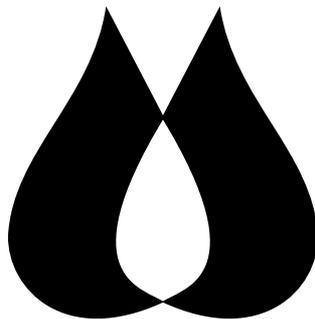


**29TH
ANNUAL
REPORT**

2019-2020



Siel Financial Services Limited

BOARD OF DIRECTORS

Mr. Santosh Kumar

Mr. Madhu Vrat Kaushik – Whole Time Director

Mr. Arun Kumar Mithal

Mrs. Anju Goel

COMPANY SECRETARY

Mrs. Jyoti

CHIEF FINANCIAL OFFICER

Mr. Arun Kumar Sharma

AUDITORS

M/s S S Kothari Mehta & Co.

Chartered Accountants

(ICAI Firm Registration No:000756N)

Plot No.68, Okhla Industrial Area,

Phase-III, New Delhi - 110020

BANKERS

Punjab National Bank

Allahabad Bank

State Bank of India

REGISTERED OFFICE

Soni Mansion

12-B, Ratlam Kothi

Indore – 452001 (M.P.)

CIN: L65999MP1990PLC007674

E-mail: corporate@mawanasugars.com

**REGISTRAR &
SHARE TRANSFER AGENT**

Mas Services Limited

T-34, Okhla Industrial Area,

Phase-II, New Delhi - 110020

Phone No.:011-26387281-83,

Fax: 011-26387384

Website: www.masserv.com,

E-mail: info@masserv.com



NOTICE

NOTICE is hereby given that 29th Annual General Meeting of the shareholders of Siel Financial Services Limited (the "Company"/ "SFSL") will be held on Friday, the 25th day of September, 2020 at 11.00 A.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited financial Statements which comprises of Balance Sheet for the financial year ended 31st March, 2020 the statement of Profit and Loss Account and the Cash Flow Statement for the year ended on that date together with reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Anju Goel (DIN - 08286756), who retires by rotation and being eligible, offers herself for reappointment.

SPECIAL BUSINESS:

3. To Consider and if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors and subject to the provisions of Sections 196, 197, 203 and Schedule – V of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, and other applicable provisions, if any, of the Companies Act, 2013, consent of the members of the Company be and is hereby accorded to the appointment of Mr. Madhu Vrat Kaushik (DIN-07297518) as Whole Time Director of the Company without any remuneration for a period of 5 years w.e.f. 14.02.2020 to 13.02.2025.

RESOLVED FURTHER THAT Mr. Madhu Vrat Kaushik, Whole Time Director shall have the right to manage the day-today business affairs of the Company subject to the superintendence, guidance, control and direction of the Board of Directors of the Company and shall have the right to exercise such powers of management of the Company, from time to time, as may be delegated to him by the Board of Directors."

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**By Order of the Board
For Siel Financial Services Limited**

**Place : New Delhi
Date : 08.08.2020**

**(Jyoti)
Company Secretary
ACS-26196**

Notes:

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the Ministry of Corporate Affairs ("MCA") vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") has permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. Since, the AGM is being conducted through VC/ OAVM (without the physical presence of the members), the Proxy Form, Attendance Slip, Route Map and place of meeting are not required.
3. Corporate members intending to attend the AGM through authorized representatives are requested to send a scanned copy of duly certified copy of the board or governing body resolution authorizing the representatives to attend and vote at the Annual General Meeting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to nrbhaskumar77@gmail.com with a copy marked to corporate@mawanasugars.com.
4. The register of members and share transfer books of the Company shall remain closed from 19.09.2020 to 25.09.2020 (both days inclusive) for the purpose of Annual General Meeting.
5. Members holding shares in electronic form are advised to notify the changes, if any, in their address/ bank details/ mandate to their respective depository participants.

Siel Financial Services Limited

NOTICE (Contd.)

6. Members holding shares in physical form, may write to the Company or to the registrar and share transfer agent Mas Services Limited ("RTA") for any change in their addresses and bank mandate.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Company or to the RTA.
8. The statutory register maintained under Section 189 of the Companies Act, 2013 and Section 170 of the Companies Act, 2013, and all documents referred to in the Notice and accompanying explanatory statements will be available for inspection by members in electronic mode. Members can inspect the same by sending an email to corporate@mawanasugars.com.
9. In terms of Section 72 of the Companies Act, 2013 and related Rules thereunder, Member(s) of the Company may nominate a person to whom the Shares held by him/her shall vest in the event of his/ her death. Member(s) desirous of availing this facility may submit nomination in the prescribed Form SH- 13 to the RTA/Company in case shares are held in Physical form, and to their respective DP if held in electronic form. The Form SH-13 can be downloaded from the website of RTA.
10. In Compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020 Notice, inter-alia, explaining the manner of attending AGM through VC/ OAVM and electronic (e-voting) voting along with explanatory statement of 29th AGM of the Company and with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the 29th AGM and the Annual Report for the year 2019-20, may note that the Notice and Annual Report will also be available on website of the stock exchange i.e. BSE Limited and on the website of CDSL at www.evoting.india.com and also at the website of our RTA at www.masserv.com.
11. PROCESS FOR THOSE SHAREHOLDERS WHO WISH TO OBTAIN LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE BUT WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES:
 1. For Physical shareholders- Kindly send an email with a scanned request letter duly signed by 1st shareholder, scan copy of front and back of one share certificate, and copy of PAN card to info@masserv.com
 2. For Demat shareholders - Kindly update your email id with your depository participant and send copy of client master to info@masserv.com
12. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
13. Additional information, pursuant to Regulation 36 (3), of the Listing Regulations, in respect of directors appointment/reappointing at the Annual General Meeting and Explanatory Statement as required under Section 102 of the Companies Act, 2013, in respect of special business of the Notice is appended hereto and forms part of this Notice.
14. In compliance with the provisions of Regulation 44 of the Listing Regulations and Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, the Company is pleased to provide electronic voting facility to its members for transacting all the businesses as stated in the Notice for the 29th Annual General Meeting of the Company through remote e-voting services being provided by Central Depositories Services (India) Limited ("CDSL").
15. THE INTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:
 - (i) The Remote e-voting period begins on Tuesday, 22nd September, 2020 at 09:00 a.m. and ends on Thursday, 24th September, 2020 at 05:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Friday, 18th September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
 - (iii) The shareholders need to visit the e-voting website <https://www.evotingindia.com/>.
 - (iv) Click on "Shareholders" module.



NOTICE (Contd.)

- (v) Now enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

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

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach "Password Creation" menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting on resolutions of any other company for which they are eligible to vote, provided that the company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For shareholders holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for Siel Financial Services Limited.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same, the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution on which you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

Siel Financial Services Limited

NOTICE (Contd.)

16. INSTRUCTIONS FOR JOINING MEETING THROUGH VC:

- (i) To join the meeting, the shareholders should log on to the e-voting website <https://www.evotingindia.com/> and login as explained above. After logging-in, kindly click on 'live streaming' tab and you will be redirected to 'cisco' website.

In the "Name" field	Put your name.
In the "last name" field	Enter your folio no. as informed in e-mail
In the "Email ID" field	Put your email ID
In the "Event password" field	Put the password as "cdsl@1234"

Click join now button.

Event will start and you will be in the AGM through Video conferencing.

You can join meeting through laptop, tablet, and desktop. In case you want to join through mobile, you need to download the webex meet app from the respective play store .

PRE-REQUISITE FOR JOINING OF MEETING THROUGH DESKTOP OR LAPTOP:

- System requirement:
 - ✓ Windows 7, 8 or 10
 - ✓ I3
 - ✓ Microphone, speaker
 - ✓ Internet speed minimum 700 kbps
 - ✓ Date and time of computer should be current date and time

PRE-REQUISITE FOR JOINING OF MEETING THROUGH MOBILE:

- ✓ Please download webex application from play store

NOTE:IT IS ADVISABLE TO LOGIN BEFORE AND AT E-VOTING SYSTEM AS EXPLAINED IN E-VOTING INSTRUCTIONS ABOVE,TO BE FAMILIAR WITH THE PROCEDURE, SO THAT YOU DO NOT FACE ANY TROUBLE WHILE LOGGING-IN DURING THE AGM.

- (ii) PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

Physical Holding	Send a request to Registrar and Transfer Agents of the Company, MAS Services Limited at info@masserv.com providing Folio number, Name of the shareholder, scanned copy of the share certificate (Front and Back), PAN(Self attested scanned copy of PAN Card), AADHAR (Self attested scanned copy of Aadhar Card) for registering email address. Please send your bank detail with original cancelled cheque to our RTA (i.e. MAS Services Limited, T-34 2nd floor, Okhla industrial area phase-II, New Delhi 110020 alongwith letter mentioning folio no. if not registered already.)
Demat Holding	Please contact your Depository Participant (DP) and register your email address as per the process advised by DP. Please also update your bank detail with your DP for dividend payment by NACH if declare by company.

- (iii) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.



NOTICE (Contd.)

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer viz: nirbhaykumar77@gmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.

- (iv) Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at corporate@mawanasugars.com latest by 20.09.2020. Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
 - (v) Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM till 15 minutes thereafter and will be available for Members on first come first served basis upto 1000 members. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. can attend the 29th AGM without any restriction on account of first-come first served principle.
17. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e Friday, 18th September, 2020.
 18. M/s Nirbhay Kumar & Associates, Company Secretaries, has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting during AGM in a fair and transparent manner.
 19. The Scrutinizer shall after the conclusion of voting at the AGM, will unblock the votes cast through e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
 20. The results of remote e-voting and voting during AGM on the resolutions shall be aggregated and declared on or after the AGM of the Company. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the AGM.
 21. The Results shall be declared on or after the AGM of the Company. The Results declared along with the report of the Scrutinizer shall be placed on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchange i.e BSE Limited.
 22. Details as required in Regulation 36 (3) of the Listing Regulations and Secretarial Standard on General Meeting (SS-2) of ICSI, in respect of the Directors seeking appointment/re- appointment at the AGM is enclosed as Annexure-A to this notice.

EXPLANATORY STATEMENT

As required under Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to business mentioned under Item Nos. 3 of the accompanying Notice:

The Members of the Company in their 25th AGM held on 29.09.2016 had approved the appointment of Mr. Madhu Vrat Kaushik as a Non-Independent & Non-Executive Director of the Company with effect from 9.11.2015.

The Board of Directors of the Company in its meeting held on 14.02.2020, on the recommendations of Nomination & Remuneration Committee, have appointed Mr. Madhu Vrat Kaushik (DIN-07297518) as Whole Time Director (WTD) of the Company without any remuneration for a period of Five (5) years with effect from 14.2.2020 to 13.2.2025 on the terms and conditions as stated in the resolution, subject to the approval of members and such other approvals as may be required in this regard.

Siel Financial Services Limited

NOTICE (Contd.)

