



11<sup>TH</sup>  
ANNUAL REPORT  
2021-2022





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**ANNUAL REPORT**  
**2021-2022**

**SECMARK CONSULTANCY LIMITED**

Registered Office : 36/227, RDP 10, Sector 6, Kandivali (West), Mumbai – 400067

CIN: L67190MH2011PLC220404

Website: [www.secmark.in](http://www.secmark.in)





# ABOUT SECMARK CONSULTANCY LIMITED

SecMark is a Company incorporated in India, offering Consulting, Technology and Outsourcing services in the areas of compliance, operations, risk management, outsourcing, software development etc. to more than 300 financial market participants and others. The clients primarily include stock and commodity brokers, depository participants, stock exchanges, wealth managers, alternative investment funds, research analysts, insurance companies, insurance brokers, corporate agents, portfolio managers, investment advisors, NBFCs etc.

## SERVICES

- Setting up financial services business in India
- Software Development
- Outsourcing
- IT Infrastructure Management
- System Audit and Cyber Security
- Forensic Audit
- Compliance Assistance
- Law, Litigation and Arbitration
- HR services

## PRODUCTS RANGE

- Back office solution for stock and commodity brokers.
- PMLA (client screening and transaction monitoring) solutions.
- E-KYC Solution
- Compliancesutra (A complete cloud based compliance product suite - [compliancesutra.com](http://compliancesutra.com))
- E-Learning product used by National Center for Financial Education

## INDUSTRIES

- Capital Markets
- Insurance Sector
- RERA Compliance
- Education and E-Learning





**MAIN CHALLENGES ASSOCIATED WITH REMOTE WORK: ERGONOMICS AND LIVING CONDITIONS**



**THE FUTURE OF REMOTE WORK: EMPLOYEE AND EMPLOYER PERSPECTIVES**

**PERSPETYWA PRACOWNIKA**



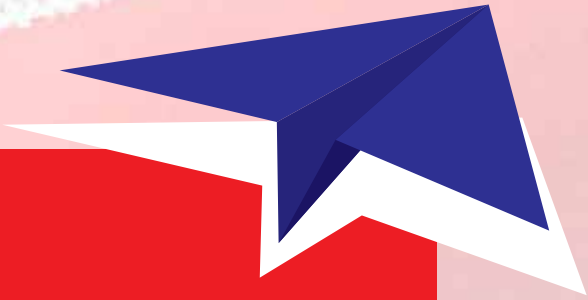
47% tak, przynajmniej raz w tygodniu  
28% tak, przynajmniej 2 dni w tygodniu  
14% nie chcę pracować w domu  
8% tak, więcej niż 3 dni w tygodniu  
4% już no co do domu przesyła

**PERSPETYWA PRACODAWCY**

37% tak, ale na krótki okres  
37% tak, ale pod warunkiem zmniejszenia odpowiedzialnych warunków w domu  
23% tak  
4% nie

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## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT THE ELEVENTH ANNUAL GENERAL MEETING OF SECMARK CONSULTANCY LIMITED WILL BE HELD ON WEDNESDAY, THE 28<sup>TH</sup> DAY OF SEPTEMBER 2022, AT 2.00 P.M. (IST), THROUGH VIDEO CONFERENCING (“VC”) / OTHER AUDIO-VISUAL MEANS (“OAVM”) TO TRANSACT THE FOLLOWING BUSINESSES**

### **ORDINARY BUSINESS:**

#### **1. ADOPTION OF STANDALONE FINANCIAL STATEMENTS AND THE CONSOLIDATED FINANCIAL STATEMENTS**

- a. To receive, consider and adopt the audited standalone financial statements of the Company for the financial year ended March 31, 2022 along with the Reports of the Board of Director’s and Auditor’s thereon.
- b. To receive, consider and adopt the audited consolidated financial statements of the Company for the financial year ended March 31, 2022 along with the Reports of the Board of Directors and Auditors thereon.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022, along with the reports of the Board of Directors and Auditors thereon, be and are hereby received, considered and adopted.

**RESOLVED FURTHER THAT** the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022, along with the reports of the Auditors thereon, be and are hereby received, considered and adopted.”

#### **2. DIRECTOR LIABLE TO RETIREMENT BY ROTATION**

To appoint a Director in place of Mr. Ravi Ramaiya (DIN: 03510258) who retires by rotation, in terms of Section 152(6) of the Companies Act, 2013, and being eligible offers himself for re-appointment as a Non-Executive Director of the Company.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Ravi Ramaiya (DIN: 03510258), Non-Executive Director of the Company, whose office is liable to retire by rotation and being eligible has offered himself for re-appointment as a Director at the ensuing Annual General Meeting, be and is hereby re-appointed as a Non-Executive Director of the Company.

**RESOLVED FURTHER THAT** any one Director or Company Secretary of the Company be and is hereby severally authorised to sign relevant documents/papers physically or electronically on behalf of the Company and file the same with Registrar of Companies and/or BSE Limited.

**FURTHER RESOLVED THAT** any one Director or Company Secretary of the Company be and is hereby severally authorised to sign and forward a copy of this resolution to such body or authority which may be deemed necessary for giving effect to the aforesaid resolution.”

## **SPECIAL BUSINESS:**

### **3. TO INCREASE THE AUTHORISED SHARE CAPITAL OF THE COMPANY AND CONSEQUENTIAL AMENDMENT IN MEMORANDUM OF ASSOCIATION OF THE COMPANY**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of section 61(1)(a) of the Companies Act 2013 and the rules framed thereunder, the consent of the members of the Company be and is hereby accorded for the increase in authorized share capital of the Company from existing Rs. 5,00,00,000 (Rupees five crore) divided into 50,00,000 (fifty lakh) equity shares of Rs. 10/- each to Rs. 15,00,00,000 (Rupees fifteen crore) divided into 1,50,00,000 (one crore fifty lakh) equity shares of Rs. 10/- each ranking pari passu in all respect with the existing equity share of company as per the Memorandum and Articles of Association of the company.

**RESOLVED FURTHER THAT** pursuant to section 13 of Companies Act 2013 consent of the members/ directors of the Company be and is hereby accorded for the alteration of clause V of the Memorandum of Association of the Company by substituting in its place and stead the following:

“V. The Authorised Share Capital of the company is Rs.15,00,00,000 /- (Rupees fifteen crore only) divided into 1,50,00,000 (one crore fifty lakh) equity shares of Rs. 10/- each (Rupees ten only) with power of the Company to increase or decrease capital.

**RESOLVED FURTHER THAT** any one of the Directors or the Company Secretary of the Company be and is hereby severally authorized to sign relevant documents/papers physically or electronically on behalf of the Company and file the same with Registrar of Companies and/or BSE Limited.

**RESOLVED FURTHER THAT** any one of the Directors or the Company Secretary of the Company be and is hereby severally authorized to sign and forward a copy of this resolution to such body or authority which may be deemed necessary for giving effect to the aforesaid resolution.”

### **4. ISSUE OF BONUS SHARES**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** in accordance with the provisions of Section 63 and other applicable provisions of the Companies Act, 2013 read with Rule 14 of Companies (Share Capital and Debentures) Rules, 2014, the Securities and Exchange Board of India (“SEBI”) (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“ICDR Regulations”), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and other applicable regulations, rules and guidelines issued by SEBI and the Reserve Bank of India (“RBI”) from time to time, the enabling provisions of the Articles of Association of the Company and subject to such approvals, consents, permissions, conditions and sanctions as may be necessary from appropriate authorities including approval of increase in authorised capital from members of Company and subject to such terms and modifications, if any, as may be specified while according such approvals and subject to acceptance of such conditions or modifications by the Board of Directors (‘the Board’, which term shall include any person and/or Committee authorised by the Board to exercise its powers including powers conferred on the Board by this resolution), the consent of the members of the Company be and is hereby accorded to the Board of the Company for capitalization of a sum not exceeding Rs. 6,22,23,000/- (Rupees six crore twenty two lakh twenty three thousand only) standing to the credit of securities premium account of the Company, as may be considered appropriate for the purpose of issuance of Bonus equity shares of Rs. 10/- (Rupees Ten only) each, credited as fully paid-up shares to the eligible members holding equity shares of the Company, whose names appear in the Register of Members maintained by the

Company's Registrars and Transfer Agents / List of Beneficial Owners, as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), on a 'Record Date' as may be determined by the Board in this regard, in the proportion of 3 (Three) fully paid-up equity shares for every 2 (Two) existing fully paid-up equity share held by the Members.

**RESOLVED FURTHER THAT** the bonus equity shares so allotted shall rank pari passu in all respects with the fully paid-up equity shares of the Company as existing on the Record Date and shall be subject to the terms and conditions contained in the Memorandum and Articles of Association of the Company.

**RESOLVED FURTHER THAT** the issue and allotment of the bonus equity shares to Non-Resident Members and other Foreign Investors be subject to the approval of RBI or any other regulatory authority, as may be necessary.

**RESOLVED FURTHER THAT** in case of fractional shares, if any, arising out of the issue and allotment of the Bonus Equity Shares, the Board be and is hereby authorized to make suitable arrangements to deal with such fractions for the benefit of the eligible Members, including but not limited to, allotting the total number of new equity shares representing such fractions to a Committee/person(s) to be appointed by the Board of Directors who would hold them in trust for such Members and shall, as soon as possible, sell such equity shares at the prevailing market rate and the net sale proceeds of such equity shares, after adjusting the cost and the expenses in respect thereof, be distributed among such Members who are entitled to such fractions in proportion of their respective fractional entitlements.

**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and is hereby authorized to take necessary steps for listing of such bonus equity shares on the Stock Exchange where the securities of the Company are presently listed as per the provisions of the Listing Regulations and other applicable regulations, rules and guidelines.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company, be and is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary, proper, expedient or desirable and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding.

**RESOLVED FURTHER THAT** any one of Mr. Jignesh Mehta, Managing Director and/or Mr. Sunil Bang, Company Secretary and Compliance Officer of the Company be and are hereby severally authorised to enter into agreement and/or sign, seal, deliver & execute all relevant documents and to do all act, deeds and things as may be required for the aforesaid purpose of behalf of the Company.

**RESOLVED FURTHER THAT** any one Director of the Company be and is hereby authorised to sign and forward a copy of this resolution to such authority(s)/ entity(s)/ person(s) as may be deemed necessary for giving effect to this resolution.”

For and behalf of the Board,  
**SECMARK CONSULTANCY LIMITED**

**Sunil Kumar Bang**  
Company Secretary & Compliance Officer  
(Membership no: 17808)

Date: August 23, 2022

Place: Mumbai

**Registered Office:**

PLOT NO. 36/227, SECTOR VI, CHARKOP, KANDIVALI (WEST). MUMBAI - 400067

## Notes:

1. In view of the outbreak of COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 20/2020 dated May 05, 2020 read together with General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 02/2021 dated January 13, 2021, 19/2021 dated December 08, 2021, 21/2021 dated December 14, 2021 and 02/2022 dated May 5, 2022, (collectively "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, circular no. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated January 15, 2021 and circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 on May 13, 2022 (collectively "SEBI Circulars") and subsequent circulars in continuation permitted the holding of this 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 ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015") and the MCA and SEBI Circulars, the AGM of the Company is being held through VC/OAVM, without the physical presence of the Members at a common venue.

Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), SS-2 issued by the ICSI, Regulation 44 of Listing Regulations read with MCA Circulars, the Company is providing

remote e-Voting facility to its members in respect of the business to be transacted at the AGM and facility for those members participating in the AGM to cast vote through e-Voting system during the AGM.

Bigshare Services Private Limited, Registrar and Transfer Agents of the Company, shall be providing facility for voting through remote e-voting, for participation in the AGM through VC/ OAVM and e-voting during the AGM. The procedure for participating in the meeting through VC/OAVM is explained at Note no. 16 below.

2. In compliance with applicable provisions of the Act read with the MCA and SEBI Circulars and the SEBI (LODR) Regulations, 2015, the AGM of the Company is being conducted through VC/ OAVM. In accordance with the Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/Guidance on applicability of Secretarial Standards 1 and 2 dated April 15, 2020 issued by the ICSI the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company, which shall be the deemed venue of the AGM. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts in respect of the special business under Item No. 1 & Item No.2 above is annexed hereto. All documents referred to in the Notice will also be available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an e-mail.  
The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available, electronically, for inspection by the Members during the AGM. Members seeking to inspect such documents can send an e-mail to [cs@secmark.in](mailto:cs@secmark.in)
4. D Kothary and Co., Chartered Accountants, were appointed as Statutory Auditors of the Company at the Eight AGM held on September 30, 2019. Pursuant to the Notification issued by the Ministry of Corporate Affairs on May 07, 2018 amending Section 139 of the Act and the Rules framed thereunder, the mandatory requirement for ratification of appointment of Auditors by the Members at every AGM has been omitted, and hence the Company is not proposing an item on ratification of appointment of Auditors at this AGM. The Statutory Auditors have given a confirmation to the effect



that they are eligible to continue with their appointment and that they have not been disqualified in any manner from continuing as Statutory Auditors.

5. PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA AND SEBI CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE.
6. Corporate/Institutional Members are entitled to appoint authorised representatives to attend the AGM through VC/OAVM on their behalf and cast their votes through remote e-voting or at the AGM. Corporate/Institutional Members (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy of the Board Resolution/Authority Letter, etc., authorising their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting or during the AGM. The said Resolution/Authorisation shall be sent to the Scrutinizer by email through its registered email address to ishan.takalkar@gmail.com with a copy to jibu@bigshareonline.com and to the Company at cs@secmark.in.
7. In view of the outbreak of the COVID- 19 pandemic, social distancing has to be a pre-requisite. Pursuant to the above-mentioned MCA Circulars, physical attendance of the Members is not required at the AGM, and attendance of the Members through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. The Company's Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) are Bigshare Services Private Limited having its office at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai - 400059
9. Electronic Dispatch of Notice and Annual Report: In line with the MCA General Circular dated May 05, 2020 and SEBI Circular dated May 12, 2020, the Notice of the AGM along with the Annual Report for the Financial Year 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Bigshare Services Private Limited / Depositories. A copy of the Notice of this AGM along with the Annual Report is available on the website of the Company at [www.secmark.in](http://www.secmark.in), websites of the Stock Exchange(s) where the Equity Shares of the Company are listed, viz. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and respectively, and on the website of Bigshare Services Private Limited at <https://www.bigshareonline.com/>. For any communication, the Members may also send a request to the Company's investor email id: [cs@secmark.in](mailto:cs@secmark.in).

The Company will not be dispatching physical copies of the Annual Report for the Financial Year 2021-22 and the Notice of AGM to any Member.

10. Members seeking any information with regard to the Accounts or any matter to be placed at the AGM, are requested to write to the Company on or before September 20, 2022 through email on [cs@secmark.in](mailto:cs@secmark.in). The same will be replied by the Company suitably.
11. Procedure for Inspection of Documents: The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 and relevant documents referred to in this Notice of AGM and Explanatory Statement, will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e., September 28, 2022. Members seeking to inspect such documents can send an email to Company's investor email id: [cs@secmark.in](mailto:cs@secmark.in).
12. Members are requested to support the Green Initiative by registering/ updating their e-mail addresses, with the Depository Participant (in case of Shares held in dematerialised form).

13. Voting during the AGM: i. The procedure for remote e-voting during the AGM is same as the instructions mentioned for remote e-voting since the Meeting is being held through VC/OAVM. ii. The e-voting window shall be activated upon instructions of the Chairman of the Meeting during the AGM. iii. E-voting during the AGM is integrated with the VC platform and no separate login is required for the same. The Members shall be guided on the process during the AGM. iv. Only those Members/Shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM. v. Members who have cast their vote by remote e-voting prior to the AGM will also be eligible to participate at the AGM, but shall not be entitled to cast their vote again.

14. Scrutinizer for e-voting and Declaration of Results: Ishan Takalkar, Company Secretary in practice have been appointed as Scrutinizer to scrutinize the e-voting process as well as e-voting during the AGM, in a fair and transparent manner. After the conclusion of the e-voting at the Meeting, the Scrutinizer will scrutinize the votes cast at the Meeting and votes cast through remote e-voting, draft a consolidated Scrutinizer's Report and submit the same to the Chairman of the Company or any other person of the Company authorised by the Chairman, who shall countersign the same. The Results shall be declared not later than 2 working days from conclusion of the Meeting. The Results declared along with the consolidated Scrutinizer's Report shall be hosted on the website of the Company at [www.secmark.in](http://www.secmark.in) and on the website of Bigshare services Private Limited at [www.bigshareonline.com](http://www.bigshareonline.com) immediately after the Results are declared and will simultaneously be submitted to BSE Limited where Company shares are listed. The Resolutions shall be deemed to be passed on the date of the Meeting, i.e. September 28, 2022, subject to receipt of the requisite number of votes in favour of the Resolutions.

In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

15. E-Voting process:

In view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020, December 08, 2021, 21/2021 dated December 14, 2021 and 02/2022 dated May 5, 2022 respectively, (collectively referred to as (MCA Circulars)). The forthcoming AGM will thus be held through VC/OAVM. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

a. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (LODR) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020, December 08, 2021, 21/2021 dated December 14, 2021 and 02/2022 dated May 5, 2022 respectively, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

b. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to all the members.

c. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

- d. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, , the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
- e. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the Meeting uploaded on the website of the Company at www.secmark.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
- f. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circulars.
- g. In continuation of this Ministry's General Circular No. 20/2020, dated May 5, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2021, or become due in the year 2022, to conduct their AGMs on or before December 31, 2022, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January 13, 2021.

## **THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER**

- i. The voting period begins on September 24, 2022 and ends on September 27, 2022. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (September 21, 2022) 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. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of SEBI (LODR) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication, but also enhancing ease and convenience of participating in e-voting process.

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- iv. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

<b>Type of Shareholders</b>	<b>Login Method</b>
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by Company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>



Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- v. Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
  1. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  2. Click on “Shareholders” module.
  3. Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  4. Next enter the Image Verification as displayed and Click on Login.
  5. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any Company, then your existing password is to be used.
  6. If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <ul style="list-style-type: none"> <li>• 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.</li> </ul>

- vi. After entering these details appropriately, click on “SUBMIT” tab.
- vii. 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 to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that 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.
- viii. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- x. 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.
- xi. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xii. After selecting the resolution, you have decided to vote on, 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.
- xiii. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xiv. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xv. 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.
- xvi. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- xvii. Shareholders can also cast their vote using CDSL’s mobile app m-Voting. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xviii. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto: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.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - 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 and to the Company at the email address viz; cs@secmark.in , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

## **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (Company email id). The shareholders who do not wish to speak during the AGM, but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@secmark.in. These queries will be replied to by the Company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

## **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.**

1. For Physical shareholders- Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@secmark.in/ investor@bigshareonline.com.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through



Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

For and behalf of the Board,  
**SECMARK CONSULTANCY LIMITED**

**Sunil Kumar Bang**  
Company Secretary & Compliance Officer  
(Membership no: 17808)

Date: August 23, 2022

Place: Mumbai

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:**

### **Item No. 1:**

#### **TO INCREASE IN AUTHORISED SHARE CAPITAL OF THE COMPANY AND CONSEQUENTIAL AMENDMENT IN MEMORANDUM OF ASSOCIATION OF THE COMPANY**

The present Authorised Share Capital of the Company is Rs. 5,00,00,000 (Rupees five crore) comprising of 50,00,000 (fifty lakh) equity shares of Rs. 10/- each. With an intention to meet the requirements of migration to the main board of BSE Limited, the Board at its Meeting held on August 23, 2022, have given its consent for increasing the Authorised Share Capital from Rs. 5,00,00,000 (Rupees five crore) to Rs. 15,00,00,000 (Rupees fifteen crore) by creation of 1,00,00,000 (one crore) additional equity share of Rs.10/- each, subject to shareholder's approval.

It is therefore proposed to increase the Authorised Share Capital of the Company from Rs. 5,00,00,000 (Rupees five crore) to Rs. 15,00,00,000 (Rupees fifteen crore) by creation of 1,00,00,000 (one crore) additional equity share of Rs.10/- each ranking pari passu with the existing equity shares in all respects as per the Memorandum and Articles of Association of the Company.

Consequently, Clause V of the Memorandum of Association would also require alteration so as to reflect the changed Authorised Share Capital.

The proposal for increase in Authorised Share Capital and amendment of Memorandum of Association of the Company requires approval of members at a general meeting.

