

AUDITORS' REPORT

SERVITIUM MICRO FINANCE PRIVATE LIMITED

For the Year 2021-22

By

K. N. Jain & Co.

Chartered Accountants

2/7, Sarat Bose Road

"Vasundhara Apartment" 2nd Floor

Kolkata - 700 020

Phone: 033 4006-9588. M:+91 9836159000

E-mail: info@knjainco.com, Web www.knjainco.com

To the Members of

SERVITIUM MICRO FINANCE PRIVATE LIMITED

In addition to our independent audit report to the members **SERVITIUM MICRO FINANCE PRIVATE LIMITED**, formerly known as **Sunflag Merchants Private Limited** ("the Company") for the year ended 31st March 2022. In considering the RBI Notification No. DNBS. 201 /DG(VL)-2008 dated **September 18, 2008** we additionally report that

In reference of Para 3 A

1. The company is engaged in the business of non-banking financial institution and it has obtained a Certificate of Registration (CoR- No. B.05.03990) from the Bank.
2. The company is entitled to continue to hold CoR in terms of its asset/income pattern as on March 31, 2022
3. The company is not an Asset Finance Company (AFC)

In reference of Para 3 B

1. The company is not a non-banking financial company accepting/holding public deposits hence para 3 B is not applicable.

In reference of Para 3 C

1. The Board of Directors has passed a resolution for non- acceptance of any public deposit.
2. The company has not accepted any public deposits during the current financial year i.e. 2021-22
3. The company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 and amended time to time.
4. The company is not a Systemically Important Non-deposit taking NBFC hence Prudential Norms as defined in paragraph 2(1)(xix) of the Non-Banking Financial (Non- Deposit Accepting or Holding) Companies is not applicable

Date: 8th June, 2022
Place: Kolkata

For **K. N. JAIN & Co.**
Chartered Accountants
Firm Reg. No- 319119E



CA Samya Sengupta

Partner

Membership No. 059027
UDIN:22059027AKWZJO5243



Independent Auditor's Report

To the Members of
SERVITIUM MICRO FINANCE PRIVATE LIMITED

Report on the Financial Statements**Opinion**

We have audited the accompanying financial statements of **SERVITIUM MICRO FINANCE PRIVATE LIMITED, formerly known as Sunflag Merchants Private Limited** ("the Company"), having its registered office at 24/1, Old Calcutta Road, Chowdhury Para, Rahara, North 24 Parganas, Kolkata - 700118, which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss and statement of cash flow for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statement").

In our opinion and to the best of our information and according to explanation given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair in conformity with the accounting principles generally accepted in India including the Accounting Standards prescribed under section 133 of the Act read with relevant rules issued there under, of the state of affairs of the Company as at March 31, 2022, its profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statement 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 Statement section of our report. We are Independent of the Company in accordance with 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 financial statements under the provisions of the Act and rules thereunder, and we have fulfilled our other ethical requirements 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 audit opinion on the financial statement.

Emphasis of Matter

The Company has written off micro credit portfolio amounting to Rs.2.86 Lakhs which were outstanding more than 365 days as at the reporting date and an amount of Rs.1.07 lakhs against TDS and Income tax refundable which was pending for a long period.

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprise the information included in the management discussion and analysis, Board's report including annexure to Board's Report, Business Responsibility report, Corporate Governance and Shareholder's information, but does not include the financial statement and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance 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 Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility 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 misstatement, 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 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 through 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, misrepresentation, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether

the Company has adequate internal financial controls system in place and 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 as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures and whether the Financial Statement represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**", a statement on the matters specified in the paragraph 3 and 4 of the order, to the extent applicable.
2. No funds have been **advanced or loaned or invested** by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.

No funds have been **received by the company** from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such 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 guarantee, security or the like on behalf of the Ultimate beneficiaries.

Based on the audit procedures performed, nothing has come to our notice that has caused us to believe that the above representations given by the management contain any material mis-statement.

3. 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 and the statement of profit and loss dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
 - 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" to this report
 - g) 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 has no pending litigations which would materially impact its financial position.
 - 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 required to be transferred, to the Investor Education and Protection Fund by the Company.

Date: 8th June, 2022

Place: Kolkata

For K. N. JAIN & Co.

Chartered Accountants

Firm Reg. No- 319119E



CA Samya Sengupta

Partner

Membership No. 059027

UDIN 22059027AKWZJO5243



ANNEXURE "A" TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members of **SERVITIUM MICRO FINANCE PRIVATE LIMITED**, formerly known as **Sunflag Merchants Private Limited** ("the Company") for the year ended 31st March 2022. We report that:

1. Fixed Asset
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b. As per the information and explanation given to us the Company has carried out physical verification of its assets. No material discrepancies were noticed on such verification.
 - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. The Company is a Non-Banking Financial Company; it does not hold any physical inventories. Accordingly, paragraph 3(ii) of the Order is not applicable to the Company and hence not commented upon.
3. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (III) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
4. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities granted in respect of which provision of section 185 and 186 of the Act are applicable and hence not commented upon.
5. The Company has not accepted any deposits from the public.
6. To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under section 148(1) of the Act, for the product/services of the Company
7.
 - a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, GST, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, GST, cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

- b) According to the records of the Company, there was no dues outstanding of Income-tax, sales-tax, service tax, GST, duty of custom, duty of excise, value added tax and cess or on the on account of any dispute.

8. In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to a financial institution, bank, debenture holder or government.
9. According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer, hence not commented upon.
Further, monies raised by the Company by way of term loans were applicable for purpose for which those were raised, though idle/surplus funds which were not required for immediate utilization were gainfully invested in liquid assets payable on demand.
10. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no material fraud by the Company or on the Company by the executives and employees of the Company has been noticed or reported during the year.
11. According to the information explanations given by the management, the managerial remuneration has been paid and provide in accordance with the requisite approvals maintained by the provisions of section 197, read with Schedule V to the Act.
12. In our opinion the Company is not a nidhi company. Therefore, the provisions of clause 3(Xii) of the Order are not applicable to the Company and hence not commented upon.
13. According to information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details have been disclosed in the notes to the financial statements as required by the applicable accounting standards.
14. According to the Information and explanations given to us and on an overall examination of the balance sheet the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence, reporting requirements under clause 3(xiv) are not applicable to the company.
15. According to the Information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them.
16. According to the Information and explanations given to us, we report that the company is registered under section 45-IA of the Reserve Bank of India Act, 1934.