The Brief resume of Mr. Madhu Vrat Kaushik, nature of her expertise in specific functional areas and names of companies in which he holds directorships and memberships /chairmanships of Board Committees, his shareholding in the Company, relationships amongst directors' inter-se as stipulated under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, is provided to the attached Annexure-A to this Notice.

Mr. Madhu Vrat Kaushik is not disqualified from being appointed as a Whole Time Director in terms of Section 164 of the Act and has given his consent to act as a Whole Time Director.

It is proposed to seek the members' approval for appointment of Mr. Madhu Vrat Kaushik as Whole Time Director of the Company, by way of Special Resolution as required under Schedule V and Section 196 of the Companies Act, 2013.

None of the directors and Key Managerial Personnel and their relatives except Mr. Madhu Vrat Kaushik and his relatives are interested or concerned, financially or otherwise, in the aforesaid resolution as set out under item no. 3.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013. The Board of Directors recommends the resolution as set out under item no. 3 of this Notice for the approval of members of the Company.

**By Order of the Board
For Siel Financial Services Limited**

**Place : New Delhi
Date : 08.08.2020**

**(Jyoti)
Company Secretary
ACS-26196**

Siel Financial Services Limited



NOTICE (Contd.)

ANNEXURE-A

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT/ CONTINUATION IN TERMS OF REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Name of the Director	Mr. Madhu Vrat Kaushik	Mrs. Anju Goel
DIN	07297518	08286756
Date of Birth	12.06.1956	18.09.1971
Date of appointment	9.11.2015	27.11.2018
Expertise in the specific functional area	Having work experience of more than 44 years in the field of Accounts, Insurance etc.	Having work experience of more than 26 years in the field of Legal.
Qualifications	B.Com	Graduate of Delhi University
Shareholding in the Company (including HUF)	Nil	1
Directorship held in other public companies (excluding foreign companies)	Nil	Nil
Membership/ Chairman ship of Committees of other public companies (including only Audit Committee and Stakeholders Relationship Committee)	Nil	Nil
Disclosure of Relationship between Director inter-se	Nil	Nil

**By Order of the Board
For Siel Financial Services Limited**

**Place : New Delhi
Date : 08.08.2020**

**(Jyoti)
Company Secretary
ACS-26196**

Siel Financial Services Limited

DIRECTORS' REPORT

Your Directors have pleasure in presenting the 29th Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2020.

OPERATIONS

The Company is lying dormant for more than Thirteen years. There is no other employee except the KMPs such as Whole Time Director, Chief Financial Officer and Company Secretary which are on the rolls of the Company. The Company is now in compliance of various provisions to be made under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

FINANCIAL RESULTS

The Company has incurred a net loss of Rs. 15.83 Lacs during the year under review.

DIVIDEND

In view of the losses incurred during the year, your Directors expressed their inability to recommend any dividend.

MATERIAL CHANGES AND COMMITMENTS

No material changes or commitments have occurred between the end of the financial period to which the financial statements relate and the date of this report, affecting the financial position of the company.

SUBSIDIARY COMPANIES

The Company has no subsidiary company.

DIRECTORS AND KEY MANAGERIAL PERSONEL

(a) APPOINTMENTS/RE-APPOINTMENTS

The Board has appointed Mr. Madhu Vrat Kaushik as a Whole Time Director of the Company without any remuneration for a period of 5 years w.e.f. 14.02.2020 subject to approval of the shareholders. A resolution for seeking approval of members of the company for his appointment as Whole Time Director of the Company has been included in the Notice at the forthcoming Annual General Meeting.

Mrs. Anju Goel (DIN - 08286756) has retires by rotation at the forthcoming Annual General Meeting and being eligible offer herself for reappointment.

Particulars of Director/s seeking appointment/re-appointment/continuation have been given in the explanatory statement annexed to the notice for the Annual General Meeting.

All the Directors have made necessary disclosures as required under various provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

b) KEY MANAGERIAL PERSONNEL (KMP)

During the financial year ended March 31, 2020, the following persons are Whole Time Key Managerial Personnel (KMP) of the Company in terms of provisions of Section 203 of the Companies Act, 2013:

Sl. No.	Name	Designation	Date of Appointment as KMP
1.	Mr. Madhu Vrat Kaushik	Whole Time Director	14.02.2020
2.	Mr. Arun Kumar Sharma	Chief Financial Officer	14.02.2020
3.	Mrs. Jyoti	Company Secretary	31.12.2019

c) DECLARATION FROM INDEPENDENT DIRECTORS

The Independent Directors (IDs) have given declarations u/s 149(6) of the Act and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, confirming that they meet the criteria of independence as laid down under the said Section/ Regulation.

The Directors of the Company have also confirmed that they were not disqualified to be appointed as Directors as per Section 164(2) of the Companies Act, 2013 and they have not been debarred by SEBI to hold an office of Director.



DIRECTORS' REPORT (Contd.)

d) BOARD/DIRECTORS' EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations").

The performance of the Board and Committees thereof was evaluated on the basis of the criteria such as the composition and structure, effectiveness of processes, information, involvement of the Members and functioning etc. The Board reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive discussion and inputs in meetings, etc.

In a separate meeting of Independent Directors, the performance of Non-Independent Directors, the performance of the Board as a whole was evaluated. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

The review concluded by affirming that the Board as a whole, the Committees of the Board as well as all of its Members, individually, continued to display commitment to good governance, ensuring a constant improvement of processes and procedures. It was further acknowledged that every individual Member of the Board and the Committee thereof contribute its best in the overall growth of the organization.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134(3)(c) of the Companies Act, 2013, your Directors state that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- 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 loss of the Company for that year;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the Annual Accounts on a going concern basis;
- e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) 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.

MEETINGS OF THE BOARD

During the financial year ended March 31, 2020, seven Board meetings were held. Compliance reports of various laws applicable to the Company were reviewed by the Audit Committee and the Board of Directors. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the SEBI (LODR), Regulations, 2015. The details of meetings held and attended by the Directors during the year are provided in the Corporate Governance Report.

All statutory and other important items/ information were placed before the Board for approval/review.

AUDITORS AND THEIR REPORT

a) STATUTORY AUDITORS

Pursuant to the Section 139 of the Companies Act, 2013, appointment of the Statutory Auditors M/s. S S Kothari Mehta & Co., Chartered Accountants (ICAI Firm Registration No:000756N) was made by the members of the Company in its 28th Annual General Meeting (AGM) held on 27.09.2019 for a period of 5 years till the conclusion of 33rd Annual General Meeting of the Company on the recommendation of the Audit Committee and the Board of Directors.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report.

Siel Financial Services Limited

DIRECTORS' REPORT (Contd.)

The observations of Auditors in their report with the relevant notes to accounts are self-explanatory and therefore do not require further explanation.

b) SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Nirbhay Kumar (CP No.7887), M/s Nirbhay Kumar & Associates, Company Secretaries to undertake the Secretarial Audit of the Company for the financial year 2019-20.

The Secretarial Audit Report for the financial year ended 31st March, 2019 is attached as Annexure - A of this Board's Report.

FIXED DEPOSITS

The Company has neither accepted nor renewed any deposits falling within the provisions of Section 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 from its member and public during the Financial Year.

AUDIT COMMITTEE

The Audit Committee comprises of three Directors, two directors are independent directors and one is executive and non-independent director, viz., Mr. Santosh Kumar as Chairman, and Mr. Arun Kumar Mithal and Mr. Madhu Vrat Kaushik as its Members.

The details of terms of reference of the Audit Committee, number and dates of meeting held, attendance, among others are given separately in the attached Corporate Governance Report.

NOMINATION AND REMUNERATION COMMITTEE

Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with Rules made there under, the Board has constituted a Nomination & Remuneration Committee and the details of terms of reference, number & dates of meeting held, attendance and other details are given separately in the attached Corporate Governance Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company is under the business of investment and financing so the particulars of the Conservation of energy and Technology Absorption is : NOT APPLICABLE

Foreign Exchange Earnings and Out go: NIL

PARTICULARS OF EMPLOYEES

The Company has not paid any managerial remuneration during the year.

Therefore, the provisions of Section 197 of the Companies Act, 2013 and reporting requirements of the Order are not applicable to the Company.

RELATED PARTY TRANSACTIONS

There is no related party transaction happen during the financial year in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

EXTRACT OF ANNUAL RETURN

The extracts of the Annual Return (MGT-9) as per the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014 is annexed herewith and marked as Annexure – B to this Report.

CORPORATE GOVERNANCE

In accordance with SEBI (LODR), Regulations, 2015, Corporate Governance Report along with Auditors' certificate thereon and Management Discussion and Analysis Report form part of this report are enclosed as Annexure - C.

SHARE CAPITAL

During the financial year ended 31.3.2020, the Company has not issued any share capital with different voting rights, sweat equity or ESOP nor provided any money to the employees or trusts for purchase of its own shares.

Siel Financial Services Limited



DIRECTORS' REPORT (Contd.)

COMPLIANCES UNDER SEBI (LODR), REGULATIONS, 2015/COMPANIES ACT, 2013

The Securities and Exchange Board of India (SEBI) passed an order dated 26.8.2014 under Section 11(1), 11(2)(j), 11(4) and 11B of the SEBI Act, 1992 read with Section 12A of the Securities Contracts (Regulation) Act, 1956 in the matter of non-compliance with the requirement of Minimum Public Shareholding (MPS) under clause 40A of the Listing Agreement and restrained the Company, its promoters and directors from trading in company scrip.

ACKNOWLEDGEMENTS

Your Directors place on record their appreciation and gratitude for the unstinted support and assistance extended by shareholders, Central/ State Government and the Company Bankers. The Board also extends its heartfelt gratitude to the Creditors and Shareholders for the confidence reposed by them in the Company.

For and on behalf of the Board of Directors

Place : New Delhi
Date : 08.08.2020

Madhu Vrat Kaushik
Whole Time Director
DIN: 07297518

Santosh Kumar
Director
DIN:00994313

Siel Financial Services Limited

ANNEXURE – A TO DIRECTORS' REPORT

Form No. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2020

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

To
The Members,
SIEL FINANCIAL SERVICES LIMITED,
Soni Mansion
12 B, Ratlam Kothi
Indore, Madhya Pradesh
PIN - 452001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SIEL FINANCIAL SERVICES LIMITED**, (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:
 - i. The Companies Act, 2013 (the Act) and the rules made there under.
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment. Not Applicable for the period under review
 - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not applicable to the Company during the audit period**);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**Not applicable to the Company during the audit period**);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (**Not applicable to the Company during the audit period**)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during the audit period**); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not applicable to the Company during the audit period**);
- VI. Other laws that are applicable to the Company is Banking Regulation Act, 1949, Rules and Regulations and Guidelines issued by the Reserve Bank of India under Reserve Bank of India Act, 1934 those are applicable to Non-Banking Financial Companies.



Siel Financial Services Limited

ANNEXURE – A TO DIRECTORS' REPORT (Contd.)