A copy of the Memorandum of Association of the Company duly amended will be available for inspection.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives, are in any way concerned or interested, financially or otherwise in the said resolution.

The consent of the members is, therefore, being sought for passing the aforesaid resolution of the notice as an Ordinary Resolution.

### **Item No. 2**

#### **ISSUE OF BONUS SHARES**

Considering, inter alia the financial parameters and the position of reserves of the Company, the Board of Directors of the Company in its meeting held on Tuesday, Day of August 23, 2022, has approved subject to the approval of the shareholders, issuance of bonus shares to the holders of Equity Shares of the Company in the ratio of 3:2 (i.e. 3 bonus equity shares of Rs.10/- for every 2 fully paid-up equity share of Rs.10/- each held) by increasing the Issued, Subscribed and Paid-up share capital of the Company to a sum not exceeding Rs. 10,37,05,000/- (Rupees ten crore thirty seven lakh and five thousand) after capitalizing a sum not exceeding Rs. 6,22,23,000/- (Rupees six crore twenty two lakh twenty three thousand only) from Securities Premium Account or any other permitted reserves/surplus as per the audited Accounts of the Company for the financial year ended March 31, 2022 and the same is proposed to be applied in paying up in full not exceeding 62,22,300 equity shares of Rs.10/- each.

The fully paid-up bonus shares shall be distributed to the members of the Company, whose names shall appear in its Register of Members on the record date to be determined by the Board of Directors of your Company (which term shall be deemed to include any committee thereof) for the purpose of issue of bonus shares, in the proportion of 3 (three) bonus shares of Rs.10/- for every 2 (two) equity share of Rs.10/- each held by them on the record date.

The bonus shares so allotted shall rank pari passu in all respect with the fully paid-up equity shares of the Company as existing on the record date.

The Directors, their relatives, Key Managerial Personal and their relatives may be deemed to be interested

in the proposed resolution to the extent of their respective shareholding in the capital of the Company and they will be entitled to receive bonus shares.

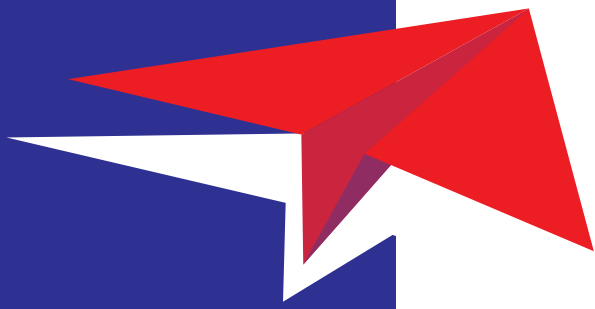
The Board of Directors of your Company recommends this resolution for shareholders' approval as Ordinary Resolution.

For and behalf of the Board,  
**SECMARK CONSULTANCY LIMITED**

**Sunil Kumar Bang**  
Company Secretary & Compliance Officer  
(Membership no: 17808)

Date: August 23, 2022

Place: Mumbai



# Corporate Information

## Board of Directors:

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Mr. Binod Maharana	:	Chairman & Independent Director
Ms. Priti Gandhi	:	Independent Director
Mr. Jignesh Mehta	:	Managing Director & Chief Executive Officer
Mr. Sagar Thanki	:	Executive Director & Chief Financial Officer
Mr. Shardul Shah	:	Non-Executive Director
Mr. Ravi Ramaiya	:	Non-Executive Director

## Company Secretary & Compliance Officer:

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Mr. Sunil Kumar Bang

## Additional Information:

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ISIN: INEOBTM01013

## Registered Office:

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Plot No. 36/227, RDP-10, Sector-6, Charkop, Kandivali (West), Mumbai: 400067

## Statutory Auditors:

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M/s. D. Kothary & Co. Chartered Accountants  
102, Ameya House, Next to Azad Nagar Metro Stn, Andheri (West), Mumbai - 400058.  
Email: deepaknarsaria@dkothary.com

## Internal Auditor:

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M/s. Tripathi & Associates, Chartered Accountants  
101, Rajswastik C.H.S Ltd, Daulat Nagar Road No-3, Post Office Lane,  
Borivali (East), Mumbai-400066  
Email: caashoktripathi@gmail.com



## Secretarial Auditor:

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K P Ghelani & Associates, Company Secretaries  
812, Star Chambers, Hari Chowk, Rajkot-360 001.  
Email- cskeyurghelani@gmail.com

## Registrar & Transfer Agent:

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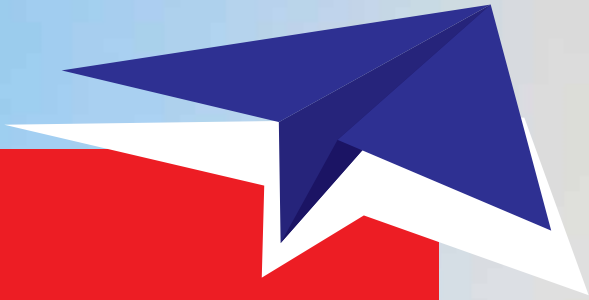
Bigshare Services Private Limited  
1<sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri  
(West), Mumbai- 400059  
Email: ipo@bigshareonline.com; investor@bigshareonline.com

## Bankers:

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State Bank of India  
Borivali West Branch  
Agora, Business Plaza, 1<sup>st</sup> and 2<sup>nd</sup> Floor, SV Road, Borivali West, Mumbai - 400092  
Email: sbi.00551@sbi.co.in

ICICI Bank Ltd.,  
Govardhan Nagar Building, Mahavir Nagar, Kandivali (W), Mumbai - 400067  
Email: customercare@icicibank.com





## DIRECTOR'S REPORT

Dear Members,

The Directors present the 11<sup>th</sup> Annual Report of SecMark Consultancy Limited (the 'Company') along with the audited financial statements for the financial year ended March 31, 2022. The Company along with its subsidiary wherever required is referred as 'we', 'us', 'our', or 'SecMark'. The consolidated performance of the Company and its subsidiary has been referred to wherever required.

### FINANCIAL PERFORMANCE:

The summary of financial performance of the Company for the year under review is as given below:

#### Results of operations and state of affairs

(Amt in Rs.)

Particulars	Standalone		Consolidated	
	For the Year ended 31st March		For the Year ended 31st March	
	2022	2021	2022	2021
Revenue from Operation	14,54,17,060	7,58,90,349	14,54,17,060	7,58,90,349
Other Income	62,91,066	52,23,540	62,97,066	52,29,540
Operating Profit Before Interest, Depreciation and Tax	4,72,00,640	3,14,55,977	4,72,00,991	3,14,56,328
Finance cost	3,95,578	8,37,872	3,95,578	8,37,872
Depreciation	1,12,63,640	22,04,447	1,12,63,640	22,04,447
Non-Operating Expenses				
Other Exceptional items	-	84,30,201	-	84,30,201
Profit Before Tax (PBT)	3,55,41,422	1,99,83,458	3,55,41,773	1,99,83,809
Tax Expenses	89,47,964	42,53,837	89,48,044	42,53,917
Profit After Tax (PAT)	2,65,93,459	1,57,29,621	2,65,93,730	1,57,29,892
Share in (loss)/profit of associates	-	-	(2,22,609)	-
Profit After Tax (Share in associates)	2,65,93,459	1,57,29,621	2,63,71,121	1,57,29,892
Operating PBT Ratio	32.46%	41.45%	32.46%	41.45%
PBT Ratio	24.44%	26.33%	24.44%	26.33%
PAT Ratio	18.29%	20.73%	18.13%	20.73%

## **COMPANY PERFORMANCE:**

The key highlights pertaining to the business of the Company for the financial the year ended March 31, 2022 have been given hereunder.

### **Standalone:**

The standalone operating revenue including other income of the Company for the year under review was Rs. 15,17,08,126 /- as against Rs. 8,11,13,889/- in the previous year. Standalone net profit after tax stood at Rs. 2,65,93,459/- as against Rs.1,57,29,621/- in the previous year.

### **Consolidated:**

The consolidated operating revenue including other income of the Company for the year under review was Rs. 15,17,14,126/- as against Rs. 8,11,19,889/- in the previous year which in the opinion of the Directors is satisfactory. Consolidated net profit after tax stood at Rs. 2,63,71,121/- as against Rs. 1,57,29,892 /- in the previous year.

The financial performance is discussed in detail in the Management Discussion and Analysis which is presented in a separate section forming part of the Director's Report.

## **CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

During the year under review, there is no change in nature of business of the Company.

## **ANNUAL RETURN:**

As per the requirements of Section 92(3) of the Companies Act, 2013 (hereinafter referred as "the Act") and Rules framed thereunder, including any statutory modifications/amendments thereto for the time being in force, the annual return of Company for FY 2021-22 is available on its website [www.secmark.com](http://www.secmark.com) and is available through the webpage <https://www.secmark.in/financials>

## **DIVIDEND:**

With a view to conserve reserves, your Directors do not recommend any dividend for the financial year ended March 31, 2022.

## **RESERVES:**

The Board of Directors has decided to retain the entire amount of profit for financial year 2021-22 in the statement of profit and loss.

## **SHARE CAPITAL:**

As at March 31, 2022, the issued, subscribed and paid-up equity share capital of the Company stood at Rs. 4,14,82,000 (Rupees four crores twelve lakhs forty thousand only) divided into 41,48,200 (Rupees forty one lakh twenty four thousand only) equity shares of Rs. 10/- (Rupees ten only) each. During the year, the Company has issued 24,200 equity shares of face value of Rs.10/- each on exercise of options granted to the employee of the Company.

## **LISTING OF SECURITIES AND ANNUAL LISTING FEES:**

All the 41,48,200 equity shares of the Company are listed on SME platform of BSE Ltd. (BSE). The script code of the Company at BSE is 543234 and ISIN of Company is INEOBTMO1013. The Company has paid the Annual Listing Fees for the year 2021-22 to the BSE Ltd, where the Company's shares are listed.

## **BOARD OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND NUMBER OF MEETINGS OF BOARD OF DIRECTORS:**

### **Composition of Board of Directors:**

As on the date of this Director's Report, your Company has 6 (six) Directors consisting of 2 (two) Independent Directors, including a Woman Director, 2 (two) Executive Directors, including a Managing Director and an Executive Director and 2 (two) Non-Executive Directors as follows:

Mr. Binod Maharana	(DIN:07095774)	- Chairman and Independent Director
Ms. Priti Gandhi	(DIN:08059325)	- Independent Director
Mr. Jignesh Mehta	(DIN:07929488)	- Managing Director and Chief Executive Director
Mr. Sagar Thanki	(DIN:08281489)	- Executive Director and Chief Financial Officer
Mr. Shardul Shah	(DIN:03510251)	- Non-Executive Director
Mr. Ravi Ramaiya	(DIN:03510258)	- Non-Executive Director

During the year, there was no change in composition of Board.

As on March 31, 2022, there were no disqualifications of any Director pursuant to Section 164 (2) of the Act.

As on March 31, 2022, the Key Managerial Personnel of the Company were as follows:

Mr. Jignesh Mehta	:	(Managing Director and Chief Executive Officer),
Mr. Sagar Thanki	:	(Executive Director and Chief Financial Officer) and
Mr. Sunil Kumar Bang	:	(Company Secretary and Compliance Officer).

### **Board Meetings:**

During the financial year 2021-22, 4 (four) Board meetings were held on May 25, 2021, August 25, 2021, November 12, 2021, February 22, 2022. The intervening gap between the meetings was within the period prescribed under the Act and SEBI (Listing Obligations and Disclosures Requirements), Regulations 2015 (hereinafter referred to as the SEBI (LODR), Regulations, 2015).

### **Attendance of Directors at Board Meeting:**

NAME OF THE DIRECTOR	NATURE OF DIRECTORSHIP	NUMBER OF MEETINGS ATTENDED
Mr. Binod Maharana	Chairman and Independent Director	3
Mr. Jignesh Mehta	Managing Director and Chief Executive Officer	4
Mr. Sagar Thanki	Executive Director and Chief Financial Officer	4
Ms. Priti Gandhi	Independent Director	4
Mr. Shardul Shah	Non- Executive Director	4
Mr. Ravi Ramaiya	Non- Executive Director	4

### **DIRECTOR RETIRED BY ROTATION:**

In accordance with provisions of Section 152 of the Act and the Articles of Association of the Company, Mr. Ravi Ramaiya, Non-Executive Director (DIN:03510258), retires by rotation at the ensuing Annual General Meeting (AGM) and being eligible, has offered himself for reappointment. Company's policy on directors' appointment and remuneration is available on the website of the Company at <https://www.secmak.in/code-and-policies>

### **CHANGE IN KEY MANAGERIAL PERSONNEL:**

During the year, there was no change in Key Managerial Personnel Company.

### **DECLARATION BY INDEPENDENT DIRECTORS:**

All Independent Director have given declarations to the effect that they meet the criteria of independence as laid down under Section 149(6) of the Act read with Regulation 16 of SEBI (LODR), Regulations 2015. In the opinion of the Board, Independent Directors fulfill the conditions specified in the Act, Rules made there under and SEBI (LODR), Regulations 2015.

## **MEETING OF INDEPENDENT DIRECTORS:**

As per Para VII (1) of Schedule IV of Section 149 (8) to the Companies Act, 2013, Independent Directors are required to hold at least one meeting without the attendance of Non-Independent Directors and members of management. Accordingly, such meeting of Independent Directors was held on February 22, 2022. Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole based on certain parameters set by Independent Directors.

## **FORMAL ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD AND INDIVIDUAL DIRECTORS:**

During the year, the Board of Directors has carried out an annual evaluation of its own performance and individual directors pursuant to a guidance note dated January 5, 2017 released by Securities and Exchange Board of India ("SEBI") on the evaluation of the board of directors of a listed company ("Guidance Note"). The performance of the Board and individual directors was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. In a separate meeting of Independent Directors held on February 22, 2022, performance of Non-Independent Directors and the Board as a whole was evaluated, taking into account the views of Executive Directors and Non-Executive directors.

## **DISCLOSURE RELATED RESTRICTION ON PURCHASE BY COMPANY BY OR GIVING OF LOANS FORPURCHASE OF ITS SHARES:**

During the year under review, the Company has not provided any loan or financial assistance to any person for purchase or subscription of shares in the Company as per the provisions of Section 67 of the Act. Hence, no disclosure was required to be provided.

## **SUBSIDIARY/JOINT VENTURE/ASSOCIATE:**

Your Company has one (1) subsidiary Company, Markets On Clouds Private Limited and one (1) Associate Company, Trakiot Solutions Private Limited. Statement containing salient features of the financial statements of this Subsidiary Company and Associate Company in Form AOC-1 forms part of this Director's Report as "**Annexure - I**"

Your Company does not have any joint venture.

## **DISCLOSURE RELATED TO EMPLOYEE:**

The information required under Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in "**Annexure - II**"

## **EMPLOYEE STOCK OPTION PLAN (ESOP):**

Your Company has granted stock options to its employees under the existing scheme, SecMark Employee Stock Scheme 2019 (hereinafter referred as "Scheme 2019"). The Scheme 2019 is in compliance with the Act and there has been no material changes to Scheme 2019 during the financial year 2021-22 except for increase in stock option pool from 1,00,000 to 5,00,000 as approved by members in its Annual General Meeting dated September 29, 2021.

The summary information of Scheme 2019 of the Company is provided under Notes to Accounts under Standalone Financial Statements of the Annual Report.

No employee was granted options/ shares under ESOP Scheme 2019, during the year, equal to or exceeding 1% of the issued capital.

Other details of ESOP Scheme 2019 for FY 2021-22 is available on its website [www.secmark.com](http://www.secmark.com) and is available through the webpage <https://www.secmark.in/financials>



## **CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT:**

The Company is in the business of offering consulting, technology and outsourcing services and, as such, its operations do not warrant substantial energy consumption. However, the Company adopts all possible measures to conserve energy like using power only to the extent necessary and switching off power when not needed. The particulars relating to the Conservation of Energy, Technology Absorption as per Section 134(3)(m) of the Act, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 are given as below:

### **(A) Conservation of energy-**

- the steps taken or impact on conservation of energy: NIL
- the steps taken by the company for utilizing alternate sources of energy: NIL
- the capital investment on energy conservation equipment: NIL

### **(B) Technology absorption-**

- the efforts made towards technology absorption: The Company has developed a cloud based application that enables people to work from home and the same is being used extensively. It is also in the final stage of launching a new version of its compliance solution under a new brand name "Compliance Sutra" using latest technologies and cloud solutions. Other technology development and implementation projects are also in progress.
- the benefits derived like product improvement, cost reduction, product development or import substitution: As aforesaid, the cloud based application enabling work from home has ensured that the Company was able to execute its tasks safely and securely in spite of lockdowns and has been able to continue to grow and also allowed people to remain employed during lockdowns.
- in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) : Not applicable
- the expenditure incurred on Research and Development : Not applicable

## **COMMITTEES OF THE BOARD:**

Your Company has required Committees (Audit Committee, Stakeholders' Relationship Committee and Nomination and Remuneration Committee) as required under the provisions of the Act & rules framed there under and SEBI (Listing Obligations and Disclosure Requirements), Regulation 2015. The details about the Committees are incorporated in "**Annexure III**" forming part of this Director's Report.

## **SECRETARIAL STANDARD COMPLIANCES:**

The Company complies with all applicable secretarial standards issued by the Institute of Company Secretaries of India.

## **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under section 134(5) of the Act, the Board of Directors hereby confirm that:

- a. In the preparation of the annual accounts for financial year ended 31st March, 2022, the applicable accounting standards had been followed along with the proper explanation relating to material departures, if any;
- b. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended March, 31, 2022 and of the profit and loss of the Company for that period;
- c. The Directors had taken proper and sufficient care for the 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 fraud and other irregularities;

- d. The Directors had prepared the annual accounts on a going concern basis; and
- 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.

#### **AUDITORS AND AUDITORS REPORT:**

D Kothary and Co, Chartered Accountants (FRN No: 105335W) were appointed as Auditors of the Company by the Members at the Annual General Meeting (AGM) held on September 30, 2019 to hold office for a period of five years till the conclusion of the Annual General Meeting in 2024. In terms of Section 139 of the Act, as amended by the Companies (Amendment) Act, 2017 notified on May 07, 2018, appointment of Auditors need not be ratified at every Annual General Meeting. Accordingly, the notice convening the ensuing Annual General Meeting will not carry any resolution for ratification of appointment of Statutory Auditors.

There are no qualifications or adverse remarks in the Auditor's Report.

#### **SECRETARIAL AUDIT:**

Pursuant to Section 204 of the Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed K.P. Ghelani & Associates, Practising Company Secretaries, to undertake Secretarial Audit of the Company for the financial year ended March 31, 2022. The Secretarial Audit Report forms part of the Director's Report and is annexed as "Annexure-IV"

There are no qualifications or adverse remarks in the Secretarial Audit Report.

#### **EXPLANATIONS OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY STATUTORY/SECRETARIAL AUDITORS:**

There are no qualifications, reservations or adverse remarks made by statutory or secretarial auditor in their report for the financial year ended March 31, 2022.

#### **DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUBSECTION (12) OF SECTION 143 OF THE ACT OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:**

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and/or Board of Company under Section 143(12) of the Act and Rules framed there under.

#### **DISCLOSURE OF COMMISSION:**

According to section 197(14) of the Companies Act, 2013, no Director received a commission from the Company and none of the Managing Director/Executive Director were disqualified from receipt of any remuneration or commission from holding or subsidiary Company.

#### **DISCLOSURE ABOUT DISQUALIFICATION:**

None of the Directors of the Company are disqualified u/s 164(2) of the Act.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

In pursuance of Section 186 of the Act, the Company has made investment of Rs. 25,00,000/- during the financial year ended March 31, 2022. However, during the year under review, Company has not given any loans or guarantees under the aforementioned section.

## **CONTRACT OR ARRANGEMENT WITH RELATED PARTIES U/S 188 (1) OF THE ACT:**

The transactions entered into with related parties during the financial year were in the ordinary course of business and on an arm's length basis as defined under the Act and were in compliance with the provisions of Section 188 of the Act. All the related party transactions arising in the ordinary course of business are placed periodically before the Audit Committee. Given that the Company does not have anything to report pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form No. AOC-2, the same is not provided. Attention to the members is drawn to Note No. 25.2 to the Standalone Financial Statements which sets out Related Party Disclosure.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

In terms of the provisions of Regulation 34 of the SEBI (LODR), Regulations, 2015, the Management's Discussion and Analysis is set out in this Director's Report. Management's Discussion and Analysis Report provides details of the overall industry structure, developments, performance and state of affairs of the Company's various businesses.