Date: 8th June, 2022

Place: Kolkata

For K. N. JAIN & Co.

Chartered Accountants

Firm Reg. No- 319119E



CA Samya Sengupta

Partner

Membership No. 059027

UDIN:22059027AKWZJO5243



ANNEXURE 'B' TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 2 (g) under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date to the member of **SERVITIUM MICRO FINANCE PRIVATE LIMITED, formerly known as Sunflag Merchants Private Limited** on the Financial Statements for the year ended 31 March 2022.

Report on The Internal Financial Controls Under Clause (1) of Sub-Section 3 of Section 143 of The Act

We have audited the internal financial controls over financial reporting of **SERVITIUM MICRO FINANCE PRIVATE LIMITED, formerly known as Sunflag Merchants Private Limited** ("The Company") as of 31st March, 2022 in conjunction with our audit of the 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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 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 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

According to the information and explanations given to us and based on our audit, in our opinion, the Company has generally maintained, in all material respects, an adequate internal financial controls over financial reporting were generally operating effectively as of 31st March, 2022 based 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.

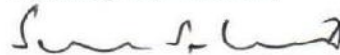
Date: 8th June, 2022

Place: Kolkata

For K. N. JAIN & Co.

Chartered Accountants

Firm Reg. No- 319119E



CA Samya Sengupta

Partner

Membership No. 059027

UDIN:22059027AKWZJO5243



SERVITIUM MICRO FINANCE PRIVATE LIMITED

(Formerly Sunflag Merchants Private Limited)

24/1, Old Calcutta Road, Chowdhury para, Rahara, North Parganas, Kolkata - 700118

CIN: U51909WB1995PTC069463 Email Id: servitium.mfi@servitium.in

Balance Sheet as at 31st March, 2022

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
		(Amount in Rs.)	(Amount in Rs.)
A EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	2.01	50432590	46861200
(b) Reserves and Surplus	2.02	24776313	19196877
		75208903	66058077
2 Share Application money pending allotment		-	-
3 Non-Current Liabilities			
(a) Long-Term Borrowings	2.03	38822057	5429607
(b) Differed tax Liabilities (Net)		-	-
		38822057	5429607
4 Current Liabilities			
(a) Other Current Liabilities	2.04	39579792	2557418
(b) Short-Term Provisions	2.05	2890676	2337416
		42470468	4894834
		156501427	76382517
B ASSETS			
1 Non-Current Assets			
(a) Fixed Assets	2.06		
(i) Tangible Assets		303306	102531
(ii) Intangible Assets		21320	25912
(b) Non-Current Investments	2.07	325126	128443
(c) Deferred tax asset (net)	2.21	6800000	2300000
(c) Long-Term Loans and Advances		33696	14034
Long-Term Micro Credit Portfolio	2.10	42020970	-
(d) Other Non-Current Assets	2.08	1000000	-
		49854666	2314034
2 Current Assets			
(a) Inventories		-	-
(b) Sundry Debtors		-	-
(c) Cash and Cash Equivalents	2.09	24009793	29837238
(d) Short-Term Loans and Advances	2.10		
Short-Term Micro Credit Portfolio	2.10	74771537	42184239
Other Short Term Loans and Advances	2.11	156000	15100
(e) Other Current Assets	2.12	7384305	1903464
		106321635	73940040
		156501427	76382517
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS	1	-	-

As per our report attached

For K. N. Jain & Co.

Chartered Accountants

Firm's Registration No. 319119E

[Signature]

CA. Samya Sengupta

Partner

M.No. 059027

UDIN:22059027AKWZJO5243

Place : Kolkata

Date : 8th June, 2022



For and on behalf of the Board of Directors

Subrata Ghosh

Subrata Ghosh

DIN: 07209984

Rita Ghosh

Rita Ghosh

DIN: 07974998



SERVITIUM MICRO FINANCE PRIVATE LIMITED

(Formerly Sunflag Merchants Private Limited)

24/1, Old Calcutta Road, Chowdhury para, Rahara, North Parganas, Kolkata - 700118

CIN: U51909WB1995PTC069463 Email Id: servitium.mfi@servitium.in

Statement of Profit and Loss for the Year ended on 31st March, 2022

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
		(Amount in Rs.)	(Amount in Rs.)
1 Revenue From Operations	2.13	12563852	9263192
Other Income	2.13	1264158	676556
2 Total revenue		13828010	9939748
3 Employees' Benefit Expenses	2.14	1711284	1209801
Financial Cost	2.15	3019272	1449
Other Expenses	2.16	2127777	1452949
Depreciation	2.06	91632	117125
Bad debt Written Off		286104	271169
Loan loss provision		631156	-
4 Total Expenses		7867226	3052492
5 Profit /Loss before exceptional and extraordinary items and tax (2 - 4)		5960784	6887255
6 Exceptional items	2.17	106815	-
7 Profit / (Loss) before extraordinary items and tax (5 ± 6)		5853969	6887255
8 Extraordinary items			-
9 Profit / (Loss) before tax (7 ± 8)		5853969	6887255
# Tax expense:			
(a) Current Tax Expense		1722751	1800647
(b) (Less): MAT credit		-	-
		1722751	1800647
(c) Current tax expense relating to prior years		-	-
(d) Net current tax expense		1722751	1800647
(e) Deferred Tax		(19662)	8941
		1703089	1809588
Profit / (Loss) for the year (9 ± 10)		4150880	5077667
EARNINGS PER EQUITY SHARE			
Equity shares of par value ` 10/- each			
Basic	2.20	0.88	1.08
Diluted	2.20	0.88	1.08
Number of shares used in computing earnings per share			
Basic	2.20	4715882	4686120
Diluted	2.20	4715882	4686120
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS	1		

As per our report attached

For K. N. Jain & Co.