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

- i. Listing Agreements entered into by the Company with Stock Exchange(s) and
- ii. Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above **except as mentioned below**:

1. **As per Section 203 of the Companies Act, 2013 and as per the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company requires to have the following whole-time key managerial personnel (KMPs) :**

- (i) **Managing director/Chief Executive Officer/a whole-time director;**
- (ii) **Company secretary (CS); and**
- (iii) **Chief Financial Officer (CFO)**

The above non-compliance has been complied as under:

- (i) *The Company has appointed Mrs. Jyoti, as Company Secretary and Compliance Officer of the Company with effect from 31.12.2019.*
- (ii) *The Company has appointed Mr. Madhu Vrat Kaushik as Whole Time Director (WTD) with effect from 14th February 2020.*
- (iii) *The Company has appointed Mr. Arun Kumar Sharma as Chief Financial Officer (CFO) of the Company with effect from February 14, 2020*

2. **As per Regulation 6 (1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; the listed entities shall appoint a qualified company secretary as the compliance officer.**

The above non-compliance has been complied as under:

The Company has appointed Ms. Jyoti, as Company Secretary and Compliance Officer of the Company with effect from 31.12.2019.

3. **As per Regulation 31 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the listed entity shall ensure that hundred percent of shareholding of promoter (s) and promoter group is in dematerialized form and the same is maintained on a continuous basis in the manner as specified by the Board.**

The above non-compliance has been complied as under:

The promoter's shareholding of the Company has been dematerialized on 14.06.2019.

4. **As per Regulation 38 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the listed entity shall comply with the minimum public shareholding requirements specified in Rule 19 (2) and Rule 19A of the Securities Contracts (Regulation) Rules, 1957 in the manner as specified by the Board from time to time. Company is in non-compliance of the provisions of this SEBI LODR Regulation.**

5. **As per Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the listed entity shall maintain a functional website containing the basic information about the listed entity. Company is in non-compliance of the provisions of this SEBI LODR Regulation.**

6. **Objects of the Company mentioned in its Memorandum of Association established the fact that objects of the Company are of Non-Banking Financial Company. During the period under review and also before this period Company is inoperative almost dormant. As per explanation received from the management Company has applied for registration as NBFC Company but the Certificate for the same has never been issued by Reserve Bank of India. We have been informed that replying the query raised by Company, RBI intimated Company not to do the Compliances of NBFC Companies as Company is not doing any business and almost inoperative and dormant.**

We further report that

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

Siel Financial Services Limited

ANNEXURE – A TO DIRECTORS' REPORT

- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All the decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that

- There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- We further report that during the audit period the company has not undertaken any major activities like;
 - (i) Public/Right/Preferential issue of shares/debentures/ borrowing/ sweat equity/ESOP etc.
 - (ii) Redemption/buy-back of securities
 - (iii) Major decisions has not been taken by the members in pursuance to section 180 of the Companies Act, 2013
 - (iv) Merger/amalgamation/reconstruction, etc.
 - (v) Foreign technical collaborations/Joint Ventures etc.

For Nirbhay Kumar & Associates

Place: New Delhi
Date: 08.08.2020

Nirbhay Kumar
M. No. : 21093
C.P. No.: 7887
UDIN number A021093B000588055

Siel Financial Services Limited



ANNEXURE – B TO DIRECTORS' REPORT

FORM NO. MGT - 9 EXTRACT OF ANNUAL RETURN

as on the financial year ended 31.03.2020
[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1	CIN	L65999MP1990PLC007674
2	Registration Date	12.12.1990
3	Name of the Company	Siel Financial Services Limited
4	Category / Sub-Category of the Company	I. Company Limited by Shares II. Indian Non-Government Company
5	Address of the Registered Office and contact details	Soni Mansion, 12-B, Ratlam Kothi, Indore-452 001 Madhya Pradesh Contact Details: 011-25739103
6	Whether listed company Yes / No	Yes
7	Name, address and contact details of Registrar and Transfer Agent, if any	Mas Services Limited T-34, Okhala Industrial Area, Phase-II, New Delhi-110 020 Phone No. 011-26387281-83 Fax 011-26387384 Website www.masserv.com E-mail info@masserv.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10% or more of the total turnover of the company shall be stated)

The Company was mainly engaged in the business leasing, advancing loan/ICD making investment, bill discounting and other financial activities. The Company is not doing any business activities and has been dormant for more than last 13 years

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
	Not Applicable		

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Mawana Sugars Ltd.	L74100DL1961PLC003413	Holding CO.	93.56	2 (46)
2	Siel Industries Estate Ltd.	U45209DL1994PLC057359	Fellow Subsidiary	Nil	2 (76)
3	Siel Infrastructure & Estate Developers Pvt. Ltd	U74899DL1985PTC021191	Fellow Subsidiary	Nil	2 (76)
4.	Mawana Foods Private Limited	U74899DL2006PTC144412	Associate	Nil	2 (6)

Siel Financial Services Limited

ANNEXURE – B TO DIRECTORS' REPORT (Contd.)

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

i) Category-wise shareholding

Category of shareholders	No. of Shares held at the beginning of the year (as on 01.04.2019)				No. of Shares held at the end of the year (as on 31.03.2020)				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoter									
(1) Indian									
a) Individual/HUF	0	10613382	10613382	93.56	10613182	200	10613382	93.56	0
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	-	-	-	-	-	-	-	-
e) Banks/ FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	0	10613382	10613382	93.56	10613182	200	10613382	93.56	0
(2) Foreign									
a) NRIs-Individual	-	-	-	-	-	-	-	-	-
b) Other individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of promoter (A)=(A) (1)+(A)(2)	0	10613382	10613382	93.56	10613182	200	10613382	93.56	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
b) Banks/FI	0	50	50	0.00	0	50	50	0.00	0
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s).	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Other (Specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1):-	0	50	50	0.00	0	50	50	0.00	0
2. Non- Institutions									
a) Bodies Corporates									
i. Indian	750	52700	53450	0.47	2010	51900	53910	0.47	0
ii. Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh	42775	573770	616545	5.44	56260	567325	623585	5.50	0.06
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	-	-	-	-	-	-	-	-	-
c) Other (Specify)									
i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property	-	-	-	-	-	-	-	-	-
ii) Other Foreign Nationals	-	-	-	-	-	-	-	-	-
iii) Foreign Bodies	-	-	-	-	-	-	-	-	-
iv) NRI / OCBs	100	51750	51850	0.46	225	51725	51950	0.46	0
v) Clearing Members / Clearing House	8475	0	8475	0.07	875	0	875	0.01	-0.06

Siel Financial Services Limited



ANNEXURE – B TO DIRECTORS' REPORT (Contd.)

Category of shareholders	No. of Shares held at the beginning of the year (as on 01.04.2019)				No. of Shares held at the end of the year (as on 31.03.2020)				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
Clearing House	-	-	-	-	-	-	-	-	-
vi) Trusts	-	-	-	-	-	-	-	-	-
vii) Limited Liability Partnership	-	-	-	-	-	-	-	-	-
viii) Foreign Portfolio Investor (Corporate)	-	-	-	-	-	-	-	-	-
ix) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2):	52100	678220	730320	6.44	59370	670950	730320	6.44	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	52100	678270	730370	6.44	59370	671000	730370	6.44	0
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	52100	11291652	11343752	100.00	10672552	671200	11343752	100.00	0

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	No. of Shares held at the beginning of the year (as on 01.04.2019)			No. of Shares held at the end of the year (as on 31.03.2020)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of shares Pledged/ emcumbered to total shares	No. of Shares	% of total Shares of the company	% of shares Pledged/ emcumbered to total shares	
1	Mawana Sugars Limited	10613382	93.56	0	10613382	93.56	0	0

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

(iv) There is no change in the Promoters' Shareholding during the year under review.

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (as on 01.04.2019)		Cumulative Shareholding during the year (as on 01.04.2020)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	10613382	93.56	#	
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			#	
3	At the End of the year	10613382	93.56	#	

Note : # There is no change in the promoters Shareholding during the year under review.

Siel Financial Services Limited

ANNEXURE – B TO DIRECTORS’ REPORT (Contd.)

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. 01.04.2019		Date	Increase/ Decrease in Shareholding	Reason for Increase/ Decrease	Cumulative Shareholding during the year		Shareholding at the end of the year i.e. 31.03.2020	
		No. of Shares	% of total Shares of the company				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	BVM Management Enterprises (P) Limited	49500	0.44	01-04-2019						
					No change in shareholding during the year					
				31-03-2020					49500	0.44
2	Nirmal Bang Securities Pvt Ltd.	7200	0.06	01-04-2019						
					No change in shareholding during the year					
				31-03-2020					7200	0.06
3	S R Batra	5800	0.05	01-04-2019						
					No change in shareholding during the year					
				31-03-2020					5800	0.05
4	Sidhant Khosla	5000	0.04	01-04-2019						
					No change in shareholding during the year					
				31-03-2020					5000	0.04
5	S R Batra	4125	0.04	01-04-2019						
					No change in shareholding during the year					
				31-03-2020					4125	0.04
6	Santosh Mittal	2950	0.03	01-04-2019						
					No change in shareholding during the year					
				31-03-2020					2950	0.03
7	D Batra	2475	0.02	01-04-2019						
					No change in shareholding during the year					
				31-03-2020					2475	0.02
8	Satish Kumar Nangia	2450	0.02	01-04-2019						
					No change in shareholding during the year					
				31-03-2020					2450	0.02
9	K Lall	2450	0.02	01-04-2019						
					No change in shareholding during the year					
				31-03-2020					2450	0.02
10	K Lall*	2400	0.02	01-04-2019						
					No change in shareholding during the year					
				31-03-2020					2400	0.02
11	Gulab Nihal Chand Jain*	Nil	Nil	01-04-2019						
				15-Nov-19	7200	Market Purchase	7200	0.06		
				31-03-2020					7200	0.06

Note : 1. * Ceased to be part of top ten shareholders as on 31.03.2020

2. # Not been part of top ten shareholders as on 01.04.2019



ANNEXURE – B TO DIRECTORS’ REPORT (Contd.)

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Director’s Name	Shareholding at the beginning of the year i.e. 01.04.2019		Date	Increase/ Decrease in Shareholding	Reason for Increase/ Decrease	Cumulative Shareholding during the year		Shareholding at the end of the year i.e. 31.03.2020			
		No. of Shares	% of total Shares of the company				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company		
1	Mr. Santosh Kumar	50	0.00	01-04-2019								
					No change in shareholding during the year							
				31-03-2020					50	0.00		
2	Mr. Arun Kumar Mithal	50	0.00	01-04-2019								
					No change in shareholding during the year							
				31-03-2020					50	0.00		
3	Mrs. Anju Goel	1	0.00	01-04-2018								
					No change in shareholding during the year							
				31-03-2020					1	0.00		

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year				
• Addition	Nil	Nil	Nil	Nil
• Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil

Siel Financial Services Limited

ANNEXURE – B TO DIRECTORS’ REPORT (Contd.)