## **CONSOLIDATED FINANCIAL STATEMENTS:**

The Consolidated Financial Statements of the Company for the Financial Year 2021-22 are prepared in compliance with the applicable provisions of the Act and Accounting Standards. The said Financial Statements have been prepared on the basis of the audited financial statements of the Company and the subsidiary as approved by their respective Board of Directors. A statement containing the salient features of the Financial Statements of Subsidiary Company and Associate Company in the prescribed format AOC-1 is annexed herewith as "**Annexure-I**" to the Director's Report.

## **DEPOSITS:**

During the year under review, the Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on March 31, 2022 falling within the meaning of Section 73 of the Act and the Companies (Acceptance or Deposits) Rules, 2014.

## **FOREIGN EXCHANGE EARNINGS AND OUTGO:**

During the year under review there have been foreign exchange earnings of US Dollars 5500 (Previous Year: Nil) in the Company. There has been no foreign exchange outgo during the year and previous year.

## **RISK MANAGEMENT:**

The Company has framed a risk management framework to identify, business risk and challenges across the Company. The risk framework helps us meet the business objectives by aligning operating controls with the mission and vision of the Company. After extensive deliberation on the nature of risk and after adequate risk mitigations steps, the business activities are being carried out under the direct supervision of the Board of Directors of the Company to ensure that no foreseeable risk involved in such an activity which may threaten the existence of the Company.

## **CORPORATE SOCIAL RESPONSIBILITY:**

The provisions of Section 135 of the Act for implementing Corporate Social Responsibility Policy, constitute committee and expenditure thereof is not applicable to the Company.

## **MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY FROM THE END OF FINANCIAL YEAR AND TILL THE DATE OF SIGNING OF REPORT:**

There have been no material changes and commitments which affect the financial position between end of the financial year and the date of this Director's report.

## **SIGNIFICANT AND MATERIAL CHANGES DURING THE YEAR:**

- A) TradePlus Technologies LLP is a leading back office software vendor in securities market space and has various software applications.

Your Company has entered into two agreement with Tradeplus Technologies LLP as stated below:

1. Software Purchase Agreement:

As per this agreement, your Company has acquired exclusive rights to source codes, property, title and interest with all rights to further develop, modify and sell following software applications:

- (a) Trade Plus – software for back office package for stock brokers;
- (b) ESTRO – software for back office / NSDL co-ordination, billing and accounting software for depository participants with NSDL;
- (c) CROSS – software for back office / CDSL co-ordination, billing and accounting software for depository participants with CDSL;
- (d) COMMEX – back office software for commodities derivatives;
- (e) PMS – Portfolio management System for registered portfolio managers;
- (f) TradeWeb – back office data access utility by client linked through web;
- (g) eSign – module for digitally signing the documents and dispatch to email address of the client with maintenance of log;
- (h) Internal CRM Software – software for managing the Transferor’s customer relations and queries;
- (i) Website being www.tplus.in and any other website belonging to or owned by the Transferor; and
- (j) Back office mobile application.

The consideration payable to Trade Plus Technologies LLP is Rs. 8,21,00,000/- plus GST.

2. Consultancy Agreement:

As per this agreement, Tradeplus Technologies LLP and its partners shall offer consultancy to your Company for a period of two years for further developments in the above software applications for a consideration of Rs. 10,95,50,000/- plus GST. Amount of Rs. 5,23,50,000 shall be payable at the end of first year and amount of Rs. 5,72,00,000/- shall be payable at the end of second year.

- B) Your Company has purchased 2,500 equity shares of face value Rs. 10 at a premium of Rs. 990 per share resulting in an investment of Rs. 25 Lakh in Trakiot Solutions Private Limited on February 23, 2022.

Trakiot is in the business of inter alia software designing, development, customisation, implementation, maintenance, testing and bench marking, designing, developing, dealing and marketing in computer and mobile software and solutions and undertaking IT enabled services.

- C) Analyze N Control Private Limited (“ANC”) is a leading company in providing software applications related to anti-money laundering, compliance circulars, etc. to various financial market participants registered with SEBI.

Your Company has entered into three agreements with ANC as stated below:

1) Software Purchase Agreement:

As per the agreement the Company has purchased the following software applications and others along with all right, title and interest therein from ANC :

- i) C-SAFE – client screening application to help client screening and fraud elimination;
- ii) SOSAML – signs of surveillance and Anti-Money Laundering Integrated-
- iii) Circulars N Orders Mailing;

- iv) Power updates;
- v) Compliance reference window hosted on [www.circularsnorders.com](http://www.circularsnorders.com);
- vi) Backend systems for updating database of regulatory notifications, screening and compliance products; and
- vii) Website being <https://www.circularsnorders.com>, <https://www.analyzencontrol.in> and <https://www.analyzencontrol.com> and any other website belonging to or owned by, the ANC.

The consideration payable to ANC is Rs. 1,49,00,000/- plus GST.

2) Trademark Agreement:

As per this agreement the Company has acquired the trade mark “Analyze n Control” from Rekha Utsav Shah. The consideration payable under the agreement is Rs. 1,00,000/- plus GST.

3) Consultancy Agreement:

As per the agreement with ANC and its Directors Rekha Utsav Shah and Utsav D Shah, ANC will provide consultancy services with respect to further developing, maintaining and enhancing the said software applications. The fee for this service is Rs. 3 crore plus GST payable in 3 instalments of Rs. 1 crore each on July 31, 2022, November 31, 2022 and March 31, 2022.

### **REVISION OF FINANCIAL STATEMENT:**

According to section 131 (1) of the Act, Company is not required to revise the financial statement.

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS, COURTS OR TRIBUNALS IMPACTING GOING CONCERN AND COMPANY'S OPERATION:**

The Company has not received any significant and material orders passed by Regulators, Courts or Tribunals during the year, which may impact the going concern status of the Company's and its operations in future.

### **VIGIL MECHANISM:**

In terms of Section 177 of the Act and SEBI (LODR) Regulations, 2015, Company have established a vigil mechanism for the Directors and employees. The Vigil Mechanism Policy is framed for carrying out investigation, to conduct the enquiry in fair and unbiased manner, to ensure that complete fact finding exercise has been undertaken and provide a channel to the Directors and employees to report genuine concerns or suspected fraud.

### **DISCLOSURE UNDER THE SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has zero tolerance towards sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder. As required under law, an Internal Complaints Committee has been constituted for reporting and conducting inquiry into the complaints made by the victim on the harassments at the work place. During the year under review, there were no cases filed or reported pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### **INTERNAL FINANCIAL CONTROLS:**

In accordance with the provision of Section 134(5)(e) of the Act and as per the provisions of the SEBI (LODR), Regulations, 2015, the Company has an Internal Financial Control System, commensurate with the size, scale and complexity of its operations. Such Internal Financial Controls were found to be adequate for a Company of this size. The controls are largely operating effectively since there has not been identification of any material weakness in the Company. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records

and timely preparations, reliable financial information. The Internal Auditors monitor and evaluate the effectiveness and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of Internal Auditors, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

**ACKNOWLEDGEMENTS:**

Your Directors take this opportunity to thank Company's customers, shareholders, suppliers, bankers, business partners, associates, financial institutions and central and state governments for their consistent support and encouragement to the Company. Finally, your Directors would like to convey sincere appreciation to all the employees of the Company for their hard work, commitment and continued support during the year.

For and on behalf of the Board

**SECMARK CONSULTANCY LIMITED**

**Jignesh Mehta**

Managing Director & CEO

(DIN: 07929488)

**Sagar Thanki**

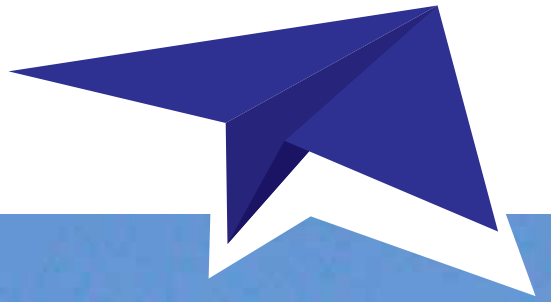
Executive Director & CFO

(DIN: 08281489)

Date: August 23, 2022

Place: Mumbai





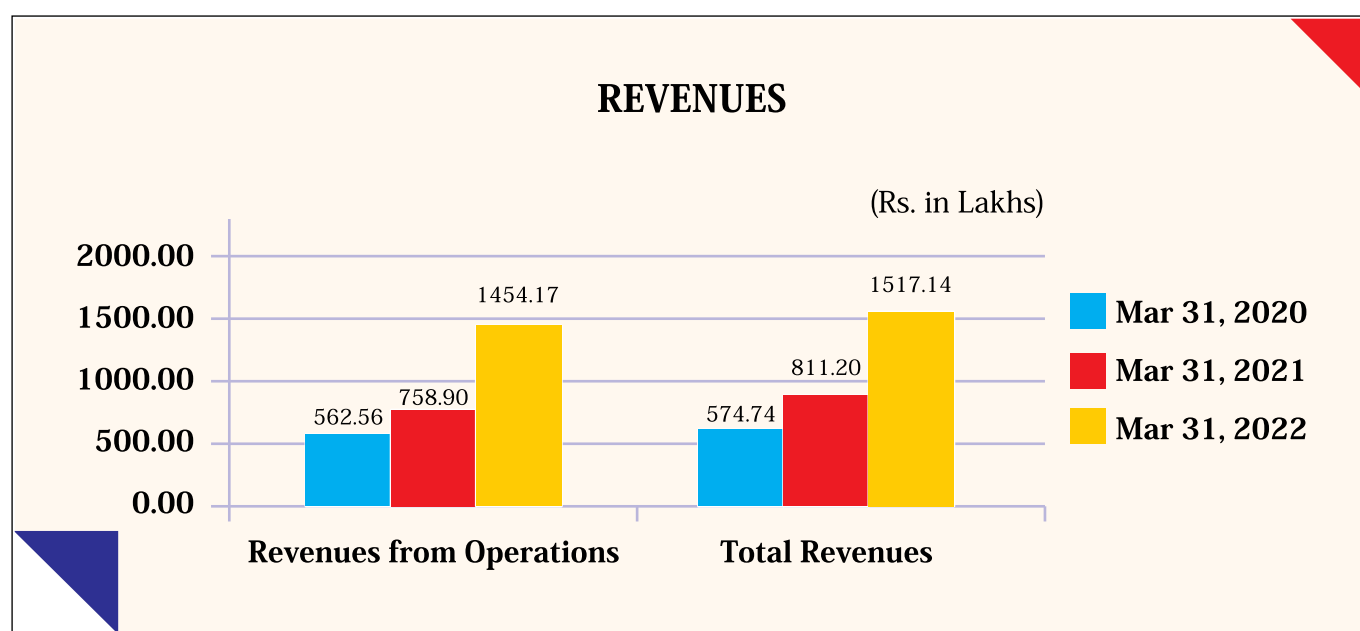
# Management Discussion & Analysis

Your Company was incorporated as a Private Limited Company under the Companies Act, 1956 on August 3, 2011 and got listed on BSE SME platform on October 1, 2020. Over these years your Company has expanded its client base and offerings consistently and now offers Consulting, Technology and Outsourcing services to a large number of leading financial market participants. Your Company offers services in the areas of compliance, operations, risk management, software development, etc. The major clients include stock and commodity brokers, depository participants, stock exchanges, wealth managers, research analysts, insurance corporate agents, portfolio managers, alternative investment funds, investment advisors, NBFCs etc.

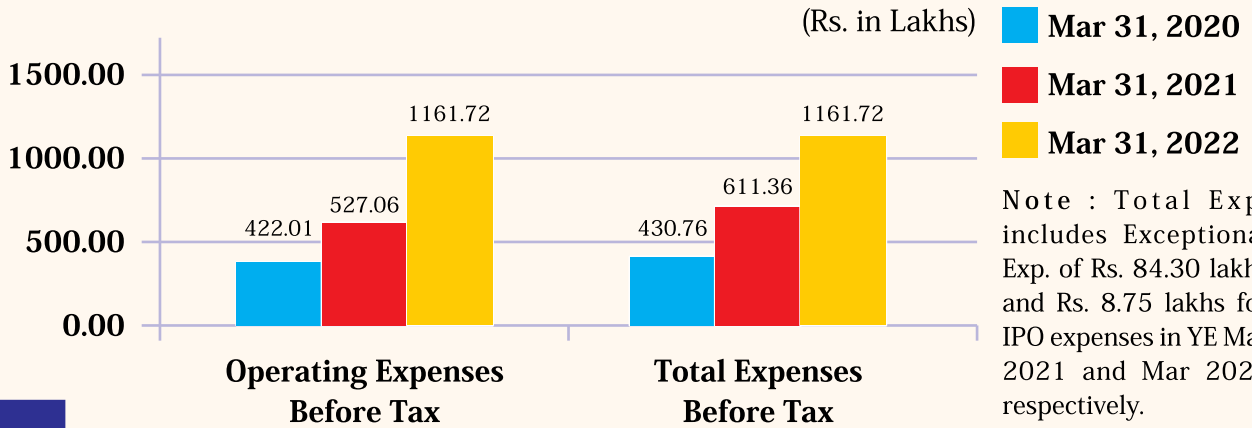
As can be observed from the financial results, your Company has been able to post a fairly reasonable growth. A few important parameters of evaluation are given hereunder for your convenience.

Your Company is also pleased to share that it has been empanelled with Securities and Exchange Board of India (SEBI) as a Securities Market Trainer (Organisation Category) and this will allow it to assist SEBI in its investor awareness initiatives by conducting Investor Awareness Programs (IAPs). In view of the management, it is a prestigious empanelment that will not just allow your Company to conduct IAPs but will also be seen by markets at large with more respect and enhance its brand value.

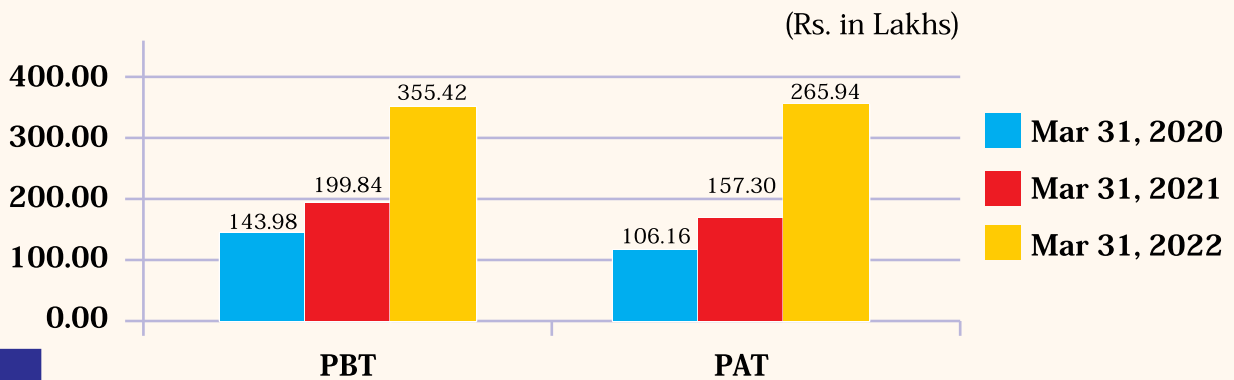
## Financial Results and Growth:



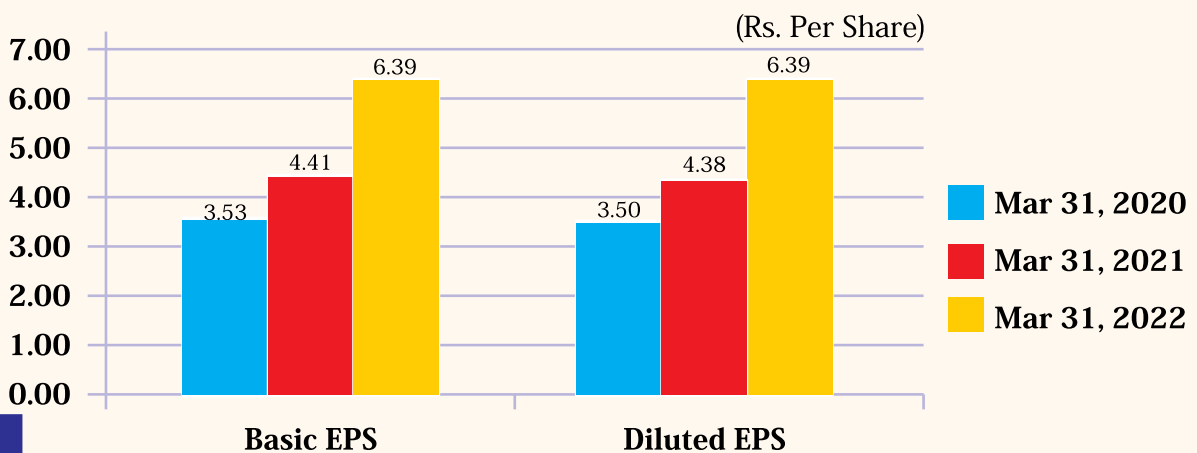
## EXPENSES



## PROFITS



## EARNING PER SHARE



- Your Company has been able to grow at a good rate.
- There has not been any adverse impact on Companies performance due to Covid 19 as it has been able to serve its clients by working from home.
- Work from home has also resulted in saving of costs of operations which may not continue when the teams start working from office again.

## Industry structure and developments

There have been several global events that impacted the financial markets including wars, rising inflation etc. that has resulted in volatile stock and commodities markets, increase in interest rates and reduction of investments by Private Equity Investors (PE) at high valuations as compared to previous few years.

Many of the clients of your company are funded by PE and a slowdown in the cash flow for them may result in a reduced spending power from clients and thus impact the revenues. Your Company is putting its best foot forward to increase the business both by adding new clients and increasing the offerings that can be given to each client.

Your Company does not have any significant borrowing and is a cash surplus Company, that uses overdraft against fixed deposits for optimising working capital requirements. As a result, the increased interest rates have not impacted your Company adversely.

Your Company has substantial cash outflows for consultancy services with regards to software purchase, details of which are as under:

(Amount in Rs.)

Software	April 1, 2022 to September 30, 2022	October 1, 2022 to March 31, 2022	April 1, 2023 to September 30, 2023
TradePlus Back Office product suit	5,12,00,000	--	5,36,00,000
Analyze N Control product suit for PMLA	1,00,00,000	2,00,00,000	--

## The Tech Initiatives:

Your Company's major clientele are brokers and depository participants and they require the following 5 major type of software / services:

1. E-KYC Software – for client on-boarding.
2. Trading and Risk Management Software – for enabling clients to transact on stock exchanges.
3. Back Office Software – for handling back office operations of Broking and DP businesses.
4. PMLA Software – for client screening and transaction monitoring.
5. Compliance Software – for managing compliance activities.

Your Company is pleased to share with you that it has all Software Applications in its fold except Trading and Risk Management Software. Your Company is keen on acquiring some player in this space to become a complete one stop shop for all major software requirements of its clients. You are requested to keep an eye on the opportunities of such an acquisition and share the details thereof in the interest of your Company.

## The Let's Grow Initiative:

Your Company had started "Let's Grow" initiative of bringing in industry experts in the areas of Mutual Funds, Insurance, NBFC, Banking etc. to add new areas to its consultancy services. More information about the same can be found on <https://www.secmark.in/letsgrow>.

Your Company has not been able to add any substantial services under this initiative but has preferred to continue the same with the anticipation that this may give results in coming years. However, no spending is being done for this initiative. You are requested to study the initiative and refer industry experts to increase the lines of businesses of your Company.

## Opportunities and Threats

### Opportunities

- Your Company has increased its offerings by acquisition of Software and added several clients. There is further scope of increasing the business and adding more clients.
- Favourable market conditions on the back of overall growth in the sector.
- Government push to increase securities market out reach across India and increase in products offering for different types of investors
- Acceptance of outsourcing as a suitable business model.
- Technology driven services.
- Regulatory stringent approach requiring specialized teams to handle tasks and situation.
- Using technology to reduce transactions cost, improve compliance.

### Knowing above opportunities, threats shall be as:

- Global uncertainties, high inflation in various countries and possibilities of wars can pose a significant risk to business as it will reduce the spending capacity of the clients of your Company.
- Changing regulatory landscape.
- Large scale influx of competitors (Requires several capabilities which cannot be acquired overnight)
- Cyber Attacks (Controls to be placed for prevention, detection and correction).
- Technological advancements.

