rate	For Service 4 Yrs and below 20% P.A. For Service 5 Yrs and below 2% P.A.	For Service 4 Yrs and below 20% P.A. For Service 5 Yrs and below 2% P.A.



<b>Valuation Inputs</b>		
Retirement Age	60 Years	60 Years
Vesting Period	5 Years	5 Years
<b>Note: 28 # Contingent Liabilities</b>		
Particulars	2021-2022 Amount (Rs)	2020-2021 Amount (Rs)
<b>Claims against the company not acknowledged as debt</b>		
Income tax matters in respect of earlier year under dispute		
(a) Pending in Commissioner of Income Tax Appeal		
(a) Pending before Service Tax Authorities	0.66	
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.		
<b>Total</b>		
<b>Note : 29 # Board of Directors Declaration</b>		
a) The amount of dividends proposed to be distributed to equity and preference shareholders for the period and the related amount per share shall be disclosed separately	No amount of dividend has been proposed to be distributed during the year	No amount of dividend has been proposed to be distributed during the year
b) Arrears of fixed cumulative dividends on preference shares shall also be disclosed separately	Company does not have preference shares, hence, there is no arrears of fixed cumulative dividend to be declared	Company does not have preference shares, hence, there is no arrears of fixed cumulative dividend to be declared
c) Where in respect of an issue of securities made for a specific purpose, the whole or part of the amount has not been used for the specific purpose at the balance sheet date, there shall be indicated by way of note how such unutilized amounts have been used or invested.	During the year, no securities have been issued as at the Balance Sheet date for a specific purpose.	During the year, no securities have been issued as at the Balance Sheet date for a specific purpose.
d) Where the company has not used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date, the company shall disclose the details of where they have been used	The company has utilized the borrowings from financial institutions for the purpose for which finance has been availed	The company has utilized the borrowings from financial institutions for the purpose for which finance has been availed
e) If, in the opinion of the Board, any of the assets other than Property, Plant and Equipment, Intangible assets and non-current investments do not have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion shall be stated	The Board is of the opinion that any of the assets as at 31.03.2022 as well as at 31.03.2021 other than Property Plant and Equipment, Intangible Asset and non current investement do not have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated above.	



**Note No 30 # Other Statutory Information**

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- iii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- iv) The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.
- v) The Company has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.
- vi) The Company does not have any transaction which are not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- vii) The Company has not revalued any of its Property, Plant and Equipment during the year.

**Note No 31# Other Notes**

1) In view of the recent amendments made in schedule III of the Companies Act 2013, below changes have been done in the comparative period (as at March 31, 2021).

iii) Prepaid Expense Rs. 2.60 Lakhs, Rs 2.13 lakhs given as advance to suppliers, Statutory dues including income tax receivable Rs 9.30 lakhs, other advances of Rs 0.44 lakhs and Rent Deposit of Rs 2.54 lakhs that were earlier shown under loans and advances are now shown under other current assets assets.

**Note No 33 #**

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 even date

For, Rohan Thakkar & Co  
Chartered Accountants  
FRN: 130843W

CA Rohan Thakkar  
Proprietor  
M.No. 135131  
Place: Ahmedabad  
Date: 01/09/2022

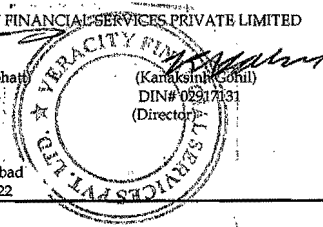


For, VERACITY FINANCIAL SERVICES PRIVATE LIMITED

(Prमित Brahmbhatt)  
DIN # 02400764  
(Director)

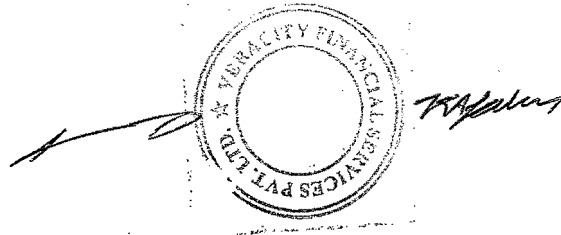
(Kanaksinh Goful)  
DIN# 02317131  
(Director)