Chartered Accountants

Firm's Registration No. 319119E

Sanya Sengupta

CA. Sanya Sengupta
Partner

M.No. 059027

UDIN:22059027AKWZJO5243

Place : Kolkata

Date :8th June, 2022



For and on behalf of the Board of Directors

Subrata Ghosh

Subrata Ghosh

DIN: 07209984

Rita Ghosh

Rita Ghosh

DIN: 07974998



SERVITIUM MICRO FINANCE PRIVATE LIMITED

(Formerly Sunflag Merchants Private Limited)

24/1, Old Calcutta Road, Chowdhury para, Rahara, North Parganas, Kolkata - 700118

CIN: U51909WB1995PTC069463 Email Id: servitium.mfi@servitium.in

Cash Flow Statement For the year ended 31st March, 2022

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(Amount Rs.)	(Amount Rs.)
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Tax	5853969	6887255
Add:		
Depreciation on Fixed Assets	91632	117125
Contingent Provision against Standard Assets	631158	-
Less:		
Adjustment of Income Tax Liability of Earlier Year	-	-
Non-operating income	-	-
Operating Profit before Working Capital Change	6576757.02	7004380
Adjustment for		
(Increase)/ Decrease in Operating Assets	(74608269)	11492637
(Increase)/ Decrease in Micro Credit Portfolio	(140900)	9900
Other Short-Term Loans and Advances	(5480641)	141774
Other Current Assets	-	-
Trade Receivables	-	-
Increase/ (Decrease) in Operating Liability		
Trade Payables	-	(2394570)
Other Current Liabilities	(1562609)	16254121
Cash generation from operations before tax and extra-ordinary items	(75215862)	16254121
Less: Direct taxes paid	-	-
Cash generation from operations before extra-ordinary items	(75215862)	16254121
Add: Income tax refunded	-	-
Net Cash Flow From Operating Activities (A)	(75215862)	16254121
B CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(288315)	-
Sale of Fixed Assets	-	-
Decreases/(Increase) investment	(3500000)	(6300000)
Increase in long term advances	-	-
Capital Work in Progress	-	-
Net Cash Flow From Investing Activities (B)	(3788315)	(6300000)
C CASH FLOW FROM FINANCING ACTIVITIES:		
Issue of Share Capital	3571390	-
Share Premium	1428556	-
Decreases/(Increase) in loan from Schedule Banks	32676786	7500000
Decreases/(Increase) in loan from Fis	37500000	-
Adjustment of reserve and Surplus (Tax Payment)	-	-
Short term borrowing	-	-
Net Cash Flow From Financing Activities (C)	75176732	7500000
Net Increase or Decrease in Cash and Cash Equivalents (A+B+C)	(3827445)	17454121
Add: Opening Cash and Cash Equivalents	25837238	8383117
Closing cash and cash equivalents as per Books	22009793	25837238

As per our Report of even date

For K. N. Jain & Co.

Chartered Accountants

FRN: 319119E

Sanya Sengupta

CA. Sanya Sengupta
Partner

M.No. 059027

UDIN:22059027AKWZJO5243

Place : Kolkata

Date : 8th June, 2022



For and on behalf of the Board of Directors

Subrata Ghosh

Subrata Ghosh

DIN: 07209984

Rita Ghosh

Rita Ghosh

DIN: 07974998



SERVITIUM MICRO FINANCE PRIVATE LIMITED

(Formerly Sunflag Merchants Private Limited)

24/1, Old Calcutta Road, Chowdhury para, Rahara, North Parganas, Kolkata - 700118

CIN: U51909WB1995PTC069463 Email Id: servitium.mfi@servitium.in

SIGNIFICANT ACCOUNTING POLICIES:

1.1 CORPORATE INFORMATION:

Sunflag Merchants Private Limited ("the Company") was incorporated on March 16, 1995. The Company is registered with RBI as NBFC and is engaged in financial services.

As per the certificate of incorporation issued by the Ministry of Corporate Affairs, Government of India on 5th May, 2022, name of the company has been changed from **Sunflag merchants Pvt. Ltd, to Servitium Micro Finance Private Limited**

Certificate of Registration (B.05.03990) as NBFC-MFI issued by the Reserve Bank of India (RBI) on 6th May, 2022 in the name of **Servitium Micro Finance Private Limited**

1.2 BASIS OF ACCOUNTING:

The financial statements are prepared under the historical cost convention on an accrual basis in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) and Accounting Standards (AS) as notified by the Companies (Accounting Standards) Rules, 2006 as amended, the provisions of the Companies Act, 2013. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.3 USE OF ESTIMATES:

The preparation of the financial statements in conformity with GAAP requires the Management to make estimates and assumptions that affect the reported balances of asset and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period.

The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise. During the year the management had not made any estimates, hence no impairment loss been recognized for the assets and no contingent liability has been provided.

1.4 INVENTORIES:

Inventories are valued at weighted average cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale. Work-in-progress and finished goods include appropriate proportion of overheads.

1.5 REVENUE RECOGNITION:

Income from Services:

Revenue from operation will be recognised on accrual basis.

Other Income:

Interest and other income is accounted on accrual basis.

1.6 TANGIBLE FIXED ASSETS, DEPRECIATION AND AMORTISATION:

Fixed Assets are stated in the books at historical cost inclusive of all incidentals expenses incurred for acquisition of such assets

Depreciation on tangible fixed assets, except otherwise stated has been provided as per Schedule II of the Companies Act, 2013 on written down value method over the estimated useful life of the asset which are generally in accordance with those specified in Schedule II of the Companies Act 2013.

1.7 INTANGIBLE FIXED ASSETS:

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

1.8 EARNINGS PER SHARE (EPS):

Basic EPS

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted EPS

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.



SERVITIUM MICRO FINANCE PRIVATE LIMITED

(Formerly Sunflag Merchants Private Limited)

24/1, Old Calcutta Road, Chowdhury para, Rahara, North Parganas, Kolkata - 700118

CIN: U51909WB1995PTC069463 Email Id: servitium.mfi@servitium.in

SIGNIFICANT ACCOUNTING POLICIES:

1.9 TAXES ON INCOME:

Current tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum alternate tax (MAT)

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax:

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. No deferred tax has been recognised as per Accounting Standard-22.

