

AUDITORS' REPORT
SUNFLAG MERCHANTS PRIVATE LIMITED

For the Year 2020-21

By

K. N. Jain & Co.
Chartered Accountants

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Independent Auditor's Report

To the Members of
SUNFLAG MERCHANTS PRIVATE LIMITED

Report on the Financial Statements**Opinion**

We have audited the accompanying financial statements of **SUNFLAG MERCHANTS PRIVATE LIMITED** ("the Company"), having its registered office at Station Road, P.O. – Rahara, North 24 Parganas, Kolkata - 700118, which comprise the Balance Sheet as at 31st March, 2021, 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, 2021, 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

We draw attention to note 2.8 to the Statement, which describes the uncertainty caused by the continuing COVID-19 pandemic and the related probable events which could impact the Company's estimates of impairment of loans to customers. Our opinion is not modified in respect of this matter

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)(l) 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. 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 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- 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.

For K. N. JAIN & Co.

Chartered Accountants

Firm Reg. No- 319119E



CA Samya Sengupta

Partner

Membership No. 059027

UDIN 21059027AAAACJ1523

Date: 30th June, 2021

Place: Kolkata



ANNEXURE "A" TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members of **SUNFLAG MERCHANTS PRIVATE LIMITED** ("the Company") for the year ended 31st March 2021. 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 2021 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.

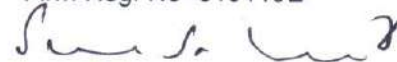


8. In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to a financial institution, bank, debenture holder or government.
9. According to the information and explanations given by the management, the Company has not 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.

For K. N. JAIN & Co.

Chartered Accountants

Firm Reg. No- 319119E



CA Samya Sengupta

Partner

Membership No. 059027

UDIN:21059027AAAACJ1523

Date:30th June, 2021

Place: Kolkata



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 **SUNFLAG MERCHANTS PRIVATE LIMITED** on the Financial Statements for the year ended 31 March 2021.

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 **SUNFLAG MERCHANTS PRIVATE LIMITED** ("The Company") as of 31st March, 2021 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, 2020 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: 30th June, 2021

Place: Kolkata

For K. N. JAIN & Co.

Chartered Accountants

Firm Reg. No- 319119E



CA Samya Sengupta

Partner

Membership No. 059027

UDIN:21059027AAAAACJ1523



To the Members of
SUNFLAG MERCHANTS PRIVATE LIMITED

In addition to our independent audit report to the members of **SUNFLAG MERCHANTS PRIVATE LIMITED** ("the Company") for the year ended 31st March 2021. 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, 2021
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. 2020-21
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: 30th June, 2021
Place: Kolkata

For K. N. JAIN & Co.

Chartered Accountants
Firm Reg. No- 319119E



CA Samya Sengupta

Partner

Membership No. 059027

UDIN:21059027AAAACJ1523



SUNFLAG MERCHANTS PVT LTD

Station Road, P.O.- Rahara, North Parganas, Kolkata - 700118
 CIN: U51909WB1995PTC069463 Email Id: sunflag.merchants@gmail.com

Balance Sheet as at 31st March, 2021

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
		Amount in Rs.)	(Amount in Rs.)
A EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	2.1	46861200	46861200
(b) Reserves and Surplus	2.2	19196877	14100699
		66058077	60961899
2 Share Application money pending allotment		-	-
3 Non-Current Liabilities			
(a) Long-Term Borrowings	2.3	5429607	-
(b) Differed tax Liabilities (Net)		-	-
		5429607	-
4 Current Liabilities			
(a) Other Current Liabilities	2.4	2557418	200613
(b) Short-Term Provisions	2.5	2337416	3236262
		4894834	3436875
		76382517	64398774
B ASSETS			
1 Non-Current Assets			
(a) Fixed Assets	2.6		
(i) Tangible Assets		102531	175232
(ii) Intangible Assets		25912	70336
		128443	245568
(b) Non-Current Investments		2300000	-
(c) Deferred tax asset (net)	2.16	14034	22975
(c) Long-Term Loans and Advances		-	-
(d) Other Non-Current Assets		-	-
		2314034	22975
2 Current Assets			
(a) Inventories		-	-
(b) Sundry Debtors		-	-
(c) Cash and Cash Equivalents	2.7	29837238	8383117
(d) Short-Term Loans and Advances	2.8	42199339	53701875
(e) Other Current Assets	2.9	1903464	2045238
		73940040	64130231
		76382517	64398774
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

