

**40<sup>TH</sup> ANNUAL REPORT  
OF  
ARNOLD HOLDINGS LIMITED  
2021-22**

# CORPORATE INFORMATION

<b>BOARD OF DIRECTORS</b>			
Mr. Murari Mallawat	-	Whole Time Director	
Mr. Santkumar Goyal	-	Whole Time Director	
Mr. Rajpradeep Mahavirprasad Agrawal	-	Whole Time Director	
Mr. Sopan Vishwanathrao Kshirsagar	-	Non-Executive Independent Director	
Mr. Sushil Mahendrakumar Jhunjhunwala	-	Non-Executive Independent Director	
Mrs. Munni Devi Jain	-	Non-Executive Independent Director	
Mr. Dharmendra Ramnihor Yadav	-	CFO	
<b>COMPANY SECRETARY &amp; COMPLIANCE OFFICER</b>		<b>AUDIT COMMITTEE</b>	
CS Santwana Todi (Resigned w.e.f. 16/04/2021)		Sopan Vishwanathrao Kshirsagar	- Chairman
CS Minal Dinesh Agarwal (Appointed w.e.f 24/04/2021)		Sushil Mahendrakumar Jhunjhunwala	- Member
		Murari Mallawat	- Member
<b>STATUTORY AUDITORS</b>		<b>NOMINATION &amp; REMUNERATION COMMITTEE</b>	
<b>Amit Ray &amp; Co.</b>		Sopan Vishwanathrao Kshirsagar - Chairman	
Chartered Accountants		Sushil Mahendrakumar Jhunjhunwala - Member	
401/403, D- Definity,		Munni Devi Jain - Member	
Jai Prakash Nagar, Road No. 1,			
Goregaon (E), Mumbai-400063			
Ph. No. 022-40146981		<b>STAKEHOLDER'S SHAREHOLDERS &amp; INVESTOR GRIEVANCES COMMITTEE</b>	
		Sopan Vishwanathrao Kshirsagar	- Chairman
		Sushil Mahendrakumar Jhunjhunwala	- Member
		Murari Mallawat	- Member
<b>SECRETARIAL AUDITORS</b>		<b>BANKERS TO THE COMPANY</b>	
Ranjit Binod Kejriwal		ICICI Bank Ltd	
Company Secretaries, Surat		IDFC First Bank Ltd	
		HDFC Bank Ltd	
		Yes Bank Ltd	
<b>REGISTER &amp; TRANSFER AGENT</b>		<b>BOOK CLOSURE</b>	
<b>Niche Technologies Private Limited</b>		Date: 22 <sup>nd</sup> September, 2022 to 28 <sup>th</sup> September, 2022	
Registrar to Issue & Share Transfer Agents		(Both Days Inclusive)	
3A, Auckland Place, 7 <sup>th</sup> Floor, Room No.7A & 7B,			
Kolkata-700017, West Bengal			
Email Id: <a href="mailto:nichetechpl@nichetechpl.com">nichetechpl@nichetechpl.com</a> ,			
Website: <a href="http://www.nichetechpl.com">www.nichetechpl.com</a>			
Ph. No. : +91-033-22806616/17/18			
Tele Fax: +91-033-22806619			
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<b>40<sup>TH</sup> ANNUAL GENERAL MEETING</b>			
<b>Date:</b> Wednesday, 28 <sup>th</sup> September, 2022			
<b>Time:</b> 10:00 A.M.			
<b>Venue:</b> IMC Chamber of Commerce & Industry, Kilachand Conference Room, 2nd Floor, IMC Bldg., IMC Marg, Churchgate-400020			

## **Chairman's Message:**

Dear Stakeholders,

I am pleased to present to you our company's performance during the year FY 2021-22, and I am proud to share with you this.

2021 was another year of extraordinary global turbulence, with the recovery from COVID-19 painting a mixed picture across the globe. During this unprecedented crisis, we remained proactive in our decision-making to build team resilience, preserve business continuity and reinforce customer- centricity. Throughout this period, we ensured the wellbeing of our people and supported our customers and communities. The undeterred spirit of our colleagues has been exemplary, and I am extremely proud of how we have all come out of 2021.

The overall Indian economic activity and output has recovered gradually since then and surpassed the pre- pandemic levels. As per projections from the International Monetary Fund, the Indian economy is expected to deliver a growth of 8.2% in FY2023 and 6.9% in FY2024. These estimates have pegged India as one of the fastest growing major economies in the world. We are cognisant of the headwinds brought in by global geo-political tensions, elevated commodity prices, supply chain disruptions and rising inflation, and are confident to remain nimble to changes and steer through these muddy waters.

In the last fiscal, we revalidated our business model. We took stock of some of the challenges we faced, especially the volatility regarding the asset quality. We have set up mechanisms which shall provide early warning signs to enable us to take timely action. We will continue to leverage digital tools and data intelligence to drive scale, stable asset quality, cost effectiveness and customer experience. We are currently in the process to drive a multi-year transformation agenda which shall enable us to scale profitably.

We believe the strength to reach out to our large customer database enables us to improve our current cross-sell ratios. We continued to build on our culture of excellence that revolves around customer-centricity, diversity and inclusivity, to meet our aspirations of delivering high- performance. The diversity of our people, our collaborative culture and our long-standing relationship with our partners have successfully created value for all our stakeholders.

I remain thankful to your Company's Board of Directors for their continued guidance. With our resilient operating model, experienced and strengthened leadership team, strong capital adequacy, comfortable liquidity position, and robust risk management processes, we are confident of pacing ahead to a better future. We remain well-equipped to leverage the growing opportunities in the Indian financial services sector and can stay ahead of the changing industry dynamics.

We believe in creating value by taking constant efforts towards building capabilities and developing our competitive edge over peers with the help of bringing in diversity and transparency in doing business and would continue to do so in order to become a stronger entity than we were yesterday.

Indeed, as I write, the team is actively working on this. Remember the song, "We Shall Overcome". That is the motto and leitmotif of your Company.

On behalf of the Board, I thank the entire team at Arnold Holdings Limited for showing their faith by giving constant support and encouragement. I also take the pleasure to thank the employees for their tireless efforts towards achieving our goals.

With my very best,

Sd/-  
Munni Devi Jain  
(Chairperson)

## ARNOLD HOLDINGS LIMITED

CIN: L65993MH1981PLC282783

Regd Off: B208, Ramji House, 30 Jambulwadi, JSS Road, Mumbai-400002

Website: [www.arnoldholding.in](http://www.arnoldholding.in), E mail: [arnoldholding9@gmail.com](mailto:arnoldholding9@gmail.com) , Ph.: 022-2016640



### NOTICE OF 40<sup>th</sup> ANNUAL GENERAL MEETING

Notice is hereby given of the 40<sup>th</sup> Annual General Meeting of the members of **Arnold Holdings Limited** will be held on Wednesday, the 28<sup>th</sup> day of September, 2022 at IMC Chamber of Commerce & Industry, Kilachand Conference Room, 2nd Floor, IMC Bldg., IMC Marg, Churchgate-400020 Maharashtra at 10:00 A.M. to transact the following business:

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the company for the financial year ended on 31<sup>st</sup> March, 2022, together with the Reports of the Board of Directors and Auditors' thereon.

**"RESOLVED THAT** the Audited Balance Sheet, Profit and loss account and Cash Flow Statement for the year ended 31st March, 2022 along with the Auditors Report and Director's Report, be and are hereby considered, Adopted and Approved"

2. To appoint a Director in place of Mr. Murari Mallawat, Whole Time Director (DIN:08809840), liable to retire by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, seeks re-appointment.

**"RESOLVED THAT** in accordance with the provision of Section 152 (6) and all other applicable provisions, if any, of the Companies Act, 2013, Mr. Murari Mallawat, Whole Time Director (DIN: 08809840), who retires by rotation at this annual general meeting, be and is hereby reappointed as director of the Company, liable to retire by rotation."

#### **SPECIAL BUSINESS:**

3. **To approve increase in Remuneration of Mr. Murari Mallawat (DIN: 08809840) Whole Time Director of the Company:**

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

**"RESOLVED THAT** pursuant to the recommendation of Nomination and Remuneration Committee & Audit Committee and pursuant to the provisions of Section 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('the Act'), and such other approvals, permissions and sanctions of such authorities and/or agencies as may be required in this regard and subject to the provisions of the Articles of Association of the Company, the consent of the members be and is hereby accorded for revision in remuneration of Mr. Murari Mallawat (DIN: 08809840), Whole Time Director.

**RESOLVED FURTHER THAT** the remuneration payable to Mr. Murari Mallawat (DIN: 08809840), Whole Time Director, shall be as under:

Remuneration: Rs. 10, 00,000/- P.a. inclusive of all perquisite.

**RESOLVED FURTHER THAT** the consent and ratification of the Members of the Company be and is hereby accorded that Mr. Murari Mallawat, Whole Time Director of the Company be paid remuneration by way of Salary, Perquisites and allowances upto a maximum of Rs. 10, 00,000/- (Rupees Ten lacs only) as minimum remuneration for the remaining period in case the Company has no profits or its profit are inadequate.

**RESOLVED FURTHER THAT** the above remuneration shall be subject to modification, as may be deemed fit by the Board from time to time and subject to the limits and stipulations prescribed by the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time.

**RESOLVED FURTHER THAT** where in any financial year, during the currency of the tenure of Mr. Murari Mallawat as Whole Time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, perquisites and allowances as specified above as minimum remuneration, subject to the limits and conditions prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

**RESOLVED FURTHER THAT** except for the aforesaid revision in remuneration, all other terms and conditions of his appointment as Whole Time Director of the Company, as approved by the resolution passed at the 38th Annual General Meeting of the Company held on 28th September, 2020 shall remain unchanged.

**RESOLVED FURTHER THAT** the Board of Director or the Company Secretary thereof be and are hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of attachment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution."