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount (in Rs.)
		Mr. Madhu Vrat Kaushik*	
1	Gross salary		
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission	0	0
	- as % of profit	0	0
	- other, specify	0	0
5	Others, please specify	0	0
	Total (A)	0	0
	Ceiling as per the Act	0	0

*Appointed as Whole-Time Director of the Company w.e.f. 14.02.2020 without any remuneration.

B. Remuneration to other Directors:

No Remuneration /Sitting fee Paid to the Directors of the Company during the year.

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
1.	Independent Directors	-	-	-	-	-
	• Fee for attending board / committee meetings	-	-	-	-	-
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2.	Other Non-Executive Directors	-	-	-	-	-
	• Fee for attending board / committee meetings	-	-	-	-	-
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-



Siel Financial Services Limited

ANNEXURE – B TO DIRECTORS' REPORT (Contd.)

C. Remuneration to Key Managerial Personnel other than MD/ Manager/WTD:

At present there are no Key Managerial Personnel other than MD/Manager/WTD in the Company.

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount (In Rupees)
		Ms.Jyoti Company Secretary*	Mr. Arun Kumar Sharma CFO**	Total Amount (In Rupees)
1.	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	60667	0	60667
(b)	Value of perquisites u/s 17(2) of the Income-tax Act, 1961		0	
(c)	Profits in lieu of salary under section 17(3) Income tax Act, 1961		0	
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- other, specify	-	-	-
5	Others, please specify	-	-	-
	Total	60667	0	60667

*Appointed as Company Secretary w.e.f. 31.12.2019.

**Appointed as CFO w.e.f. 14.02.2020 without any remuneration.

VII. PENALTIES / PUNISHMENT / COMPUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding	Authority [RD / NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	Section 149 and Regulation 17(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015	The Company was in non-compliance with appointment of woman director up to 26th November, 2018 since the applicability of the Companies Act/ SEBI LODR. The Company has appointed Mrs. Anju Goel as Non-Executive, Non-Independent Woman Director of the Company w.e.f. 27th November 2018.	BSE has imposed penalty on the company in pursuance of SEBI Circular no. SEBI/HO/CFD/CMD/ CIR/ P/2018/ 77 dt. 03.05.2018 for the Quarter ended 30.9.2018 For Rs.5,42,800/- The penalty has been paid to BSE in September, 2019.	Stock Exchange	-
	Regulation 6(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015	The Company was in non-compliance with appointment of a qualified company secretary as the Compliance Officer of the Company. The Company has appointed Mrs. Jyoti as Company Secretary and Compliance Officer of the Company w.e.f. 31.12.2019	BSE has imposed penalty on the company in pursuance of SEBI Circular no. EBI/HO/CFD/CMD/CIR/P/2018/77 dt. 03.05.2018 for Rs.1,07,380/-	Stock Exchange	-

Siel Financial Services Limited

ANNEXURE – B TO DIRECTORS’ REPORT (Contd.)

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding	Authority [RD / NCLT/ COURT]	Appeal made, if any (give details)
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

Place : New Delhi
Date : 08.08.2020

Jyoti
Company Secretary
ACS-26196

Madhu Vrat Kaushik
Whole Time Director
DIN: 07297518



CORPORATE GOVERNANCE REPORT – 2019-20

1. Company’s Philosophy on Code of Corporate Governance

Good Corporate Governance act as a catalyst for consistent growth of an organization. It is the adoption of best business practices which ensure that the Company operates not only within the regulatory framework, but is also guided by ethics. The adoption of such corporate practices ensures accountability of the persons in charge of the Company on one hand and brings benefits to investors, customers, creditors, employees and the society at large on the other. The Company firmly believes in practicing good Corporate Governance in true spirit and endeavour to improve on these aspects on ongoing basis.

2. Board of Directors

(a) Composition

The Board of Directors of the Company consisting of 4 Directors. It consists of One Executive Director, Two Directors are Non-Executive and Independent Directors and one director is Non- Executive and Non-Independent Director. The Board of the Company is duly constituted as per the requirements of the Companies Act, 2013 read with rule made there under and Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board members possess the skills, experience and expertise necessary to guide the Company.

All the Directors have given necessary disclosures as required in the Companies Act, 2013 and rules made thereunder. There is no relationship between the Directors inter-se.

The composition of Board of Directors, their attendance at the Board Meetings held during the financial year ended March 31, 2020 and at the last Annual General Meeting held on 27.09.2019 and also the other directorship and membership/ chairmanship of Board committees are as follows:

Name of Director	DIN	Category of Directorship	No. of Board meetings attended	Attended last AGM	No. of other Directorship*	Name of the listed Companies (holding position of Director and category of Directorship)	No. of other Committee Membership**	
							Member (including Chairmanship)	Chairman/ Chairperson
1	2	3	4	5	6	7	8	8
Mr. Santosh Kumar	00994313	NE- I-D	7	YES	Nil	Nil	Nil	Nil
Mr. Arun Kumar Mithal	06941447	NE- I-D	7	YES	Nil	Nil	Nil	Nil
Mrs. Anju Goel	8286756	NE- NI-D	7	YES	Nil	Nil	Nil	Nil
Mr. Madhu Vrat Kaushik* (Whole Time Director)	07297518	ED	7	YES	Nil	Nil	Nil	Nil

ED-Executive Director, NE- I-D-Non-Executive Independent Director, NE-NI-D -Non-Executive Non-Independent Director

*Appointed as a Whole Time Director of the Company w.e.f. 14.02.2020.

Note:

*Other directorships exclude directorships in private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013

**For this purpose only Audit and Stakeholders’ Relationship Committees have been considered as defined under Regulation 26 of SEBI (LODR) Regulations, 2015.

During the Financial Year ended 31.3.2020, the Company was in non-compliance in respect of appointment of KMP under the provisions of Section 203 of the Companies Act, 2013. However, the above non-compliances has been complied by the Company on 31.12.2019 and 14.2.2020 by appointment of Company Secretary and WTD & CFO of the Company.

Siel Financial Services Limited

ANNEXURE – C TO DIRECTORS' REPORT (Contd.)

(b) Number of Board Meetings

During the financial year ended March 31, 2020, 7 board meetings were held on 23.5.2019, 12.8.2019, 21.8.2019, 8.11.2019, 31.12.2019, 6.2.2020 & 14.2.2020.

A separate meeting of the Independent Directors of the Company was convened on 14.02.2020 to overlook and review their own performance and of the Board. All the Independent Directors of the Company were attended the meeting.

(c) Details of the shareholding of Non-Executive Directors

The shareholding of the Non-Executive Directors of the Company as on 31.3.2020 is as under:

Sl. No.	Name of the Director	No. of Equity Shares
1.	Mr. Santosh Kumar	50
2.	Mr. Arun Kumar Mithal	50
3.	Mrs. Anju Goel	1

(d) Confirmation

On the basis of declaration received from the Independent Directors, the Board confirms that in their opinion the Independent Directors of the Company fulfill the conditions specified in the SEBI Listing Regulations 2015 and are independent of the management.

(e) Information supplied to the Board

1. Quarterly/annual financial results of the Company.
2. Minutes of meetings of Board committees.
3. Compliance of any regulatory, statutory nature or listing requirements and shareholder services

The Board periodically reviews the compliance reports of all laws applicable to the Company, prepared by the Company.

The Board is presented with detailed notes along with the agenda papers.

During the year, none of the Independent Director has resigned before the expiry of his/her tenure as Independent Director of the Company.

3. Audit Committee

(a) Terms of Reference

The role and terms of reference of Audit Committee shall cover areas mentioned under SEBI Listing Regulations/ and Section 177 of the Companies Act, 2013 and rules related thereto/other SEBI Laws/Regulations, as applicable from time to time besides other matters as may be delegated by the Board of Directors from time to time.

(b) Composition

Presently, the Audit Committee comprises of 3 Directors. One Director is Executive and Non-Independent and two directors are Non-Executive and Independent Directors. All the Committee members have sound knowledge of finance and accounting.

The Chairman of the Committee had attended the last Annual General Meeting.

The Company Secretary acts as the Secretary of the Committee. The statutory Auditors attend the meetings of the Committee on the invitation of the Company.

During the financial year ended 31.3.2020, the Audit Committee met 4 times on 23.5.2019, 12.08.2019, 8.11.2019 & 6.2.2020.

The composition of the Committee and their attendance at the Committee meetings held during the year are as under:

Sl. No.	Name of the Member	Status	No. of Meetings Attended (Total Meetings held 4)
1.	Mr. Santosh Kumar	Chairman	4
2.	Mr. Arun Kumar Mithal	Member	4
3.	Mr. Madhu Vrat Kaushik	Member	4



ANNEXURE – C TO DIRECTORS' REPORT (Contd.)

4. Nomination and Remuneration Committee

(a) Terms of Reference

The role and terms of reference of Nomination and Remuneration Committee shall cover areas mentioned under SEBI Listing Regulations/Section 178 of the Companies Act, 2013 and rules related thereto/other SEBI Laws/ Regulations, as applicable from time to time and other matters as may be delegated by the Board of Directors from time to time.

(b) Composition

Presently, the Committee comprises of 3 Directors. One Director is Executive and Non-Independent and two directors are Non-Executive and Independent Directors.

The Chairman of the Committee had attended the last Annual General Meeting.

During the financial year ended 31.3.2020, 3 meetings of the Committee were held on 23.5.2019, 31.12.2019 & 14.2.2020.

The Company Secretary acts as the Secretary of the Committee.

The composition of the Committee and their attendance at the Committee meetings held during the year are as under:

Sl. No.	Name of the Member	Status	No. of Meetings Attended (Total Meetings held 3)
1.	Mr. Santosh Kumar	Chairman	3
2.	Mr. Arun Kumar Mithal	Member	3
3.	Mr. Madhu Vrat Kaushik	Member	3

(c) Performance Evaluation criteria for Independent Directors

The performance evaluation criteria for Independent Directors was such as qualification, experience, knowledge, competency, availability, attendance, commitment, contribution of the individual directors to the Board and Committee meetings and fulfillment of independence criteria by them and their independence from the management. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation the directors who are subject to evaluation had not participated

5. Remuneration to Directors

The Company does not pay any remuneration to its Executive Directors and the Non-Executive Directors.

6. Stakeholders Relationship Committee

a) Terms of Reference

The Company has a Board Committee namely 'Stakeholders Relationship Committee', as required under the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulations, 2015 to look into various issues relating to shareholders including the redressal of shareholders complaints, share transfers/transmission/issue of duplicate shares etc. The meeting of this Committee is held frequently to ensure completion of share transfer work within the stipulated period.

b) Composition

The Stakeholder Relationship Committee comprises of 3 Directors. One Director is Executive and Non-Independent and two directors are Non-Executive and Independent Directors.

During the financial year ended 31.3.2020, 1 meeting of the Committee was held on 5.2.2020.

The Company Secretary acts as the Secretary of the Committee.

The composition of the Committee and their attendance at the Committee meeting/s held during the year are as under:

Siel Financial Services Limited

ANNEXURE – C TO DIRECTORS' REPORT (Contd.)