### Segment-wise or product-wise performance

As the Company is dealing only in one industry and offers products and services that are interlinked to each other, segment reporting is not applicable to the Company. There is no identical geographical segment of the Company as there are no major differences in factors affecting the segment of market.

### Outlook

As mentioned aforesaid, with the increase in products on offer, there is higher possibility of business with each client. Also, addition of clients can result in substantial growth in business. The overall outlook of the business looks positive.

### Risks and Concerns

Your Company has substantial foreseeable cash outflows for the consultancy services for software applications it acquired and this will have an impact on the profitability in the near term.

The Company recognizes the importance of well-structured system to identify and manage the different elements of risk. The management of the Company regularly identifies reviews and assesses risks involved in its various business activities and work out guidelines for mitigating the same.

The risk factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality.

1. Some events may have material impact qualitatively instead of quantitatively;
2. Some events may not be material individually but may be found material collectively;
3. Some events may not be material at present but may be having material impact in future.

The systems are potentially vulnerable to data security breaches, whether by employees, or service providers or others that may expose sensitive data to unauthorized persons. We process and transfer data, including personal information, financial information and other confidential data provided by clients. Although we maintain systems and procedures to prevent unauthorized access and other security breaches, it is possible that unauthorized individuals could improperly access our systems, or improperly obtain or disclose sensitive data that we process or handle. Data security breaches could lead to the loss of intellectual property or could lead to the public exposure of personal information (including sensitive

financial and personal information) of clients' investors or employees. Any such security breaches or compromises of technology systems could result in institution of legal proceedings against us and potential imposition of penalties, which may have an adverse effect on business and reputation.

### **Internal control systems and their adequacy**

The Company has proper and adequate systems of internal controls. These have been designed to provide reasonable assurance that all assets are safeguarded and protected against loss from unauthorized use or disposition and that all transactions are authorized, recorded and reported correctly and the business operations are conducted as per the prescribed policies and procedures of the Company.

### **Discussion on financial performance with respect to operational performance.**

The key highlights pertaining to the business of the Company for the financial the year ended have been given hereunder. The operating revenue including other income of the Company for the year under review was Rs. 15,17,08,126/- as against Rs. 8,11,13,889/- in the previous year which in the opinion of the Directors is satisfactory. Your Directors are hopeful to further improve the growth rate in turnover and profitability in current year. Net profit after tax stood at Rs. 2,65,93,459/- as against Rs. 1,57,29,621/- in the previous year.

### **Material developments in Human Resources / Industrial Relations front, including number of people employed.**

The Directors want to place on record their appreciation for the contribution made by employees at all levels, who through their steadfastness, solidarity and with their co-operation and support have made it possible for the Company to achieve its current status. Human resource is the key element for your Company's growth strategy and handling the day to day activities within the organisation. Your Company focuses on attracting and retaining the best possible talent. The team is a blend of experienced, professional with expertise in capital markets. Your Company strongly believes that its human resources are the key enablers for the growth of the Company and important asset. Hence, the success of the Company is closely aligned with the goals of the human resources of the Company. Your Company has employed 72 employees as on 31st March, 2022. Taking into this account, your Company continued to invest in developing its human capital and establishing its brand on the market to attract and retain the best talent. The employee relations continue to be cordial and harmonious.

### **Key Ratios for financial year ended March 31, 2022**

<b>Ratio Analysis</b>	<b>Numerator</b>	<b>Denominator</b>	<b>31-Mar-22</b>	<b>31-Mar-21</b>
Current Ratio	Current Assets	Current Liabilities	1.82	1.88
Return on Equity Ratio	Net Profit after taxes	Avg. Shareholders Equity	12.00%	12.57%
Trade Payables Turnover Ratio	Total Purchases	Average Trade Payables	8.86	10.55
Net Profit Ratio	Net Profit	Net Sales	18.29%	20.73%
Return on Investment	Return from investment	Weighted Average of Investment	7.93%	9.46%



**Ratio where there has been a significant change in current year from previous year:**

Details of significant changes (i.e., change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefore:

<b>Ratios</b>	<b>2021-22</b>	<b>2020-21</b>	<b>Growth</b>	<b>Reasons</b>
Trade Receivable Turnover ratio	8.19	4.70	74.48%	Due to timely payment received from customers
Net Capital Turnover Ratio	5.89	3.56	65.57%	Due to increase in sales
Debt Equity Ratio	0.05	0.04	25.06%	No material changes
Return on Capital Employed	23.39	9.59	143.82	Due to growth in business

For and on behalf of the Board  
**SECMARK CONSULTANCY LIMITED**

**Jignesh Mehta**

Managing Director & CEO  
(DIN: 07929488)

**Sagar Thanki**

Executive Director & CFO  
(DIN: 08281489)

Date: August 23, 2022  
Place: Mumbai

# ANNEXURE – I

## FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 of Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

### Part “A”: Subsidiaries

(Amt. in Rs.)

Name of Subsidiary	Markets On Cloud Private Limited
Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	April 1, 2021 to March 31, 2022
Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Not Applicable
Share capital (Rs.)	1,00,000
Reserves & surplus	1,067
Total assets	1,11,147
Total Liabilities	10,080
Investments	-
Turnover	6,000
Profit before taxation	351
Provision for taxation	80
Profit/(Loss) after taxation	271
Proposed Dividend	-
% of shareholding	100%

Names of subsidiaries which are yet to commence operations – **NONE**

Names of subsidiaries which have been liquidated or sold during the year – **NONE**

### Part “B”: Associates & Joint Ventures

(Amt. in Rs.)

Name of Associate	Trakiot Solutions Private Limited
Reporting period for the associate concerned, if different from the holding Company's reporting period	April 1, 2021 to March 31, 2022
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Not Applicable
Share capital (Rs.)	1,25,000
Reserves & surplus	42,19,140
Total assets	1,04,09,548
Total Liabilities	60,85,588

Name of Associate	Trakiot Solutions Private Limited
Investments	-
Turnover	2,54,61,351
Profit before taxation	14,37,695
Provision for taxation	(1,300)
Profit/(Loss) after taxation	14,38,995
Proposed Dividend	-
% of shareholding	20%

Names of associates which are yet to commence operations – **NONE**

Names of associates which have been liquidated or sold during the year – **NONE**

For and on behalf of the Board  
**SECMARK CONSULTANCY LIMITED**

Date: August 23, 2022

Place: Mumbai

**Jignesh Mehta**  
Managing Director & CEO  
(DIN: 07929488)

**Sagar Thanki**  
Executive Director & CFO  
(DIN: 08281489)

## ANNEXURE – II

### DISCLOSURE RELATED TO EMPLOYEE

Particulars Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2021-22 are as under:

Name of Director	Ratio
Jignesh Mehta	6.89
Sagar Thanki	3.31

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager if any, in the Financial Year:

Name	Designation	% increase/ decrease
Jignesh Mehta	Managing Director & CEO	-57%
Sagar Thanki	Executive Director & CFO	33%
Sunil Bang	Company Secretary	56%

3. During the year, the median remuneration of employees decreased by 1.05%.
4. There were 72 permanent employees on the rolls of Company as on March 31, 2022.
5. Average percentile increase made in the salaries of employee other than the managerial personnel in the last Financial Year i.e. 2021-22 was 100% whereas the percentile decrease in the managerial remuneration for the same Financial Year was 45%.
6. It is affirmed that the remuneration is as per the Remuneration Policy of the Company.

For and on behalf of the Board  
**SECMARK CONSULTANCY LIMITED**

Date: August 23, 2022  
Place: Mumbai

**Jignesh Mehta**  
Managing Director & CEO  
(DIN: 07929488)

**Sagar Thanki**  
Executive Director & CFO  
(DIN: 08281489)

## ANNEXURE – III

### COMMITTEES OF THE BOARD:

#### 1. NOMINATION AND REMUNERATION COMMITTEE (NRC)

Your Company has constituted a Nomination and Remuneration Committee as per section 178 of Companies Act 2013. The constitution of the Nomination and Remuneration Committee was approved at the meeting of Board held on November 01, 2019. The Nomination and Remuneration Committee comprises the following Directors:

Name of Director	Status in Committee	Nature of Directorship
Ms. Priti Gandhi	Chairperson	Independent Director
Mr. Binod Maharana	Member	Independent Director
Mr. Ravi Ramaiya	Member	Non-Executive Director

Dates of meetings held during the year are:

August 25, 2021; February 22, 2022

Attendance at NRC Meetings

Name of Director	Number of Committee Meetings held	Number of Committee Meetings attended
Ms. Priti Gandhi	2	2
Mr. Binod Maharana	2	2
Mr. Ravi Ramaiya	2	2

#### 2. AUDIT COMMITTEE

Your Company has constituted an Audit Committee, as per section 177 of the Companies Act, 2013. The constitution of the Audit Committee was approved at the meeting of Board held on December 20, 2019. The Audit Committee comprises the following Directors:

Name of Director	Status in Committee	Nature of Directorship
Ms. Priti Gandhi	Chairperson	Independent Director
Mr. Binod Maharana	Member	Independent Director
Mr. Ravi Ramaiya	Member	Non-Executive Director

Dates of meetings held during the year are:

May 25, 2021; August 25, 2021; November 12, 2021 and February 22, 2022

Attendance at Audit Committee Meetings

Name of Director	Number of Committee Meetings held	Number of Committee Meetings attended
Ms. Priti Gandhi	4	4
Mr. Binod Maharana	4	3
Mr. Ravi Ramaiya	4	4

#### 3. STAKEHOLDERS' RELATIONSHIP COMMITTEE (SRC)

Your Company has constituted a Stakeholders' Relationship Committee to redress complaints of the shareholders. The Stakeholders' Relationship Committee was constituted at the meeting of Board

held on December 20, 2019.

The Stakeholders' Relationship Committee comprises of following Directors:

<b>Name of Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Ms. Priti Gandhi	Chairperson	Independent Director
Mr. Binod Maharana	Member	Independent Director
Mr. Shardul Jashwantlal Shah	Member	Non-Executive Director

Dates of meetings held during the year are:

August 25, 2021 and February 22, 2022

Attendance at SRC Meetings:

<b>Name of Director</b>	<b>Number of Committee Meetings held</b>	<b>Number of Committee Meetings attended</b>
Ms. Priti Gandhi	2	2
Mr. Binod Maharana	2	2
Mr. Shardul Jashwantlal Shah	2	2

For and on behalf of the Board  
**SECMARK CONSULTANCY LIMITED**

Date: August 23, 2022

Place: Mumbai

**Jignesh Mehta**

Managing Director & CEO  
(DIN: 07929488)

**Sagar Thanki**

Executive Director & CFO  
(DIN: 08281489)

# ANNEXURE – IV

Form No. MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2022

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

The Members,

### **SECMARK CONSULTANCY LIMITED**

CIN: U67190MH2011PLC220404

PLOT NO 36/227, RDP-10, CTS-1C/1/640, SECTOR-6,  
CHARKOP, NR. AMBAMATA MANDIR, KANDIVALI-WEST,  
MUMBAI – 400067,  
MAHARASHTRA, INDIA

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s SECMARK CONSULTANCY LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2022 ("Audit Period") 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:

I 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, 2022 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, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (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, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014;
  - (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 – Not Applicable to the Company during the Audit Period;



- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – Not Applicable to the Company during the Audit Period;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – Not Applicable to the Company during the Audit Period.
- (i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) Other laws applicable specifically to the Company namely:
  - (i) Information Technology Act, 2000 and the rules made thereunder
- (vii) Based on the representation made by the Company and its officers, the Company has proper system and process in place for compliance under the other applicable Labour Laws and other incidental laws, Acts, Rules, Regulations and Guidelines.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
  - (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange (SME Platform).
- During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same has been subject to review by statutory financial auditor and other designated professionals.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Director. 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.

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.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I 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.

I further report that during the audit period, there were no specific events / actions having a major bearing on company's affair in pursuance of the above – referred laws, rules, regulations, guidelines, standards, etc

**For K. P. GHELANI & ASSOCIATES**

Company Secretaries

Date: July 27, 2022

Place: Rajkot

**CS Keyur Ghelani**

Proprietor

Mem No. ACS 33400

CoP: 12468

UDIN: A033400D000921091

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

## Annexure - I

The Members,

### **SECMARK CONSULTANCY LIMITED**

CIN: U67190MH2011PLC220404

PLOT NO 36/227, RDP-10, CTS-1C/1/640,  
SECTOR-6, CHARKOP, NR. AMBAMATA MANDIR,  
KANDIVALI-WEST, MUMBAI – 400067,  
MAHARASHTRA, INDIA

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

1. Maintenance of secretarial records is the responsibility of management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

### **For K. P. GHELANI & ASSOCIATES**

Company Secretaries

Date: July 27, 2022

Place: Rajkot

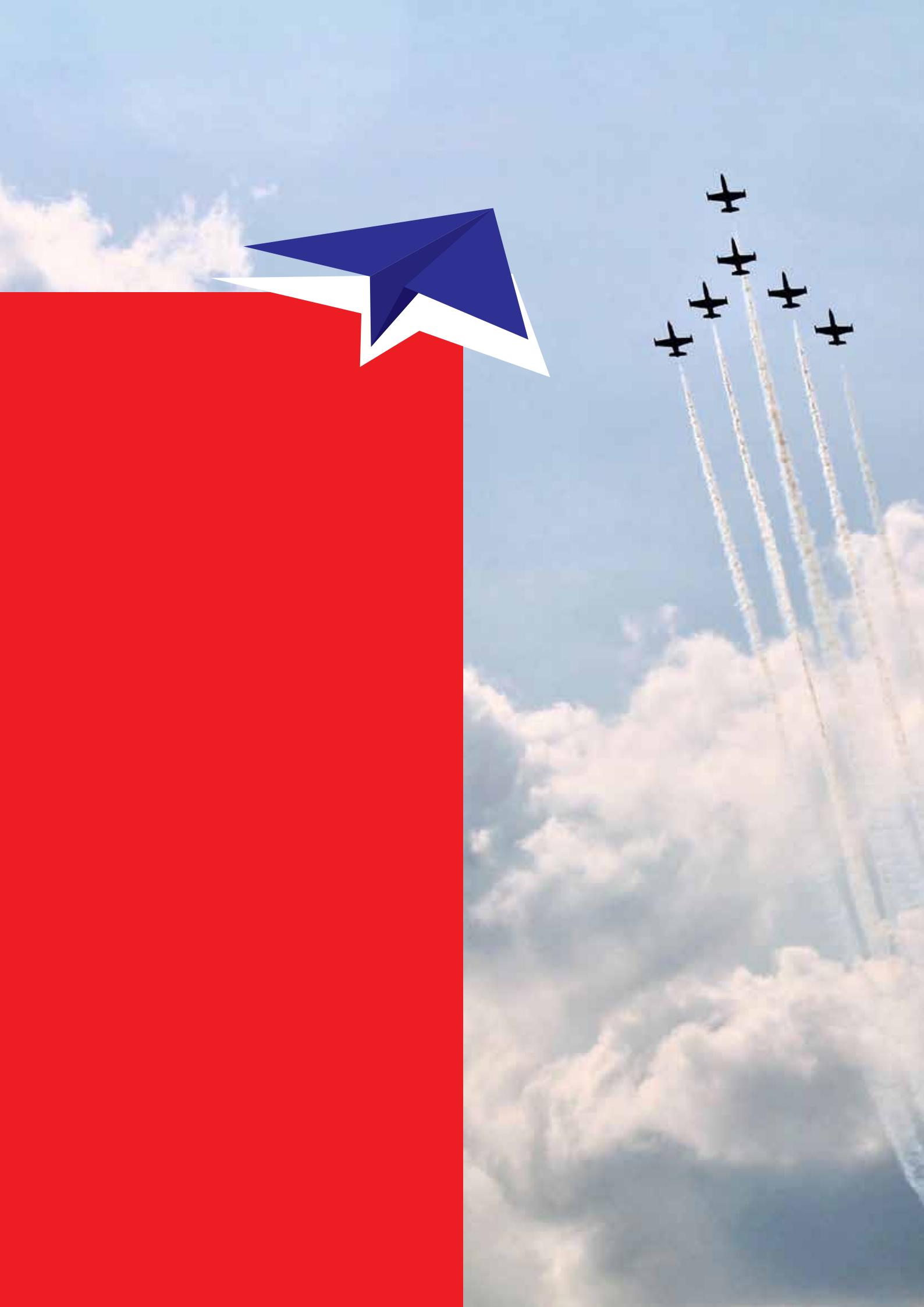
**CS Keyur Ghelani**

Proprietor

Mem No. ACS 33400

CoP: 12468

UDIN: A033400D000921091





# D. KOTHARY & CO

Chartered Accountant

102-Ameya House, Next to Azad Nagar Metro Station, Above Standard Chartered Bank, Andheri (W) Mumbai 400 058.

Tel (B) +91 22 6865 1155/ 1166, Email : info@dkothary.com, Website : www.dkothary.com

## INDEPENDENT AUDITOR'S REPORT (STANDALONE)

To the Members of

**SecMark Consultancy Limited**

### Report on the Financial Statements

#### Opinion

We have audited the accompanying financial statements of SecMark Consultancy Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies Accounting Standards Rules, 2006, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, and its profit and its cash flows for the year ended on that date.

#### Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

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

#### Information Other than the 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 standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, 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 Accounting Standards specified under Section 133 of the Act read with the Companies Accounting Standard Rules, 2006, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors 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 Financial Statements**

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



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

- 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to



the best of our knowledge and belief were necessary for the purposes of our audit.

- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”; and
- g. In our opinion, the managerial remuneration for the year ended 31st March, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
- h. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company does not have any pending litigations which has impact on its financial position in its financial statements.
  - ii) 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 due to transfer to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2022.
  - iv) (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the





- Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
  - v) The Company has not declared/paid dividend during the year.

**For D. Kothary & Co**  
Chartered Accountants  
(Firm Registration No. 105335W)

**Mehul N. Patel**  
Partner  
Membership No. 132650  
UDIN: 22132650AJOEAV6019

Place: Mumbai

Date: 25<sup>th</sup> May 2022



## **Annexure A to Independent Auditors' Report**

### **(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)**

1. In respect of its Property, plant & Equipment:
  - a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment on the basis of available information;
  - (B) The company has maintained proper records showing full particulars of intangible assets;
  - b) As explained to us, all the property, plant & equipment have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification;
  - c) According to the documents provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings, are held in the name of the Company as at the balance sheet date;
  - d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year;
  - e) There are no proceedings initiated and are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder;
2. In respect of its inventories:
  - a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
  - b) The Company has not been sanctioned working capital limits, in excess of five crore rupees, during any point of time of the year, in aggregate, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
3. In respect of loans and advances, guarantee or security provided:
  - a) In our opinion and according to the information and explanations given to us, the company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity, hence clause iii(b) to iii(e) not applicable.
  - b) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act,



with respect to the loans granted, investments made and guarantees and securities provided.

5. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
6. To the best of our knowledge and belief, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 148 of the Act, in respect of the business activities carried out by the Company.
7. In respect of statutory dues:
  - a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at 31st March, 2022 for a period of more than six months from the date they became payable.
  - b) There are no statutory dues pending to be deposited on account of disputes pending with various forums.
8. There are no transactions which are not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
9.
  - (a) Based on our audit procedures and as per the information and explanations given by management, the Company has not taken any term loan, hence defaulted in repayment of dues to any lender does not arise.
  - (b) The Company has not declared willful defaulter by any bank or financial institution or government or any government authority.
  - (c) The Company has not taken any term loan during the year and there are no unutilized term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
  - (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long term purposes by the Company.
  - (e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
  - (f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries.



10. (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (x) of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
11. (a) To the best of our knowledge, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (b) To the best of our knowledge, no report under Sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and up to the date of this report.
12. The Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
14. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto 31st March 2022.
15. In our opinion during the year the Company has not entered into non-cash transactions with any of its directors or directors of it's holding company, subsidiary company or persons connected with such directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.
17. The company has not incurred cash losses in the financial year covered by our audit and also in the immediately preceding financial year.
18. There has not been any resignation of the statutory auditors during the year.
19. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however,



state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20. The provisions of section 135 are not applicable to the Company. Accordingly, paragraph 3(xx) of the Order is not applicable.