#### 4. Approval of Material Related Party Transaction(s):

**"RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, ("SEBI Listing Regulations"), the applicable provisions of the Companies Act, 2013 ("Act") read with Rules made there under, other applicable laws/statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), the Company's Policy on Related Party Transactions, and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded to the Company to enter/continue to enter into Material Related Party Transaction(s)/ Contract(s)/ Arrangement(s)/ Agreement(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) with entities falling within the definition of 'Related Party' under Section 2(76) of the Act and Regulation 2(1) (zb) of the SEBI Listing Regulations, in the course of the business on such material terms and conditions as detailed in the explanatory statement to this Resolution and as may be mutually agreed between related parties and the Company, for each of the financial years (FY), such that the maximum value of the Related Party Transactions with such parties, in aggregate, does not exceed value as specified under each category for each financial year, provided that the said contract(s)/arrangement(s)/ transaction(s) shall be carried out in the ordinary course of business of the Company and in respect of transactions with related parties under Section 2(76) of the Act, are at arm's length basis.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include the Audit Committee of the Company and any duly constituted/to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as maybe required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

Place: Mumbai  
Date: 26/08/2022

By order of the Board  
For Arnold Holdings Limited

SD/-  
Minal Dinesh Agarwal  
Company Secretary & Compliance Officer

## Notes:

1. A Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act"), relating to the Special Business to be transacted at the Annual General Meeting ("Meeting") is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY, DULY COMPLETED, MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING (ON OR BEFORE 26<sup>th</sup> SEPTEMBER, 2022, 10:00 A.M. IST). A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. A PROXY FORM FOR THE AGM IS ENCLOSED.
3. Pursuant to Section 113 of the Companies Act, 2013, corporate members intending to send their authorized representative to attend the meeting are requested to send to the Company a certified copy of Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Karta in case of HUF, partners/proprietors in case of firm attending and voting should affix the respective stamp of HUF or firm on the attendance sheet, Polling paper or Proxy form.
5. Relevant documents referred to in the above Notice are open for inspection at the Registered Office of the Company during the business hours on any working day (except Sunday and holidays) between 10.00 a.m. and 4.00 p.m. up to the date of the Annual General Meeting.
6. Members/Proxy holders/ Authorized representatives are requested to bring their copy of Annual Report and Attendance slip sent herewith, duly filled-in for attending the Annual General Meeting.
7. Members are requested to write their DP – ID and Client – ID Numbers in the Attendance Slip for attending the Meeting.
8. The Company is providing facility for voting by electronic means (e-voting) through an electronic voting system which will include remote e-voting and the business set out in the Notice will be transacted through such voting. Information and instructions including details of user id and password relating to e-voting are sent herewith in the e-voting communication. Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again. Members who have cast their vote(s) by using remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again at the Meeting.
9. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
10. The Register of Contracts & arrangements in which director are interested, maintained under section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
11. The Register of Members and the Share Transfer Books of the Company will remain closed from 22<sup>nd</sup> September, 2022 to 28<sup>th</sup> September, 2022 (both days inclusive).
12. The Shareholders are requested to direct change of address notifications and updates details to their respective Depository Participant(s).
13. Equity shares of the Company are under compulsory Demat trading by all Investors.
14. Notice of this Meeting and the Annual Reports and instructions for e-voting along with the Attendance Slip and Proxy form, will be sent via email to all those members who have registered their email ids with the Company or the Registrar and Transfer Agent or the Depositories or the Depository Participants unless a member has requested for a physical copy of Documents. For members who have not registered their email addresses, physical copies of the Documents are being sent by the permitted mode.
15. Members may also note that the Notice of the 40<sup>th</sup> AGM and the Annual Report 2021-22 will be available on Company's website [www.arnoldholdings.in](http://www.arnoldholdings.in) and on website of BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of CDSL <https://www.evotingindia.com>.



16. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication from the company electronically and quicker response to their queries to RTA or Company.
17. Members are requested to contact our Registrar and Transfer Agent for any query related to shares and other inquiry at following address:

<b>Niche Technologies Private Limited</b>
Registrar to Issue & Share Transfer Agents
3A, Auckland Place, 7 <sup>th</sup> Floor, Room No.7A & 7B,
Kolkata-700017, West Bengal
Email Id: <a href="mailto:nichetechpl@nichetechpl.com">nichetechpl@nichetechpl.com</a> ,
Website: <a href="http://www.nichetechpl.com">www.nichetechpl.com</a>
Ph. No.: +91-033-22806616/17/18

Please Quote Folio No. / DP ID & CL ID for any communication for your shareholding.

18. The shareholder needs to furnish the printed Attendance slip along with a valid identity proof such as the PAN card, passport, AADHAR card or driving license to enter the AGM hall.
19. Additional information, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the directors seeking appointment/re- appointment at the AGM, is furnished as annexure to the Notice. The directors have furnished consent / declaration for their appointment/ re-appointment as required under the Companies Act, 2013 and the Rules there under.
20. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on 21<sup>st</sup> September, 2022.
21. The route map of the venue of the Annual General Meeting is appended to this Report. The prominent land mark near the venue is The Ambassador Hotel, Marine Drive, Mumbai.
- 22. Information and other instructions relating to e-voting are as under:**
- I. Pursuant to Section 108 of the Companies Act, 2013 ("the Act") read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by CDSL. The facility available for voting through polling paper will also be made available at the AGM and members attending the AGM, who have not already cast their votes by remote e-voting shall be able to exercise the right at the AGM through polling paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again.
  - II. The members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through 'polling paper'.
  - III. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again. However, in case Members cast their vote both by polling paper and by remote e-voting, then voting done through remote e-voting shall prevail and voting done by polling paper will be treated as invalid.
  - IV. Shri Ranjit Binod Kejriwal, Practicing Company Secretary has been appointed to act as the Scrutinizer for conducting the remote e-voting process as well as the voting through Poll Paper, in a fair and transparent manner.
  - V. Voting rights shall be reckoned on the paid up value of shares registered in the name of the member as on the cut-off date i.e. September 21, 2022.
  - VI. A person, whose name is recorded in the register of members as on the cut-off date, i.e. September 21, 2022 only shall be entitled to avail the facility of remote e-voting as well as voting through the polling process at the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
  - VII. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. September 21, 2022, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through the polling process at the AGM by following the procedure mentioned in this part.
  - VIII. The Remote e-voting period will commence on Sunday, 25<sup>th</sup> September, 2022 at 9.00 a.m. and will end on Tuesday, 27<sup>th</sup> September, 2022 at 5.00 p.m. During this period, the members of the Company holding shares either in physical form or in demat form as on the Cut-off date i.e. September 21, 2022, may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote

e-voting module shall be automatically disabled for voting thereafter.

- IX. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
- X. The Scrutinizer, after scrutinizing the votes cast at the meeting (polling paper) and through remote e-voting, will, not later than two working days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company. The results shall be communicated to the Stock Exchanges.
- XI. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. September 28, 2022.

**XII. Instructions to Members for e-voting are as under:**

- (i) The voting period begins on 25<sup>th</sup> September, 2022 at (9:00AM IST) and ends on 27<sup>th</sup> September, 2022 (5:00 PM IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 21<sup>st</sup> September, 2022 of may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<p>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</p> <p>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers'</p>



	<p>website directly.</p> <p>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from an e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with NSDL	<p>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

Login type	Helpdesk details
------------	------------------

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

(v) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

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

	<b>For Shareholders holding shares in Demat Form other than individual and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN 220826048 for ARNOLD HOLDINGS LIMITED on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for

voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) Additional Facility for Non – Individual Shareholders and Custodians – for Remote Voting only:
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [arnoldholding9@gmail.com](mailto:arnoldholding9@gmail.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.

2. For Demat shareholders- please update your email id & mobile no. with your respective Depository Participant (DP).

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

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

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill

Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

**Please note the following:**

A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through polling paper.

The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutiner, by use of polling paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two working days of the conclusion of the AGM, a consolidated scrutiner's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

**Other information:**

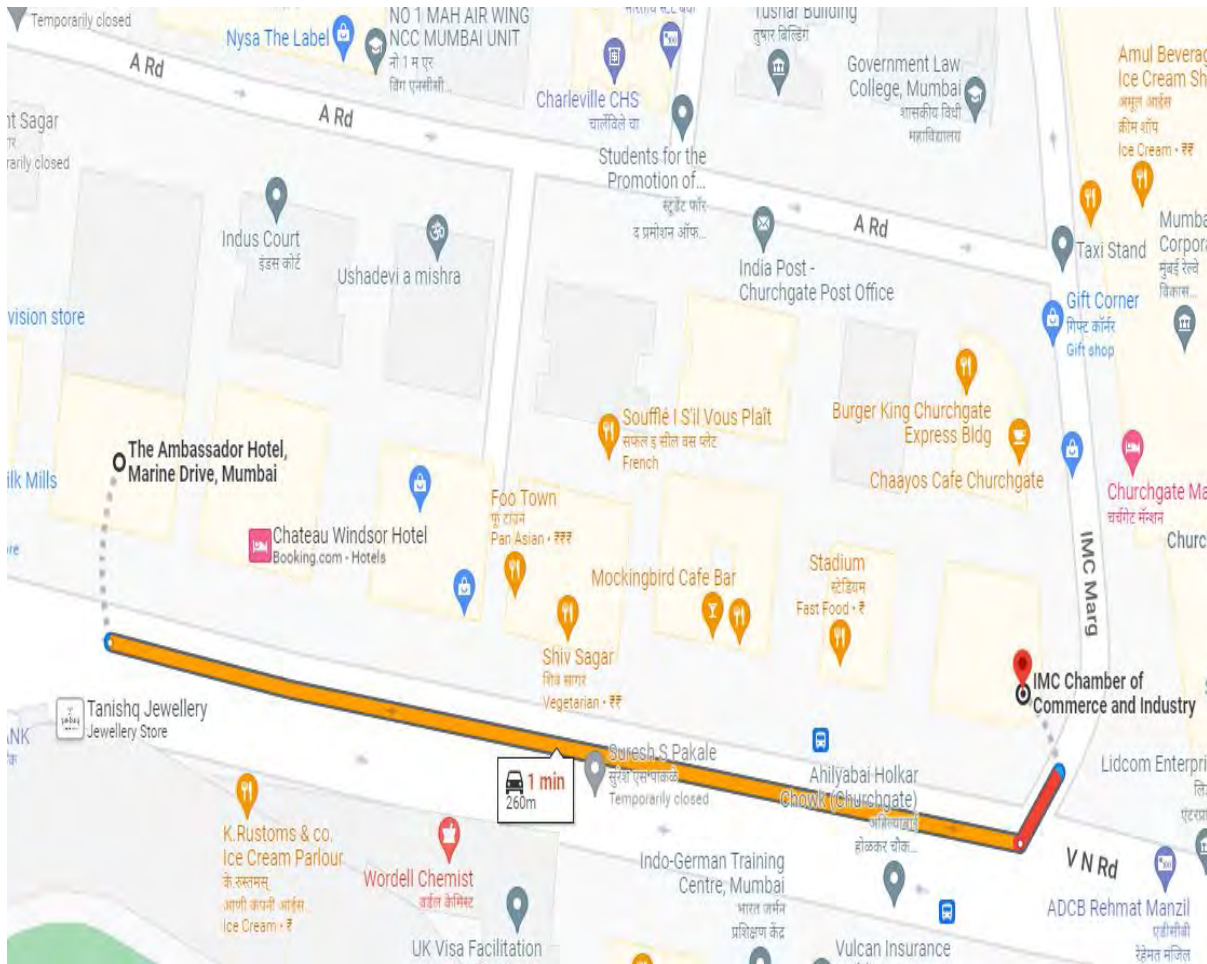
- Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
- It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