Sl. No.	Name of the Member	Status	No. of Meetings Attended (Total Meetings held 1)
1.	Mr. Santosh Kumar	Chairman	1
2.	Mr. Arun Kumar Mithal	Member	1
3.	Mr. Madhu Vrat Kaushik	Member	1

Mrs. Jyoti, Company Secretary is the Compliance Officer for complying with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the financial year ended March 31, 2020, 1 complaint was received from the shareholder. The complaint was replied/resolved to the satisfaction of the shareholder. No complaint is pending as at the end of the financial year..

7. General Body Meetings

(i) Details of last three Annual General Meetings were held as under:

Financial Year	Location	Date	Special Resolution Passed
2018-2019	Soni Mansion, 12-B, Ratlam Kothi, Indore – 452001 (M.P.)	27.09.2019	1. Appointment of Mr. Santosh Kumar (DIN: 00994313) as an Independent Director of the Company for a period of 5 years w.e.f. 29.09.2019 (2nd term). 2. Appointment of Mr. Arun Kumar Mithal (DIN: 06941447) as an Independent Director of the Company for a period of 5 years w.e.f. 29.09.2019 (2nd term).
2017-2018	Soni Mansion, 12-B, Ratlam Kothi, Indore – 452001 (M.P.)	29.09.2018	No Special resolution was passed.
2016-2017	Soni Mansion, 12-B, Ratlam Kothi, Indore – 452001 (M.P.)	29.09.2017	No Special resolution was passed.

(ii) During the financial year ended March 31, 2020, no special resolution was passed through Postal Ballot process.

(iii) There is no item in the Notice for the forthcoming Annual General Meeting that is proposed to be passed through Postal Ballot.

8. Means of Communication

(a) Financial Results

The Quarterly/Annual Audited Results are published in The Pioneer (English) and Indore Samachar (Hindi). The results are sent to the BSE Limited on which the Company is listed in the prescribed format so as to enable the stock exchange to put the same on their own Web-site.

(b) Stock Exchange

The Company makes timely disclosures of necessary information to BSE Limited (BSE) in terms of the Listing Agreement(s) and other rules and regulations issued by SEBI.

(c) BSE Corporate Compliance and Listing Centre

BSE Listing is a web-based application designed by BSE for corporates. All periodical compliance filings, inter- alia, Shareholding Pattern, Corporate Governance Report, Corporate announcements, amongst others are filed electronically on the Listing Centre.

(d) SEBI Complaints Redress System (SCORES)

The investor complaints are processed in a centralized web based complaints redress system.

(e) Management Discussion and Analysis report, which forms a part of the Annual Report, is given by means of a separate Annexure and is attached to the Directors' Report.

Siel Financial Services Limited

ANNEXURE – C TO DIRECTORS' REPORT (Contd.)

(x) **Categories of shareholders as on March 31, 2020**

Sl. No.	Category	No. of Shares held	% of shareholding
1.	Promoters' Shareholding	10613382	93.56
2.	Non-Promoter shareholding		0
(a)	Banks	50	0.00
(b)	Bodies Corporate	53910	0.48
(c)	Individuals	623585	5.50
(d)	NRIs	51950	0.45
(e)	Clearing Members	875	0.01
	Total	11343752	100.00

(xii) **Dematerialization of shares and liquidity**

The shares of the Company are compulsorily traded in dematerialized form and are available for trading on both the Depository Systems in India – Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL).

As on 31st March, 2020, a total of 1,06,72,552 equity shares of the Company, which form 94.08% of the Equity Share Capital, stand dematerialised. Under the depository system, the ISIN allotted to the Company's equity shares is INE027F01014.

(xiii) **Plant Locations**

The Company is a financial Company.

(xiv) **Investors' correspondence may be address to:**

Mr. N.K. Rastogi, M/s Mas Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi –110020, Phone No.: 011-26387281-83, Fax No. : 011-26387384, Website:www.masserv.com, E-mail: info@masserv.com

The address of Delhi Office is 5th Floor, Kirti Mahal, 19, Rajendra Place, New Delhi – 110125, Phone: 011-25739103, Fax : 011-25743659

Members holding shares in electronic mode should address all their correspondence to their respective Depository Participants.

10. Other Disclosures

- There is no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of Company at large.
- There were no instances of penalties, strictures imposed on the Company by stock exchange or SEBI or any statutory authority on any matter related to the capital markets, during the last three years.
- The Company has adopted Code of Conduct for Directors and Senior Management and Code of Internal Procedures and Conduct framed under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended to, inter alia, prevent insider trading in the shares of the Company.
- The Company is not engaged in commodity trading on the Commodity Exchange/s.
- The Company has not raised any funds through preferential allotment / qualified institutions placement as specified under Regulation 32(7A) of the SEBI (LODR) Regulations, during the year 2019-20.
- The Company has obtained a certificate from Mr. Nirbhay Kumar (CP No.7887) of M/s Nirbhay Kumar Associates, Practicing Company Secretaries, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any other statutory authority.
- There has been no case where the Board did not accept any recommendation of any of the Committees of the Board.
- During the year ended 31.3.2020, the Company has paid total fees of Rs. 1,00,000 to the Statutory Auditors for all services provided by him.

Siel Financial Services Limited



ANNEXURE – C TO DIRECTORS' REPORT (Contd.)

11. Code of Conduct

The Company has adopted a Code of Conduct for all Board Members and Senior Management Personnel of the Company in accordance with the requirements of Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the Board Members and the Senior Management Personnel have given affirmation of compliance with the said Code of Conduct for the financial year ended 31st March, 2020.

12. CEO/CFO Certification

Mr. Madhu Vrat Kaushik, Whole Time Director and Mr. Arun Kumar Sharma, Chief Financial Officer, have furnished a certificate relating to financial statements and internal control systems as per the format prescribed under SEBI (LODR), Regulations, 2015 and the Board took the same on record.

13. Directors with materially pecuniary or business relationship with the Company

There has been no materially relevant pecuniary transaction or relationship between the Company and its non- executive and/or independent Directors for the period under report.

For and on behalf of the Board of Directors

Place : New Delhi
Date : 08.08.2020

Madhu Vrat Kaushik
Whole Time Director
DIN: 07297518

Santosh Kumar
Director
DIN:00994313

DECLARATION

I, Madhu Vrat Kaushik, Whole Time Director hereby declare that the Code of Conduct adopted by Siel Financial Services Limited for its Board Members and Senior Management Personnel has been duly complied by all Board Members and Senior Management Personnel of the Company.

For and on behalf of the Board of Directors

Place : New Delhi
Date : 08.08.2020

Madhu Vrat Kaushik
Whole Time Director
DIN: 07297518

Siel Financial Services Limited

AUDITOR'S CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of

SIEL Financial Services Limited

1. We have examined the compliance of conditions of Corporate Governance by SIEL Financial Services Limited ("the Company") for the year ended March 31, 2020, as stipulated in Regulations 17 to 27, clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock exchanges.

Management's Responsibility for compliance with the conditions of Listing Regulations

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance stipulated in the SEBI Listing Regulations.

Auditors' Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations except that:
 - a. Presently the Company does not maintain any website. Hence, the Company has not posted information like terms of appointment of independent directors, Code of Conduct, whistle blower policy and quarterly results/annual reports on the website of the Company. This is not in compliance of LODR.
8. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on use

9. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **S. S. KOTHARI MEHTA & COMPANY**
Chartered Accountants
FRN - 000756N

Place: Delhi
Date: 08.08.2020

Amit Goel
Partner
Membership No. 500607
UDIN: 20500607AAAAEX895



Siel Financial Services Limited

ANNEXURE – D TO DIRECTORS' REPORT

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Siel Financial Services Limited was mainly engaged in the business of leasing, advancing loan/ICDs, making investments, bill discounting and other financial activities. The Company is not doing any business activities and had been lying dormant for the last more than thirteen years.

The Company has submitted its reply to exchange that as the Company is dormant since more than ten (10) years. There are no other employees except KMPs i.e. Company Secretary, Whole Time Director and Chief Financial Officer in the Company. Minimum number of Directors appointed for compliance purpose and the Company has very limited cash which is placed in Fixed Deposits. The interest earned on FD is being used by the Company to meet expenses relating to various filing and other fees for statutory compliances.

The Securities and Exchange Board of India (SEBI) passed an order dated 26.8.2014 under Section 11(1), 11(2)(j), 11(4) and 11B of the SEBI Act, 1992 read with Section 12A of the Securities Contracts (Regulation) Act, 1956 in the matter of non-compliance with the requirement of Minimum Public Shareholding (MPS) under clause 40A of the Listing Agreement and restrained the Company, its promoters and directors from trading in company scrip.

The Company has submitted various letters, submissions explaining the reasons for non-compliance with MPS till date and requested to SEBI for approval to reduce promoter's shareholding below 75% by way of sale of 20% promoters stake at a negotiated price to some unconnected person in an off market trade due to current financial position of the Company.

SEBI vide its order dated 15.06.2020 (Impugned Order) informed the Company that the request for relaxation of clause 2(a) and clause 3(a) of February 2018 circular cannot be acceded to.

The Company has filed a Memorandum of Appeal against the Order dated 15.06.2020 (Impugned Order) passed by the Hon'ble SEBI before the Securities Appellate Tribunal, Mumbai and the same was dismissed by the Tribunal vide its Order dated 3.8.2020 after hearing the reasons explained by the Company.

The financial performance of the Company is covered in the Directors' Report.

As there is no other employee except the KMPs on the rolls of the Company, there is nothing to report on the development of human resources.

Siel Financial Services Limited

INDEPENDENT AUDITOR'S REPORT

To the Members of Siel Financial Services Limited

Report on the Ind AS Financial Statements

Qualified Opinion

We have audited the accompanying Ind AS financial statements of **SIEL Financial Services Limited** ("the Company"), which comprise the balance sheet as at March 31, 2020, the statement of profit and loss (including other comprehensive income), cash flow statement and the statement of changes in equity for the year then ended, and notes to the Ind AS financial statements, including summary of significant accounting policies and other explanatory information. (collectively referred as "Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion Paragraph, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March, 2020, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

- (a) The Company is not allowed to carry Non-Banking Financial Business due rejection of its application by the Reserve Bank. However, presently the operations of the Company are restricted to realization of debtors and advances and interest income on investments.
- (b) The Company has incurred a net loss of Rs 1,583.10 thousand for the year ended March 31, 2020 resulting in accumulated loss of 1,59,436.44 thousand as on that date which has completely eroded the net worth of the Company. Further, As on March 31, 2020, the Company's current liabilities exceeded its current assets by Rs 9,657.90 thousand. The Company had been reporting negative operating cash flows for few years which have also contributed to constraints of working capital. These conditions have resulted into acute working capital deficit and have casted material uncertainty on functioning of the Company.

As stated by the management, the accounts of the Company have been prepared on a "going concern" basis as the management is hopeful that adequate finance and opportunities would be available in the foreseeable future to enable the Company to start operating on a profitable basis. In view of the above, the accounts of the Company have been prepared on a going concern basis and do not include any adjustments relating to the recoverability and classification of recorded assets amounts or to amounts or classification of liabilities that may be necessary if the Company is unable to continue as going concern. (Refer note 21 to the Ind AS financial statements).