CA. Samya Sengupta

Partner

M.No. 059027

UDIN:21059027AAAACJ1523

Place : Kolkata

Date :30th June, 2021



For and on behalf of the Board of Directors

Subrata Ghosh

DIN: 07209984

Rita Ghosh

DIN: 07974998



SUNFLAG MERCHANTS PVT LTD

Station Road, P.O.- Rahara, North Parganas, Kolkata - 700118
 CIN: U51909WB1995PTC069463 Email Id: sunflag.merchants@gmail.com

Statement of Profit and Loss for the Year ended on 31st March, 2021

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
		Amount in Rs.)	(Amount in Rs.)
1 Revenue From Operations	2.10	9263192	12837461
Other Income	2.10	676556	165340
2 Total revenue		9939748	13002802
3 Employees' Benefit Expenses	2.11	1209801	1036215
Financial Cost	2.12	8359	23022
Other Expenses	2.13	1446039	1537540
Depreciation	2.6	117125	134267
Baddebt Written Off		271169	
Contingent Provision against Standard Assets		-	438189
4 Total Expenses		3052493	3169233
5 Profit /Loss before exceptional and extraordinary items and tax (2 - 4)		6887255	9833569
6 Exceptional items		-	-
7 Profit / (Loss) before extraordinary items and tax (5 ± 6)		6887255	9833569
8 Extraordinary items		-	-
9 Profit / (Loss) before tax (7 ± 8)		6887255	9833569
# Tax expense:			
(a) Current Tax Expense		1800647	2699493
(b) (Less): MAT credit		-	-
		1800647	2699493
(c) Current tax expense relating to prior years		-	-
(d) Net current tax expense		1800647	2699493
(e) Deferred Tax		8941	(10,622)
		1809588	2688871
Profit / (Loss) for the year (9 ± 10)		5077667	7144698
EARNINGS PER EQUITY SHARE			
Equity shares of par value ` 10/- each			
Basic		1.08	1.58
Diluted		1.08	1.58
Number of shares used in computing earnings per share			
Basic		4686120	4510595
Diluted		4686120	4510595
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



CA. Samya Sengupta

Partner

M.No. 059027

UDIN:21059027AAAACJ1523

Place : Kolkata

Date :30th June, 2021



For and on behalf of the Board of Directors



Subrata Ghosh

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Cash Flow Statement For the year ended 31st March, 2021

Particulars	As at 31st March, 2021	As at 31st March, 2020
	(Amount Rs.)	(Amount Rs.)
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Tax	6887255	9833569
Add:		
Depreciation on Fixed Assets	117125	134267
Contingent Provision against Standard Assets	-	438189
Less:		
Non-operating income	-	-
Operating Profit before Working Capital Change	7004379.99	10406025
Adjustment for		
(Increase)/ Decrease in Operating Assets		
Inventory	-	
Short-Term Loans and Advances	11644311	(30250668)
Other Current Assets	-	-
Trade Receivables	-	-
Increase/ (Decrease) in Operating Liability		
Trade Payables	-	
Other Current Liabilities	(2394570)	(792681)
Cash generation from operations before tax and extra-ordinary items	16254121	(20637324)
Less: Direct taxes paid	-	-
Cash generation from operations before extra-ordinary items	16254121	(20637324)
Add: Income tax refunded	-	-
Net Cash Flow From Operating Activities (A)	16254121	(20637324)
B CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	-	(188911)
Sale of Fixed Assets	-	-
Decrease/(Increase) investment	(6300000)	-
Increase in long term advances	-	-
Capital Work in Progress	-	-
Net Cash Flow From Investing Activities (B)	(6300000)	(188911)
C CASH FLOW FROM FINANCING ACTIVITIES:		
Issue of Share Capital	-	21063000
Share Premium	-	3159450
Secured Loan Received during the Year	7500000	-
Repayment of Loan	-	(573544)
Adjustment of reserve and Surplus (Tax Payment)	-	(12353)
Short term borrowing	-	-
Net Cash Flow From Financing Activities (C)	7500000	23636553
Net Increase or Decrease in Cash and Cash Equivalents (A+B+C)	17454121	2810318
Add: Opening Cash and Cash Equivalents	8383117	5572799
Closing cash and cash equivalents as per Books	25837238	8383117

As per our Report of even date

For K. N. Jain & Co.