Place: Ahmedabad  
Date: 01/09/2022



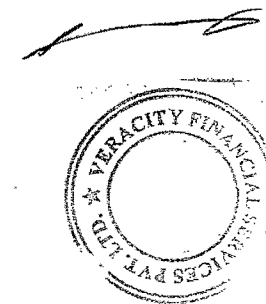
Note 1.4 Shareholding held by promoters

Shares held by promoters at the end of 31st March, 2022				Shares held by promoters at the end of 31st March, 2021				% Change during the year
Sr No	Promoter Name	No of Shares	% of total shares	Sr No	Promoter Name	No of Shares	% of total shares	
1	Kanaksinh Gohil	57692	2.96%	1	Kanaksinh Gohil	57692	2.96%	0%
2	Pramit Brahmhatt	1062881	54.49%	2	Pramit Brahmhatt	1062881	54.49%	0%

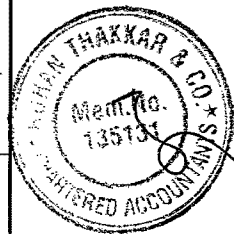




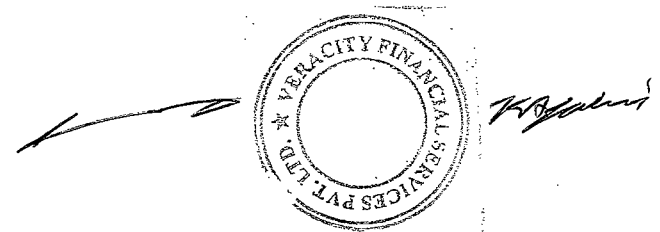
Note No 32 # Ratios												
				Ratio	As at 31.03.2022		Ratio	As at 31.03.2021		Variance	Reason for Change where % change is more than 25%	
				As at 31.03.2022	Numerator	Denominator	As at 31.03.2021	Numerator	Denominator	(in % age)		
1	Current Ratio	Numerator Current assets  Current Assets = Total Current Assets	Denominator Current liabilities  Current Liabilities = Total Current Liabilities	1.20	123.30	103.05	0.85	140.59	164.80	40.26%	Due to increase in current assets on account of reduction in loss in current year, the ratio has improved.	
2	Debt – Equity ratio	Total Debt *  Total Debt = Long Term Borrowings + Short Term Borrowings	Shareholder's equity **  Shareholders Equity = Equity Share Capital + Reserves and Surplus	-	-	252.68	0.04	10.41	254.64	-100.00%	The company has repaid the debt in the FY 2021-22, as a reason, the ratio has improved.	
3	Debt service coverage ratio	Earnings available for debt service (EBITDA)  Earning Available for debt service = Profit Before Tax + Depreciation + Interest payable to financial institutions +(-) Gain on disposal of asset and / or investment	Debt service = Interest +Principal, Short + Long term payable to financial institutions  Debt Service = Total Interest + Principal Repayment in case of Term Loans	NA								Not applicable since the company has not made any borrowings from any bank or financial institutions
4	Return on Equity (ROE)	Net profits after taxes	Average shareholder's equity	-0.77%	(1.96)	253.66	-8.75%	(23.29)	266.28	91.17%	On account of reduction in losses compared to earlier year.	
5	Inventory Turnover Ratio	Sales	Average Inventory	NA								Since the company is into financial service, therefore, it does not maintain any inventory, hence, this ratio is not applicable.
6	Trade receivables turnover ratio	Revenue	Average trade receivable	3.51	92.98	26.52	1.23	75.24	60.95	184.00%	On account of increase in revenue and reduction in average receivables.	
7	Trade payables turnover ratio	Purchases of services and other expenses	Average trade payables	6.22	50.06	8.05	11.40	61.25	5.37	-45.46%	On account of increase in revenue, to meet the expenditure.	



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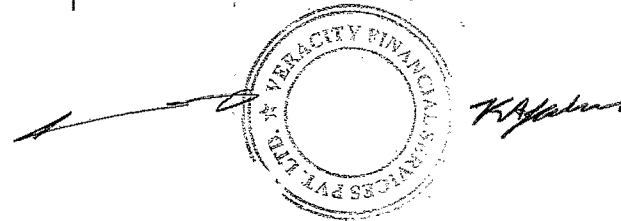


8	Net capital turnover ratio	Revenue	Working capital	4.59	92.98	20.25	(3.11)	75.24	(24.21)	-247.76%	On account of reduction in losses, the requirement of working capital has improved.
9	Net profit ratio	Net profit	Revenue	-2.11%	(1.96)	92.98	-30.96%	(23.29)	75.24	93.19%	On account of reduction in losses compared to previous year.
10	Return on Capital Employed (ROCE)	Earning before interest and taxes Earning before Interest and Taxes = Profit Before Tax + Interest payable to financial institutions + (-) Gain on disposal of asset and / or investment	Capital employed. Capital employed = Equity Share Capital + Reserves and Surplus + Long Term Borrowings + Short Term Borrowings + (-) Deferred Tax Asset / Liabilities - Non Current Investments	(0.00)	(1.02)	252.68	(0.08)	(20.03)	265.05	94.68%	On account of reduction in losses, the requirement of working capital has improved.
11	Return on Investment	Income derived from investment	Average Investment	NA							The company does not have investment, hence, this ratio is not applicable.