**For D. Kothary & Co**

Chartered Accountants

(Firm Registration No. 105335W)

**Mehul N. Patel**

Partner

Membership No. 132650

UDIN: 22132650AJOEAV6019

Place: Mumbai

Date: 25<sup>th</sup> May 2022

## Annexure - B to the Auditors' Report

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To the Members of

### **SecMark Consultancy Limited**

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

We have audited the internal financial controls over financial reporting of SecMark Consultancy Limited (“the Company”) as of 31st March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

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

#### **Auditors’ Responsibility**

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

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



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

## **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

## **Opinion**

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

**For D. Kothary & Co**

Chartered Accountants

(Firm Registration No. 105335W)

**Mehul N. Patel**

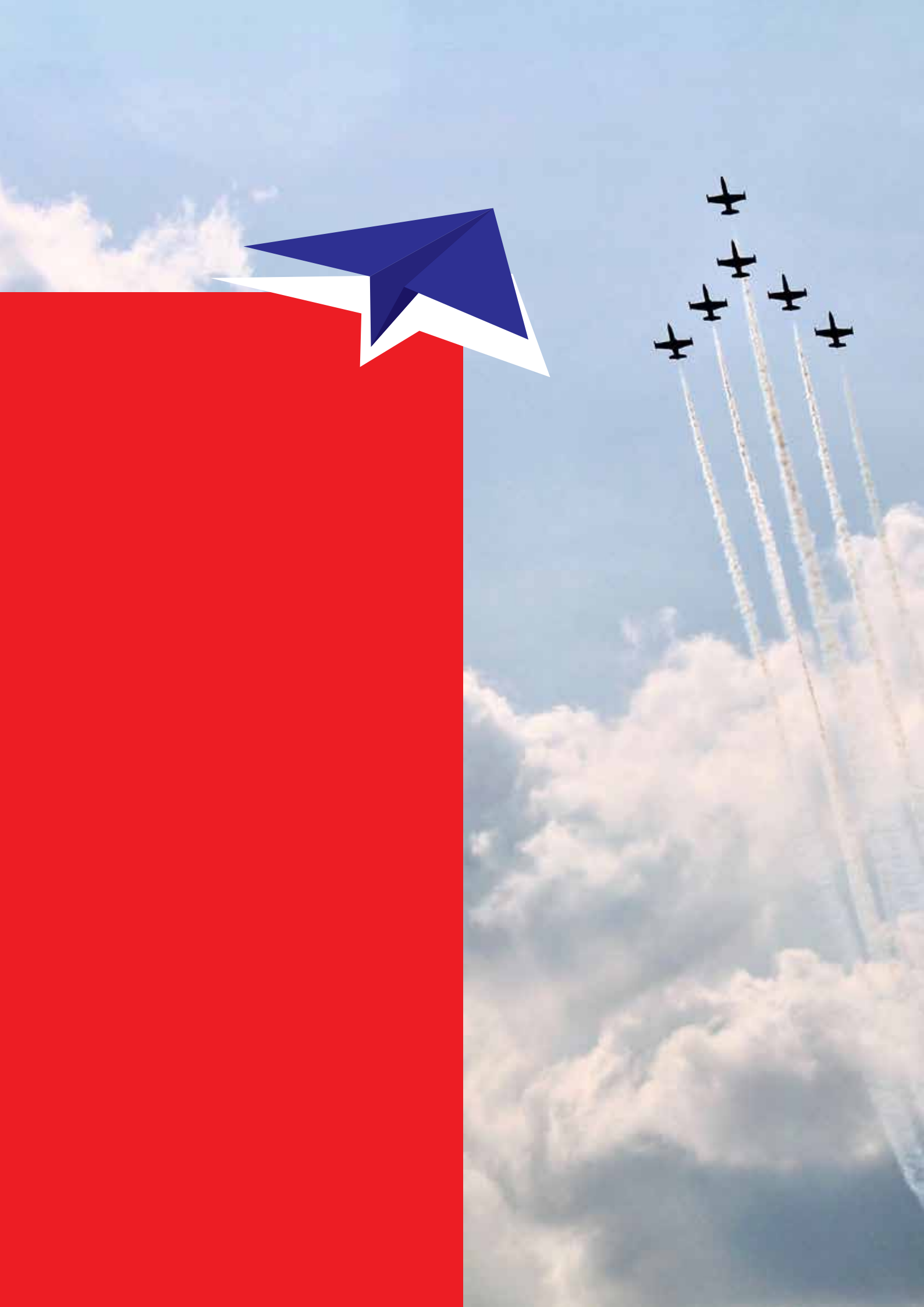
Partner

Membership No. 132650

UDIN: 22132650AJOEAV6019

Place: Mumbai

Date: 25<sup>th</sup> May 2022





# SEC MARK CONSULTANCY LIMITED

CIN No. L67190MH2011PLC220404

## STANDALONE BALANCE SHEET AS AT MARCH 31, 2022

Sr. No	Particulars	Notes	As at March 31, 2022	As at March 31, 2021
			Amount In Rs.	Amount In Rs.
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
1	(a) Share capital	3	41,482,000	41,240,000
	(b) Reserves and surplus	4	193,683,160	166,992,902
			235,165,160	208,232,902
2	<b>Non current liabilities</b>			
	(a) Deferred tax Liabilities	5	5,074,219	-
	(b) Long Term Provisions	6	1,681,076	1,111,949
			6,755,295	1,111,949
3	<b>Current liabilities</b>			
	(a) Short-term borrowings	7	12,479,244	8,835,703
	(b) Trade Payable	8		
	A) total outstanding dues of micro & small enterprises		41,997	-
	B) total outstanding dues of creditors other than micro & small enterprises		11,222,656	2,644,859
	(c) Other current liabilities	9	6,060,548	12,074,555
	(d) Short term provisions	10	304,702	555,327
			30,109,146	24,110,444
	<b>TOTAL</b>		<b>272,029,602</b>	<b>233,455,295</b>
<b>II.</b>	<b>ASSETS</b>			
1	<b>Non current assets</b>			
	(a) Property Plant & Equipment and Intangible Assets			
	(i) Property Plant & Equipment	11	19,573,404	18,070,683
	(ii) Intangible Assets	11	86,666,082	-
	(iii) Intangible assets under development	11(a)	12,392,018	-
	(b) Non current investments	12	9,160,349	6,650,349
	(c) Deferred Tax Assets (Net)	13	-	2,113,739
	(d) Other Non Current Assets	14	114,501,940	183,194,453
			242,293,793	210,029,224
2	<b>Current assets</b>			
	(a) Trade receivables	15	14,605,462	20,889,376
	(b) Cash and Cash Equivalents	16	82,997	91,685
	(c) Short term loans and advances	17	15,047,350	2,445,010
			29,735,809	23,426,072
	<b>TOTAL</b>		<b>272,029,602</b>	<b>233,455,295</b>
	Significant accounting policies & Notes to financial statements	1 to 33		

As per our report of even date

**For D. Kothary & Co.**  
Chartered Accountants  
Firm Registration. No. 105335W

For and on behalf of the Board of Directors  
**SecMark Consultancy Limited**

**Mehul N. Patel**  
Partner  
Membership No.: 132650

**Jignesh Mehta**  
Managing Director & CEO  
DIN : 07929488

**Sagar Thanki**  
Executive Director & CFO  
DIN : 08281489

**Sunil Bang**  
Company Secretary

Place : Mumbai  
Date : 25<sup>th</sup> May, 2022

# SECMARK CONSULTANCY LIMITED

CIN No. L67190MH2011PLC220404

## STANDALONE STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED MARCH 31, 2022

Sr. No	Particulars	Notes	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
			Amount In Rs.	Amount In Rs.
I.	<b>Revenue from operations</b>	18	145,417,060	75,890,349
II.	<b>Other income</b>	19	6,291,066	5,223,540
III	<b>Total Income (A)</b>		151,708,126	81,113,889
IV	<b>Expenses:</b>			
	Employee benefits expenses	20	38,634,554	28,501,351
	Finance cost	21	395,578	837,872
	Depreciation and amortization expenses	11	11,263,640	2,204,447
	Other Expenses	22	65,872,932	29,586,762
V	<b>Total Expenses (B)</b>		116,166,704	61,130,431
VI	<b>Profit before tax (A-B)</b>		35,541,422	19,983,458
VII	<b>Tax expense:</b>			
	Current tax		1,760,006	6,618,025
	Deferred tax		7,187,958	(1,588,588)
	Adjustment for Earlier year		-	(775,600)
VIII	<b>Profit for the year (VI-VII)</b>		26,593,459	15,729,621
	<b>Earning per share on Equity Shares of Rs. 10 each (Refer to Note 26)</b>			
	- Basic (P. Y. Restated)		6.44	4.41
	- Diluted (P. Y. Restated)		6.44	4.38
	<b>Significant accounting policies &amp; Notes to financial statements</b>	1 to 33		

As per our report of even date

**For D. Kothary & Co.**  
 Chartered Accountants  
 Firm Registration. No. 105335W

 For and on behalf of the Board of Directors  
**SecMark Consultancy Limited**
**Mehul N. Patel**  
 Partner  
 Membership No.: 132650

**Jignesh Mehta**  
 Managing Director & CEO  
 DIN : 07929488

**Sagar Thanki**  
 Executive Director & CFO  
 DIN : 08281489

**Sunil Bang**  
 Company Secretary

 Place : Mumbai  
 Date : 25<sup>th</sup> May, 2022

## SECMARK CONSULTANCY LIMITED

CIN No. L67190MH2011PLC220404

### STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

Particulars	For the year ended 31st Mar, 2022	For the year ended 31st Mar, 2021
	Amount In Rs.	Amount In Rs.
<b>A. Cash Flow From Operating Activities :</b>		
Net profit before tax as per statement of profit and loss	35,541,422	19,983,458
Adjustments for :		
Depreciation	11,263,640	2,204,447
Interest Income	(5,925,066)	(5,223,540)
Gratuity Provision	581,357	(257,223)
Interest Expenses	395,578	837,872
<b>Operating Cash Flow Before Working Capital Changes</b>	<b>41,856,931</b>	<b>17,545,014</b>
<b>Changes in current assets and liabilities</b>		
(Increase)/ Decrease in Trade receivables	6,283,914	(9,458,704)
(Increase)/ Decrease loans and advances & Other Current Assets	(11,298,439)	(6,905,983)
Increase/ (Decrease) in other current Liabilities & Provisions	13,607,086	8,235,142
<b>Cash Generated From Operations</b>	<b>50,449,492</b>	<b>9,415,468</b>
Payment of Taxes (Net of Refunds)	(12,927,361)	(5,199,043)
<b>Net Cash Flow From Operating Activities (A)</b>	<b>37,522,130</b>	<b>4,216,425</b>
<b>B. Cash Flow From Investing Activities :</b>		
(Purchase)/ Sale of Property Plant & Equipment and Intangible Assets	(111,824,461)	(2,820,779)
(Increase)/ Decrease in Fixed Deposits	67,388,613	(149,826,041)
(Purchase)/ Sale of Investments (net)	(2,510,000)	(4,000,000)
Interest received from Fixed Deposit and Bonds	5,925,066	5,223,540
<b>Net Cash Flow From Investment Activities (B)</b>	<b>(41,020,782)</b>	<b>(151,423,280)</b>

Contd...

Particulars	For the year ended 31st Mar, 2022	For the year ended 31st Mar, 2021
	Amount In Rs.	Amount In Rs.
<b>C. Cash Flow From Financing Activities :</b>		
(Repayment) / Proceed of borrowings from financial institutions/Others	3,643,541	(2,345,577)
Proceeds from issue of Equity Shares including premium through IPO	242,000	150,390,000
Interest on short term borrowing	(395,578)	(837,872)
<b>Net Cash From / (Used In) Financing Activities (C)</b>	<b>3,489,963</b>	<b>147,206,551</b>
<b>Net Increase In Cash Or Cash Equivalents (A+B+C)</b>	<b>(8,688)</b>	<b>(304)</b>
<b>Cash And Cash Equivalents At The Beginning Of The Year</b>	<b>91,685</b>	<b>91,989</b>
<b>Cash And Cash Equivalents As At The End Of The Year</b>	<b>82,997</b>	<b>91,685</b>
<b>Component of cash and cash equivalents (Refer note 15)</b>		

As per our report of even date

**For D. Kothary & Co.**  
 Chartered Accountants  
 Firm Registration. No. 105335W

For and on behalf of the Board of Directors  
**SecMark Consultancy Limited**

**Mehul N. Patel**  
 Partner  
 Membership No.: 132650

**Jignesh Mehta**  
 Managing Director & CEO  
 DIN : 07929488

**Sagar Thanki**  
 Executive Director & CFO  
 DIN : 08281489

**Sunil Bang**  
 Company Secretary

Place : Mumbai  
 Date : 25<sup>th</sup> May, 2022

## SECMARK CONSULTANCY LIMITED

### Notes to financial statements for the year ended March 31, 2022

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#### NOTE 1 : CORPORATE INFORMATION

SecMark Consultancy Limited was originally incorporated as a Private Limited Company on August 03, 2011, under the provision of Companies Act, 1956 and subsequently converted into Public Limited Company pursuant to a shareholders' resolution passed at the Extra-Ordinary General Meeting held on January 28, 2020.

Name of the Company was changed from SecMark Consultancy Private Limited to "SecMark Consultancy Limited" and fresh Certificate of Incorporation dated March 02, 2020, was issued by Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification is L67190MH2011PLC220404 and its registered office is situated at Plot No 36/227, RDP-10, Sector-6, Charkop, Kandivali-West Mumbai - 400067.

The Company has allotted ESOP during the current FY and the paid up capital of the Company is Rs. 4,14,82,000. (Four Crores Fourteen Lakh and Eighty Thousand Only).

The Company offers services Consulting, Technology and Outsourcing services to financial market participants in the areas of Compliance, Operations, Software Development, Risk Management and other areas to financial market participants.

Clients include leading Brokerage Houses, Depository Participants, Stock Exchanges, Wealth Managers, Research Analyst, Corporate Agents, Portfolio Managers, Investment Advisors, NBFCs, Banks, etc.

#### NOTE 2 : SIGNIFICANT ACCOUNTING POLICIES

##### a) Basis of preparation of financial statements:

The financial statements are prepared and presented under the historical cost convention, on the accrual basis of accounting and in accordance with the provisions of the Companies Act, 2013 ('the Act') (except as specifically mentioned), and the accounting principles generally accepted in India and comply with the accounting standards prescribed in the Companies (Accounting Standards) Rules, 2014 issued by the Central Government, in consultation with the National Advisory Committee on Accounting Standards, to the extent applicable. The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards.

##### b) Use of estimates:

The preparation of Financial statements in conformity with the generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, assets and liabilities and disclosures relating to contingent liabilities as of the date of financial statements. Actual results could differ from those estimated. Any revision to accounting estimates is recognised prospectively in future periods.

##### c) Revenue recognition:

The company derives its revenue from its services. Revenue is recognized at pre-determined rate as defined under contracts with clients and accounted for at the time of execution of transactions/events. Interest income is recognized using the time proportion method, based on the transactional interest rates.

**d) Investments:**

Investments are classified into non current investments and current investments. Investments which are intended to be held for more than one year are classified as non current investments and investments which are intended to be held for less than one year, are classified as current investments. Non current investments are stated at cost and a provision for diminution in value of non current investments is made only if the decline is other than temporary in the opinion of the management. Current investments are valued at cost or market/fair value whichever is lower.

**e) Provisions, Contingent Liabilities and Contingent Asset :**

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or present obligation in respect of which the likelihood of outflow of resource is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

**f) Fixed assets and depreciation :**

- i. Fixed assets are carried at cost of acquisition (including directly attributable costs such as freight, installation, etc.) or construction less depreciation.
- ii. Depreciation on assets is provided on the straight line method as per the companies act 2013 except Building whose life has been taken as 20 years.

**g) Taxation :**

Provision for tax is based on the taxable profit for the accounting year after taking into consideration the relevant provisions of the Income Tax Act, 1961.

**h) Earnings per share :**

The basic earnings per share is computed by dividing the net profit / loss attributable to the equity shareholders for the period by the number of equity shares outstanding on the last day of reporting period. In computing dilutive earnings per share, only potential equity shares that are dilutive and that reduce profit / loss per share are included.

### NOTE 3 (A) : SHARE CAPITAL

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
<b>AUTHORISED SHARE CAPITAL</b>		
50,00,000 (Previous Year 50,00,000) Equity Shares of Rs.10 each	5,00,00,000	5,00,00,000
<b>Total</b>	<b>5,00,00,000</b>	<b>5,00,00,000</b>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
41,48,200 (PY 41,24,000) Equity Shares of Rs.10 each fully paid up	4,14,82,000	4,12,40,000
<b>Total</b>	<b>4,14,82,000</b>	<b>4,12,40,000</b>

### NOTE 3 (B) :

The company has only one class of equity with a par value of Rs. 10/- per share. Each holder of equity shares is entitle to one vote per share.

### NOTE 3 (C) :

The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2022 and March 31, 2021 is set out below

Particulars	As at March 31, 2022		As at 31 March 2021	
	No. of shares held	Amount In Rs.	No. of shares held	Amount In Rs.
<b>Equity Shares</b>				
Number of Shares at the beginning	41,24,000	4,12,40,000	30,10,000	3,01,00,000
Add : Further Issue of Shares as IPO	-	-	11,14,000	1,11,40,000
Add : Further Issue of Shares as ESOP	24,200	2,42,000	-	-
<b>Number of shares at the end</b>	<b>41,48,200</b>	<b>4,14,82,000</b>	<b>41,24,000</b>	<b>4,12,40,000</b>

### NOTE 3 (D) :

Details of Shares held by each Shareholder holding more than 5% Shares:

Class of shares / Name of Shareholders	As at March 31, 2022		As at 31 March 2021	
	No. of shares held	% holding	No. of shares held	% holding
<b>Equity Shares with voting rights</b>				
<b>Secmark Holdings Private Limited</b>	<b>30,10,000</b>	<b>72.56%</b>	<b>30,10,000</b>	<b>72.99%</b>

### NOTE 3 (E) :

Shares held by promoters at the end of the year

Name of Promoter/Promoter Group	No. of Shares Held	% of Total Shares	% Change during the year
<b>Secmark Holdings Private Limited</b>	<b>30,10,000</b>	<b>72.56%</b>	<b>0%</b>

#### NOTE 4 : RESERVES AND SURPLUS

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
<b>Securities Premium</b>	13,92,50,000	-
Add: on ESOP Allotment of Equity Shares	96,800	13,92,50,000
	<b>13,93,46,800</b>	<b>13,92,50,000</b>
<b>Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening balance	2,77,42,902	1,20,13,281
Add: Profit / (Loss) for the year	2,65,93,459	1,57,29,621
	5,43,36,360	2,77,42,902
Less : Transferred to Capital as Bonus Issue	-	-
	<b>5,43,36,360</b>	<b>2,77,42,902</b>
<b>Total</b>	<b>19,36,83,160</b>	<b>16,69,92,902</b>

#### NOTE 5 : DEFERRED TAX LIABILITIES

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
On account of Fixed Assets	68,65,888	-
On account of 43B & 35D	(17,91,668)	-
<b>Total</b>	<b>50,74,219</b>	<b>-</b>

#### NOTE 6 : LONG TERM PROVISIONS

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
Gratuity Provisions	16,81,076	11,11,949
<b>Total</b>	<b>16,81,076</b>	<b>11,11,949</b>

#### NOTE 7 : SHORT TERM BORROWINGS

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
<b>Secured</b>		
Bank Loans repayable on demand	1,24,79,244	88,35,703
(Secured against Fixed Deposit)		
<b>Total</b>	<b>1,24,79,244</b>	<b>88,35,703</b>

#### NOTE 8 : TRADE PAYABLE

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
<b>Total outstanding dues of micro &amp; small enterprises</b>	41,997	-
Total outstanding dues of creditors other than micro & small enterprises	1,12,22,656	26,44,859
<b>Total</b>	<b>1,12,64,652</b>	<b>26,44,859</b>



Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
<b>Trade Payables Ageing Schedule</b>		
<b>1. MSME</b>		
<b>Outstanding for following periods from due date of payment</b>		
Less than 1 year	41,997	-
1 to 2 years	-	-
2 to 3 years	-	-
More than 3 years	-	-
<b>2. OTHERS</b>		
<b>Outstanding for following periods from due date of payment</b>		
Less than 1 year	1,12,22,656	26,44,589
1 to 2 years	-	270
2 to 3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>1,12,22,656</b>	<b>26,44,859</b>