Chartered Accountants

FRN: 319119E



CA. Samya Sengupta

Partner

M.No. 059027

UDIN:21059027AAAACJ1523

Place : Kolkata

Date :30th June, 2021

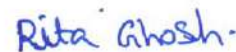


For and on behalf of the Board of Directors



Subrata Ghosh

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SUNFLAG MERCHANTS PVT LTD

Station Road, P.O.- Rahara, North Parganas, Kolkata - 700118

CIN: U51909WB1995PTC069463 Email Id: sunflag.merchants@gmail.com

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.

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.



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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.



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Note 2.1 : Share Capital

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	(Rs.)	No. of Shares	(Rs.)
(i) <u>Authorised:</u> Equity shares of Rs. 10 each	5200000	52000000	5200000	52000000
(ii) <u>Issued, Subscribed and fully paid up:</u> Equity shares of Rs. 10 each	4686120	46861200	4686120	46861200
	4686120	46861200	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
<u>Equity shares with voting rights</u>						
<u>Year ended 31st March, 2021</u>						
- Number of shares	4686120		-	-	-	4686120
- Amount (In Rs.)	46861200		-	-	-	46861200
<u>Year ended 31 March, 2020</u>						
- Number of shares	2579820	2106300	-	-	-	4686120
- Amount (In Rs.)	25798200	21063000	-	-	-	46861200

Terms and rights attached to Equity Shares:

The Company has only one class of equity shares having a par value of Rs 10.00 per shares. Each holder of equity Shares is entitled to one vote per shares. 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 shareholders

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

Class of shares / Name of shareholder	As at March 31, 2021		As at March 31, 2020	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<u>Equity shares with voting rights</u>				
Subrata Ghosh	332120	7.09	332120	7.09
Ranjib Kumar Ghosh	1438700	30.70	1438700	30.70
Rita Ghosh	708900	15.13	708900	15.13
Aparna Roy	242600	5.18	242600	5.18
Bipul Saha	235200	5.02	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.



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Notes forming part of the financial statements for the year ended 31st March, 2021

Note 2.2 : Reserves and Surplus

Particulars	As at March 31, 2021	As at March 31, 2020
	(Amount in Rs.)	(Amount in Rs.)
A. General Reserve		
Opening balance of Profit & Loss Account	8636647	2933242
Add: Profit during the year	5077667	7144698
Add: Excess provision of Income Tax for the A.Y. 2020-21	18511	
Less: Excess Payment of Income Tax for the A.Y 2019-20	-	12353
Less: Transfer to Statutory Reserve Fund U/s 45IC	1015533	1428940
TOTAL	12717292	8636647
B. Statutory Reserve Fund (U/s 45IC of RBI Act, 1934)		
Opening Balance of Statutory Reserve Fund	2304602	875662
Transfer during the year	1015533	1428940
TOTAL	3320135	2304602
C. Share Premium		
Opening Balance	-	
Add: Addition during the Year	3159450	3159450
	3159450	3159450
RESERVES & SURPLUS (A+B+C)	19196877	14100699

Note 2.3 : Long Term Borrowing (Secured)

Particulars	As at March 31, 2021	As at March 31, 2020
	(Amount in Rs.)	(Amount in Rs.)
Secured Term loan from SBI	5429607	-
TOTAL	5429607	-