Place: Mumbai  
Date: 26/08/2022

By order of the Board  
**For Arnold Holdings Limited**

SD/-  
**Minal Dinesh Agarwal**  
**Company Secretary & Compliance Officer**

## ROUTE MAP TO THE VENUE OF THE 40<sup>TH</sup> ANNUAL GENERAL MEETING OF THE COMPANY



## ANNEXURE TO THE NOTICE

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS

#### Item No. 3

Mr. Murari Mallawat was appointed as Whole Time Director of the Company with effect from 28th September, 2020 for a period of 5 years at the 38th Annual General Meeting of the shareholders held on 28th September, 2020.

Mr. Murari Mallawat, aged 31 years, graduated from MDS University, Rajasthan. He is passed CA Enter and Final 1 Group also. He has wide knowledge of Direct and Indirect Taxation and experience of 6 years in this field.

Taking into consideration the increased business activities of the Company coupled with higher responsibilities cast on Mr. Murari Mallawat, the Board of Directors, on recommendation of the Nomination and Remuneration Committee of the Company, at its meeting held on 26th August, 2022, has approved the proposal to increase the remuneration to Rs. 10, 00,000/- p.a., subject to the approval of shareholders, as set out in the resolution being item no. 3 of the accompanying notice.

Minimum Remuneration: Where in any financial year, during the currency of the tenure of Mr. Murari Mallawat as Whole Time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration to him by way of salary, perquisites and allowances as specified in the resolution being item no. 3 of the accompanying notice as minimum remuneration, subject to the limits and conditions as prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

Out of abundant caution and in view of the relevant extant provisions of law relating to managerial remuneration, the Company is complying with the provisions of Schedule V of the Companies Act, 2013 which prescribes that in case of no profits or inadequate profits, the remuneration can be paid by the Company to its managerial personnel as minimum remuneration within the limits arrived at in accordance with the requirements of the said section If subject to the following:

- (i) The payment of remuneration is approved by a resolution passed by the Board and also by the Nomination and Remuneration Committee of Directors.
- (ii) There is no default in repayment of any of its debts or interest payable thereon.

The Nomination and Remuneration Committee at its meeting held on 26th August, 2022 has already approved the above remuneration payable to Mr. Murari Mallawat, Whole-time Director of the Company. Further, the Company has not made any default in repayment of any of its debts or interest payable thereon.

The proposed revision in remuneration above is well in conformity with the relevant provisions of the Companies Act, 2013, read with Schedule V to the said Act and hence approval of Central Government is not required for the above revision in remuneration.

Except for the aforesaid revision in salary, all other terms and conditions of his appointment as Whole Time Director of the Company as approved by the members of the Company shall remain unchanged.

Accordingly, Special Resolution is submitted to the meeting for the consideration and approval of Members.

None of the Directors, Key Managerial Personnel and their relatives, except Mr. Murari Mallawat and his relative, are in any way, concerned or interested in the said resolution.

The Board commends the Special Resolution set out at Item No.3 of the accompanying Notice for the approval by the Members.

#### ITEM No. 4

The Securities and Exchange Board of India ("SEBI"), vide its notification dated November 9, 2021, has notified SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021 ("Amendments") introducing amendments to the provisions pertaining to the Related Party Transactions under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The aforesaid amendments inter-alia included replacing of current threshold i.e. 10% (ten percent) of the listed entity's consolidated turnover, for determination of material Related Party Transactions requiring prior Shareholders' approval with the threshold of



lower of 1,000 crore (Rupees One thousand crore) or 10% (ten percent) of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity. Arnold Holdings Limited ("the Company"), being an NBFC company, dealing in loans and Investments and in share market.

In view of the changes in the threshold for determining the related party transactions that require prior shareholder approval and considering the fact that the list of related parties will change dynamically with no action on the part of the Company and to facilitate seamless contracting and rendering/availing of product between the Company and "related parties", the Company seeks the approval of the shareholders to approve entering into contracts/arrangements within the thresholds and conditions mentioned in the resolution. All the contracts/arrangements and the transactions with "related parties" are reviewed and approved by the Audit Committee.

Accordingly, Special Resolution is submitted to the meeting for the consideration and approval of Members.

The Board commends the Special Resolution set out at Item No.4 of the accompanying Notice for the approval by the Members.

The details of transactions that require approval are given below:

Sr. No.	Particulars	Description
1	Name of the related party	Pawankumar Mallawat
2	Nature of relationship [including nature of interest (financial or otherwise)]	Relative of Director
3	Type and Particulars of the proposed transaction	Payment of Rent
4	Nature, Duration/ tenure, material terms, monetary value and particulars of contract/ arrangement	The Company pay its office Rent at payment of Rs. 1, 20,000 P.M. with a Rent increment of 10% Every Year.
5	Tenure of the transaction	Agreement with a duration upto 3 Years
6	Value of the proposed transaction	Rent amounting to office Rs. 14,40,000 p.a.
7	Percentage of annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	0.12% of the turnover of the company per annum
8	Benefits of the proposed transaction	The Company will benefit in form of easy availability of fund and resources at a shorter period of time.
9	Details of the valuation report or external party report(if any) enclosed with the Notice	Not Applicable
10	Name of the Director or Key Managerial Personnel, who is related or interested	Murari Mallawat
11	Additional disclosures to be made in case loans, inter cooperate deposits, advances or investments made or given	Not applicable
12	Any other information that may be relevant	None

Place: Mumbai  
Date: 26/08/2022

By order of the Board  
**For Arnold Holdings Limited**

SD/-  
**Minal Dinesh Agarwal**  
Company Secretary & Compliance Officer

**ANNEXURE TO NOTICE:****DETAILS OF DIRECTOR SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING (Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) and Secretarial Standard 2 issued by the Institute of Company Secretaries of India**

<b>Particulars</b>	<b>Mr. Murari Mallawat</b>
<b>DIN No.</b>	08809840
<b>Date of Birth</b>	18/06/1991
<b>Qualification</b>	B.Com
<b>Expertise in specific functional areas</b>	He is Graduated from MDS University, Rajasthan. He is passed CA Enter and Final 1 Group also. He has wide knowledge of Direct and Indirect Taxation and experience of 6 years in this field.
<b>Terms and Conditions of Appointment/Reappointment</b>	As per the resolutions at Item No. 2 of the Notice.
<b>Remuneration last drawn</b>	50,000 P.A.
<b>Remuneration proposed</b>	10,00,000 P.A.
<b>No. of Shares Held</b>	0
<b>Date of First Appointment</b>	22/08/2020
<b>Relationship with Directors/Key managerial Personnel</b>	No relation with other Directors
<b>List of other Companies in which directorship is held as on 31.03.2022</b>	NIL
<b>Chairman / Member of the Committee of other Company</b>	NIL
<b>No. of Meetings of the Board Attended during the year</b>	7

1. List of Companies in which Mr. Murari Mallawat holds directorship as on 31<sup>st</sup> March, 2022:

S. No.	Name of the Company	Nature of Interest	Shareholding	Date on which interest arose/changed
1.	Arnold Holdings Limited	Whole Time Director	NIL	22/08/2020

The Board of Directors recommends the proposed resolutions for acceptance by member.