#### NOTE 9 : OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
Statutory liabilities	24,34,901	41,78,125
Deposit from Customer	1,50,000	1,50,000
Salary Payable	26,40,061	72,15,469
ESOP Outstanding	1,600	98,400
Other Payable	8,33,985	4,32,561
<b>Total</b>	<b>60,60,548</b>	<b>1,20,74,555</b>

#### NOTE 10 : SHORT TERM PROVISIONS

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
Gratuity Provision	29,637	17,407
Provision for tax (Net of Advance Tax)	2,75,065	5,37,920
<b>Total</b>	<b>3,04,702</b>	<b>5,55,327</b>

## NOTE 11 : PROPERTY PLANT & EQUIPMENT

Particulars	Gross block			Accumulated depreciation				Net block			
	Balance as at 1 April, 2021	Additions	Disposals	Balance as at 31 March, 2022	Amount In Rs.	Depreciation expense for the year	Eliminated on disposal of assets	Balance as at 31 March, 2022	Amount In Rs.	Balance as at 31 March, 2021	Amount In Rs.
<b>(A) Property Plant &amp; Equipment</b>											
Furniture and Fixtures	6,380,537	-	-	6,380,537	2,501,034	606,151	-	3,107,185	3,273,351	3,879,502	
Vehicle	2,842,798	-	-	2,842,798	547,631	337,582	-	885,213	1,957,585	2,295,167	
Office Equipment	554,017	41,948	-	595,965	384,169	43,177	-	427,346	168,619	169,848	
Building	13,835,100	-	-	13,835,100	2,907,192	(1,227,535)	-	1,679,657	12,155,443	10,927,908	
Computer	1,858,258	1,901,195	-	3,759,453	1,060,000	681,047	-	1,741,047	2,018,406	798,258	
<b>Sub Total</b>	<b>25,470,710</b>	<b>1,943,143</b>	<b>-</b>	<b>27,413,853</b>	<b>7,400,026</b>	<b>440,422</b>	<b>-</b>	<b>7,840,449</b>	<b>19,573,404</b>	<b>18,070,683</b>	
<b>(B) Intangible assets</b>											
Software	-	97,489,300	-	97,489,300	-	10,823,218	-	10,823,218	86,666,082	-	
<b>Sub Total</b>	<b>-</b>	<b>97,489,300</b>	<b>-</b>	<b>97,489,300</b>	<b>-</b>	<b>10,823,218</b>	<b>-</b>	<b>10,823,218</b>	<b>86,666,082</b>	<b>-</b>	
<b>Total</b>	<b>25,470,710</b>	<b>99,432,443</b>	<b>-</b>	<b>124,903,153</b>	<b>7,400,026</b>	<b>11,263,640</b>	<b>-</b>	<b>18,663,667</b>	<b>106,239,486</b>	<b>18,070,683</b>	
<b>Previous year</b>	22,563,689	2,820,779	-	25,384,467	5,109,337	2,204,447	-	7,313,784	18,070,683		

### NOTE 11 (A) : INTANGIBLE ASSETS UNDER DEVELOPMENT AGEING SCHEDULE

	Amount in CWIP for a period of				Total
	Less Than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 years	
Project in Progress	12,392,018	-	-	-	12,392,018
<b>Total</b>	<b>12,392,018</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,392,018</b>

### NOTE 11 (B) : INTANGIBLE ASSETS UNDER DEVELOPMENT COMPLETION SCHEDULE

	To be completed in				Total
	Less Than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 years	
Compliance Sutra	15,000,000	-	-	-	15,000,000
Smart KYC	5,000,000	-	-	-	5,000,000
<b>Total</b>	<b>20,000,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,000,000</b>

### NOTE 12 : NON-CURRENT INVESTMENTS

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
<b>Investment in Subsidiary ( Unquoted)</b>		
Investment in Equity Of Markets on Cloud	80,000	80,000
<b>Investment in Associates ( Unquoted)</b>		
Investment in Equity of Trakiot Solutions Private Limited	25,10,000	-
<b>Investment in Bonds</b>		
NTPC- Bonds	5,00,000	5,00,000
APSTC Bond	20,70,349	20,70,349
PFCL Bond	40,00,000	40,00,000
<b>Total</b>	<b>91,60,349</b>	<b>66,50,349</b>

### NOTE 13 : DEFERRED TAX ASSETS (NET)

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
On account of 43B Gratuity	-	2,84,236
On Account of 35D	-	18,29,502
<b>Total</b>	<b>-</b>	<b>21,13,739</b>

#### NOTE 14 : OTHER NON CURRENT ASSETS

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
<b>(Unsecured, considered good)</b>		
Capital Advance	1,26,64,800	1,26,64,800
Fixed Deposit for more than 12 month maturity	10,01,24,640	16,75,13,253
Security Deposit	17,12,500	30,16,400
<b>Total</b>	<b>11,45,01,940</b>	<b>18,31,94,453</b>

#### NOTE 15 : TRADE RECEIVABLES

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
<b>(Unsecured, considered good)</b>		
More than six months	3,73,734	11,34,488
Other trade receivables	1,42,31,728	1,97,54,888
<b>Total</b>	<b>1,46,05,462</b>	<b>2,08,89,376</b>

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
Trade Receivables Ageing Schedule		
<b>1. Undisputed Trade Receivable - Considered Good</b>		
<b>Outstanding from following periods from due date of Payment</b>		
Less than 6 months	1,42,31,728	1,97,54,888
6 months to 1 year	2,91,780	6,36,744
1 to 2 years	46,762	4,91,914
2 to 3 years	35,192	5,830
More than 3 years	-	-
<b>Total</b>	<b>1,46,05,462</b>	<b>2,08,89,376</b>

#### NOTE 16 : CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
(a) Cash on hand	72,997	91,023
(b) Balances with banks		
(i) In Current accounts	10,001	663
<b>Total</b>	<b>82,997</b>	<b>91,685</b>

## NOTE 17 : SHORT TERM LOANS AND ADVANCES

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
Advance tax & TDS Receivable (Net of Provision)	1,21,69,123	12,64,622
Balance With Government authorities	21,42,839	2,99,617
Loans and Advances to Employee	2,26,592	5,80,925
Prepaid Expenses	2,51,426	1,46,856
Interest Receivable	71,357	71,357
Advances for Expenses	1,86,013	81,634
<b>Total</b>	<b>1,50,47,350</b>	<b>24,45,010</b>

## NOTE 18 : REVENUE FROM OPERATIONS

Particulars	2021-2022	2020-2021
	Amount in Rs.	Amount in Rs.
Sale of Services	14,54,17,060	7,58,90,349
(See also Note No 29)		
<b>Total</b>	<b>14,54,17,060</b>	<b>7,58,90,349</b>

## NOTE 19 : OTHER INCOMES

Particulars	2021-2022	2020-2021
	Amount in Rs.	Amount in Rs.
Interest from Bank & Investments	59,25,066	52,23,540
Other Income	3,66,000	-
<b>Total</b>	<b>62,91,066</b>	<b>52,23,540</b>

## NOTE 20 : EMPLOYEE BENEFIT EXPENSES

Particulars	2021-2022	2020-2021
	Amount in Rs.	Amount in Rs.
Salary, wages, bonus and allowances	3,76,53,759	2,79,22,429
Contribution to PF and Other Fund	5,81,357	(2,57,223)
Employee Compensation Expenses (ESOP)	-	94,087
Employee welfare and other amenities	3,99,438	7,42,058
<b>Total</b>	<b>3,86,34,554</b>	<b>2,85,01,351</b>

## NOTE 21 : FINANCE COST

Particulars	2021-2022	2020-2021
	Amount in Rs.	Amount in Rs.
Interest - Bank OD and Term Loan	3,95,578	8,37,872
<b>Total</b>	<b>3,95,578</b>	<b>8,37,872</b>

## NOTE 22 : OTHER EXPENSES

Particulars	2021-2022	2020-2021
	Amount in Rs.	Amount in Rs.
Auditors' Remuneration	1,80,000	1,62,800
Business Promotion Expenses	4,90,664	7,25,557
Professional Fees Paid	3,06,84,236	1,11,76,548
Software Development Expenses	1,81,63,150	42,33,330
Conveyance & Travelling Expenses	14,29,175	3,96,595
Insurance charges	1,97,856	1,97,605
Repairs & Maintenance	5,18,486	2,93,478
Receivables Not Recoverable	29,501	-
Rent, Rates & taxes	54,24,159	25,31,178
IPO Expenses	-	84,30,201
Office Expenses	3,41,108	4,10,268
Contract Charges	69,86,413	5,81,627
Stationery & Printing Expenses	1,13,311	62,964
Telecommunication Charges	1,10,287	1,26,305
FDR Prematurity Charges	9,80,992	-
Miscellaneous Expenses	2,23,595	2,58,307
<b>Total</b>	<b>6,58,72,932</b>	<b>2,95,86,762</b>

## NOTE 23 : RATIOS

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021

	Ratio Analysis	Numerator	Denominator	31-Mar-22	31-Mar-21	Variance
1	Current Ratio	Current Assets	Current Liabilities	1.82	1.88	-3.38%
2	Debt Equity Ratio	Total Liabilities	Shareholder's Equity	0.05	0.04	25.06%
3	Return on Equity Ratio	Net Profit after taxes	Avg. Shareholders Equity	12.00%	12.57%	-4.54%
4	Inventory Turnover Ratio	Cost of Goods sold	Average Inventory			
5	Trade Receivables Turnover Ratio	Net Credit Sales	Average Trade Receivables	8.19	4.70	74.48%
<b>Note:</b> Timely payment by customer.						
6	Trade Payables Turnover Ratio	Total Purchases	Average Trade Payables	8.85	10.55	-16.06%
7	Net Capital Turnover Ratio	Net Sales	Average Working Capital	5.89	3.56	65.57%
	Note: Sales Increase					

	Ratio Analysis	Numerator	Denominator	31-Mar-22	31-Mar-21	Variance
8	Net Profit Ratio	Net Profit	Net Sales	18.29%	20.73%	-11.77%
9	Return on Capital employed	EBIT	Capital Employed	23.39%	9.59%	143.82%
<b>Note:</b> Business Growth						
10	Return on Investment	Return from investment	Weighted Average of Investment	7.93%	9.46%	-16.15%

#### NOTE 24 : AUDITORS REMUNERATION

Particulars	As At March 31, 2022	As At March 31, 2021
For Audit Fees	1,00,000	50,000
For Tax Audit Fees	80,000	20,000
Advisory and Certification Fees for IPO	-	92,800
<b>Total</b>	<b>1,80,000</b>	<b>1,62,800</b>

#### NOTE 25 : RELATED PARTY TRANSACTIONS

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below

##### NOTE 25.1 : RELATIONSHIPS DURING THE YEAR

(A) Holding Company

Secmark Holdings Private Limited

(B) Subsidiary Company

Markets on Cloud Private Limited

(C) Associate Company

Trakiot Solutions Private Limited (with effect from 23rd February 2022)

(D) Key Managerial Personnel & their relatives

- Jignesh Mehta (CEO & MD from 01st January 2020)
- Gautam Thanki (Relative of Sagar Thanki)
- Sagar Thanki (CFO & Director from 28th January 2019)
- Nirav Thanki (Relative of Sagar Thanki)
- Sunil Bang (Company Secretary from 01st January 2020)
- Yogita Thanki (Relative of Sagar Thanki)

(E) Other Directors & Other Related party

- Binod Chandra Maharana (Independent Director)
- Priti Nigam Gandhi (Independent Director)
- Ravi Ramaiya (Non executive)
- Shardul Shah (Non executive)
- Trupti Ramaiya (Relative of Ravi Ramaiya)
- Hiral Shah (Relative of Shardul Shah)
- Shah & Ramaiya

**NOTE 25.2 : RELATED PARTY TRANSACTION DURING THE YEAR:**

Particulars	2021-22	2020-21
	Amount in Rs.	Amount in Rs.
<b>(A) Transaction with related parties during the year</b>		
<b>Directors Remuneration</b>		
- Jignesh Mehta	16,67,000	38,50,000
- Sagar Thanki	8,00,000	6,44,982
<b>Salaries and Allowances</b>		
- Nirav Thanki	3,12,000	2,66,409
- Yogita Thanki	5,00,000	3,00,000
- Gautam Thanki	3,00,000	3,00,000
- Sunil Bang	32,00,366	20,34,394
<b>Rent Expenses</b>		
- Trupti Ramaiya	12,00,000	12,00,000
- Hiral Shah	7,20,000	8,55,000
<b>Professional Fees Paid / Software Development Cost</b>		
- Shah and Ramaiya	20,00,000	14,00,000
- Trakiot Solutions Private Limited	78,96,413	-
<b>Account Payable</b>		
- Trakiot Solutions Private Limited	49,57,772	-
- Shah and Ramaiya	5,40,000	-

**NOTE 26 : EARNING PER SHARE**

Particulars	As At March 31, 2022	As At March 31, 2021
	Amount in Rs.	Amount in Rs.
Net profit after tax as per statement of profit and loss	2,65,93,459	1,57,29,621
Number of equity shares outstanding during the year	41,48,200	30,10,000
Restated Number of equity shares outstanding during the year	41,28,707	35,68,526
Effect of Dilution:		
Share options	-	24,600



Particulars	As At March 31, 2022	As At March 31, 2021
	Amount in Rs.	Amount in Rs.
Restated Number of equity shares adjusted after dilution (Bonus Issue)	41,28,707	35,93,126
Basic earnings per share (Restated)	6.44	4.41
Diluted earnings per share (Restated)	6.44	4.38

## NOTE 27 : EMPLOYEE BENEFIT OBLIGATIONS

### a) Defined Contribution Plans

The Company operates defined contribution schemes like provident fund schemes. For these schemes contributions are made by the company, based on current salaries, to the recognized funds maintained by the Government. In case of provident fund schemes, contributions are also made by employees.

### b) Defined Benefit Plans

#### Gratuity

The benefits are determined using the projected unit credit method with actuarial valuation being carried out at each Balance Sheet date.

The movement in the defined benefit liability over the year is as follows:

	2021-22	2020-21
	Amount in Rs.	Amount in Rs.
As at 1st April	11,29,356	13,86,579
Interest Cost	81,878	97,061
Past Service Cost	-	-
Current Service cost	5,36,980	3,38,317
Benefits Paid	-	-
Actuarial (Gain)/ Loss on the obligation	(37,501)	(6,92,601)
As at 31st March	17,10,713	11,29,356

#### Principal actuarial assumptions

	2021-22	2020-21
	Amount in Rs.	Amount in Rs.
Discount Rate	7.25%	7.00%
Salary Escalation	5.00%	5.00%

## NOTE 28 :

During the year ended 31.03.2021, the Company had completed the Initial Public Offer (IPO) of its equity shares comprising a fresh issue of 11,14,000 equity shares having a face value of Rs.10 each at an offer price of Rs. 135 per share aggregating to Rs. 15,03,90,000. Pursuant to the IPO, the Equity shares of the Company have got listed on SME Exchange on BSE limited.

Utilisation of Net IPO Proceeds and proceeds from Pre IPO placement till the year ended 31.03.2022

Particulars	Amount in Rs.
Amount Received	15,03,90,000
Less: Amount Paid/invested	
Repayment of Debts / Overdraft	1,50,00,000
IPO Related Expenses	1,04,00,000
Incurring for the Object of the issue	10,74,34,563
General corporate purposes	25,00,000
Balance amount deposited in Bank	1,50,55,437

#### NOTE 29 :

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	As at 31st March 2022	As at 31st March 2021
	Amount in Rs.	Amount in Rs.
a) the principal amount remaining unpaid to any supplier at the end of each accounting year	41,997	-
b) interest due remaining unpaid to any supplier at the end of each accounting year	-	-
c) the amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
d) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
(e) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(f) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

## NOTE 30 :

### **Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19)**

The World Health Organization declared the outbreak of COVID-19 as a public health emergency of international concern on January 30, 2020 and a pandemic on March 11, 2020. The Government of India announced a nation-wide lockdown on March 24, 2020 and imposed several restrictions.

However given that Our Company had established its own cloud infrastructure much before the Pandemic, there has been no impact on the functioning of Our Company. The team members have been working from home during lockdown and have been able to execute their responsibilities and service clients without any disruption, difficulty or delay.

The Management has considered the possible effects, if any, that may result from the pandemic on the carrying amounts of its current and non-current assets, after considering internal and external sources of information as at the date of approval of these financial statements. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Trade Receivables. In assessing recoverability of trade receivables, the Company has considered subsequent recoveries, past trends and credit risk profiles of the clients and all internal and external information available up to the date of issuance of these financial statements. Based on the above assessment, the Company is of the view that carrying amounts of trade receivables are expected to be realisable. The impact of COVID-19 may be different from that estimated as at the date of approval of these financial statements, and the Company will continue to closely monitor the developments.

## NOTE 31 : Revenue from Contracts with Clients:

The Company has evaluated the impact of COVID-19 resulting from (i) the possible constraints to continue its operations and revisions in costs to fulfill the pending obligations (ii) penalties, if any, relating to breaches of agreements and (iii) termination or deferment of contracts by clients. The Company has concluded that the impact of COVID-19 is not material based on these estimates. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

## NOTE 32 : Other Statutory Information

- i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- ii) The Company do not have any transactions with companies struck off.
- iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- vii) The Company have no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- viii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

**NOTE 33 :**

Figures of previous year are regrouped, rearranged and reclassified wherever necessary to correspond to figures of the current year.

As per our report of even date

**For D. Kothary & Co.**  
Chartered Accountants  
Firm Registration. No. 105335W

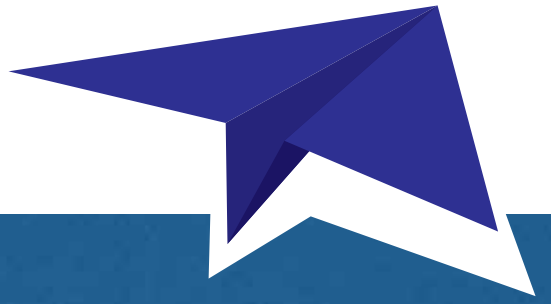
For and on behalf of the Board of Directors  
**SecMark Consultancy Limited**

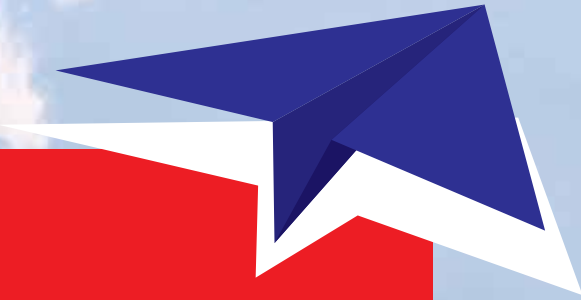
**Mehul N. Patel**  
Partner  
Membership No.: 132650

**Jignesh Mehta**  
Managing Director & CEO  
DIN : 07929488

**Sagar Thanki**  
Executive Director & CFO  
DIN : 08281489

**Sunil Bang**  
Company Secretary







# D. KOTHARY & CO

Chartered Accountant

102-Ameya House, Next to Azad Nagar Metro Station, Above Standard Chartered Bank, Andheri (W) Mumbai 400 058.

Tel (B) +91 22 6865 1155/ 1166, Email : info@dkothary.com, Website : www.dkothary.com

## STATUTORY AUDITOR REPORT (CONSOLIDATED)

To the Members of

### **SecMark Consultancy Limited**

### **Report on the Audit of the Consolidated Financial Statements**

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#### **Opinion**

We have audited the accompanying consolidated financial statements of SecMark Consultancy Limited (herein after referred as “the Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”) its associate, which comprise the Consolidated Balance Sheet as at 31st March, 2022, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flow, for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as “the Consolidated Financial Statements”)

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies Accounting Standards Rules, 2006, as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2022, and their consolidated profit and their consolidated cash flows for the year ended on that date.

#### **Basis of Opinion**

We conducted our audit 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 Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a





separate opinion on these matters. There are no key audit matters to be disclosed.

Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report, Shareholders' Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

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

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

### **Management Responsibility for the Consolidated Financial Statements**

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act, that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Accounting Standard and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.





## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.