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

Key Audit Matters

We have determined that there are no key audit matters to communicate in our report except as reported under Basis for Qualified opinion paragraph above.

Emphasis of Matter

Without qualifying our report, we invite attention to Note 31 to the notes to Ind AS financial statements, which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management. The impact of these uncertainties on the Company's operations is significantly dependent on future developments.

Information Other than the Ind AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the Ind AS financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' Report. Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



Siel Financial Services Limited

INDEPENDENT AUDITOR'S REPORT (Contd.)

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

When we read Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant Rules issued thereunder.

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

In preparing the Ind AS 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.

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

Auditor's Responsibilities for the audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

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

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

Siel Financial Services Limited

INDEPENDENT AUDITOR'S REPORT (Contd.)

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) we have sought, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, 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, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant Rules issued thereunder;
 - e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
 - f) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
 - g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
 - h) In our opinion, and according to the information and explanations given to, the company has not paid any managerial remuneration during the year ended March 31, 2020. Hence, provisions of section 197 read with Schedule V to the Act are not applicable to the Company and has not commented upon; and
 - i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, the Company does not have any pending litigations which would impact its financial position;
 - ii. Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There is no amount required to be transferred to the Investor Education and Protection Fund by the Company.

For S.S. KOTHARI MEHTA & COMPANY
Chartered Accountants
Firm's Registration No. 000756N

Place: Gurugram
Date: June 25, 2020

AMIT GOEL
Partner
Membership No. 500607
UDIN: 20500607AAAADW9746



Siel Financial Services Limited

INDEPENDENT AUDITOR'S REPORT (Contd.)

Annexure A to the Independent Auditor's Report to the members of SIEL Financial Services Limited dated June 25, 2020.

Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' section

- (i) There are no fixed assets in the Company during the financial year ending March 31, 2020. Accordingly, provisions of clause 3 (i) of the Order are not applicable to the Company.
- (ii) The Company's operations does not give rise to inventories. However, the Company hold shares as stock in trade. Some of those shares are held in physical form which has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such verification.
- (iii) According to the information and explanations given to us, the Company has not granted loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, provisions of clause 3 (iii) of the Order are not applicable to the Company.
- (iv) As per the information and explanation given to us and on the basis of our examination of the records, the Company has not granted any loan and advances or made any guarantees, investments or security as per the provisions of section 185 and 186 of the Act. Hence, provisions of clause 3 (iii) of the Order are not applicable to the Company.
- (v) The company has not accepted deposits, the directives issued by the Reserve Bank of India and provisions of sections 73 to 76 or any other provisions of the Act and Rules framed there under, are not applicable.
- (vi) According to the information and explanation given to us, the Central Government has not prescribed maintenance of cost records under section 148 of the Act for the activities undertaken by the Company. Hence, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, income tax, goods & services tax, customs duty, cess and other material statutory dues, as applicable, with the appropriate authorities. Further there were no undisputed amounts outstanding at the year-end for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us and as per the books and records examined by us, there are no dues in respect of income tax, goods & services tax, duty of custom and cess which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us and as per the books and records examined by us, the Company has not taken any loan from any financial institution or Government. The Company does not have any outstanding debentures. Hence, provisions of clause 3 (viii) of the Order are not applicable to the Company.
- (ix) According to the information and explanations given by the management, the Company has not raised any monies by way of initial public offer or further public offer during the financial year, and the Company has not raised any term loans. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to the Company.
- (x) In our opinion and on the basis of information and explanations given to us, we report that no fraud by the company or on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given to us, the Company has not paid any managerial remuneration during the year, hence the provisions of section 197 of the Act and reporting requirements of the Order are not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company, therefore the provision of clause (xii) of the Order is not applicable to the Company and hence not commented upon.
- (xiii) In our opinion and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable and the details have been disclosed in the notes to the Ind AS financial statements, as required by the applicable Indian Accounting Standards.
- (xiv) As the Company has not made any preferential allotment and private placement of shares or fully & partly convertible debentures during the year under review, the reporting requirement of section 42 of the Act are not applicable to the Company.
- (xv) In our opinion and on the basis of information and explanations given to us, the Company has not entered into non-cash transactions with directors and persons connected with him. Hence, the provisions of section 192 of Act are not applicable.
- (xvi) In our opinion and on the basis of information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For S.S. KOTHARI MEHTA & COMPANY
Chartered Accountants
Firm's Registration No. 000756N

Place: Gurugram
Date: June 25, 2020

AMIT GOEL
Partner
Membership No. 500607
UDIN: 20500607AAAADW9746

Siel Financial Services Limited

INDEPENDENT AUDITOR'S REPORT (Contd.)

Annexure B to the Independent Auditor's Report to the members of SIEL Financial Services Limited dated June 25, 2020

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section

We have audited the internal financial controls over financial reporting of SIEL Financial Services Limited (the "Company") as of March 31, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

An audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



Siel Financial Services Limited

INDEPENDENT AUDITOR'S REPORT (Contd.)

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India"

For S.S. KOTHARI MEHTA & COMPANY
Chartered Accountants
Firm's Registration No. 000756N

Place: Gurugram
Date: June 25, 2020

AMIT GOEL
Partner
Membership No. 500607
UDIN: 20500607AAAADW9746

Siel Financial Services Limited

BALANCE SHEET AS AT MARCH 31, 2020

<i>All amounts in thousand (unless otherwise stated)</i>			
Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
Financial Assets			
- Investments	2	-	-
- Loans	3	-	-
Income tax assets(net)	4	38.96	225.27
Total Non-current assets		38.96	225.27
Current assets			
Inventories	5	69.54	109.31
Financial assets			
- Cash and cash equivalents	6	1,267.11	1,628.26
- Bank balances other than above	7	4,809.06	5,666.73
- Other financial assets	8	179.91	210.02
Other current assets	9	48.68	-
Total current assets		6,374.30	7,614.32
Total assets		6,413.26	7,839.59
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	113,229.89	113,229.89
Other equity	11	(159,436.44)	(157,853.34)
Total equity		(46,206.55)	(44,623.45)
LIABILITIES			
Non-current liabilities			
Financial liabilities			
- Borrowings	12	36,587.61	36,587.61
Total non-current liabilities		36,587.61	36,587.61
Current liabilities			
Financial liabilities			
- Borrowings	13	15,700.00	15,700.00
- Other financial liabilities	14	315.21	158.50
Other current liabilities	15	16.99	16.93
Total current liabilities		16,032.20	15,875.43
Total equity and liabilities		6,413.26	7,839.59
Significant accounting policy	1		

The accompanying notes form an integral part of these financial statements

as per our report on even date

For S.S. Kothari Mehta & Company

Chartered Accountants

Firm Registration No.: 000756N

Amit Goel

Partner

Membership No.: 500607

Madhu Vrat Kaushik

Whole Time Director

DIN: 07297518

Santosh Kumar

Director

DIN: 00994313

**For and on behalf of Board of Directors
of Siel Financial Services Limited**

Place: New Delhi

Date: June 25, 2020

Jyoti

Company Secretary

Arun Kumar Sharma

Chief Financial Officer

Siel Financial Services Limited



STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED MARCH 31, 2020

All amounts in thousand (unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from operations		-	-
Other Income	16	391.31	439.88
Total income		391.31	439.88
Expenses			
Employee Benefit Expenses	17	60.67	-
Other expenses	18	1,756.36	1,021.86
Total expenses		1,817.03	1,021.86
(loss)/profit before tax		(1,425.72)	(581.98)
Tax expense:			
Current tax			
Current tax			
Earlier year tax adjustments	19	157.38	-
Total tax expense		157.38	-
(loss)/profit for the year		(1,583.10)	(581.98)
Other comprehensive income			
Items that will not be reclassified to statement of profit or loss			
Re-measurement gains/ (losses) on defined benefit plans		-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income of the year, net of tax		(1,583.10)	(581.98)
Earnings per share:	25		
1) Basic (In Rs.)		(0.14)	(0.05)
2) Dilluted (In Rs.)		(0.14)	(0.05)
Significant accounting policy	1		

The accompanying notes form an integral part of these financial statements

as per our report on even date

For S.S. Kothari Mehta & Company

Chartered Accountants

Firm Registration No.: 000756N

For and on behalf of Board of Directors

of Siel Financial Services Limited

Amit Goel

Partner

Membership No.: 500607

Madhu Vrat Kaushik

Whole Time Director

DIN: 07297518

Santosh Kumar

Director

DIN: 00994313

Place: New Delhi

Date: June 25, 2020

Jyoti

Company Secretary

Arun Kumar Sharma

Chief Financial Officer

Siel Financial Services Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

All amounts in thousand (unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Cash flow from operating activities :		
Profit/(Loss) before tax	(1,425.72)	(581.98)
Interest income	(389.61)	(378.88)
Loss/(Gain) on fair value of stock in trade	39.77	21.01
Operating profit/(loss) before working capital changes	(1,775.56)	(939.85)
Adjustments for increase / (decrease) in current liabilities and assets:		
Other current assets	(48.68)	-
Other payables	0.06	10.91
Other financial liabilities	156.72	102.34
Cash generated from operations	(1,667.46)	(826.60)
Direct taxes (paid)/refund received	28.93	691.56
Net cash flow from/(used in) operating activities	(1,638.53)	(135.04)
Cash flow from investing activities :		
Interest received	419.71	704.62
Proceeds from/(Investment in) fixed deposits	857.67	(666.73)
Net cash flow from / (used in) investing activities	1,277.38	37.89
Cash flow from financing activities :		
Net cash flow from / (used in) financing activities	-	-
Net increase / (decrease) in Cash and cash equivalents	(361.15)	(97.15)
Cash and cash equivalents at the beginning of the year	1,628.26	1,725.41
Cash and cash equivalents at the end of the year	1,267.11	1,628.26

The accompanying notes form an integral part of these financial statements

as per our report on even date

For S.S. Kothari Mehta & Company

Chartered Accountants

Firm Registration No.: 000756N

**For and on behalf of Board of Directors
of Siel Financial Services Limited**

Amit Goel

Partner

Membership No.: 500607

Madhu Vrat Kaushik

Whole Time Director

DIN: 07297518

Santosh Kumar

Director

DIN: 00994313

Place: New Delhi

Date: June 25, 2020

Jyoti

Company Secretary

Arun Kumar Sharma

Chief Financial Officer

Siel Financial Services Limited



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

A. Equity Share Capital

All amounts in thousand (unless otherwise stated)

Particulars	As at March 31, 2018	Changes during the year	As at March 31, 2019	Changes during the year	As at March 31, 2020
Equity shares	113,229.89	-	113,229.89	-	113,229.89

B. Other Equity

Particulars	Equity component of compound financial instrument	Attributable to equity shareholders			
		Reserves and surplus			Total Other equity
		General reserve	Capital reserve*	Retained earnings	
As at March 31, 2018	40,020.16	5,053.99	62,050.00	(264,395.51)	(157,271.36)
Add: Profit for the year				(581.98)	(581.98)
Add: Other comprehensive income					
Total comprehensive income					
As at March 31, 2019	40,020.16	5,053.99	62,050.00	(264,977.49)	(157,853.34)
Add: Profit for the year	-	-	-	(1,583.10)	(1,583.10)
Add: Other comprehensive income					
Add: Transfer to retained earnings	(40,020.16)	-	-	40,020.16	-
Total comprehensive income	(40,020.16)	-	-	38,437.06	(1,583.10)
As at March 31, 2020	-	5,053.99	62,050.00	(226,540.43)	(159,436.44)

*The 5% Cumulative Redeemable Preference Shares amounting to Rs. 73,000 thousands consisting of 7,30,000 shares of Rs 100 each, were due for redemption in the month of January, 2007. Based on the offer given to preference shareholders regarding variation in terms of preference shares and irredemption letter, the Preference Shareholders unanimously approved the offer in their meeting and accordingly, out of Rs 73,000 thousands waiver has been given for Rs 85 per share amounting to Rs 62,050 thousands and the remaining amount of Rs 15 per share amounting to Rs 10,950 thousands has been redeemed by way of payment to preference shareholders. Accordingly, Capital Reserve of Rs. 62,050 thousands is created on waiver of Rs. 85 per share.