Place: Mumbai  
Date: 26/08/2022

By order of the Board  
**For Arnold Holdings Limited**

SD/-  
**Minal Dinesh Agarwal**  
Company Secretary & Compliance Officer

**Statement as required under Section II, Part II of the Schedule V to the Companies Act, 2013 with reference to the Special Resolution at Item No. 3 of the Notice**

I	General Information																			
1.	Nature of Industry	Company is engaged in the business of providing Loans (Non-Banking Financial Company)																		
2.	Date of Commencement of Commercial Production	Commercial operations commenced in the year 1981																		
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable																		
4.	Financial Performance based on given indicators	As per Standalone Audited Financials In Lakh																		
		<table border="1"> <thead> <tr> <th>Particulars</th> <th>Financial Year 2021-22</th> </tr> </thead> <tbody> <tr> <td>Paid up Capital</td> <td>3007.50</td> </tr> <tr> <td>Reserves excluding Revaluation Reserves</td> <td>2552.39</td> </tr> <tr> <td>Total Income</td> <td>11889.93</td> </tr> <tr> <td>Total Expenses</td> <td>11679.62</td> </tr> <tr> <td>Profit before Tax</td> <td>210.31</td> </tr> <tr> <td>Exceptional Item</td> <td>-</td> </tr> <tr> <td>Tax Expenses</td> <td>59.50</td> </tr> <tr> <td>Profit after Tax</td> <td>150.78</td> </tr> </tbody> </table>	Particulars	Financial Year 2021-22	Paid up Capital	3007.50	Reserves excluding Revaluation Reserves	2552.39	Total Income	11889.93	Total Expenses	11679.62	Profit before Tax	210.31	Exceptional Item	-	Tax Expenses	59.50	Profit after Tax	150.78
Particulars	Financial Year 2021-22																			
Paid up Capital	3007.50																			
Reserves excluding Revaluation Reserves	2552.39																			
Total Income	11889.93																			
Total Expenses	11679.62																			
Profit before Tax	210.31																			
Exceptional Item	-																			
Tax Expenses	59.50																			
Profit after Tax	150.78																			
5.	Foreign investments or collaborators, if any	The Company has not entered into any foreign collaboration and no direct capital investment has been made in the Company. Foreign investors, mainly comprising NRIs, are investors in the Company on account of past issuance of securities / purchase of shares of the Company from the secondary market.																		
II	<b>Information about the Director</b>	Mr. Murari Mallawat																		
1.	Background details	As Per Explanatory Statement above																		
2.	Past remuneration	50,000 P.a.																		
3.	Recognition or awards	NIL																		
4.	Job profile and his suitability	As Per Explanatory Statement above																		
5.	Remuneration proposed	As stated in the Resolution No. 3																		
6.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Keeping in view the profile and the position, the remuneration is fully justifiable and comparable to that prevailing in the industry.																		
7.	Pecuniary relationship, directly or indirectly, with the Company or relationship with the managerial personnel, if any	No relation with other Directors																		
III	<b>Other Information</b>																			
1.	Reasons of loss or inadequate profits	The company is engaged in the business of providing loans, the recovery of loans has made a possible challenge for the company. In future if the company is impotent to recover its loan, it may have to incur losses due to uncontrollable reasons, resulting in inadequate profits in some years to pay managerial remuneration.																		

2.	Steps taken or proposed to be taken for improvement	The Company takes various steps on a regular basis such as cost control, improving efficiency, etc.
3.	Expected increase in productivity and profits in measurable terms	The Company is conscious about improvement in productivity and continually undertakes measures to improve its productivity and profitability. The Management is confident of achieving sustained revenue growth in the future.
IV	<b>Disclosures</b>	
	The prescribed disclosures with respect to elements of remuneration package, details of fixed component and performance linked incentives, performance criteria, service contracts, notice period, severance fees and stock options details of all the Directors, as applicable, is mentioned in the Corporate Governance section of the Annual Report of the Company.	

Place: Mumbai  
Date: 26/08/2022

By order of the Board  
**For Arnold Holdings Limited**

SD/-  
**Minal Dinesh Agarwal**  
Company Secretary & Compliance Officer

# ARNOLD HOLDINGS LIMITED

CIN: L65993MH1981PLC282783

Regd. Off: B 208, Ramji House, 30 Jambulwadi, JSS Road, Mumbai-400002

Website: [www.arnoldholding.in](http://www.arnoldholding.in), E mail: [arnoldholding9@gmail.com](mailto:arnoldholding9@gmail.com), Ph.: 022-22016640



## DIRECTOR'S REPORT

To,  
The Members  
Arnold Holdings Limited

Your Directors take pleasure in submitting the 40<sup>th</sup> Annual Report of the Business and operations of your Company and the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2022.

### 1. FINANCIAL RESULTS & PERFORMANCE

(Rs. in Lakhs)

Particulars	For the year ended 31-03-2022*	For the year ended 31-03-2021*
Revenue from operations	7712.89	3733.11
Other Income	4177.03	14.72
<b>Total Revenue</b>	<b>11889.92</b>	<b>3747.83</b>
Profit before tax and Exceptional Items	210.31	93.68
Exceptional Items	0.00	0.00
Profit before Taxation	210.31	93.68
-Current Tax	59.50	24.03
-Deferred Tax	0.03	0.55
-Income tax of earlier years	0.00	0.00
<b>Net Profit/ (Loss) For The Year</b>	<b>150.78</b>	<b>69.09</b>

\* Figures regrouped wherever necessary.

The Company discloses financial results on quarterly yearly basis of which results are subjected to limited review and publishes audited financial results on an annual basis. The Financial Statements as stated above are also available on the Company's website [www.arnoldholdings.in](http://www.arnoldholdings.in).

### 2. STATE OF COMPANY'S AFFAIR

During the year, Your Company recorded total revenue of 11889.92 Lacs compared to total revenue of 3747.83 Lacs in financial year 2020-21 and Profit before Tax for the year 2021-22 stood at 210.31 Lacs as compared to Profit before tax of 93.68 Lacs in financial year 2020-21. Profit after Tax for the current year stood at 150.78 Lacs as compared to Profit after Tax of 69.09 Lacs in the previous year. A detailed analysis on the Company's performance is included in the "Management's Discussion and Analysis" Report, which forms part of this Report.

### 3. ROAD AHEAD

Our vision is to expand the existing base and widen scope of work. Our priorities are as follows:

- Raising the more customer base
- Provide the best services and retain the existing client base

### 4. DIVIDEND

Keeping in mind the overall performance and outlook for your Company, your Board of Directors recommend that this time the company is not declaring dividends as the company require funds for its business expansion. Your Directors are unable to recommend any dividend for the year ended 31<sup>st</sup> March, 2022.

### 5. UNCLAIMED DIVIDEND

There is balance lying in unpaid equity dividend account. Details are showing on the website [https://www.arnoldholdings.in/unclaimed\\_dividend\\_account.html](https://www.arnoldholdings.in/unclaimed_dividend_account.html)

## 6. TRANSFER TO RESERVE

Company has not transferred any amount from profit to General Reserve.

## 7. SHARE CAPITAL

During the Year, there have been no changes in the Share Capital of the Company.

## 8. CHANGE IN NATURE OF BUSINESS, IF ANY

During the Financial Year, there has been no change in the business of the company or in the nature of Business carried by the company during the financial year under review.

## 9. PUBLIC DEPOSITS

During the year, Company has not accepted any deposits from public within the meaning of the Section 73 of the Companies Act, 2013, read with Companies (Acceptance of Deposits) Rules, 2014.

## 10. SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Holding, Joint Venture or Associate Company.

## 11. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There was no significant material order passed by the regulators or courts or tribunals impacting the going concern status and company's operation in nature.

## 12. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with Section 152(6) of the Companies Act, 2013 read with the Articles of Association of the Company, Mr. Murari Mallawat (DIN: 08809840), Whole Time Director, retire by rotation and is being eligible has offered himself for re-appointment at the ensuing Annual General Meeting. Company's policy on directors' appointment and remuneration is available on the website of the company at <https://www.arnoldholdings.in/policies.html>

Based on the confirmations received from Directors, none of the Directors are disqualified from appointment under Section 164 of the Companies Act, 2013.

The following are the List of Directors and KMP of the Company during the year:

Name of Directors	Category & Designation	Appointment Date	Change Designation	in	Resignation Date
Mr. Santkumar Goyal	Whole Time Director	30.07.2020	28.09.2020	-	-
Mr. Murari Mallawat	Whole Time Director	22.08.2020	28.09.2020	-	-
Mr. Rajpradeep Mahavirprasad Agrawal	Whole Time Director	24.04.2021	25.09.2021	-	-
Mr. Sopan Vishwanathrao Kshirsagar	Non-Executive Independent Director	07.02.2013	28.09.2013	-	-
Mr. Sushil Mahendrakumar Jhunhunwala	Non-Executive Independent Director	13.02.2020	28.09.2020	-	-
Mrs. Munni Devi Jain	Independent Director	30.07.2020	28.09.2020	-	-
Mr. Dharmendra Ramnihor Yadav	CFO	30.05.2019	-	-	-
Ms. Santwana Todi	Company Secretary	09.01.2020	-	-	16.04.2021
Ms. Minal Dinesh Agarwal	Company Secretary	24.04.2021	-	-	-

\* Mr. Rajpradeep Mahavirprasad Agrawal was appointed on 24.04.2021

## 13. ANNUAL RETURN

As required under Section 92 of the Companies Act, 2013(the "Companies Act") the Annual Return for the financial year ended March 31, 2022 is available on the website of the Company at <https://www.arnoldholdings.in/investor/annual-reports>.

## 14. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTY PARTIES

With reference to Section 134(3) (h) of the Companies Act, 2013, all contracts and arrangements with related parties under section 188 of the Companies Act, 2013 entered by the Company during the financial year, were in ordinary



course of business and at arm's length basis. Details of the related party transactions made during the year are attached as **Annexure-1** in form AOC-2 for your kind perusal and information.

## 15. POLICY ON RELATED PARTY TRANSACTIONS

The Board of the Company has adopted the Policy and procedure with regard to Related Party Transactions. The policy envisages the procedure governing the materiality of Related Party Transactions and dealing with Related Party transactions required to be followed by Company to ensure compliance with the Law and Regulation. The said Policy is available on the website of the Company.

The Policy on Related Party Transactions is uploaded on the website of the company. The web link is <https://www.arnoldholdings.in/policies.html>.

## 16. CORPORATE GOVERNANCE

Your Company has incorporated the appropriate standards for corporate governance. Pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is filing Corporate Governance Report to stock exchange quarterly. However, as per Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 company is giving report on corporate governance report in annual report of the company. Corporate Governance Report is as per **Annexure - 2**.