5.2 Ageing Schedule for Trade Payables										
Particulars	31.03.2022					31.03.2021				
	Outstanding for following periods from due date of payment					Outstanding for following periods from due date of payment				
	Less Than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total	Less Than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME - Undisputed										
(ii) MSME - Disputed										
(iii) Others - Undisputed	0.86	1.87	6.67	-	9.40	4.03	2.68	-	-	6.71
(iv) Others - Disputed					-					-
<b>Total</b>	<b>0.86</b>	<b>1.87</b>	<b>6.67</b>	<b>-</b>	<b>9.40</b>	<b>4.03</b>	<b>2.68</b>	<b>-</b>	<b>-</b>	<b>6.71</b>

10.2 Ageing Schedule for Trade Receivables												
Particulars	31.03.2022						31.03.2021					
	Outstanding for following periods from due date of payment						Outstanding for following periods from due date of payment					
	Less than 6 Months	More than 6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total	Less than 6 Months	More than 6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed, Considered Good	4.95	0.28	0.00	0.03	12.28	17.55	21.43	0.08	1.83	11.98	0.17	35.49
(ii) Undisputed, Considered Doubtful						-						-
(i) Disputed, Considered Good						-						-
(ii) Disputed, Considered Doubtful						-						-
<b>Total</b>	<b>4.95</b>	<b>0.28</b>	<b>0.00</b>	<b>0.03</b>	<b>12.28</b>	<b>17.55</b>	<b>21.43</b>	<b>0.08</b>	<b>1.83</b>	<b>11.98</b>	<b>0.17</b>	<b>35.49</b>



**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.

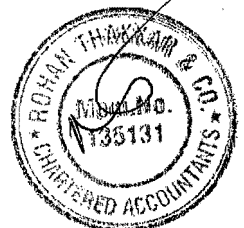
**3. Revenue Recognition**

**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**

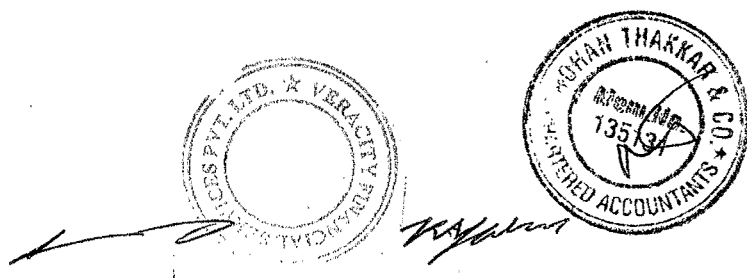
- The intangible assets are amortized based on the estimated useful of intangible asset at Written Down Value Method.
  - a. Software : 10 years
- Depreciation is provided on a pro-rata basis on the written down value method based on estimated useful life prescribed under Schedule II to the Companies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

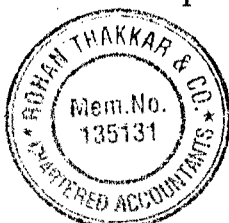
**9. Income Taxes**

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 realizable 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.

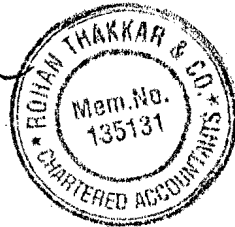
Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

For, Rohan Thakkar Co,

For, Veracity Financial Services Private Limited

Chartered Accountants,  
ERN No # 130843W

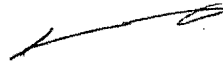
  
Rohan Thakkar



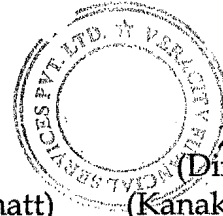
(Proprietor)

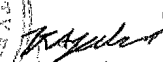
Membership No # 135131

Date: 01.09.2022  
Place: Ahmedabad



(Director)  
(Pramit Brahmhatt)  
DIN # 02400764





(Director)  
(Kanaksinh Gohil)  
DIN # 02917131

Date: 01.09.2022  
Place: Ahmedabad

Date: 01.09.2022  
Place: Ahmedabad