Note 2.4 : Other Current Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
	(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	2070393	-
Total-A	2070393	-
B) Other Liabilities		
Interest Payable on Term Loan	1449	-
Audit Fees Payable	75000	75000
Insurance Payable	54077	52650
TDS Payable	8581	10400
Staff Security	52671	16000
Professional Tax	440	680
Salary Payable	221915	3499
Liability for Expenses	62911	34369
Employee's Provident Fund	7231	4338
Employee's ESIC	2750	3677
Total-B	487025	200613
TOTAL (A+B)	2557418	200613



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Note 2.5 : Short Term Provisions

Particulars	As at March 31, 2021	As at March 31, 2020
	(Amount in Rs.)	(Amount in Rs.)
Income tax Payable	1800647	2699493
Contingent Provision against Standard Assets	536769	536769
TOTAL	2337416	3236262

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.)	Classification	Loan loss Reserve (%) as per RBI	Loan loss Reserve as per RBI (Rs.)
Current loans	2748	-	41293058	Standard	0%	-
<30 days past due	63	73414	170292	Standard	0%	-
31-60 days past due	50	91864	113098	Standard	0%	-
61-90 days past due	60	137226	168855	Standard	0%	-
91-120 days past due	66	115041	117252	Sub-Standard (Unsecured)	50%	57520
121-180 days past due	71	169579	223755	Sub-Standard (Unsecured)	50%	84790
181-365 days past due	23	64148	64148	Sub-Standard (Unsecured)	100%	64148
>365 days	2	33779	33779	Doubtful 1 st year (unsecured)	100%	33779
Total	3083	685051	42184239			240237

The NBFC (Company) has followed the provisioning norm of NBFC-MFI as the NBFC decided to apply to RBI for NBFC-MFI license.

The company has adopted the asset classification and provisioning norms prescribed by RBI in the above mentioned master circular applicable for NBFC-MFI. The company has no loan portfolio at Andhra Pradesh (AP). As per the guideline the company has to provided 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 31.03.2021 as per norms was Rs.4,21,842 (1% of outstanding portfolio), provision was already made as on 31.03.2020 was Rs.5,36,769.00, hence no additional provision required during the year 2020-21.

Note 2.6 : 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 no asset has been purchased. No asset has been disposed off during the year.

Details of fixed assets have been given in separate sheet as Annexure 1 to the Note-2.6 of the Balance Sheet.

Note 2.7 : Cash and Cash Equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
	(Amount in Rs.)	(Amount in Rs.)
(a) Cash in hand	30814	20519
(b) Cash at Bank	25131889	8328913
(c) Auto Sweep Account (Bank)	674535	33,685
(d) Short Term Term Deposit (will be matured within 12 months)	4000000	-
TOTAL	29837238	8383117



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Notes to Balance Sheet

Annexure to Note-2.6

FIXED ASSETS

A. Tangible Assets

Particulars	Life of Assets	Gross Block			Depreciation		Net Block				
		As on 01.04.2020	Addition 2020-21	Disposed Off 2020-21	Total as on 31.03.2021	As on 01.04.2020	Depreciated on 2020-21	Depreciated on Disposed Off Assets	Total as on 31.03.2021	WDV as on 31.03.2021	WDV as on 31.03.2020
Computer & Accessories	3 Years	67471			67471	7822	37674		45496.00	21975	59649
Furniture & Fixture	10 Years	76730			76730	3478	18966		22444.00	54286	73252
Plant & Machinery	8 Years	22400			22400	594	6810		7404.00	14996	21806
Office Equipments	5 Years	22310			22310	1785	9251		11036.00	11274	20525
Total (A)		188911	-	-	188911	13679	72701	-	86380	102531	175232
B. Intangible Assets											
Software	3 Years	272500			272500	202164	44424		246588.00	25912	70336
Total (B)		272500	-	-	272500	202164	44424	-	246588	25912	70336
Total (A+B)		461411	-	-	461411	215843	117125	-	332968	128443	245568
Previous Year		272500	188911	-	461411	81576	134267	-	215843	175232	190924



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Note 2.8 : Loans and Advances

Particulars	As at March 31, 2021	As at March 31, 2020
	(Amount in Rs.)	(Amount in Rs.)
(a) Unsecured loans	42184239	53676875
	42184239	53676875
(b) Other loans and Advances		
Advance for Expenses	5100	15000
Deposit with DHFL	10000	10000
	15100	25000
TOTAL	42199339	53701875