## 17. ENERGY CONSERVATION MEASURES, TECHNOLOGY ABSORPTION AND R & D EFFORTS AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information relating to Conservation of Energy, Technology Absorption and Foreign Earning and Outgo as required under Section 134(3) (m) of the Companies Act, 2013, read together with Rule 8(3) of the Companies (Accounts) Rules, 2014 forms part of this Report as per **Annexure -3**.

## 18. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As per Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements), Regulation 2015, the Management Discussion and Analysis Report of the financial condition and results of consolidated operations of the Company under review, is annexed and forms an integral part of director's report is given in **Annexure - 4**.

## 19. AUDITORS

### STATUTORY AUDITORS:

M/s Amit Ray & Co., Chartered Accountant are Statutory Auditors of the Company, who were re-appointed in 39th Annual General Meeting held on 25.09.2021 to hold the office until the conclusion of the 44th Annual General Meeting.

### INTERNAL AUDITORS:

Ms. Minal Agarwal was appointed as an internal Auditor of the Company for the Financial Year 2021-22 to 2025-26. Internal Auditors are appointed by the Board of Directors of the Company, based on the recommendation of the Audit Committee. The Internal Auditor reports their findings on the internal Audit of the Company to the Audit Committee on a quarterly basis. The Scope of Internal audit is approved by the Audit Committee.

### SECRETARIAL AUDITORS:

Your board has appointed Mr. Ranjit Binod Kejriwal, Practicing Company Secretary, as secretarial Auditor of the company for the financial year 2021-22. The secretarial report for the financial year 2021-22 is attached as **Annexure-5**. Report of secretarial auditor is self-explanatory and need not any further clarification.

## 20. COMMENTS ON AUDITOR'S REPORT

The notes referred to in the Auditor Report are self-explanatory and they do not call for any further explanation as required under section 134 of the Companies Act, 2013. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

## 21. NUMBER OF MEETING HELD DURING THE YEAR

The Details of all meeting of Board of Directors and Committee meeting had taken place during the year, is given in **Annexure 2** in the Corporate Governance Report.

## 22. COMPOSITION OF BOARD AND ITS COMMITTEE

The detail of the composition of the Board and its committees thereof and detail of the changes in their composition if any is given in **Annexure 2** in the Corporate Governance Report. The composition of the Board and its committee is also available on the website of the company at [www.arnoldholdings.in](http://www.arnoldholdings.in).

## 23. LOANS, GUARANTEES AND INVESTMENT

The Company is a Non-Banking Financial Company and all the loans, guarantees and investment made are in accordance with section 186 of Companies Act, 2013.

## 24. DECLARATION BY INDEPENDENT DIRECTORS

Company has received declaration from all the independent directors duly signed by them stating that they meet the criteria of independence as provided in section 149(6) of the Companies Act, 2013.

There has been no Change in the circumstances affecting their status as Independent Directors of the Company so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant regulations.

All the independent directors have cleared Online Self-Assessment Test with the Indian Institute of Corporate Affairs at Manesar.

### SEPARATE MEETING OF INDEPENDENT DIRECTORS

In terms of requirement of Schedule IV of the Companies Act, 2013, the Independent Directors of the company have complied with the code of Independent Director. Independent Directors met separately on 28<sup>th</sup> March, 2022 to inter alia review the performance of Non-Independent Directors (Including the Chairman), the entire Board and the quality, quantity and timeliness of the flow of the information between the Management and the Board.

## 25. VIGIL MECHANISM & WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy has been posted on the website of the Company at <https://www.arnoldholdings.in/policies.html>

## 26. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, your directors hereby confirm:

- A. That in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departments;
- B. That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs if the Company at the end of the financial year and of the profit and loss of the Company for that period;
- C. That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company for preventing and detecting fraud and other irregularities;
- D. That the directors had prepared the annual accounts on a going concern basis; and
- E. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- F. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 27. ANNUAL EVALUATION BY BOARD

During the year, the Board has carried out the annual evaluation of its own performance as well as the evaluation of the working of its committees and individual Directors, including Chairman of the Board. This exercise was carried out through a structured questionnaire prepared separately for Board, Committee and individual Directors.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc. The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the chairman was also evaluated on the key aspects of his role.

The Board acknowledged certain key improvement areas emerging through this exercise and action plans to address these are in progress. The performance evaluation of the Non-Independent Directors, performance of Board as a whole including Chairman was carried out by the Independent Directors at a separate meeting of the Independent Directors on 28th March, 2022.

Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

## **28. INTERNAL FINANCIAL CONTROL SYSTEM**

The Company has a well-placed, proper and adequate internal financial control system which ensures that all the assets are safeguarded and protected and that the transactions are authorized recorded and reported correctly. The internal audit covers a wide variety of operational matters and ensures compliance with specific standard with regards to availability and suitability of policies and procedures. During the year no reportable material weakness in the design or operation were observed.

## **29. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The companies act, 2013 re-emphasizes the need for an effective internal financial control system in the company. Rule 8(5) (viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of internal financial controls with reference to the financial statements to be disclosed in the board' report. The detailed report forms part of Independent Auditors Report.

## **30. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Company is not required to constitute a Corporate Social Responsibility Committees as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility. The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable to the Company

## **31. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

There was no employee drawing remuneration in excess of limits prescribed under section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Disclosures pertaining to remuneration as required under section 197(12) of the companies act' 2013 read with rules 5 of the companies (appointment and remuneration of managerial personnel) Rules, 2014 are annexed in **Annexure –6** to this report and form part of this Report.

The detailed remuneration policy of the Company is available on the below link:  
<https://www.arnoldholdings.in/policies.html>

## **32. CEO/ CFO CERTIFICATION**

Pursuant to Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Certificate from Mr. Dharmendra Ramnihar Yadav, Chief Financial Officer of the Company, for the year ended 31st March, 2022 is attached herewith as **Annexure-7**.

## **33. LISTING AT STOCK EXCHANGE**

The Annual Listing Fee for the current year has been paid to the BSE Limited.

#### **34. MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY**

No material changes and commitments affecting the financial position of your Company have occurred between the end of the financial year of the Company to which financial statements relates and the date of this report.

#### **35. CODE OF CONDUCT**

Being a listed Company provided to the Company from formulating of Code of Conduct for Board of Directors and Senior Management Personnel. However, Board of Directors has formulated and adopted Code of Conduct for Board of Directors and Senior Management Personnel. During the year, Board of Directors and Senior Management Personnel has complied with general duties, rules, acts and regulations. In this regard certificate from Whole Time Director as required under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been received by the Board and the same is attached herewith as per **Annexure – 8**.

Code of Conduct form Board of Directors and Senior Management Personnel is available on below link:

<https://www.arnoldholdings.in/code-of-conduct.html>

#### **36. CORPORATE GOVERNANCE CERTIFICATE**

Corporate Governance is a set of process, practice and system which ensure that the Company is managed in a best interest of stakeholders. The key fundamental principles of corporate governance are transparency and accountability. Our Company's core business objective is to achieve growth with transparency, accountability and with independency. The Company has adopted various corporate governance standards and has been doing business in ethical way by which Company has enhanced stakeholders trust, shareholders wealth creation by improving shares valuation, market capitalization, etc.

A certificate received from M/s Amit Ray & Co., Statutory Auditors of the Company regarding compliance of the conditions of Corporate Governance, as required under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached herewith as per **Annexure – 9**.

#### **37. SEXUAL HARASSMENT OF WOMEN**

Your company adopted policy of "Prevention of Sexual Harassment of Women at Workplace". There were no incidences of sexual harassment reported during the year under review, in terms of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder. The objective of this policy is to provide protection against sexual harassment of women at workplace and for redressal of any such complaints of harassment, internal complaints committee has been set up to redress the complaints, if any.

The company has complied with the provisions relating to constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Your director's further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### **38. STATEMENT ON RISK MANAGEMENT**

Risks are events, situations or circumstances which may lead to negative consequences on the Company's business. Risk Management is a structured approach to manage uncertainty. An enterprise wide approach to Risk Management is being adopted by the Company and key risks will now be managed within a unitary framework. As a formal roll-out, all business divisions and corporate functions will embrace Risk Management Policy and Guidelines, and make use of these in their decision making. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews. The risk management process over the period of time will become embedded into the Company's business system and processes, such that our responses to risk remain current and dynamic.

#### **39. SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (ICSI)**

The Company complies with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

#### **40. PREVENTION OF INSIDER TRADING**

The Company has adopted a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive information with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

The Company has a Prohibition of Insider Trading Policy and the same has been posted on the website of the Company at <https://www.arnoldholdings.in/policies.html>

#### **41. RESEARCH & DEVELOPMENT**

The Company believes that technological obsolescence is a reality. Only progressive research and development will help us to measure up to future challenges and opportunities. We invest in and encourage continuous innovation. During the year under review, expenditure on research and development is not significant in relation to the nature size of operations of your Company.

#### **42. FRAUD REPORTING**

During the year under review, no fraud has been reported by Auditors under Section 143(12) of the Companies Act, 2013.

#### **43. MAINTENANCE OF COST RECORDS**

The company is not required to maintain Cost Records as specified by Central Government under section 148(1) of the Companies Act, 2013, and accordingly such accounts and records are not made and maintained.

#### **44. OPINION OF BOARD**

During the year No Independent Director was appointed in the company The Board of directors consists of independent Director having integrity, relevant expertise and experience.

#### **45. STATUTORY INFORMATION**

The Company being basically is a Non- Banking Financial Company and dealing in shares and securities.

#### **46. APPRECIATION**

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment and express their sincere thanks and appreciation to all the employees for their continued contribution, support and co-operation to the operations and performance of the company.

#### **47. ACKNOWLEDGEMENT:**

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from Shareholders, Bankers, regulatory bodies and other business constituents during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, resulting in successful performance of the Company during the year.