The accompanying notes form an integral part of these financial statements

as per our report on even date

For S.S. Kothari Mehta & Company

Chartered Accountants

Firm Registration No.: 000756N

For and on behalf of Board of Directors

of Siel Financial Services Limited

Amit Goel

Partner

Membership No.: 500607

Madhu Vrat Kaushik

Whole Time Director

DIN: 07297518

Santosh Kumar

Director

DIN: 00994313

Place: New Delhi

Date: June 25, 2020

Jyoti

Company Secretary

Arun Kumar Sharma

Chief Financial Officer

Siel Financial Services Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

1. (A). Summary of significant accounting policies

Corporate overview

SIEL Financial Services Limited ("the company") was incorporated on December 12, 1990 and is registered under the Companies Act 1956.

These financial statements were approved and adopted by board of directors of the Company in their meeting held on June 25, 2020.

(i) Basis of preparation

These financial statements have been prepared complying in all material respects with the Indian Accounting Standards notified under Section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 as amended from time to time. The financial statements comply with IND AS notified by Ministry of Company Affairs ("MCA"). The Company has consistently applied the accounting policies used in the preparation of financial statements of all the periods presented.

The financial statements have been prepared on an accrual basis under the historical cost convention, except for the certain financial assets and financial liabilities which have been measured at fair value as per the requirements of the Ind AS. The accounting policies, as set out below, have been consistently applied, by the Company, to all the years presented in the financial statements.

The preparation of financial statements requires the use of certain significant accounting estimates and judgements. It also requires the management to exercise judgement in applying the Company's accounting policies. The areas where estimates are significant to the financial statements, or areas involving a higher degree of judgement or complexity, are disclosed in note. 1 (B)

All the amounts included in the financial statements are reported in Indian Rupees ('Rupees' or 'Rs.') which is the functional currency of the Company, except per share data and unless stated otherwise and rounded off to nearest Thousands Rupees.

(ii) Statement of Compliance

The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 as amended from time to time.

(iii) Basis of classification of Current and non-current

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is classified as current when it is:

- i) Expected to be realised or intended to be sold or consumed in normal operating cycle
- ii) Held primarily for the purpose of trading
- iii) Expected to be realised within twelve months after the reporting period, or
- iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

- i) It is expected to be settled in normal operating cycle
- ii) It is held primarily for the purpose of trading
- iii) It is due to be settled within twelve months after the reporting period, or
- iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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



(iv) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company measures financial instruments such as investment in unquoted equity and preference shares, quoted mutual funds, security deposits paid to landlords for properties on rent and financial guarantees at fair value at each balance sheet date.

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

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 -Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

v) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

- (a) **Interest income** is recognized on a time proportion basis considering the amount outstanding and the rate applicable. For all debt instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. Interest income is included in other income in the statement of profit or loss.
- (b) **Dividend income** is recognised when the right to receive the payment is established (generally on shareholder's approval by the reporting date).

(vi) Income taxes

Tax expense comprises of current income tax and deferred tax. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax is recognised using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognized for all taxable temporary differences

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses, if any. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Siel Financial Services Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

(vii) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost

(viii) Employee benefits

No provision for Short term employee benefit and Post employment benefits such as provident fund, gratuity, superannuation schemes and leave encashment has been made during the reporting period. Upon commencement of operations and upon inductment of employees, the liability will be provided towards defined contribution plan and defined benefit plan in compliance with "**Indian Accounting Standard-19 on Employees Benefits**", issued as per Companies (Indian Accounting Standards) Rules, 2015.

The aforesaid staff benefit scheme will be provided according to respective laws as and when these will be applicable on the company.

(ix) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All the financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date

Subsequent measurement

Non-derivative financial instruments

i) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates that are solely payments of principal and interest on principal amount outstanding. Further in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments the subsequent changes in fair value are recognized in other comprehensive income



iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair value through profit or loss

(b) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments

i) Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization

ii) Borrowings

On initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

(c) Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under IND AS 109. A financial liability (or a part of the financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

(d) Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments

(e) Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized as an impairment gain or loss in statement of profit or loss

(f) Reclassification

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Siel Financial Services Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(g) **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(x) **Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits and liquid fund investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

1.(B). Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) **Contingencies**

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

b) **Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Changes in accounting policies and disclosures

New and amended standards

The following amendments and interpretations apply for the first time in current financial year, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

Ind AS 116 Leases

Ind AS 116 supersedes Ind AS 17 Leases. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Upon adoption of Ind AS 116, lessees will apply a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The lessee will recognise lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor.

The application of Ind AS 116 did not have an impact on the financial statements of the Company.

Appendix C to Ind AS 12– Income taxes

Appendix C - Uncertainty over Income Tax Treatment has been inserted in Ind AS 12. The appendix C to Ind AS 12 addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 Income Taxes. It does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The appendix specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty. The Company applies significant judgement in identifying uncertainties over income tax treatments.

Upon adoption of the Interpretation, the Company considered whether it has any uncertain tax positions. The Company's tax filings include deductions based on the management judgement and the taxation authorities may challenge those tax treatments. The Company determined, based on its tax compliance and transfer pricing study, that it is probable that its tax treatments will be accepted by the taxation authorities. The amendment did not have an impact on the financial statements of the Company.

Amendment to Ind AS 109: Prepayment Features with Negative Compensation

Under Ind AS 109, a debt instrument can be measured at amortised cost or at fair value through other comprehensive income, provided that the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to Ind AS 109 clarify that a financial asset passes the SPPI criterion regardless of an event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract. These amendments had no impact on the financial statements of the Company.

Amendment to Ind AS 19: Plan Amendment, Curtailment or Settlement

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to determine the current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event. An entity is also required to determine the net interest for the remainder of the period after the plan amendment, curtailment or settlement using the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event, and the discount rate used to remeasure that net defined benefit liability (asset). The amendments had no impact on the financial statements of the Company as it did not have any plan amendments, curtailments, or settlements during the period.

Amendments to Ind AS 12 Income taxes

The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognises the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where it originally recognised those past transactions or events. An entity applies the amendments for annual reporting periods beginning on or after 1 April 2019, with early application permitted. When the entity first applies those amendments, it applies them to the income tax consequences of dividends recognised on or after the beginning of the earliest comparative period. These amendments had no impact on the financial statements of the Company.

Amendments to Ind AS 23 Borrowing Costs

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete. The entity applies the amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after 1 April 2019, with early application permitted. These amendments had no impact on the financial statements of the Company.

Siel Financial Services Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

All amounts in thousand (unless otherwise stated)

Note 2 - Investments- Non Current

Particulars	As at March 31, 2020	As at March 31, 2019
Investments at fair value		
Unquoted equity instruments - non trade		
MSD Industrial Enterprises Ltd (2,95,700 shares of face value of Rs. 10/- each)	10,822.62	10,822.62
SFSL Investment Ltd (54 shares of face value of Rs. 10/- each)	0.54	0.54
	10,823.16	10,823.16
Less: Provision for diminution in value of investment	(10,823.16)	(10,823.16)
Total	-	-

Note 3 - Loans-non current

Particulars	As at March 31, 2020	As at March 31, 2019
(Unsecured, considered doubtful)		
Inter corporate deposits	9,250.15	9,250.15
Less: Provision for doubtful debts	(9,250.15)	(9,250.15)
Total	-	-

Note 4 - Income tax assets

Particulars	As at March 31, 2020	As at March 31, 2019
Tax assets		
Advance income tax	38.96	225.27
Tax liabilities		
Provision for income tax	-	-
Total	38.96	225.27

Note 5 - Inventories

Particulars	As at March 31, 2020	As at March 31, 2019
Stock in trade-Shares	69.54	109.31
Total	69.54	109.31

Note 6 - Cash and cash equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
Cash on hand	4.60	4.80
Balance in current account	1,262.51	1,623.46
Total	1,267.11	1,628.26

Siel Financial Services Limited



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

All amounts in thousand (unless otherwise stated)

Note 7 - Bank balances other than above

Particulars	As at March 31, 2020	As at March 31, 2019
Deposits with original maturity of more than 3 months but less than 12 months	4,809.06	5,666.73
Total	4,809.06	5,666.73

Note 8 - Other - financial assets

Particulars	As at March 31, 2020	As at March 31, 2019
Interest accrued on deposits	179.91	210.02
Total	179.91	210.02

Note 9- Other current assets

Particulars	As at March 31, 2020	As at March 31, 2019
Advance paid to vendor	48.68	-
Total	48.68	-

Note 10- Share capital

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised share capital		
- 2,00,00,000 Equity Shares of Rs. 10 each	200,000.00	200,000.00
- 10,00,000 5% Redeemable Cumulative Preference shares of Rs. 100 each	100,000.00	100,000.00
	300,000.00	300,000.00
Issued, subscribed and paid up		
- 11,343,752 Equity Shares of Rs. 10 each	113,437.52	113,437.52
- Less Calls In Arrear	207.63	207.63
	113,229.89	113,229.89

i. Reconciliation of issued and subscribed share capital as at year end :

Particulars	No. of shares	Amount in thousands
Equity shares of INR 10 each issued, subscribed and fully paid		
At March 31, 2018	11,343,752.00	113,229.90
Issued during the year	-	-
At March 31, 2019	11,343,752.00	113,229.90
Issued during the year	-	-
At March 31, 2020	11,343,752.00	113,229.90

A) Terms/ rights attached to equity shares:

The Company has only one class of equity shares having a par value of INR 10 per share. Each holder of the equity shares is entitled to one vote per share.

The Company declares and pays dividends in Indian Rupees. The Dividend proposed by the Board of directors is subject to the approval of shareholders in the ensuing Annual general meeting.