1.10 EMPLOYEE BENEFITS

Short Term Employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss for the year in which services are rendered.

1.11 BORROWING COST

Borrowing Cost include interest, amortisation of ancillary costs incurred to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.

1.12 INVESTMENT:

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as Long - term investment. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. Provision for diminution in the value of long term investments is made only if such decline is other than temporary in nature in the opinion of the management.

1.13 IMPAIRMENT OF ASSETS:

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised.

1.14 PROVISIONS AND CONTIGENCIES:

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

1.15 PREVIOUS YEAR FIGURES:

Previous year's figure are re-grouped and re-arranged where ever felt necessary at the time of finalisation of accounts of current year.



SERVITIUM MICRO FINANCE PRIVATE LIMITED

(Formerly Sunflag Merchants Private Limited)

24/1, Old Calcutta Road, Chowdhury para, Rahara, North Parganas, Kolkata - 700118

CIN: U51909WB1995PTC069463 Email Id: servitium.mfi@servitium.in

Notes forming part of the financial statements for the period ended 31st March, 2022

Note 2.01 : Share Capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	(Rs.)	No. of Shares	(Rs.)
(i) Authorised: Equity shares of Rs. 10 each	5200000	52000000	5200000	52000000
(ii) Issued, Subscribed and fully paid up: Equity shares of Rs. 10 each	5043259	50432590	4686120	46861200
	5043259	50432590	4686120	46861200

(iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue	Bonus	Buy back	Other changes	Closing Balance
Equity shares with voting rights						
Year ended 31st March, 2022						
- Number of shares	4686120	357139	-	-	-	5043259
- Amount (In Rs.)	46861200	3571390	-	-	-	50432590
Year ended 31 March, 2021						
- Number of shares	4686120	-	-	-	-	4686120
- Amount (In Rs.)	46861200	-	-	-	-	46861200

Terms and rights attached to Equity Shares:

The Company has only one class of equity share having a par value of Rs.10.00 per shares. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by individual shareholders as compared to the total shares.

(iv) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	% holding in that class of	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Subrata Ghosh	367834	7.29	332120	7.09
Ranjib Kumar Ghosh	1474414	29.24	1438700	30.70
Rita Ghosh	816042	16.18	708900	15.13
Aparna Roy	264028	5.24	242600	5.18
Bipul Saha	235200	4.66	235200	5.02

As per records of the company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Details of share holding have been given in separate sheet as Annexure 1 to the Note-2.2 of the Balance Sheet.



SERVITIUM MICRO FINANCE PRIVATE LIMITED

(Formerly Sunflag Merchants Private Limited)

24/1, Old Calcutta Road, Chowdhury para, Rahara, North Parganas, Kolkata - 700118

CIN: U51909WB1995PTC069463 Email Id: servitium.mfi@servitium.in

Notes forming part of the financial statements for the period ended 31st March, 2022

Note 2.02 : Reserves and Surplus

Particulars	As at March 31, 2022	As at March 31, 2021
	(Amount in Rs.)	(Amount in Rs.)
A General Reserve		
Opening balance of Profit & Loss Account	12717292	8636647
Add: Profit during the year	4150880	5077667
Add: Excess provision of Income Tax for the A.Y. 2020-21	-	18511
Less: Transfer to Statutory Reserve Fund U/s 45IC	830176	1015533
TOTAL	16037996	12717292
B. Statutory Reserve Fund (U/s 45IC of RBI Act, 1934)		
Opening Balance of Statutory Reserve Fund	3320135	2304602
Transfer during the year	830176	1015533
TOTAL	4150311	3320135
C. Share Premium		
Opening Balance	3159450	-
Add: Addition during the Year	1428556	3159450
	4588006	3159450
RESERVES & SURPLUS (A+B+C)	24776313	19196877

Note 2.03 : Long Term Borrowing (Secured)

Particulars	As at March 31, 2022	As at March 31, 2021
	(Amount in Rs.)	(Amount in Rs.)
Secured Term loan from SBI	22947969	5429607
Secured Term loan from Friends of Women's World Banking, India	9565220	-
Secured term loan from Usha Financial Services Pvt. Ltd.	1800733	-
Secured term loan from Jakson Commercial Pvt. Ltd.	2707402	-
Secured term loan from Eclear Leasing and Finance Pvt. Ltd.	1800733	-
TOTAL	38822057	5429607

Note 2.04 : Other Current Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
	(Amount in Rs.)	(Amount in Rs.)
A) Current Maturity of Long-term Debt (Instalments of Term Loans due within 12 months)		
Secured Term loan from SBI	17228817	2070393
Secured Term loan from Friends of Women's World Banking, India	10434780	-
Secured term loan from Usha Financial Services Pvt. Ltd.	3199267	-
Secured term loan from Jakson Commercial Pvt. Ltd.	4792598	-
Secured term loan from Eclear Leasing and Finance Pvt. Ltd.	3199267	-
Total-A	38854729	2070393



SERVITIUM MICRO FINANCE PRIVATE LIMITED

(Formerly Sunflag Merchants Private Limited)

24/1, Old Calcutta Road, Chowdhury para, Rahara, North Parganas, Kolkata - 700118

CIN: U51909WB1995PTC069463 Email Id: servitium.mfi@servitium.in

Notes forming part of the financial statements for the period ended 31st March, 2022

B) Other Liabilities		
Interest Payable on Term Loans	69004	1449
Audit Fees Payable	75000	75000
Insurance Payable	127981	54077
TDS Payable	47741	8581
Health Assistance Premium	132600	-
Staff Security	148997	52671
Professional Tax	1410	440
Salary Payable	4509	221915
Gratuity contribution Payable	44998	-
Liability for Expenses	47328	62911
Employee's Provident Fund	18252	7231
Employee's ESIC	7243	2750
Total-B	725063	487025
TOTAL(A+B)	39579792	2557418