Additional Notes to Accounts Relating to Covid.19 Pandemic Situation Management

Generic Note

Covid- 19 has been declared as a global pandemic; the Indian Govt has declared the complete lockdown since March 23, 2020, 5 PM onwards and the same has been continued with some exemptions and essential services were allowed to operate with limited capacity. Banking and allied services have been declared as essential services amongst many others and accordingly, the Company has been continuing the operations with minimal permitted staff at Head Office as well as for its field operations through branches. However, other employees were encouraged to work from home. All operations and servicing of clients were smoothly ensured without any interruptions as the activities of loan sanction have been partially automated and seamless processes were followed. Based on the facts and circumstances, the Company has been operating in the normal course and there have been no such remarkable adverse impacts on the assets, liquidity, revenues or operational parameters during year ended as on March 31st, 2021. The Company is closely monitoring any material changes on a continuous basis.

Specific Note

In accordance with the Reserve Bank of India Circular No. RBI/2020-21/16 DOR. No. BP.BC/3/21.04.048/2020-21 dated August 06, 2020 regarding Resolution Framework for COVID-19-related Stress, the Company has given moratorium to 3520 numbers of loan accounts having amounting Rs.4.70,02,771 (outstanding as on August 31, 2020) with effect from September 01, 2020 to ease the stress on its borrowers.

Note 2.9 : Other Current Assets

Particulars	As at March 31, 2021	As at March 31, 2020
	(Amount in Rs.)	(Amount in Rs.)
(a) Balance with Govt. Authority		
GST Receivable (Net)	14347	6181
Tax Deducted at Sources		
TDS (AY 2014-15)	10294	10294
TDS (A.Y 2020-21)	-	23502
TDS (AY 2021-22)	45820	-
	70461	39977
(b) Income Tax Refundable		
Asst. Year (AY 2007-08)	40735	40735
Asst. Year (AY 2008-09)	55786	55786
	96521	96521
(C) Advance Tax	1700000	1900000
(d) Accrued Interest on Investment	9142	-
(e) Members Death Insurance Claim Receivable	27340	8740
TOTAL	1903464	2045238



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Note 2.10 : Revenue Income

Particulars	As at March 31, 2021	As at March 31, 2020
	(Amount in Rs.)	(Amount in Rs.)
Revenue from operation		
Interest on loan	8982792	11929811
Interest & Upfront Fees against Loans	280400	907650
TOTAL	9263192	12837461
Other Income		
Interest on Investment	676546	165332
Other Receipts	10	8
TOTAL	676556	165340

Note 2.11 : Employees' Benefit Expenses

Particulars	As at March 31, 2021	As at March 31, 2020
	(Amount in Rs.)	(Amount in Rs.)
Salary and Allowances	979791	992054
EPF employers Contribution	36425	21054
ESI Employers Contribution	31310	14082
Gratuity Contribution to LIC	76906	-
Leave Encashment	2290	-
Staff Welfare	18044	-
Exgratia	65035	9025
TOTAL	1209801	1036215

Note 2.12 : Financial Cost

Particulars	As at March 31, 2021	As at March 31, 2020
	(Amount in Rs.)	(Amount in Rs.)
Bank Charges	6911	23022
Interest on Term Loan	1449	-
TOTAL	8359	23022



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Notes forming part of the financial statements for the year ended 31st March, 2021

Note 2.13 : Other Expenses

Particulars	As at March 31, 2021	As at March 31, 2020
	(Amount in Rs.)	(Amount in Rs.)
Administrative & Other Expenses:		
Auditors Remuneration	81750	72300
Advertisement Expenses(Management Change)	-	8364
Licence Fees	12500	-
ROC Filing Fees	1800	15700
Electricity Charge	15893	16430
Travelling and Conveyance	8701	24728
Repairs and Maintenance	7750	18142
Membership Fees	46870	63150
Refreshment and Hospitality	175	9040
Printing & Stationary	27037	47797
Director's Remuneration	693748	658000
Telephone and Postage	35147	12761
Meeting, Training and Workshop	35215	39407
Office Rent	138300	124000
Fuel Charges	107790	63185
Professional Tax	2500	2500
Interest on Income Tax	-	29573
Documentation Charges	2600	38005
Consultancy and Professional fees	99825	73,280
Credit Information Charge	69843	130312
Late Fees & Interest for Statutory Payment	-	26,801
Misc. Expenses	700	1300
Office Expenses	57895	62765
TOTAL	1446039	1537540