Siel Financial Services Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

All amounts in thousand (unless otherwise stated)

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

Name of the shareholder	As at March 31, 2020		As at March 31, 2019	
	No. of shares	% holding in the equity shares	No. of shares	% holding in the equity shares
Mawana Sugars Limited	10,613,382	93.56	10,613,382	93.56

C) There are no bonus issue or buy back of equity shares during the period of five years immediately preceding the reporting date.

Note 11 - Other Equity

Particulars	As at March 31, 2020	As at March 31, 2019
Equity component of financial instrument	-	40,020.16
Capital reserve	62,050.00	62,050.00
General reserve	5,053.99	5,053.99
Retained earnings	(226,540.43)	(264,977.49)
Total	(159,436.44)	(157,853.34)

Note 12 - Borrowings (non current)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured		
Liability component of compound financial instrument		
Loans and advances from related parties	36,587.61	36,587.61
Total	36,587.61	36,587.61

Note: The Company has obtained interest free corporate deposit of Rs 12,000 thousands & unsecured advance on current account of Rs.24,587.61 thousands from its Holding Company, Mawana Sugars Limited (formerly known as Siel Limited). The same shall be adjusted or paid as per mutually agreed terms. The same is not payable within 12 months from date of balance sheet i.e. March 31, 2020

Note13 - Short term borrowings

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured		
Other loans and advances (short term)	15,700.00	15,700.00
Total	15,700.00	15,700.00

The Company had obtained interest bearing Inter Corporate Deposit of Rs 15,700 thousands from SFSL Investments Limited which was step down subsidiary of its holding company. SFSL Investments Limited had been disposed off by holding company on January 31, 2011 and is no longer a step down subsidiary of its holding company from January 31, 2011. The Company is not paying interest from last few years and had taken letter for waiver of interest amount from SFSL Investments Limited vide letter dated April 10, 2016 for previous periods as well as for future periods till company the net worth of the Company remains negative. Hence no provision / liability has been provided for interest amount. Since the said amount is payable on demand, the same in the absence of any confirmation, categorized as short term borrowings.

Siel Financial Services Limited



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

All amounts in thousand (unless otherwise stated)

Note 14 - Other financial liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Other payables	315.21	158.50
Total	315.21	158.50

Note 15 - Other current liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory dues	16.99	16.93
Total	16.99	16.93

Note 16 - Finance income

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest on fixed deposits with bank	389.61	378.88
Interest From Income tax refunds	1.70	61.00
Total	391.31	439.88

Note 17 - Employee benefit expenses

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries and wages	60.67	-
Total	60.67	-

Note 18 - Other expenses

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Advertisement	41.83	47.88
Audit fee	120.36	115.05
Bank charges	1.12	1.50
Fine & Penalty	757.56	
Listing fee	354.00	312.28
Loss on fair value of stock in trade	39.77	21.01
Postage	65.82	67.02
Printing and stationery	62.17	130.56
Professional fee	275.45	294.46
Registration and filing fee	14.28	8.10
Rent	24.00	24.00
Total	1,756.36	1,021.86

Siel Financial Services Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 19 - Tax expenses

Particulars	As at March 31, 2020	As at March 31, 2019
Current tax expenses	-	-
Earlier year tax adjustments	157.38	
Total	157.38	-
Tax reconciliaton		
(Loss)/Profit before tax	(1,425.72)	(581.98)
Enacted tax rate	25.17%	26.00%
Tax should be	(358.82)	(151.31)
Reconciliaton		
Earlier year tax adjustments	157.38	-
Deferred tax asset not created on losses due to uncertainty of profit	358.82	151.31
Total	157.38	-

Note 20 - Contingent liability and commitments

Particulars	As at March 31, 2020	As at March 31, 2019
i) Contingent liability not acknowledge as debt		
Contingent liability	Nil	Nil
ii) Commitments		
Capital commitment	Nil	Nil
Other commitment	Nil	Nil

21 The Company has severely curtailed its operations due to meagreness of funds and adverse market conditions. The operations of the Company are restricted to realization of debtors or advances. The management is negotiating with certain parties for realizing some of the assets and is hopeful of generating funds for this business. The accounts of the company have been prepared on a "going concern" basis on an assumption & promises made by the management that adequate finances and opportunities would be available in the foreseeable future to enable the company to start operating on a profitable basis. In view of the above, the accounts of the Company have been prepared on a going concern basis.

22 During the year ended March 31, 2020, there are no MSMED parties accordingly information as required under Micro, Small & Medium Enterprises Development Act, 2006, has not been provided.

23 No Employee Benefits Schemes such as Gratuity, Provident Fund & other staff welfare schemes are applicable on the Company during the reporting year. Accordingly no provision has been made during the reporting period as mandated by "Ind AS 19 on Employees Benefits".

24 The Company estimates the deferred tax (charge) / credit using the applicable rate of taxation based on the impact of timing differences between financial statements and estimated taxable income for the current year. Since there is no reasonable certainty in timing of realization of profits hence deferred tax asset (Net) has not been recognized.

25 Earnings per share (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

Siel Financial Services Limited



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

All amounts in thousand (unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit after tax and exceptional item as per the statement of Profit and Loss (Rs. In 000)	(1,583.10)	(581.98)
Weighted average number of equity shares for basic and diluted EPS	11,322,989	11,322,989
Basic and diluted earnings per share (in Rs.)	(0.14)	(0.05)
Face Value per share (in Rs.)	(0.14)	(0.05)

26 Related party transactions

I) List of related parties

A. Holding company

Mawana Sugars Limited

B. Fellow Subsidiaries

Siel Industrial Estate Limited

Siel Infrastructure & Estate Developers Private Limited

II) Transactions with related parties

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
TDS Deposited by Mawana Sugars Ltd on behalf of Siel Financial Services Limited	70.77	49.66
Advance Tax Deposited on behalf of Siel Financial Services Ltd by Mawana Sugars Limited	-	-
Reimbursement to Mawana Sugars Limited	70.77	49.66
Balance Outstanding		
Unsecured Loan Payable to Mawana Sugars Limited	36,587.61	36,587.61

27 The lease expenses debited to statement of profit and loss is Rs 24 thousand (previous year Rs. 24 thousand). There are no non-cancellable operating leases.

28 A. Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values.

Particulars	Carrying value		Fair value	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Financial assets				
Fair Valuation through profit and loss				
Inventories	69.54	109.31	69.54	109.31
Fair Value at amortized cost				
Investments	-	-	-	-
Loans and advances	-	-	-	-
Cash and cash equivalents	1,267.11	1,628.26	1,267.11	1,628.26
Other bank balances	4,809.06	5,666.73	4,809.06	5,666.73
Other financial assets	179.91	210.02	179.91	210.02
Total	6,325.62	7,614.32	6,325.62	7,614.32

Siel Financial Services Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

All amounts in thousand (unless otherwise stated)

Particulars	Carrying value		Fair value	
	As at	As at	As at	As at
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Financial liabilities				
Fair Value at amortized cost				
Borrowings	52,287.61	52,287.61	52,287.61	52,287.61
Other payables	315.21	158.50	315.21	158.50
Total	52,602.82	52,446.11	52,602.82	52,446.11

The management assessed that cash and cash equivalents, other bank balances, trade receivables, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

28 B. fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is insignificant to the fair value measurements as a whole

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3 : Valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2020:

Particulars	Date of valuation	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)

I. Assets measured at fair value :

Fair Valuation through Statement of Profit and Loss

Investment in equity shares	31-Mar-20	69.54	-	-
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Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2019:

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)

I. Assets measured at fair value (Note 26):

Fair Valuation through Statement of Profit and Loss

Investment in equity shares	31-Mar-19	109.31	109.31	-	-
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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

There have been no transfers between Level 1 and Level 2 during the year ended March 31, 2020

Valuation technique used to determine fair value

Type	Valuation technique	Significant observable input
Financial liability(Borrowings)	Discounted Cash Flow method: The valuation model considers the present value of expected payment, discounted using a risk adjusted discount rates.	Not applicable

29 Financial risk management objectives and policies

The Company's principal financial liabilities comprise of borrowings, other payables and provisions. The Company's principal financial assets include receivables and cash and cash equivalent.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market price. Market risk comprise of interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. However, as the Company does not have any outstanding floating rate interest bearing long term and short term debts at the balance sheet date. Therefore, a change in interest rates on the reporting date would neither affect profit or loss nor affect equity.

Fair value sensitivity analysis for fixed rate instruments

The Company does not have any fixed rate financial assets and liabilities at fair value through profit and loss as on date. Therefore, a change in interest rates at the reporting date would neither affect profit or loss not affect equity.

B. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its financing activities, including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

An impairment analysis is performed at each reporting date on an individual basis. The calculation is based on exchange losses historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed below. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to financing activities as low on the basis of past default rates of its customers.

Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

All amounts in thousand (unless otherwise stated)

Particulars	Loans	Investments
Movement in provisions of doubtful debts		
Provision as at March 31, 2018	9,250.15	10,823.16
Provision charged during the year 2018-19	-	-
Provision written back during the year 2018-19	-	-
Provision as at March 31, 2019	9,250.15	10,823.16
Provision charged during the year 2019-20	-	-
Provision written back during the year 2019-20	-	-
Provision as at March 31, 2020	9,250.15	10,823.16

Siel Financial Services Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

C. Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of long term and short term borrowings and cash credit facilities. The table below summarises the maturity profile of the Company's financial liabilities based on contracted undiscounted payments.

All amounts in thousand (unless otherwise stated)

Particulars	Less than 1 year	1-3 years	>3 years	Total
As at March 31, 2020				
Borrowings	15,700.00	-	36,587.61	52,287.61
As at March 31, 2019				
Borrowings	15,700.00	-	36,587.61	52,287.61

30. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

Particulars	As at March 31, 2020	As at March 31, 2019
Borrowings	52,287.61	52,287.61
Cash and Cash Equivalents	(1,267.11)	(1,628.26)
Net Debts	51,020.50	50,659.35
Total Equity	(46,206.55)	(44,623.45)
Net debt/Equity	(1.10)	(1.14)

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2020 and March 31, 2019.

31. The Company has made assessment of impact of COVID 19 related lockdown on carrying value of receivables and other assets. The management assessment is that no material adjustments are required to be made in the carrying values of these assets as of the Balance sheet date. The management will continue to monitor material changes to future economic conditions.
32. No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorization.
33. There are no present obligations requiring provision in accordance with the guiding principles as enunciated in IND AS -37, as it is not probable that an outflow of resources embodying economic benefits will be required.

as per our report on even date

For S.S. Kothari Mehta & Company

Chartered Accountants

Firm Registration No.: 000756N

**For and on behalf of Board of Directors
of Siel Financial Services Limited**

Amit Goel

Partner

Membership No.: 500607

Madhu Vrat Kaushik

Whole Time Director

DIN: 07297518

Santosh Kumar

Director

DIN: 00994313

Place: New Delhi

Date: June 25, 2020

Jyoti

Company Secretary

Arun Kumar Sharma

Chief Financial Officer