For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

## **Other Matter**

We have not audited the financial statements of one subsidiary whose financial statements / financial information reflect total assets of Rs. 1,11,147/- as at 31st March, 2022, total revenues of Rs. 6,000 for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors

We have not audited the financial statements in respect of an associate, whose interim financial results/information reflect Group's share of net profit/(loss) of Rs. (2,22,609) for the year ended 31st March 2022. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate, is based solely on the reports of the other auditors



**Our opinion on the Statement is not modified in respect of the above matters.**

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

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of a subsidiary as noted in the 'other matter' paragraph, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditors.
  - (c) The consolidated balance sheet, the consolidated statement of profit and loss and the consolidated statement of cash flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standard specified under Section 133 of the Act, read with relevant rules there under.
  - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2022 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group companies are disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls with reference to financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
  - (g) In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration for the year ended 31st March, 2022 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the other financial information of the subsidiaries as noted in the "Other matter" paragraph:
    - i. The consolidated Ind AS financial statements have disclosed pending litigations which has impact on the consolidated financial position of the Group.
    - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.



- iii. There is no amount to be transfer to the Investor Education and Protection Fund by the Holding Company and its subsidiaries during the year ended 31st March, 2022.
  - iv. (a) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
  
(b) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiaries from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
  
(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.  
  
(d) The Holding Company has not declared/paid dividend during the year.
2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor’s Report) Order, 2020 (the “Order”/ “CARO”) issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor’s report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Holding Company and its subsidiaries included in the consolidated financial statements of the Holding Company, to which



reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports

**For D. Kothary & Co**  
Chartered Accountants  
(Firm Registration No. 105335W)

**Mehul N. Patel**  
Partner  
Membership No. 132650  
UDIN: 22132650AJOECS3175

Place: Mumbai  
Date: 25<sup>th</sup> May 2022



## Annexure - A

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

We have audited the internal financial controls over financial reporting of SecMark Consultancy Limited (“the Company”) as of 31st March, 2022 in conjunction with our audit of the Consolidated Ind AS Financial Statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as the “Group”) for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the Companies included in the Group, are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements criteria established by the Holding Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (“the Guidance Note”) 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 respective 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.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Holding Company, internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 Holding Company’s internal financial control



system with reference to financial statements.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 Group, have in all material respects, an adequate internal financial control system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2022, based on the internal controls with reference to financial statements criteria established by the Holding Company, considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

**For D. Kothary & Co**

Chartered Accountants

(Firm Registration No. 105335W)

**Mehul N. Patel**

Partner

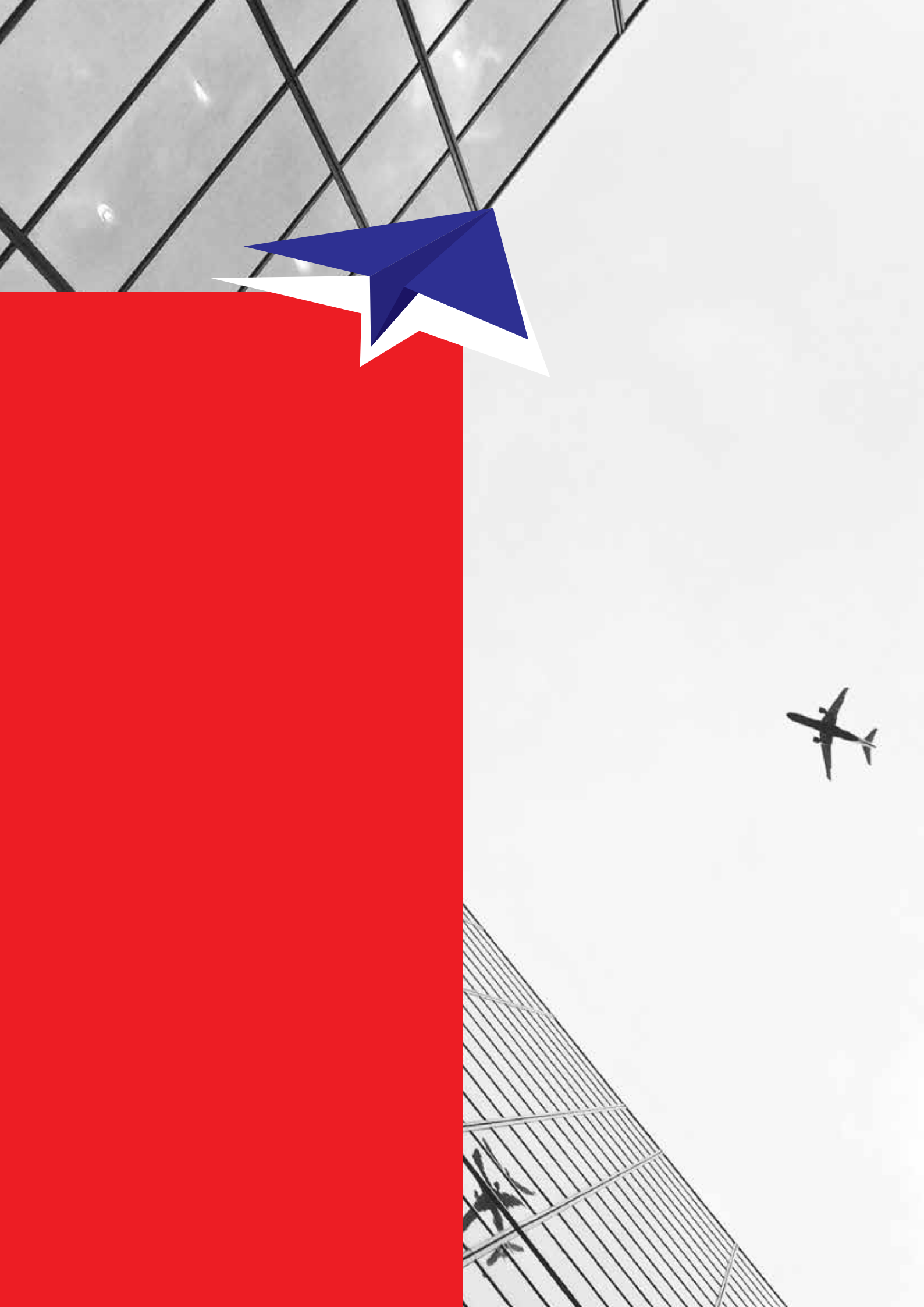
Membership No. 132650

UDIN: 22132650AJOEGS3175

Place: Mumbai

Date: 25<sup>th</sup> May 2022







# SEC MARK CONSULTANCY LIMITED

CIN No. L67190MH2011PLC220404

## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022

Sr. No	Particulars	Notes	As at March 31, 2022	As at March 31, 2021
			Amount In Rs.	Amount In Rs.
I.	<b>EQUITY AND LIABILITIES</b>			
1	<b>Shareholders' funds</b>			
	(a) Share capital	3	4,14,82,000	4,12,40,000
	(b) Reserves and surplus	4	19,34,81,619	16,70,13,698
			23,49,63,619	20,82,53,698
2	<b>Non current liabilities</b>			
	(a) Deferred Tax Liabilities	5	50,74,219	-
	(b) Long Term Provisions	6	16,81,076	11,11,949
			67,55,295	11,11,949
3	<b>Current liabilities</b>			
	(a) Short-term borrowings	7	1,24,79,244	88,35,703
	(b) Trade Payable	8		
	A) total outstanding dues of micro & small enterprises		41,997	-
	B) total outstanding dues of creditors other than micro & small enterprises		1,12,22,656	26,44,859
	(c) Other current liabilities	9	60,70,548	1,20,79,555
	(d) Short term provisions	10	3,04,782	5,55,407
			3,01,19,226	2,41,15,524
	<b>TOTAL</b>		<b>27,18,38,140</b>	<b>23,34,81,171</b>
II.	<b>ASSETS</b>			
1	<b>Non current assets</b>			
	(a) Property Plant & Equipment and Intangible Assets			
	(i) Property Plant & Equipment	11	1,95,73,404	1,80,70,683
	(ii) Intangible assets	11	8,66,66,082	-
	(iii) Intangible assets under development	11(a)	1,23,92,018	-
	(b) Non current investments	12	88,57,740	65,70,349
	(c) Deferred Tax Assets (Net)	13	-	21,13,739
	(d) Other Non Current Assets	14	11,45,01,940	18,31,94,453
			24,19,91,184	20,99,49,224
2	<b>Current assets</b>			
	(a) Trade receivables	15	1,46,05,462	2,08,89,376
	(b) Cash and Cash Equivalents	16	1,94,144	1,97,561
	(c) Short term loans and advances	17	1,50,47,350	24,45,010
			2,98,46,956	2,35,31,948
	<b>TOTAL</b>		<b>27,18,38,140</b>	<b>23,34,81,171</b>
	Significant accounting policies & Notes to financial statements	1 to 31		

As per our report of even date

**For D. Kothary & Co.**  
Chartered Accountants  
Firm Registration. No. 105335W

For and on behalf of the Board of Directors  
**SecMark Consultancy Limited**

**Mehul N. Patel**  
Partner  
Membership No.: 132650

**Jignesh Mehta**  
Managing Director & CEO  
DIN : 07929488

**Sagar Thanki**  
Executive Director & CFO  
DIN : 08281489

**Sunil Bang**  
Company Secretary

Place : Mumbai  
Date : 25th May 2022

# SECMARK CONSULTANCY LIMITED

CIN No. L67190MH2011PLC220404

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED MARCH, 31 2022

Sr. No	Particulars	Notes	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
			Amount In Rs.	Amount In Rs.
I.	<b>Revenue from operations</b>	18	14,54,17,060	7,58,90,349
II.	<b>Other income</b>	19	62,97,066	52,29,540
III	<b>Total Revenue (A)</b>		15,17,14,126	8,11,19,889
IV	<b>Expenses:</b>			
	Employee benefits expenses	20	3,86,34,554	2,85,01,351
	Finance cost	21	3,95,578	8,37,872
	Depreciation and amortization expenses	11	1,12,63,640	22,04,447
	Other Expenses	22	6,58,78,581	2,95,92,411
V	<b>Total Expenses (B)</b>		11,61,72,353	6,11,36,080
VI	<b>Profit before tax (A-B)</b>		3,55,41,773	1,99,83,809
VII	<b>Tax expense:</b>			
	Current tax		17,60,086	66,18,105
	Deferred tax		71,87,958	(15,88,588)
	Adjustment for Earlier year		-	(7,75,600)
VIII	<b>Profit for the year (VI-VII)</b>		2,65,93,730	1,57,29,892
	Add: Share in (loss)/profit of associates		(2,22,609)	-
	Profit(Loss) for the year after share in (loss)/profit of associates		2,63,71,121	1,57,29,892
	Earning per share on Equity Shares of Rs. 10 each (Refer to Note 25)			
	- Basic (P. Y. Restated)		6.39	4.41
	- Diluted (P. Y. Restated)		6.39	4.38
	Significant accounting policies & Notes to financial statements	1 to 31		

As per our report of even date

**For D. Kothary & Co.**  
 Chartered Accountants  
 Firm Registration. No. 105335W

For and on behalf of the Board of Directors  
**SecMark Consultancy Limited**

**Mehul N. Patel**  
 Partner  
 Membership No.: 132650

**Jignesh Mehta**  
 Managing Director & CEO  
 DIN : 07929488

**Sagar Thanki**  
 Executive Director & CFO  
 DIN : 08281489

**Sunil Bang**  
 Company Secretary

## SECMARK CONSULTANCY LIMITED

CIN No. L67190MH2011PLC220404

### CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

Particulars	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
	Amount In Rs.	Amount In Rs.
<b>A. Cash Flow From Operating Activities :</b>		
<b>Net profit before tax as per statement of profit and loss</b>	3,55,41,773	1,99,83,809
Adjustments for :		
Depreciation	1,12,63,640	20,93,941
Interest Income	(59,25,066)	(12,16,780)
Gratuity Provision	5,81,357	13,86,579
Interest Expenses	3,95,578	8,31,303
<b>Operating Cash Flow Before Working Capital Changes</b>	4,18,57,282	2,30,78,853
<b>Changes in current assets and liabilities</b>		
(Increase)/ Decrease in Trade receivables	62,83,914	(41,75,318)
(Increase)/ Decrease loans and advances & Other Current Assets	(1,12,98,439)	(49,34,974)
Increase/ (Decrease) in other current Liabilities & Provisions	1,36,12,086	(71,23,182)
Cash Generated From Operations	5,04,54,843	68,45,379
Payment of Taxes (Net of Refunds)	(1,29,27,441)	(38,64,218)
<b>Net Cash Flow From Operating Activities (A)</b>	3,75,27,401	29,81,161
<b>B. Cash Flow From Investing Activities :</b>		
(Purchase)/ Sale of Fixed Assets	(11,18,24,461)	(5,39,426)
(Increase)/ Decrease in Fixed Deposits	6,73,88,613	(44,45,089)
(Purchase)/ Sale of Investments (net)	(25,10,000)	-
Interest received from Fixed Deposit and Bonds	59,25,066	12,16,780
<b>Net Cash Flow From Investment Activities (B)</b>	(4,10,20,782)	(37,67,735)

Contd...

Particulars	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
	Amount In Rs.	Amount In Rs.
<b>C. Cash Flow From Financing Activities :</b>		
(Repayment) / Proceed of borrowings from financial institutions/Others	36,43,541	69,32,157
Proceeds from issue of Equity Shares including premium through ESOP	2,42,000	-
<b>Interest on short term borrowing</b>	(3,95,578)	(8,31,303)
<b>Net Cash From / (Used In) Financing Activities (C)</b>	34,89,963	61,00,853
<b>Net Increase In Cash Or Cash Equivalents (A+B+C)</b>	(3,417)	53,14,279
<b>Cash And Cash Equivalents At The Beginning Of The Year</b>	1,97,561	4,64,072
<b>Cash And Cash Equivalents As At The End Of The Year</b>	1,94,144	57,78,351
Component of cash and cash equivalents (Refer note 15)		

As per our report of even date

**For D. Kothary & Co.**  
 Chartered Accountants  
 Firm Registration. No. 105335W

For and on behalf of the Board of Directors  
**SecMark Consultancy Limited**

**Mehul N. Patel**  
 Partner  
 Membership No.: 132650

**Jignesh Mehta**  
 Managing Director & CEO  
 DIN : 07929488

**Sagar Thanki**  
 Executive Director & CFO  
 DIN : 08281489

**Sunil Bang**  
 Company Secretary

Place : Mumbai  
 Date : 25th May 2022

## SECMARK CONSULTANCY LIMITED

### Consolidated Notes to financial statements for the year ended March 31, 2022

#### Note 1 : Corporate information

"SecMark Consultancy Limited was originally incorporated as a Private Limited Company on August 03, 2011, under the provision of Companies Act, 1956 and subsequently converted into Public Limited Company pursuant to a shareholders' resolution passed at the Extra-Ordinary General Meeting held on January 28, 2020.

Name of the Company was changed from SecMark Consultancy Private Limited to "SecMark Consultancy Limited" and fresh Certificate of Incorporation dated March 02, 2020, was issued by Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification is L67190MH2011PLC220404 and its registered office is situated at Plot No 36/227, RDP-10, Sector-6, Charkop, Kandivali-West Mumbai - 400067.

The Company came up with its IPO in the current Financial Year and the paid up share capital of the company is Rs. 4,12,40,000. (Four Crores Twelve Lakh and Forty Thousand only)

The Company offers services Consulting, Technology and Outsourcing services to financial market participants in the areas of Compliance, Operations, Software Development, Risk Management and other areas to financial market participants.

Clients include leading Brokerage Houses, Depository Participants, Stock Exchanges, Wealth Managers, Research Analyst, Corporate Agents, Portfolio Managers, Investment Advisors, NBFCs, Banks, etc."

The Entity Consolidated includes :

1. Markets on Cloud Private Limited (100% subsidiary)
2. Trakiot Solutions Private Limited (Associate)

#### NOTE 2 : SIGNIFICANT ACCOUNTING POLICIES

##### a) Basis of preparation of financial statements:

"The financial statements are prepared and presented under the historical cost convention, on the accrual basis of accounting and in accordance with the provisions of the Companies Act, 2013 ('the Act') (except as specifically mentioned), and the accounting principles generally accepted in India and comply with the accounting standards prescribed in the Companies (Accounting Standards) Rules, 2014 issued by the Central Government, in consultation with the National Advisory Committee on Accounting Standards, to the extent applicable.

The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards."

##### b) Principles of consolidation

- i) The consolidated financial statements have been prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down under the Accounting Standard (AS) 21-'Consolidated Financial Statements.
- ii) The financial statements of the Company and its subsidiaries have been combined to the extent possible on a line by line basis by adding together like items of assets, liabilities, income and expenses. The results of subsidiaries acquired or disposed off during the year are included in

the consolidated Statement of Profit and Loss from the effective date of acquisition or up to the effective date of disposal, as appropriate. All significant intra group balances and transactions have been eliminated on consolidation. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the Balance Sheet of the Company and its share in the post – acquisition increase in the relevant reserves of the subsidiaries.

- iii) The excess of cost to the Company of its investments in subsidiaries over its share of the equity of the subsidiaries at the date on which the investment in the subsidiaries are made, is recognized as “Goodwill on Consolidation” being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary companies as on the date of the investment is in excess of cost of investment of the Company, it is recognized as “Capital reserve” and shown under the head “Reserves and surplus”, in the consolidated financial statements. Impact of currency translation on such “Goodwill” and “Capital reserve” is adjusted in the respective carrying amounts. The unamortized carrying value of goodwill is tested for impairment as at each Balance Sheet date. For the purpose of impairment testing, goodwill is allocated to each of the Group’s cash-generating units that are expected to benefit from the synergies of the business combination. Cashgenerating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised in goodwill is not reversed in a subsequent period.
- iv) Minority interest in the net income and net assets of the consolidated financial statements are computed and shown separately. Losses applicable to minority in excess of the minority’s interest in the subsidiary’s equity are allocated against the interests of the group.
- v) As far as possible, the consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company’s financial statements.

**b) Use of estimates:**

The preparation of Financial statements in conformity with the generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, assets and liabilities and disclosures relating to contingent liabilities as of the date of financial statements. Actual results could differ from those estimated. Any revision to accounting estimates is recognised prospectively in future periods.

**c) Revenue recognition:**

The company derives its revenue primarily from management & consultancy services. Revenue is recognized at pre-determined rates as defined under contracts with clients and accounted for at the time of execution of transactions/events.

Interest income is recognized using the time proportion method, based on the transactional interest rates.

**d) Investments:**

Investments are classified into non current investments and current investments. Investments which are intended to be held for more than one year are classified as non current investments and investments which are intended to be held for less than one year, are classified as current

investments. Non current investments are stated at cost and a provision for diminution in value of non current investments is made only if the decline is other than temporary in the opinion of the management. Current investments are valued at cost or market/fair value whichever is lower.

**e) Provisions, Contingent Liabilities and Contingent Asset :**

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or present obligation in respect of which the likelihood of outflow of resource is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

**f) Fixed assets and depreciation :**

- i. Fixed assets are carried at cost of acquisition (including directly attributable costs such as freight, installation, etc.) or construction less depreciation.
- ii. Depreciation on assets is provided on the written down value method as per the income tax rate. Depreciation on newly purchase assets is provided proportionately as per income tax basis.

**g) Taxation :**

- a) Current Tax:

Provision for tax is based on the taxable profit for the accounting year after taking into consideration the relevant provisions of the Income Tax Act, 1961.

**h) Earnings per share :**

The basic earnings per share is computed by dividing the net profit / loss attributable to the equity shareholders for the period by the number of equity shares outstanding on the last day of reporting period. In computing dilutive earnings per share, only potential equity shares that are dilutive and that reduce profit / loss per share are included.

**NOTE 3 (A) : SHARE CAPITAL**

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
<b>AUTHORISED SHARE CAPITAL</b>		
50,00,000 (Previous Year 10,000) Equity Shares of Rs.10 each	5,00,00,000	5,00,00,000
<b>Total</b>	<b>5,00,00,000</b>	<b>5,00,00,000</b>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
41,48,200 (PY 41,24,000) Equity Shares of Rs.10 each fully paid up	4,14,82,000	4,12,40,000
<b>Total</b>	<b>4,14,82,000</b>	<b>4,12,40,000</b>

### NOTE 3 (B) :

The company has only one class of equity with a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.