Additional information to the financial statements

Note 2.14 : Share application money pending allotment

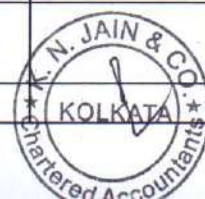
As at 31st March, 2021 the Company has not received any amount towards share application money towards issue of equity shares of the Company.

Note 2.15 : 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)	1. Subrata Ghosh 2. Rita Ghosh 3. Shyama Prasad Chakroborty 4. Ranjib Ghosh 5. Chanchal Majumdar	Resigned from the post of Director on 31.10.2020 Join in the Post of Additional Director on 13.01.2021

Details of related party transactions during the period ended 31st March, 2021 and balances outstanding as at 31st March, 2021:

Particulars	Holding Company	Subsidiaries	KMP	Relatives of KMP	Entities in which KMP / Relatives of KMP can exercise significant influence	TOTAL (Amount in Rs.)
Directors Remuneration Paid to Mrs. Rita Ghosh			600000			600000
Directors Remuneration Paid to Mr. Shyama Prasad Chakroborty			93748			93748
			693748			693748



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Note 2.16 : Disclosures under Accounting Standards- AS20

Particulars	As at March 31, 2021	As at March 31, 2020
	(Amount in Rs.)	(Amount in Rs.)
Earnings per share		
Basic		
<u>Continuing operations</u>		
Net profit / (loss) for the year from continuing operations	5077667	7144698
Weighted average number of equity shares	4686120	4510595
Par value per share	1.08	1.58
Earnings per share from continuing operations - Basic	1.08	1.58
Diluted		
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		
<u>Continuing operations</u>		
Net profit / (loss) for the year from continuing operations	5077667	7144698
Add: Interest expense and exchange fluctuation on convertible bonds (net)	-	-
Profit/(loss) attributable to eq. shareholders from continuing operations (on dilution)	5077667	7144698
Weighted average number of equity shares for Basic EPS	4686120	4510595
Add: Effect of warrants, ESOPs and Convertible bonds which are dilutive	-	-
Weighted average number of equity shares - for diluted EPS	4686120	4510595
Par value per share	1.08	1.58
Earnings per share, from continuing operations - Diluted	1.08	1.58

Note 2.17 : 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. Deferred tax liability and assets have been recognized subject to consideration of prudence and timing difference.

Calculation of Deferred Tax Liability / (Assets)

Depreciation as per Companies Act up to 31.03.21 (Rs)	Depreciation as per I.T. Act up to 31.03.21 (Rs)	Timing difference (Rs)	Rate of Tax	Deferred tax Liability/ (Assets) (Rs)
A	B	C=(B-A)	D	E=(CxD)
246588	192613	(53975)	26%	(14034)

Total Deferred tax asset as on 31.03.2021 was Rs.14034 differed tax asset balance as on 31.03.2020 was Rs.22975, net effect of Deferred tax asset during the financial asset is Rs. (14034-22975)=-8941



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Notes forming part of the financial statements for the year ended 31st March, 2021

Particulars	As at March 31, 2021	As at March 31, 2020
	(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	(14034)	(22975)
- 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	(14034)	(22975)
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	-	-
- Unabsorbed depreciation carried forward	-	-
- Brought forward business losses	-	-
- Others	-	-
Tax effect of items constituting deferred tax assets	-	-
Net deferred tax liability / (asset)	(14034)	(22975)

Note: The Company has recognised deferred tax asset on unabsorbed depreciation to the extent of the corresponding deferred tax liability on the difference between the book balance and the written down value of fixed assets under Income Tax (or) The Company has recognised deferred tax asset on unabsorbed depreciation and brought forward business losses based on the Management's estimates of future profits considering the non-cancellable customer orders received by the Company.