Place: Mumbai  
Date: 26.08.2022

For the Board of Director  
**Arnold Holdings Limited**

For the Board of Director  
**Arnold Holdings Limited**

Sd/-  
**Murari Mallawat**

Whole Time Director  
DIN: 08809840

Sd/-  
**Munni Devi Jain**

Chairperson  
DIN: 08194500

## Annexure-1

### Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

#### 1. Details of contracts or arrangements or transactions not at arm's length basis

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts /arrangements/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or agreement or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advance, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
NIL								

#### 2. Details of material contracts or arrangement or transactions at arm's length basis

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of the contracts/ arrangements / transactions	Salient term of the contracts or arrangements or transactions including the value, if any	Date(s) if approval by the Board, if any	Amount paid as advanced, if any
1	Santkumar Goyal, Whole Time Director	Remuneration	Annually	Remuneration paid Rs. 5,50,000/-	24/04/2021	NIL
2	Murari Mallawat, Whole Time Director	Remuneration	Annually	Remuneration paid Rs. 50,000/-	24/04/2021	NIL
3	Rajpradeep Mahavirprasad Agrawal, Whole Time Director	Remuneration	Annually	Remuneration paid Rs. 50,000/-	24/04/2021	NIL
4	Sopan Vishwanathrao Kshirsagar, Independent Director	Sitting Fees	N.A.	Sitting Fees paid Rs. 25,000/-	24/04/2021	NIL
5	Sushil Mahendrakumar Jhunjunwala, Independent Director	Sitting Fees	N.A.	Sitting Fees paid Rs. 25,000/-	24/04/2021	NIL
6	Pawankumar Mallawat, Relative of Director	Rent paid	Annually	Rent paid Rs. 6,60,000	24/04/2021	NIL
7	Dharmendra Ramnihor Yadav, CFO	Salary	Annually	Salary Paid Rs. 4,55,000/-	24/04/2021	NIL
8	Minal Dinesh Agarwal, Company Secretary	Salary	Annually	Salary Paid Rs. 4,55,000/-	24/04/2021	NIL

Place: Mumbai  
Date: 26.08.2022

For the Board of Director  
**Arnold Holdings Limited**

For the Board of Director  
**Arnold Holdings Limited**

Sd/-  
**Murari Mallawat**

Whole Time Director  
DIN: 08809840

Sd/-  
**Munni Devi Jain**

Chairperson  
DIN: 08194500



## Annexure-2

### REPORT ON CORPORATE GOVERNANCE (AS REQUIRED UNDER REGULATION 27(2) OF THE SEBI (LODR) REGULATIONS, 2015)

**Report on Corporate Governance pursuant to Regulation 34(3) and Schedule V (C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forming Part of the Directors' Report for the year ended 31st March, 2022. The Company has complied with the corporate governance requirements specified in regulation 17 to 27.**

#### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance is to strive to do the right things, we explore innovative ideas and thinking with positive outlook. In its endeavor to achieve the higher standards of governance by adopting the best emerging practices, the Company not only adheres to the prescribed corporate governance practices in terms of the regulatory requirements but is also committed to sound corporate governance principles and practices. The Company believes in abiding by the Code of Governance so as to be a responsible corporate citizen and to serve the best interests of all the stakeholders, viz., the employees, shareholders customers, vendors and the society at large. The Company seeks to achieve this goal by being transparent in its business dealings, by disclosure of all relevant information in an easily understood manner, and by being fair to all stakeholders, by ensuring that the Company's activities are managed by a professionally competent and independent board of directors.

This Report, therefore, states compliance as per requirements of the Companies Act, 2013 and SEBI Listing Regulations, as applicable to the Company. In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and amendments thereto, given below are the corporate governance policies and practices of Arnold Holdings Ltd. for the year 2021-22.

#### 2. BOARD OF DIRECTORS

The Company's policy is to have optimum combination of Executive and Non- Executive Directors, to ensure independent functioning of the Board. The Board consists of both promoters, external and Independent Directors and include a Woman Director. The functions, responsibility, role and accountability of the Board are well defined. The detailed reports of the Company's activities and performances are periodically placed before the Board for effective decision making.

None of the Directors hold directorship in more than 7 listed companies nor is a member of more than 10 committees or chairman of more than 5 committees across all the public limited companies in which they are Directors.

##### (2.1) Board Strength and representation:

As on 31<sup>st</sup> March, 2022 the Board of Directors comprises of six directors out of which three are Whole Time Directors and remaining three are Non-Executive Independent Directors. As on date of this report Board of Directors of the company is as follows:

Name of Directors	Category & Designation
Mr. Murari Mallawat	Whole Time Director
Mr. Santkumar Goyal	Whole Time Director
Mr. Rajpradeep Mahavirprasad Agrawal*	Whole Time Director
Mr. Sopan Vishwanathrao Kshirsagar	Non-Executive Independent Director
Mr. Sushil Mahendrakumar Jhunjhunwala	Non-Executive Independent Director
Mrs. Munni Devi Jain	Non-Executive Independent Director

\* Mr. Rajpradeep Mahavirprasad Agrawal has been appointed w.e.f. 24.04.2021.

##### (2.2) The Details of Directorship held by the Directors as on 31st March, 2022 and their attendance at the Board meetings during the year are as follows:

Name of the Directors & DIN	Category of Director	No. of other Directorships in other company (Excluding Arnold)	No. of other Board Committee(s) in which he is		Attendance at last AGM	Attendance at Board Meetings	No. of Shares held as on 31.03.2022
			Member	Chairman			

Mr. Santkumar Goyal (DIN: 02052831)	WTD	NIL	NIL	NIL	YES	7	NIL
Mr. Murari Mallawat (DIN: 08809840)	WTD	NIL	NIL	NIL	YES	7	NIL
Mr. Rajpradeep Mahavirprasad Agrawal* (DIN: 09142752)	WTD	NIL	NIL	NIL	YES	6	1000
Mr. Sopan Vishwanathrao Kshirsagar (DIN: 06491444)	ID/NED	NIL	NIL	NIL	YES	7	NIL
Mr. Sushil Mahendrakumar Jhunjhunwala (DIN: 08679362)	ID/NED	NIL	NIL	NIL	YES	7	NIL
Mrs. Munni Devi Jain (DIN: 08194500)	ID/NED	NIL	NIL	NIL	YES	7	600

\* Mr. Rajpradeep Mahavirprasad Agrawal appointed on 24.04.2021

WTD- Whole Time Director, ED – Executive Director, NED – Non Executive Directors, ID – Independent Director,

#### Notes:

- Disclosure of Chairmanship & Membership includes membership of Committees in Public Limited Companies only.
- Directorships include alternate directorship, directorship of Private Limited Companies, Section 8 Companies of the Companies Act, 2013 and Foreign Companies.
- None of the Directors of Board is a member of more than ten Committees and no Director is Chairman of more than five committees across all the Public companies in which they are Director. The necessary disclosures regarding Committee positions have been made by all the Directors.
- None of the Independent Director of the Company is holding position of Independent Director in more than 7 Listed Company. Further, none of the Director of the Company serving as a Whole-Time Director or Managing Director in any Listed Company and is holding position of Independent Director in more than 3 Listed Company.
- None of the Non-executive Directors has any pecuniary relationship. Non-executive Directors have no transaction with the Company. The details of sitting fees, commission and remuneration paid to each director appear later under the disclosure relating to Remuneration to Directors.
- None of the director holds directorship in other listed company.

#### (2.3) Details of the Directors seeking appointment/re-appointment in forthcoming Annual General Meeting

The information as required by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in relation to appointment/reappointment of Directors of the Company are given in the Annexure of the Notice of the Annual General Meeting.

#### (2.4) Board Meetings

The meetings of Board of Directors were held at the Registered Office of the Company. The functions performed by the Board include review of Minutes of Audit Committee Meetings and other Committees of the Board, adoption of financial results of the Company and review of Company's Operation & Performance. The Board meets at least once a quarter to review the quarterly performance and financial results of the Company. The maximum interval between any two meetings did not exceed 120 days. The agenda papers along with notes and other supporting were circulated in advance of the Board Meeting with sufficient information as required.

During the financial year 2021-22, there were **Seven (7) Board meetings** held on following dates:

Sr. No.	Date of Meeting	Board Strength	No. of Directors Present
1	24/04/2021	5	5
2	29/06/2021	6	6
3	10/08/2021	6	6
4	23/08/2021	6	6
5	29/10/2021	6	6
6	07/02/2022	6	6
7	03/03/2022	6	6

### (2.5) Disclosure of Relationships between Directors inter-se:

No other Directors are related to each other.

### (2.6) Number of shares and convertible instruments held by non-executive Directors

Except as disclosed below none of the Non-Executive Directors hold any share in the Company.

Sr. No.	Name of Non -Executive Director	No. of Shares Held
1	Munni Devi Jain	600

### (2.7) Familiarization to Independent Directors:

The Independent Directors of the Company are familiarized with the various aspects of the Company provided with an overview of the requisite criteria of independence, roles, rights, duties and responsibilities of directors, terms of appointment of the Company and policies of the Company and other important regulatory aspects as relevant for directors.

The Company has devised the Policy on Familiarization Programme for Independent Director and the same is available on the website of the Company <https://www.arnoldholdings.in/policies.html>.

The Company, through its Executive Director or Manager as well as other Senior Managerial Personnel, conducts presentations/programs to familiarize the Independent Directors with the strategy, operations and functions of the company inclusive of important developments in business. The details of number of programs attended and the cumulative hours spent by an independent director are uploaded on the website of the company. The web link is <https://www.arnoldholdings.in/policies.html>.

The terms and conditions of independent directors is available on the website of the Company <https://www.arnoldholdings.in/policies.html>.

### (2.8) Confirmation by Independent Directors

The Company has received declaration from all the independent directors under provision of section 149(6) of the Companies Act, 2013 and under provisions of regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure requirements), Regulations, 2015 confirming that they are satisfying the criteria of independence as prescribed under the said Act & Regulations. The Board of Directors of the company confirm that they satisfying the criteria of independence under the said act and regulations and are independent of the management.