### NOTE 3 (C) :

The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2022 and March 31, 2021 is set out below

Particulars	As at March 31, 2022		As at 31 March 2021	
	No. of shares held	Amount In Rs.	No. of shares held	Amount In Rs.
<b>Equity Shares</b>				
Number of Shares at the beginning	41,24,000	4,12,40,000	30,10,000	3,01,00,000
Add : Further Issue of Shares as IPO	-	-	11,14,000	1,11,40,000
Add : Further Issue of Shares as ESOP	24,200	2,42,000	-	
<b>Number of shares at the end</b>	<b>41,48,200</b>	<b>4,14,82,000</b>	<b>41,24,000</b>	<b>4,12,40,000</b>

### NOTE 3 (D) :

Details of Shares held by each Shareholder holding more than 5% Shares:

Class of shares / Name of Shareholders	As at March 31, 2022		As at 31 March 2021	
	No. of shares held	% holding	No. of shares held	% holding
<b>Equity Shares with voting rights</b>				
<b>Secmark Holdings Private Limited</b>	<b>30,10,000</b>	<b>72.56%</b>	<b>30,10,000</b>	<b>72.99%</b>

### NOTE 3 (E) :

Shares held by promoters at the end of the year

Name of Promoter/Promoter Group	No. of Shares Held	% of Total Shares	% Change during the year
<b>Secmark Holdings Private Limited</b>	<b>30,10,000</b>	<b>72.56%</b>	<b>0%</b>

### NOTE 4 : RESERVES AND SURPLUS

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
<b>Capital Reserve on Consolidation</b>	20,890	20,890
Securities Premium	13,92,50,000	-
Add: on ESOP Allotment of Equity Shares	96,800	13,92,50,000
	<b>13,93,46,800</b>	<b>13,92,50,000</b>
<b>Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening balance	2,77,42,808	1,20,12,916
Add: Profit / (Loss) for the year	2,63,71,121	1,57,29,892
	5,41,13,929	2,77,42,808
<b>Total</b>	<b>19,34,81,619</b>	<b>16,70,13,698</b>



## NOTE 5 : DEFERRED TAX LIABILITIES

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
On account of Fixed Assets	68,65,888	-
On account of 43B & 35D	(17,91,668)	-
<b>Total</b>	<b>50,74,219</b>	<b>-</b>

## NOTE 6 : LONG TERM PROVISIONS

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
Gratuity Provisions	16,81,076	11,11,949
<b>Total</b>	<b>16,81,076</b>	<b>11,11,949</b>

## NOTE 7 : SHORT TERM BORROWINGS

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
<b>Secured</b>		
Bank Loans repayable on demand (Secured against Fixed Deposit)	1,24,79,244	88,35,703
<b>Total</b>	<b>1,24,79,244</b>	<b>88,35,703</b>

## NOTE 8 : TRADE PAYABLE

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
Total outstanding dues of micro & small enterprises	41,997	-
Total outstanding dues of creditors other than micro & small enterprises	1,12,22,656	26,44,859
<b>Total</b>	<b>1,12,64,652</b>	<b>26,44,859</b>

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
<b>Trade Payables Ageing Schedule</b>		
<b>1. MSME</b>		
<b>Outstanding for following periods from due date of payment</b>		
Less than 1 year	41,997	-
1 to 2 years	-	-
2 to 3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>41,997</b>	<b>-</b>

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
<b>2. OTHERS</b>		
<b>Outstanding for following periods from due date of payment</b>		
Less than 1 year	1,12,22,656	26,44,589
1 to 2 years	-	270
2 to 3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>1,12,22,656</b>	<b>26,44,859</b>

#### NOTE 9 : OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
Statutory liabilities	24,34,901	41,78,125
Deposit from Customer	1,50,000	1,50,000
Salary Payable	26,40,061	72,15,469
ESOP Outstanding	1,600	98,400
Other Payable	8,43,985	4,37,561
<b>Total</b>	<b>60,70,548</b>	<b>1,20,79,555</b>

#### NOTE 10 : SHORT TERM PROVISIONS

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
Gratuity Provision	29,637	17,407
Provision for tax (Net of Advance Tax)	2,75,145	5,38,000
<b>Total</b>	<b>3,04,782</b>	<b>5,55,407</b>

#### NOTE 10 (A) : INTANGIBLE ASSETS UNDER DEVELOPMENT AGEING SCHEDULE

	Amount in CWIP for a period of				Total
	Less Than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 years	
Project in Progress	1,07,42,018	-	-	-	1,07,42,018
<b>Total</b>	<b>1,07,42,018</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,07,42,018</b>

#### NOTE 10 (B) : INTANGIBLE ASSETS UNDER DEVELOPMENT COMPLETION SCHEDULE

	To be completed in				Total
	Less Than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 years	
Compliance Sutra	1,50,00,000	-	-	-	1,50,00,000
Smart KYC	50,00,000	-	-	-	50,00,000
<b>Total</b>	<b>2,00,00,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,00,00,000</b>

## NOTE 11 :- Property Plant & Equipment

Particulars	Gross block			Accumulated depreciation					Net block	
	"Balance as at 1 April, 2021"	Additions	Disposals	"Balance as at 31 March, 2020"	"Balance as at 1 April, 2021"	Depreciation / amortisation for the year	Eliminated on disposal of assets	"Balance as at 31 March, 2022"	"Balance as at 31 March, 2022"	"Balance as at 31 March, 2021"
	Amount In Rs.	Amount In Rs.	Amount In Rs.	Amount In Rs.	Amount In Rs.	Amount In Rs.	Amount In Rs.	Amount In Rs.	Amount In Rs.	Amount In Rs.
(A) Property Plant & Equipment										
Furniture and Fixtures	63,80,537	-	-	63,80,537	25,01,034	6,06,151	-	31,07,185	32,73,351	38,79,502
Vehicle	28,42,798	-	-	28,42,798	5,47,631	3,37,582	-	8,85,213	19,57,585	22,95,167
Office Equipment	5,54,017	41,948	-	5,95,965	3,84,169	43,177	-	4,27,346	1,68,619	1,69,848
Building	1,38,35,100	-	-	1,38,35,100	29,07,192	(12,27,535)	-	16,79,657	1,21,55,443	1,09,27,908
Computer	18,58,258	19,01,195	-	37,59,453	10,60,000	6,81,047	-	17,41,047	20,18,406	7,98,258
Sub Total	2,54,70,710	19,43,143	-	2,74,13,853	74,00,026	4,40,422	-	78,40,449	1,95,73,404	1,80,70,683
(B) Intangible assets										
Software	-	9,74,89,300	-	9,74,89,300	-	1,08,23,218	-	1,08,23,218	8,66,66,082	-
<b>Sub Total</b>	-	<b>9,74,89,300</b>	-	<b>9,74,89,300</b>	-	<b>1,08,23,218</b>	-	<b>1,08,23,218</b>	<b>8,66,66,082</b>	-
<b>Total</b>	<b>2,54,70,710</b>	<b>9,94,32,443</b>	-	<b>12,49,03,153</b>	<b>74,00,026</b>	<b>1,12,63,640</b>	-	<b>1,86,63,667</b>	<b>10,62,39,486</b>	<b>1,80,70,683</b>
<b>Previous year</b>	<b>2,25,63,689</b>	<b>28,20,779</b>	-	<b>2,53,84,467</b>	<b>51,09,337</b>	<b>22,04,447</b>	-	<b>73,13,784</b>	<b>1,80,70,683</b>	

## NOTE 12 : NON-CURRENT INVESTMENTS

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
<b>Investment in Associate</b>		
2,500 Equity of Trakiot Solutions Private Limited of Rs. 10 each fully paid up	25,10,000	-
Less : Share of (loss)/profit from Associates	(2,22,609)	-
	22,87,391	
<b>Investment in Bonds</b>		
NTPC- Bonds	5,00,000	5,00,000
APSTC Bond	20,70,349	20,70,349
PFCL Bond	40,00,000	40,00,000
<b>Total</b>	<b>88,57,740</b>	<b>65,70,349</b>

## NOTE 13 : DEFERRED TAX ASSETS (NET)

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
On account of 43B Gratuity	-	2,84,236
On Account of 35D	-	18,29,502
<b>Total</b>	<b>-</b>	<b>21,13,739</b>

## NOTE 14 : OTHER NON CURRENT ASSETS

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
(Unsecured, considered good)		
Capital Advance	1,26,64,800	1,26,64,800
Fixed Deposit for more than 12 month maturity	10,01,24,640	16,75,13,253
Security Deposit	17,12,500	30,16,400
<b>Total</b>	<b>11,45,01,940</b>	<b>18,31,94,453</b>

## NOTE 15 : TRADE RECEIVABLES

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
<b>(Unsecured, considered good)</b>		
More than six months	3,73,734	11,34,488
Other trade receivables	1,42,31,728	1,97,54,888
(See also Note No 28)		
<b>Total</b>	<b>1,46,05,462</b>	<b>2,08,89,376</b>

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
<b>Trade Receivables Ageing Schedule</b>		
<b>1. Undisputed Trade Receivable - Considered Good</b>		
Ousting from following periods from due date of Payment		
Less than 6 months	1,42,31,728	1,97,54,888
6 months to 1 year	2,91,780	6,36,744
1 to 2 years	46,762	4,91,914
2 to 3 years	35,192	5,830
More than 3 years	-	-
<b>Total</b>	<b>1,46,05,462</b>	<b>2,08,89,376</b>

#### NOTE 16 : CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
(a) Cash on hand	1,21,727	1,33,833
(b) Balances with banks		
(i) In Current accounts	72,418	63,729
<b>Total</b>	<b>1,94,144</b>	<b>1,97,561</b>

#### NOTE 17 : SHORT TERM LOANS AND ADVANCES

Particulars	As at March 31, 2022	As at 31 March 2021
	Amount In Rs.	Amount In Rs.
Advance tax & TDS Receivable (Net of Provision)	1,21,69,123	12,64,622
Balance With Government authorities	21,42,839	2,99,617
Loans and Advances to Employee	2,26,592	5,80,925
Prepaid Expenses	2,51,426	1,46,856
Interest Receivable	71,357	71,357
Advances for Expenses	1,86,013	81,634
<b>Total</b>	<b>1,50,47,350</b>	<b>24,45,010</b>

#### NOTE 18 : REVENUE FROM OPERATIONS

Particulars	2021-2022	2020-2021
	Amount in Rs.	Amount in Rs.
<b>Sale of Services</b>	14,54,17,060	7,58,90,349
(See also Note No 29)		
<b>Total</b>	<b>14,54,17,060</b>	<b>7,58,90,349</b>

## NOTE 19 : OTHER INCOMES

Particulars	2021-2022	2020-2021
	Amount in Rs.	Amount in Rs.
Interest from Bank, Investments & Others	59,25,066	52,29,540
Other Income	3,72,000	-
<b>Total</b>	<b>62,97,066</b>	<b>52,29,540</b>

## NOTE 20 : EMPLOYEE BENEFIT EXPENSES

Particulars	2021-2022	2020-2021
	Amount in Rs.	Amount in Rs.
Salary, wages, bonus and allowances	3,76,53,759	2,79,22,429
Contribution to PF and Other Fund	5,81,357	(2,57,223)
Employee Compensation Expenses (ESOP)	-	94,087
Employee welfare and other amenities	3,99,438	7,42,058
<b>Total</b>	<b>3,86,34,554</b>	<b>2,85,01,351</b>

## NOTE 21 : FINANCE COST

Particulars	2021-2022	2020-2021
	Amount in Rs.	Amount in Rs.
Interest - Bank OD and Term Loan	3,95,578	8,37,872
<b>Total</b>	<b>3,95,578</b>	<b>8,37,872</b>

## NOTE 22 : OTHER EXPENSES

Particulars	2021-2022	2020-2021
	Amount in Rs.	Amount in Rs.
Auditors' Remuneration	1,80,000	1,62,800
Business Promotion Expenses	4,90,664	7,25,557
Professional Fees Paid	3,06,89,236	1,11,81,548
Software Development Expenses	1,81,63,150	42,33,330
Conveyance & Travelling Expenses	14,29,175	3,96,595
Insurance	1,97,856	1,97,605
Repairs & Maintenance	5,18,486	2,93,478
Receivables Not Recoverable	29,501	-
Rent, Rates & taxes	54,24,159	25,31,178
IPO Expenses	-	84,30,201
Office Expenses	3,41,108	4,10,268
Contract Charges	69,86,413	5,81,627
Stationery & Printing Expenses	1,13,311	62,964

Particulars	2021-2022	2020-2021
	Amount in Rs.	Amount in Rs.
Telecommunication Charges	1,10,287	1,26,305
FDR Prematurity Charges	9,80,992	-
Miscellaneous Expenses	2,24,244	2,58,956
<b>Total</b>	<b>6,58,78,581</b>	<b>2,95,92,411</b>

### NOTE 23 : AUDITORS REMUNERATION

Particulars	As At March 31, 2022	As At March 31, 2021
For Audit Fees	1,00,000	50,000
For Tax Audit Fees	80,000	20,000
Advisory and Certification Fees for IPO	-	92,800
<b>Total</b>	<b>1,80,000</b>	<b>1,62,800</b>

### NOTE 24 : RELATED PARTY TRANSACTIONS

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below

#### NOTE 24.1 : RELATIONSHIPS DURING THE YEAR

##### (A) Holding Company

Secmark Holdings Private Limited

##### (B) Subsidiary Company

Markets on Cloud Private Limited

##### (C) Associate Company

Trakiot Solutions Private Limited (with effect from 23rd February 2022)

##### (D) Key Managerial Personnel & their relatives

- Jignesh Mehta (CEO & MD from 01st January 2020)
- Sagar Thanki (CFO & Director from 01st January 2020)
- Sunil Bang (Company Secretary from 01st January 2020)

##### (E) Other Directors & their relatives

- Binod Chandra Maharana (Independent Director)
- Priti Nigam Gandhi (Independent Director)
- Ravi Ramiya (Non executive)
- Shardul Shah (Non executive)
- Trupti Ramaiya (Relative of Ravi Ramaiya)
- Hiral Shah (Relative of Shardul Shah)
- Shah & Ramaiya
- Nirav Thanki (Relative of Sagar Thanki)
- Gautam Thanki (Relative of Sagar Thanki)
- Yogita Thanki (Relative of Sagar Thanki)

## NOTE 24.2 : RELATED PARTY TRANSACTION DURING THE YEAR

Particulars	2021-22	2020-21
<b>(A) Transaction with related parties during the year</b>		
<b>Directors Remuneration</b>		
- Jignesh Mehta	16,67,000	38,50,000
- Sagar Thanki	8,00,000	6,44,982
<b>Salaries and Allowances</b>		
- Nirav Thanki	3,12,000	2,66,409
- Yogita Thanki	5,00,000	3,00,000
- Gautam Thanki	3,00,000	3,00,000
- Sunil Bang	32,00,366	20,34,394
<b>Rent Expenses</b>		
- Trupti Ramaiya	12,00,000	12,00,000
- Hiral Shah	7,20,000	8,55,000
<b>Professional Fees Paid</b>		
- Shah and Ramaiya	20,00,000	14,00,000
- Trakiot Solutions Private Limited	78,96,413	-
<b>Account Payable</b>		
- Trakiot Solutions Private Limited	49,57,772	-
- Shah and Ramaiya	5,40,000	-

## NOTE 25 : EARNING PER SHARE

Particulars	As At March 31, 2022	As At March 31, 2021
Net profit after tax as per statement of profit and loss	2,63,71,121	1,57,29,892
Number of equity shares outstanding during the year	41,48,200	30,10,000
Restated Number of equity shares outstanding during the year (Bonus Issue)	41,28,707	35,68,526
<b>Effect of Dilution:</b>		
Share options	-	24,600
Restated Number of equity shares adjusted after dilution (Bonus Issue)	41,28,707	35,93,126
Basic earnings per share (Restated)	6.39	4.41
Diluted earnings per share (Restated)	6.39	4.38



## NOTE 26 : EMPLOYEE BENEFIT OBLIGATIONS

### a) Defined Contribution Plans

The Company operates defined contribution schemes like provident fund schemes. For these schemes contributions are made by the company, based on current salaries, to the recognized funds maintained by the Government. In case of provident fund schemes, contributions are also made by employees.

### b) Defined Benefit Plans

Gratuity

The benefits are determined using the projected unit credit method with actuarial valuation being carried out at each Balance Sheet date.

The movement in the defined benefit liability over the year is as follows:

	2021-22	2020-21
As at 1st April	11,29,356	13,86,579
Interest Cost	81,878	97,061
Past Service Cost	-	-
Current Service cost	5,36,980	3,38,317
Benefits Paid	-	-
Actuarial (Gain)/ Loss on the obligation	(37,501)	(6,92,601)
As at 31st March	17,10,713	11,29,356
Principal actuarial assumptions		

	2021-22	2020-21
Discount Rate	7.25%	7.00%
Salary Escalation	5.00%	5.00%

## NOTE 27 :

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	As at 31st March 2022	As at 31st March 2021
	Amount in Rs.	Amount in Rs.
a) the principal amount remaining unpaid to any supplier at the end of each accounting year	41,997	-
b) interest due remaining unpaid to any supplier at the end of each accounting year	-	-
c) the amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-

Particulars	As at 31st March 2022	As at 31st March 2021
	Amount in Rs.	Amount in Rs.
d) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
(e) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(f) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Disclosure of payable to vendors as defined under the “Micro, Small and Medium Enterprise Development Act, 2006” is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

#### **NOTE 28 : ESTIMATION OF UNCERTAINTIES RELATING TO THE GLOBAL HEALTH PANDEMIC FROM COVID-19 (COVID-19)**

The World Health Organization declared the outbreak of COVID-19 as a public health emergency of international concern on January 30, 2020 and a pandemic on March 11, 2020. The Government of India announced a nation-wide lockdown on March 24, 2020 and imposed several restrictions.

However given that Our Company had established its own cloud infrastructure much before the Pandemic, there has been no impact on the functioning of Our Company. The team members have been working from home during lockdown and have been able to execute their responsibilities and service clients without any disruption, difficulty or delay.

The Management has considered the possible effects, if any, that may result from the pandemic on the carrying amounts of its current and non-current assets, after considering internal and external sources of information as at the date of approval of these financial statements. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Trade Receivables. In assessing recoverability of trade receivables, the Company has considered subsequent recoveries, past trends and credit risk profiles of the clients and all internal and external information available up to the date of issuance of these financial statements. Based on the above assessment, the Company is of the view that carrying amounts of trade receivables are expected to be realisable. The impact of COVID-19 may be different from that estimated as at the date of approval of these financial statements, and the Company will continue to closely monitor the developments.

#### **NOTE 29 : REVENUE FROM CONTRACTS WITH CLIENTS**

The Company has evaluated the impact of COVID-19 resulting from (i) the possible constraints to continue its operations and revisions in costs to fulfill the pending obligations (ii) penalties, if any, relating to breaches of agreements and (iii) termination or deferment of contracts by clients. The Company has

concluded that the impact of COVID-19 is not material based on these estimates. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

### **NOTE 30 : OTHER STATUTORY INFORMATION**

- i) The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- ii) The Group do not have any transactions with companies struck off.
- iii) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- vi) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- vii) The Group have no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- viii) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

### **NOTE 31 :**

Figures of previous year are regrouped, rearranged and reclassified wherever necessary to correspond to figures of the current year.

As per our report of even date

**For D. Kothary & Co.**  
Chartered Accountants  
Firm Registration. No. 105335W

For and on behalf of the Board of Directors  
**SecMark Consultancy Limited**

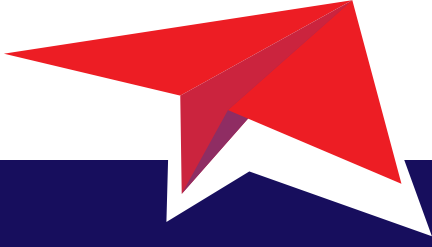
**Mehul N. Patel**  
Partner  
Membership No.: 132650

**Jignesh Mehta**  
Managing Director & CEO  
DIN : 07929488

**Sagar Thanki**  
Executive Director & CFO  
DIN : 08281489

**Sunil Bang**  
Company Secretary

Place : Mumbai  
Date : 25th May 2022



कर्मण्येवाधिकारस्ते मा फलेषु कदाचन।  
*Karmanye vadhikaraste ma phaleshu kada chana*  
To work you have the right, but not to the result



### Services from SecMark bring along:

- Values and Integrity.
- Thorough domain expertise in functional areas of services.
- Strong Technology Capabilities.
- Focused approach on serving Financial Market Participants.
- First generation founders.
- Young, dynamic and energetic team.
- Desire of achieving customer delight.
- Will to win.



36/227, RDP-10, Sector-6, Near Ambamata Mandir, Charkop, Kandivali (W), Mumbai - 400067  
[www.secmark.in](http://www.secmark.in)