Note 2.05 : Short Term Provisions

Particulars	As at March 31, 2022	As at March 31, 2021
	(Amount in Rs.)	(Amount in Rs.)
Income tax Payable	1722751	1800647
Contingent Provision against Standard Assets	1167925	536769
TOTAL	2890676	2337416

Provision for Portfolio Risk as per RBI Circular No. DNBR(PD)CC No-008/03.10.119/2016-17 dated 1st September, 2016, updated as on 17th February, 2020

Particulars	No. of Accounts	Overdue Amount (Rs.)	Loan Outstanding Balance (Rs.)	Classificati on	Loan loss Reserve (%) as per RBI	Loan loss Reserve as per RBI (Rs.)
Current loans	5750	-	114395125.54	Standard	0%	-
<30 days past due	37	33077.59	525578.60	Standard	0%	-
31-60 days past due	30	50507.68	485703.63	Standard	0%	-
61-90 days past due	27	76311.69	318627.21	Standard	0%	-
91-120 days past due	9	21372.19	51275.46	Sub- Standard	50%	10686
121-180 days past due	21	37583.41	168333.26	Sub- Standard	50%	18792
181-365 days past due	66	367617.73	813635.86	Sub- Standard	100%	367618
>365 days	12	34228.03	34228.03	Doubtful 1 st year (unsecured)	100%	34228
Total	5952	620698	116792508			431324



SERVITIUM MICRO FINANCE PRIVATE LIMITED

(Formerly Sunflag Merchants Private Limited)

24/1, Old Calcutta Road, Chowdhury para, Rahara, North Parganas, Kolkata - 700118

CIN: U51909WB1995PTC069463 Email Id: servitium.mfi@servitium.in

Notes forming part of the financial statements for the period ended 31st March, 2022

The NBFC (Company) has followed the provisioning norm of NBFC-MFI as the NBFC applied to RBI for NBFC-MFI license and the same was granted after closure of financial year.

The company has adopted the asset classification and provisioning norms prescribed by RBI in the captioned master circular applicable for NBFC-MFI. The company has no loan portfolio at Andhra Pradesh (AP). As per the guideline the company has to provide not less than the higher of a) 1% of the outstanding loan portfolio or b) 50% of the aggregate loan instalments which are overdue for more than 90 days and less than 180 days and 100% of the aggregate loan instalments which are overdue for 180 days or more.

Provision required as on 31.03.2022 as per norms was Rs.1167925, provision already made as on 31.03.2021 was Rs.536769.00, hence additional requirement of provision was Rs.631156.00 (Rs.1167925 - Rs.536769) for the financial year 2021-22.

Note 2.06 : Fixed Assets

Fixed assets are stated at cost, net of depreciation. The cost of an asset comprises of its purchase price and any cost directly attributable for bringing the asset to its working condition and location for its intended use.

Depreciation is provided on the assets following W.D.V. method at the rates appropriate as per the Companies Act, 1956. In respect of addition of fixed assets, depreciation is provided at pro-rata basis from the date of acquisition/installation.

During the current financial year asset worth Rs.288315 has been purchased. No asset has been disposed off during the year.

Details of fixed assets have been given in separate sheet as Annexure 2 to the Note-2.6 of the Balance Sheet

Note 2.07 : Non Current Investment

Particulars	As at March 31, 2022	As at March 31, 2021
	(Amount in Rs.)	(Amount in Rs.)
Fixed deposit with SBI (Pledge against Term Loan)	6800000	2300000
TOTAL	6800000	2300000

Note 2.08 : Other Non Current Assets

Particulars	As at March 31, 2022	As at March 31, 2021
	(Amount in Rs.)	(Amount in Rs.)
Security Deposit With Eclear Leasing Finance (against Term Loan)	500000	-
Security Deposit With Usha Financial Services (against Term Loan)	500000	-
TOTAL	1000000	-

Note 2.09 : Cash and Cash Equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
	(Amount in Rs.)	(Amount in Rs.)
(a) Cash in hand	222849	30814
(b) Cash at Bank	21018944	25131889
(c) Auto Sweep Account (Bank)	768000	674535
(d) Short Term Deposit (will be matured within 12 months)	2000000	4000000
TOTAL	24009793	29837238



SERVITIUM MICRO FINANCE PRIVATE LIMITED

(Formerly Sunflag Merchants Private Limited)

24/1, Old Calcutta Road, Chowdhury para, Rahara, North Parganas, Kolkata - 700118

CIN: U51909WB1995PTC069463 Email Id: servitium.mfi@servitium.in

Notes to Balance Sheet

Annexure 2 to Note-2.6

FIXED ASSETS

Particulars	Life of Assets	Gross Block			Depreciation		Net Block				
		As on 01.04.2021	Addition 2021-22	Disposed Off 2021-22	Total as on 31.03.2022	As on 01.04.2021	Depreciated on 2021-22	Depreciated on on Disposed Off Assets	Total as on 31.03.2022	WDV as on 31.03.2022	WDV as on 31.03.2021
Computer & Accessories	3 Years	67471	101481	-	168952	45496	38929	-	84425	84527	21975
Furniture & Fixture	10 Years	76730	100149	-	176879	22444	23481	-	45925	130954	54286
Plant & Machinery	8 Years	22400	66500	-	88900	7404	10951	-	18355	70545	14996
Office Equipment	5 Years	22310	20185	-	42495	11036	14179	-	25215	17280	11274
Total (A)		188911	288315	-	477226	86380	87540	-	173920	303306	102531
B. Intangible Assets											
Software	3 Years	272500	-	-	272500	246588	4092	-	250680	21820	25912
Total (B)		272500	-	-	272500	246588	4092	-	250680	21820	25912
Total (A+B)		461411	288315	-	749726	332968	91632	-	424600	325126	128443
Previous Year		461411	-	-	461411	215843	117125	-	332968	128443	245568



SERVITIUM MICRO FINANCE PRIVATE LIMITED

(Formerly Sunflag Merchants Private Limited)

24/1, Old Calcutta Road, Chowdhury para, Rahara, North Parganas, Kolkata - 700118

CIN: U51909WB1995PTC069463 Email Id: servitium.mfi@servitium.in

Notes forming part of the financial statements for the period ended 31st March, 2022