The Company's independent directors meet at least once in a financial year without the presence of executive directors and management personnel to review the performance of Non-Independent Directors and Board as whole.

All the independent directors have passed Online Self-Assessment Test with the Indian Institute of Corporate Affairs.

During the financial year 2021-22, **one (1) meeting** of Independent Directors were held on following date: 28/03/2022.

Attendance of Directors at independent Directors meeting held during the financial year is as under:

Name	Categories	No. of Meeting Attended
Mr. Sopan Vishwanathrao Kshirsagar	Chairman	1
Mr. Sushil Mahendrakumar Jhunjunwala	Member	1
Mrs. Munni Devi Jain	Member	1

## (2.9) Matrix highlighting core skills/expertise/competencies of the Board of Directors:

The Board of Directors of the company possesses required skills, knowledge and experience of various aspects which brings effective contribution to the Board for decision making. The Board of Directors has identified the following skills required for the Company and the availability of such skills with the Board:

Sr. No.	Essential Core skills/expertise/competencies required for the Company	Core skills/expertise/competencies of the Board of Directors
1.	Strategic and Business Leadership in Finance sector	The Directors have eminent experience in Financial Activities.
2.	Finance expertise	The Board has eminent business leaders with deep Knowledge of finance and business.
3.	Personal Values	Personal characteristics matching the Company's values, such as integrity, accountability, and high performance standards.
4.	Good Corporate Governance	Experience in developing and implementing good Corporate Governance practice, maintaining Board and Management accountability, managing stakeholder's interest and Company's responsibility towards customer's employees, supplier, regulatory Bodies and the community in which it operates.
5.	Risk Assessment and Management Skills	Assessing the market, political and other risk and plans to mitigate the risk.

Sr. No.	Name of the Director & DIN	Category & Nature Of employment	Strategic and Business Leadership in NBFC	Finance expertise	Personal Values	Good Corporate Governance	Risk Assessment and Management Skills
1	Santkumar Goyal (DIN:02052831)	Whole Time Director	yes	yes	yes	yes	yes
2	Murari Mallawat (DIN: 08809840)	Whole Time Director	yes	yes	yes	yes	yes
3	Rajpradeep Mahavirprasad Agrawal* (DIN: 09142752)	Whole Time Director	-	yes	yes	yes	yes
4	Sopan Vishwanathrao Kshirsagar (DIN: 06491444)	NED-Independent Director	yes	yes	yes	yes	yes
5	Sushil Mahendrakumar Jhunhunwala (DIN: 08679362)	NED-Independent Director	-	yes	yes	yes	-
6	Munni Devi Jain (DIN: 08194500)	NED-Independent Director	-	yes	yes	yes	-

\* Mr. Rajpradeep Mahavirprasad Agarwal appointed on 24.04.2021

## (2.10) COMMITTEES OF THE BOARD

The Board has constituted various Committees with specific terms of reference in line with the provisions of the Listing Regulations, Companies Act, 2013 and the Rules issued thereunder. The Board periodically reviews the composition and terms of reference of its committees in order to comply with any amendments/modifications to the provisions relating to composition of Committees under the Listing Regulations, Companies Act, 2013 and the Rules issued thereunder.

The number of directorships and the positions held on Board Committees by the directors are in conformity with the limits on the number of Directorships and Board Committee positions as laid down in the Companies Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations as on 31st. March, 2022.

## **I. AUDIT COMMITTEE**

In Conformity with the requirements of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013, as applicable, the strength of the Board as also of the Audit Committee is adequate.

### **Broad Terms of Reference of the Audit Committee**

The Audit Committee of Arnold Holdings Limited consists of two Independent Directors and one Executive Director of the Company. All the Directors have good understanding of Finance, Accounts and Law. The Audit Committee also advises the Management on the areas where internal control system can be improved.

The Company Secretary of the Company acts as the Secretary to the Audit committee.

The terms of reference of Audit Committee of the Company are in accordance with Section 177 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 inter-alia, include the following:

The Audit Committee of the company consists of two Independent Directors and one Executive Director of the Company. All the Directors have good understanding Finance, Accounts and Law. Composition of audit committee of the company is as follows:

The scope of audit committee shall include, but shall not be restricted to, the following;

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b. changes, if any, in accounting policies and practices and reasons for the same;
  - c. major accounting entries involving estimates based on the exercise of judgment by management;
  - d. significant adjustments made in the financial statements arising out of audit findings;
  - e. compliance with listing and other legal requirements relating to financial statements;
  - f. disclosure of any related party transactions;
  - g. modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

**The Audit Committee shall mandatorily review the following information:**

- a. Management discussion and analysis of financial information and results of operations;
- b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the Management;
- c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. Internal audit reports relating to internal control weaknesses; and
- e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.
- f. Statement of Deviations:
  - i. Quarterly Statement of Deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - ii. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

**Composition and attendance at Meetings:**

Name of Directors	Categories	Nature of Directorship	Meetings Attended
Mr. Sopan Vishwanathrao Kshirsagar	Chairman	Non-Executive Independent Director	6
Mr. Sushil Mahendrakumar Jhunjhunwala	Member	Non-Executive Independent Director	6
Mr. Murari Mallawat	Member	Executive Director (Whole Time Director)	6

During the financial year 2021-22, **Six (6) meetings** of Audit Committee were held on following dates:

24/04/2021	29/06/2021	10/08/2021	23/08/2021	29/10/2021	07/02/2022
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**II. NOMINATION AND REMUNERATION COMMITTEE**

Your Company constituted a Nomination & Remuneration Committee to look into the matters pertaining to remuneration of Executive and Non-Executive directors.

The Board of Directors ('the Board') of Arnold Holdings Limited ("the Company") reviewed the charter of Remuneration Committee Policy" approved at the Board Meeting held on April 24, 2021. The detailed Nomination & Remuneration Policy is uploaded on the website of the Company. The web link is <https://www.arnoldholdings.in/policies.html>



Further in terms of Regulation 19(4) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 the Committee is required to formulate some criteria for evaluation of performance of Independent Directors and the Board of Directors. The criteria is available on the link <https://www.arnoldholdings.in/policies.html>

### **Broad Terms of Reference of the Nomination & Remuneration Committee**

The terms of reference of Nomination & Remuneration Committee of the Company are in accordance with Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, The Nomination & Remuneration Committee, inter-alia:

1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
2. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
3. To recommend to the Board a Policy on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
4. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
5. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
6. To devise a policy on Board diversity.
7. Recommend to the board, all remuneration, in whatever form, payable to senior management.
8. To determine the qualification, positive attribute and independence of Directors, Key Managerial Personnel and Senior Management.
9. To ensure the policy includes the following guiding principles:
  - The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully,
  - Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
  - Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

Role of Committee shall, Inter-alia, include the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;  
(1A) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
2. formulation of criteria for evaluation of performance of independent directors and the board of directors;
3. devising a policy on diversity of board of directors;
4. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
6. Recommend to the board, all remuneration, in whatever form, payable to senior management.

### **Composition of the Nomination & Remuneration Committee and attendance at Meetings:**

The composition of Nomination & Remuneration Committee has been as under:



Name	Categories	Nature of Directorship	Meetings Attended
Mr. Sopan Vishwanathrao Kshirsagar	Chairman	Non-Executive Independent Director	2
Mr. Sushil Mahendrakumar Jhunjunwala	Member	Non-Executive Independent Director	2
Mrs. Munni Devi Jain	Member	Non-Executive Director	2

During the financial year 2021-22, **Two (2) meetings** of Nomination & Remuneration Committee were held on following dates:

24/04/2021	23/08/2021
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### REMUNERATION/ SITTING FEES OF DIRECTORS

During the financial year under review the company paid below mentioned Annual Remuneration or sitting fees to directors of the Company. The Annual Remuneration/ Sitting Fees paid is in commensuration to the efforts, expertise and time devoted by the director(s).

Name of Directors	Category	Annual Remuneration/ Sitting Fees (in Rs.)
Mr. Santkumar Goyal	Whole Time Director	5,50,000
Mr. Murari Mallawat	Whole Time Director	50,000
Mr. Rajpradeep Mahavirprasad Agrawal	Whole Time Director	50,000
Mr. Sopan Vishwanathrao Kshirsagar	Non-Executive Independent Director	25,000
Mr. Sushil Mahendrakumar Jhunjunwala	Non-Executive Independent Director	25,000

### REMUNERATION POLICY

The Company has adopted and implemented the Nomination and Remuneration Policy devised in accordance with Section 178(3) and (4) of the Companies Act, 2013 which is available on the website of the Company <https://www.arnoldholdings.in/policies.html>.

The remuneration payable to Directors, Key Managerial Personnel and Senior Management Person will involve a balance between fixed and incentive pay reflecting short term and long term performance objectives appropriate to the working of the Company and support in the achievement of Corporate Goals. The other matters like service contract, notice period, severance fees etc. may be decided by board from time to time.

Presently the company pay sitting fees to its non-executive directors which is detailed in the above table. The criteria for making payment to the non-executive director is available on the website of the company <https://www.arnoldholdings.in/policies.html>

### III. STAKEHOLDER'S RELATIONSHIP COMMITTEE/ INVESTOR'S GRIEVANCES COMMITTEE

Your Company has constituted a shareholder / investors grievance committee ("Stakeholders, Shareholders / Investors Grievance Committee") to redress the complaints of the shareholders.

The Stakeholders, Shareholder/Investors Grievance Committee shall oversee all matters pertaining to investors of our Company. Mr. Sopan Vishwanathrao Kshirsagar (Non- Executive Independent Director) is the Chairman of the Committee.