Note-2.18: Additional Disclosures

A. Auditor's Remuneration

Particulars	As at March 31, 2021	As at March 31, 2020
	(Amount in Rs)	(Amount in Rs)
Audit Fees	81750	72300

B. Contingent Liability and Commitments

Particulars	As at March 31, 2021	As at March 31, 2020
	(Amount in Rs)	(Amount in Rs)
i) Contingent Liabilities		
a) Claim against the company not acknowledge 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



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

Particulars	As at March 31, 2021	As at March 31, 2020
	(Amount in Rs)	(Amount in Rs)
Expenditure on employees drawing remuneration of Rs.200000 or More	Nil	Nil

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 2021 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	18.78%	Entire interest received against won funding
Average Annualised Cost of Borrowing Fund	-	Term loan received from SBI at the end of March.21 , amount not disbursed to the members within 31st March, 2021. No borrowing cost as on 31st March, 2021
Average Annualised Margine	-	Not applicable

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:21059027AAAACJ1523

Place : Kolkata

Date :30th June, 2021

For and on behalf of the Board of Directors

Subrata Ghosh

Subrata Ghosh

DIN: 07209984

Rita Ghosh

Rita Ghosh

DIN: 07974998



SUNFLAG MERCHANTS PVT LTD

Station Road, P.O.- Rahara, North Parganas, Kolkata - 700118
CIN: U51909WB1995PTC069463 Email Id: sunflag.merchants@gmail.com

Notes to the Balance Sheet of a Non-Deposit taking Non-Banking Financial Company (2020-21)
(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	7500
(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	42184
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	-
	iv) Government Securities	-
	v) Others (Fixed Deposit with Schedule Bank)	6300



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	2 Unquoted i) Shares (a) Equity (b) Preference ii) Debenture and Bonds (At Cost) iii) Units of Mutual Funds iv) Government Securities v) Others (Term Deposit with Central Bank of India)	- - - - -																												
	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 (Please Specify)	- - - - - - - - - - - - - - -																												
5	Borrower group-wise classification of assets financed as in (2) and (3) above																													
	Category	Amount net of Provisions																												
		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 33%;"></th> <th style="width: 33%; text-align: center;">Secured</th> <th style="width: 33%; text-align: center;">Unsecured</th> <th style="width: 33%; text-align: center;">Total</th> </tr> </thead> <tbody> <tr> <td>1 Related Parties</td> <td></td> <td></td> <td></td> </tr> <tr> <td> (a) Subsidiaries</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> </tr> <tr> <td> (b) Companies in the sam</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> </tr> <tr> <td> (c) Other related parties</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> </tr> <tr> <td>2 Other than related parties</td> <td style="text-align: center;">-</td> <td style="text-align: center;">42184</td> <td style="text-align: center;">42184</td> </tr> <tr> <td style="text-align: right;">Total</td> <td style="text-align: center;">-</td> <td style="text-align: center;">42184</td> <td style="text-align: center;">42184</td> </tr> </tbody> </table>		Secured	Unsecured	Total	1 Related Parties				(a) Subsidiaries	-	-	-	(b) Companies in the sam	-	-	-	(c) Other related parties	-	-	-	2 Other than related parties	-	42184	42184	Total	-	42184	42184
	Secured	Unsecured	Total																											
1 Related Parties																														
(a) Subsidiaries	-	-	-																											
(b) Companies in the sam	-	-	-																											
(c) Other related parties	-	-	-																											
2 Other than related parties	-	42184	42184																											
Total	-	42184	42184																											
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 sam	-																												
	(c) Other related parties	-																												
	2 Other than related parties	-																												
	Total	-																												
7	Other Information																													
	Particulars	Amount Outstanding																												
	i) Gross Non-Performing Assets																													
	(a) Related Parties	-																												
	(b) Other than Related Parties	439.00																												
	ii) Net Non-Performing Assets																													
	(a) Related Parties	-																												
	(b) Other than Related Parties	(98.00)																												
	iii) Assets acquired in satisfaction of Debt	-																												