Note 2.10 : Micro Credit Portfolio

Particulars	As at March 31, 2022	As at March 31, 2021
	(Amount in Rs.)	(Amount in Rs.)
(a) Long-Term Micro Credit Portfolio	42020970	-
(b) Short-Term Micro Credit Portfolio	74771537	42184239
TOTAL	116792508	42184239

Note 2.11 : Other Short Term Loans and Advances

Particulars	As at March 31, 2022	As at March 31, 2021
	(Amount in Rs.)	(Amount in Rs.)
Other loans and Advances		
Advance for Office Rent	109000	5100
Advance to Staff (for Expenses)	12000	-
Advance to Others	25000	-
Deposit with Pramarica Life Insurance Ltd	10000	10000
TOTAL	156000	15100

Note 2.12 : Other Current Assets

Particulars	As at March 31, 2022	As at March 31, 2021
	(Amount in Rs.)	(Amount in Rs.)
(a) Balance with Govt. Authority		
GST Receivable (Net)	41167	14347
Tax Deducted at Sources		
TDS (AY 2014-15)	-	10294
TDS (A.Y 2022-23)	175687	-
TDS (AY 2021-22)	-	45820
	216754	70461
(b) Income Tax Refundable		
Asst. Year (AY 2007-08)	-	40735
Asst. Year (AY 2008-09)	-	55786
	-	96521
(C) Advance Tax	1500000	1700000
(d) Accrued Interest on Investment	194437	9142
(e) Investment in ICICI Mutual Fund	5000000	-
(f) Interest Accrued but not Due on Micro Credit standard portfolio	473114	
(g) Members Death Insurance Claim Receivable	-	27340
TOTAL	7384305	1903464



SERVITIUM MICRO FINANCE PRIVATE LIMITED**(Formerly Sunflag Merchants Private Limited)**

24/1, Old Calcutta Road, Chowdhury para, Rahara, North Parganas, Kolkata - 700118

CIN: U51909WB1995PTC069463 Email Id: servitium.mfi@servitium.in

Notes forming part of the financial statements for the period ended 31st March, 2022

Note 2.13 : Revenue Income

Particulars	As at March 31, 2022	As at March 31, 2021
	(Amount in Rs.)	(Amount in Rs.)
Revenue from operation		
Interest on loan	11282202	8982792
Upfront Fees against Loans	1281850	280400
TOTAL	12563852	9263192
Other Income		
Interest on Investment	1246410	676546
Other Receipts	17748	10
TOTAL	1264158	676556

Note 2.14 : Employees' Benefit Expenses

Particulars	As at March 31, 2022	As at March 31, 2021
	(Amount in Rs.)	(Amount in Rs.)
Salary and Allowances	1319566	979791
EPF employers Contribution	63962	36425
ESI Employers Contribution	37680	31310
Gratuity Contribution to LIC	44998	76906
Leave Encashment	-	2290
Staff Welfare	179464	18044
Ex-gratia	65614	65035
TOTAL	1711284	1209801

Note 2.15 : Financial Cost

Particulars	As at March 31, 2022	As at March 31, 2021
	(Amount in Rs.)	(Amount in Rs.)
Loan Processing and other Charges	790200	-
Interest on Term Loan	2229072	1449
TOTAL	3019272	1449



SERVITIUM MICRO FINANCE PRIVATE LIMITED**(Formerly Sunflag Merchants Private Limited)**

24/1, Old Calcutta Road, Chowdhury para, Rahara, North Parganas, Kolkata - 700118

CIN: U51909WB1995PTC069463 Email Id: servitium.mfi@servitium.in

Notes forming part of the financial statements for the period ended 31st March, 2022**Note 2.16 : Other Expenses**

Particulars	As at March 31, 2022	As at March 31, 2021
	(Amount in Rs.)	(Amount in Rs.)
Administrative & Other Expenses:		
Auditors Remuneration	81750	81750
Grading Expenses	76300	-
Bank Charges	18231	6911
Licence Fees	12500	12500
ROC Filing Fees	19200	1800
Electricity Charge	24154	15893
Travelling and Conveyance	40508	8701
Repairs and Maintenance	22130	7750
Membership Fees	84349	46870
Refreshment and Hospitality	5170	175
Printing & Stationary	112180	27036
Directors' Remuneration	600000	693748
Directors' Sitting Fees	120000	-
Telephone and Postage	65241	35147
Meeting, Training and Workshop	9032	35215
Office Rent	238900	138300
Fuel Charges	178114	107790
Professional Tax	2500	2500
Documentation Charges	2600	2600
Consultancy and Professional fees	50100	99825
Credit Information Charge	200528	69843
Late Fees & Interest for Statutory Payment	44777	-
Interest on Staff Security	8778	-
Member Welfare Expenses	27340	-
Miscellaneous Expenses	700	700
Office Expenses	82695	57895
TOTAL	2127777	1452949

Note 2.17 : Exceptional Items

Particulars	As at March 31, 2022	As at March 31, 2021
	(Amount in Rs.)	(Amount in Rs.)
Sundry Receivable Written-Off		
TDS Receivable A.Y. 2014-15	10294	-
Income Tax Refundable A.Y. 2007-08	40735	-
Income Tax Refundable A.Y. 2008-09	55786	-
TOTAL	106815	-



SERVITIUM MICRO FINANCE PRIVATE LIMITED

(Formerly Sunflag Merchants Private Limited)

24/1, Old Calcutta Road, Chowdhury para, Rahara, North Parganas, Kolkata - 700118

CIN: U51909WB1995PTC069463 Email Id: servitium.mfi@servitium.in

Notes forming part of the financial statements for the period ended 31st March, 2022

Receivable from the Department of Income Tax was pending for a very long period. The assessment for those years were completed and there was a change in the management during the year 2015-16. It was decided to written-off the said amount of Rs.106815 during the financial year 2021-22. In case of any refund received against the said write-off the same will be adjusted as income on actual receipt basis.

Additional information to the financial statements

Note 2.18 : Share application money pending allotment

As at 31st March, 2022 the Company has not received any amount towards share application money towards issue of equity shares of the Company.

Note 2.19 : Disclosures under Accounting Standards- AS18

Details of related parties:	Names of related parties		Remarks
(a) Holding Company	Nil		
(b) Subsidiary & Fellow Subsidiaries	Nil		
(c) Key Management Personnel (KMP)	DIN	DOA	
1. Subrata Ghosh	07209984	12-06-2015	
2. Rita Ghosh	07974998	20-12-2017	
3. Sunil kumar Chakraborty	07747807	20-05-2019	
4. Chanchal Majumder	09022620	13-01-2021	
5. Shyama Prasad Chakraborty	08463096	20-05-2019	Resigned from the post of Director on 30th June, 2021

Details of related party transactions during the period ended 31st March, 2022 and balances outstanding as at 31st March, 2022:

Particulars	Holding Company	Subsidiaries	Key Management Personnel (KMP)	Relatives of Key Management Personnel	Entities in which KMP / Relatives of KMP can exercise significant influence	TOTAL (Amount in Rs.)
Directors Remuneration Paid to Mrs. Rita Ghosh			600000			600000
Director's Sitting Fees Paid to Mr. Chanchal Majumder			120000			120000
			720000			720000

Note 2.20 : Disclosures under Accounting Standards- AS20

Particulars	As at March 31, 2022	As at March 31, 2021
	(Amount in Rs.)	(Amount in Rs.)
Earnings per share		
Basic		
Continuing operations		
Net profit / (loss) for the year from continuing operations	4150880	5077667
Weighted average number of equity shares	4715882	4686120
Par value per share	0.88	1.08
Earnings per share from continuing operations - Basic	0.88	1.08



SERVITIUM MICRO FINANCE PRIVATE LIMITED

(Formerly Sunflag Merchants Private Limited)

24/1, Old Calcutta Road, Chowdhury para, Rahara, North Parganas, Kolkata - 700118

CIN: U51909WB1995PTC069463 Email Id: servitium.mfi@servitium.in

Notes forming part of the financial statements for the period ended 31st March, 2022

Particulars	As at March 31, 2022	As at March 31, 2021
	(Amount in Rs.)	(Amount in Rs.)
<u>Diluted</u>		
The diluted earnings per share has been computed by dividing the Net Profit After Tax available for equity shareholders by the weighted average number of equity shares, after giving dilutive effect of the outstanding warrants, stock options and convertible bonds for the respective periods. Since, the effect of the conversion of preference shares was anti-dilutive, it has been ignored.		
<u>Continuing operations</u>		
Net profit / (loss) for the year from continuing operations	4150880	5077667
Add: Interest expense and exchange fluctuation on convertible bonds (net)	-	-
Profit/(loss) attributable to eq. shareholders from continuing operations (on dilution)	4150880	5077667
Weighted average number of equity shares for Basic EPS	4715882	4686120
Add: Effect of warrants, ESOPs and Convertible bonds which are dilutive	-	-
Weighted average number of equity shares - for diluted EPS	4715882	4686120
Par value per share	0.88	1.08
Earnings per share, from continuing operations - Diluted	0.88	1.08

Note 2.21 : Disclosures under Accounting Standards: AS-22

Deferred Tax and Taxes on Income

Taxes on income have been accounted for in accordance with the Accounting Standard 22 of the Institute of Chartered Accountants of India and in accordance with the provisions of Income Tax Act, 1961. Deferred tax liability and assets have been recognized subject to consideration of prudence and timing difference. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. The impact of changes in deferred tax assets and liabilities is recognised in the Statement of Profit & Loss. Deferred tax assets are recognised and reassessed at each reporting date, based upon managements judgement as to whether their realisation is considered as reasonably certain.

Calculation of Deferred Tax Liability / (Assets)

Depreciation as per Companies Act up to 31.03.22 (Rs)	Depreciation as per I.T. Act up to 31.03.22(Rs)	Timing difference (Rs)	Rate of Tax	Deferred tax Liability/ (Assets) (Rs)
A	B	C=(B-A)	D	E=(CxD)
424600	294999	(129601)	26%	(33696)

Total Deferred tax asset as on 31.03.2022 was Rs.33696 deferred tax asset balance as on 31.03.2021 was Rs.14034, net effect of Deferred tax asset during the financial year is (Rs.33696-Rs.14034)=Rs.19662



SERVITIUM MICRO FINANCE PRIVATE LIMITED

(Formerly Sunflag Merchants Private Limited)

24/1, Old Calcutta Road, Chowdhury para, Rahara, North Parganas, Kolkata - 700118

CIN: U51909WB1995PTC069463 Email Id: servitium.mfi@servitium.in

Notes forming part of the financial statements for the period ended 31st March, 2022

Particulars	As at March 31, 2022	As at March 31, 2021
	(Amount in Rs)	(Amount in Rs)
Deferred tax liability / (asset) :		
Tax effect of items constituting deferred tax liability		
- On difference between book balance and tax balance of fixed assets	-	-
- On expenditure deferred in the books but allowable for tax purposes	-	-
- On items included in Reserves and surplus pending amortisation into the Statement of Profit and Loss	-	-
- Others	-	-
Tax effect of items constituting deferred tax liability	-	-
Tax effect of items constituting deferred tax assets		
- Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	-	-
- On difference between book balance and tax balance of fixed assets	33696	14034
- Unabsorbed depreciation carried forward	-	-
- Brought forward business losses	-	-
- Others	-	-
Tax effect of items constituting deferred tax assets	33696	14034
Net deferred tax liability / (asset)	(33696)	(14034)

Note-2.22 : Additional Disclosures

A. Auditor's Remuneration

Particulars	As at March 31, 2022	As at March 31, 2021
	(Amount in Rs)	(Amount in Rs)
Audit Fees	81750	81750

B. Contingent Liability and Commitments

Particulars	As at March 31, 2022	As at March 31, 2021
	(Amount in Rs)	(Amount in Rs)
i) Contingent Liabilities		
a) Claim against the company not acknowledged as debt	Nil	Nil
b) Guarantees	Nil	Nil
c) Other money for which company for which company contingently liable	Nil	Nil
ii) Commitments		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	Nil
b) Uncalled liability on shares and other investments partly paid	Nil	Nil
c) Other commitments	Nil	Nil

C. Expenditure on employees drawing remuneration of Rs.200000 or More

Particulars	As at March 31, 2022	As at March 31, 2021
	(Amount in Rs)	(Amount in Rs)
Expenditure on employees drawing remuneration of Rs.200000 or More	Nil	



SERVITIUM MICRO FINANCE PRIVATE LIMITED

(Formerly Sunflag Merchants Private Limited)

24/1, Old Calcutta Road, Chowdhury para, Rahara, North Parganas, Kolkata - 700118

CIN: U51909WB1995PTC069463 Email Id: servitium.mfi@servitium.in

Notes forming part of the financial statements for the period ended 31st March, 2022

- D. Balance lying as debtors, creditors, loan and advances are subject to confirmation to be received from parties.
- E. There are no amounts that needed to be disclosed in accordance with the Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED Act') pertaining to micro and small enterprises. For the year ended 31st March 2022 no supplier has intimated the company about its status as micro and small enterprises or its registration with the appropriate authority under MSMED Act.

F Segment Reporting

The Company operates in a single reportable segment i.e. financing, which has similar risks and returns for the purpose of AS 17 on 'Segment Reporting'. The Company does not have any reportable geographical segment.

- G. Discloser as per RBI Circular No-DNBR(PD)CC No-008/03.10.119/2016-17 dated 1st September, 2016, updated as on 17th February, 2020

Average Annualised Rate of interest	21.17%	
Average Annualised Cost of Borrowing Fund	12.54%	
Average Annualised Margin	8.63%	

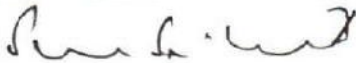
- H. Previous year figures have been reclassified/regrouped wherever necessary, to confirm to current year presentation.

As per our report attached

For K. N. Jain & Co.

Chartered Accountants

Firm's Registration No. 319119E



CA. Samya Sengupta

Partner

M.No. 059027

UDIN:22059027AKWZJO5243

Place : Kolkata

Date :8th June, 2022



For and on behalf of the Board of Directors

Subrata Ghosh

Subrata Ghosh

DIN: 07209984

Rita Ghosh

Rita Ghosh

DIN: 07974998



SERVITIUM MICRO FINANCE PRIVATE LIMITED

(Formerly Sunflag Merchants Private Limited)

24/1, Old Calcutta Road, Chowdhury para, Rahara, North Parganas, Kolkata - 700118
CIN: U51909WB1995PTC069463 Email Id: servitium.mfi@servitium.in

Notes to the Balance Sheet of a Non-Deposit taking Non-Banking Financial Company (2021-22)
(As required in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions

Rupees in Thousands

PARTICULARS	AMOUNT	
	Outstanding	Overdue
Liabilities Side		
1 Loans & Advances availed by the NBFC		
(a) Debentures	-	-
Secured	-	-
Unsecured (Other than falling within the meaning of Public Deposits)	-	-
(b) Deferred Credits	-	-
(c) Term Loans	77677	-
(d) Inter-corporate Loans and Borrowings	-	-
(e) Commercial Paper	-	-
(f) Public Deposits	-	-
(g) Other Loans (Specify Nature)	-	-
Assets Side		Amount Outstanding
2 Break-up of Loans & Advances including Bills Receivables [Other than those includes in (4) below]:		
(a) Secured		-
(b) Unsecured		116793
3 Break-up of Leased Assets and Stock on		
i) Lease Assets including Lease rentals under Sundry Debtors		
(a) Financial Lease		-
(b) Operating Lease		-
ii) Stock on hire including Hire charges under Sundry Debtors		
(a) Assets on Hire		-
(b) Repossessed Assets		-
iii) Other Loans counting towards AFC Activities		
(a) Loans where assets have been repossessed		-
(b) Loans other than (a) above		-
4 Break-up of Investments		
Current Investments		
1 Quoted		
i) Shares		
(a) Equity		-
(b) Preference		-
ii) Debenture and Bonds		-
iii) Units of Mutual Funds		5000
iv) Government Securities		-
v) Others (Fixed Deposit with Schedule Bank)		2000



SERVITIUM MICRO FINANCE PRIVATE LIMITED

(Formerly Sunflag Merchants Private Limited)

24/1, Old Calcutta Road, Chowdhury para, Rahara, North Parganas, Kolkata - 700118

CIN: U51909WB1995PTC069463 Email Id: servitium.mfi@servitium.in

	2 Unquoted		
	i)	Shares	-
		(a) Equity	-
		(b) Preference	-
	ii)	Debenture and Bonds (At Cost)	-
	iii)	Units of Mutual Funds	-
	iv)	Government Securities	-
	v)	Others (Fixed Deposit with Schedule Bank)	-
	Long Term Investments		
	1 Quoted		
	i)	Shares	-
		(a) Equity	-
		(b) Preference	-
	ii)	Debenture and Bonds	-
	iii)	Units of Mutual Funds	-
	iv)	Government Securities	-
	v)	Others (Please Specify)	-
	2 Unquoted		
	i)	Shares	-
		(a) Equity	-
		(b) Preference	-
	ii)	Debenture and Bonds	-
	iii)	Units of Mutual Funds	-
	iv)	Government Securities	-
	v)	Others (Term Deposit with Schedule banks)	7800

5 Borrower group-wise classification of assets financed as in (2) and (3) above

Category	Amount net of Provisions		
	Secured	Unsecured	Total
1 Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2 Other than related parties	-	116793	116793
Total	-	116793	116793

6 Investor group-wise classification of all investments (current and long term) shares and securities (both quoted and unquoted)

Category	Book Value (Net of Provisions)	Market Value/Break-up or Fair value or NAV
1 Related Parties		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2 Other than related parties	-	-
Total	-	-

7 Other Information

Particulars	Amount Outstanding
i) Gross Non-Performing Assets	
(a) Related Parties	2351
(b) Other than Related Parties	-
ii) Net Non-Performing Assets	
(a) Related Parties	1183
(b) Other than Related Parties	-
iii) Assets acquired in satisfaction of Debt	-