### Composition of the Stakeholders, Shareholders/Investors Grievance Committee and attendance at Meetings:

The composition of Stakeholders, Shareholders/Investors Grievance Committee has been as under:

Name	Categories	Nature of Directorship	Meetings Attended
Mr. Sopan Vishwanathrao Kshirsagar	Chairman	Non-Executive Independent Director	4
Mr. Sushil Mahendrakumar Jhunjunwala	Member	Non-Executive Independent Director	4
Mr. Murari Mallawat	Member	Whole Time Director	4

During the financial year 2021-22, **Fours (4) meetings** of Stakeholders Relationship Committee were held on following dates:

24/04/2021	10/08/2021	29/10/2021	07/02/2022
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#### Name & Designation and address of the Compliance Officer

CS Santwana Todi (Resigned w.e.f 16/04/2021)

CS Minal Agarwal (Appointed w.e.f 24/04/2021)

Company Secretary & Compliance Officer

Pursuant to the Regulation 13(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015; the details regarding investor's complaints are as follows:

#### Status of Complaints pending, received, disposed and unresolved:

Number of Shareholders' Complaints Pending at the end of the year	NIL
Number of Shareholders' Complaints received during the year	NIL
Number of Shareholders' Complaints disposed during the year	NIL
Number of Shareholders' Complaints remain unresolved during the year	NIL

#### IV. GENERAL BODY MEETING

The details of Annual General Meetings held during the last three years are as follows:

Year	Day, Date and Time	Venue
2018-19	Friday, 27 <sup>th</sup> September, 2019 at 10:00 A.M.	IMC Chamber of Commerce and Industry, Walchand Centre , 3 <sup>rd</sup> Floor, IMC Bldg., IMC Marg, Churchgate, Mumbai-400020
2019-20	Monday, 28 <sup>th</sup> September, 2020 at 10:30 A.M	B 208, Ramji House, 30 Jambulwadi, JSS Road, Mumbai-400002
2020-21	Saturday, 25 <sup>th</sup> September, 2021 at 10:30 A.M	B 208, Ramji House, 30 Jambulwadi, JSS Road, Mumbai-400002

The details of Resolution(s) which were passed in the last three Annual General Meetings ("AGM") of the Company along with details of Postal Ballot & voting pattern are as follows:

Date of AGM	Resolution	Ordinary/ Special	Favor		Against	
			Ballot/Poll	E-Voting	Ballot/Poll	E-Voting
27 <sup>th</sup> September, 2019	Adoption of Annual Accounts, Auditor's & Director's Report.	Ordinary	6977697	79535532	0	0
	Re-appointment of Mr. Mohandas Dasari as a whole Time Director, retire by rotation	Ordinary	6977697	79535532	0	0
	Ratification of App. of Auditors.	Ordinary	6977697	79535532	0	0
	Appointment of Mr. Rajkumar Goyal (DIN 08529131) as a Non – Executive Independent Director	Ordinary	6977697	79535532	0	0
	Re-appointment of Mr. Sopan Vishwanathrao Kshirsagar (DIN: 06491444) as a Non - Executive Independent Director for a second term of five consecutive years.	Special	6977697	79535532	0	0
	Consolidation of Face	Special	6977697	79535532	0	0

	Value of Equity Shares from Rs. 2/- to Rs. 10/- of the Company.					
	Alteration to memorandum of association of the company.	Special	6977697	79535532	0	0
<b>28<sup>th</sup> September, 2020</b>	Adoption of Annual Accounts, Auditor's & Director's Report.	Ordinary	12	5693615	0	12
	Re-appointment of Mr. Mahendraprasad Mallawat Nathmal as Whole time Director, retire by rotation.	Ordinary	12	4266155	0	12
	Appointment of Mr. Santkumar Goyal (DIN: 02052831) as the Whole Time Director of the Company.	Special	12	5693615	0	12
	Appointment of Mr. Murari Mallawat (DIN: 08809840) as the Whole Time Director of the Company.	Special	12	4266155	0	12
	Appointment of Mr. Sushil Mahendrakumar Jhunjhunwala (DIN: 08679362) as a Non-Executive Independent Director of the Company.	Ordinary	12	5693615	0	12
	Appointment of Mrs. Munni Devi Jain (DIN: 08194500) as a Non - Executive Independent Director of the Company.	Ordinary	12	5693615	0	12
	Reclassification of persons/entities forming part of the 'Promoter & Promoter Group Category' to 'Public Category'.	Ordinary	12	5141458	0	19
	<b>25<sup>th</sup> September, 2021</b>	Adoption of Annual Accounts, Auditor's & Director's Report	Ordinary	1008	1723038	0
Re-appointment of Mr. Santkumar Goyal (DIN: 02052831), Whole Time Director Who retires by rotation and being eligible, offers himself for re-appointment.	Ordinary	1008	1642203	0	80847	
Re-appointment of Statutory Auditor.	Ordinary	1008	1722438	0	612	
Appointment of Mr. Rajpradeep Mahavirprasad	Special	1008	1338768	0	384282	

	Agrawal (DIN:09142752) as the Whole Time Director of the Company					
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## V. NAME AND ADDRESS OF SCRUTINIZER OR THE PERSON WHO CONDUCTED THE REMOTE EVOTING AND BALLOT EXERCISE:

### CS Ranjit Binod Kejriwal

Practicing Company Secretary

1, Aastha, 2/906, Hira Modi Sheri, Opp. Gujarat Samachar Press, Sagrampura, Ring Road, Surat – 395002, Gujarat.

Email: [rbksurat@gmail.com](mailto:rbksurat@gmail.com), Ph.: +91-261-2331123

## VI. EXTRA- ORDINARY GENERAL MEETING:

There was no Extra-Ordinary General Meeting was held during the year 2021-22.

### Postal Ballot

The Company has not passed resolutions through postal ballot during the year 2021-22. As per amended Companies Act, 2013, Company is not proposing postal Ballot for 40<sup>th</sup>AGM and thus procedure for postal ballot is not applicable.

## VII. MEANS OF COMMUNICATION

### Financial Results:

Arnold Holdings Limited believes in publishing all the financial information to stakeholders within the stipulations provided under the law. During the year, Company has declared all financial results within the timeline provided under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**Quarterly/ Half yearly/ Yearly financial results:** The Quarterly /Half yearly/ Yearly financial results of the Company are normally published in website of the Company i.e. on [www.arnoldholdings.in](http://www.arnoldholdings.in). Financial results for the year 2021-2022 have been submitted to stock exchange within 30 minutes from the conclusion of Board Meeting in which financial results have been approved. During the year, following half yearly and yearly financial results have been submitted on BSE portal.

Period of Financial Results	Date
Unaudited Financial Results for the quarter ended June 30, 2021	10/08/2021
Unaudited Financial Results for the half year ended September 30, 2021	29/10/2021
Unaudited Financial Results for the quarter ended December 31, 2021	07/02/2022
Audited Financial Results for the year ended March 31, 2022	30/05/2022

The Company's Quarterly & Annually Financial Results are required to be published in the newspaper. Hence, the Company has published the abovementioned financial results in The Free Press Journal/ Business Standard (English language) and Navshakti/ Mumbai Lakshdeep (Marathi Language) in Mumbai.

**News Release/ Presentation made to the Investors:** Nil except as mentioned above.

**Website:** Company's official website [www.arnoldholdings.in](http://www.arnoldholdings.in) contains separate tab "Investor Relations" for investors, in which notices of the Board Meetings, Annual Reports, Shareholding Pattern and other announcements made to stock exchange are displayed in due course for the shareholders information.

**Email IDs for investors:** The Company has formulated email id [arnoldholding9@gmail.com](mailto:arnoldholding9@gmail.com) for investor service, investor can also contact share Registrar and Transfer Agent (RTA) of the Company on their email id [nichetechpl@nichetechpl.com](mailto:nichetechpl@nichetechpl.com) and the same is available on website of the Company [www.arnoldholdings.in](http://www.arnoldholdings.in).

**SEBI SCORES:** For investor compliant redressal SEBI has developed SCORES platform in which investor can lodged any complaint against the Company for any grievance. The Company also uploads the action taken report in the SCORES platform for redressal of investor complaints.

**BSE Corporate Compliance & Listing Centre (the "Listing Centre"):** BSE's Listing Centre is a web-based Application designed for Corporate. All periodical compliances filings like shareholding pattern, corporate governance report, among others are also filed electronically on the Listing Centre.

## VIII. GENERAL SHAREHOLDER INFORMATION

Date, Time and Venue of AGM	28 <sup>th</sup> September, 2022 10.00 AM, IMC Chamber of Commerce & Industry, Kilachand Conference Room, 2nd Floor, IMC Bldg., IMC Marg, Churchgate-400020
Financial Year	From 1 <sup>st</sup> April 2021 to 31 <sup>st</sup> March,2022
Date of Book Closure	From Thursday, the 22 <sup>nd</sup> day of September, 2022 to Wednesday, 28 <sup>th</sup> day of September,2022 (both day inclusive)

*The Members / Proxies who intend to attend the meeting are requested to bring the Attendance slip sent herewith duly filed in to the meeting. The instrument appointing the proxy, in order to be effective, should be duly stamped, completed and signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.*

### LISTING ON STOCK EXCHANGE

The Equity Shares of the Company as on the date are listed on the BSE Limited. The Company confirms that it has paid Annual Listing Fee for the Financial Year 2021-22 to the BSE Limited.

### STOCK CODE OF THE COMPANY

ISIN	:	INE185K01036
Scrip Name	:	ARNOLD
Security Code	:	537069
Type of Shares	:	Equity Shares
No. of paid up shares	:	3, 00, 75,000

### NAME OF THE STOCK EXCHANGE

#### **BSE Limited,**

Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400 001  
Tel: 022-22721233/4,  
Fax: 022-22721919

### MARKET PRICE DATA (As obtained from BSE Website)

Data of market price high, low for the year 2021-22 is given below:

Month & Year	High (Rs.)	Low (Rs.)	Volume (No. of Shares)	Turnover (Amount in Rs.)	Closing
April, 2021	24.9	17.85	443364	9061710	19.45
May, 2021	21.5	16.2	91465	1779805	19.7
June, 2021	20.9	17.8	517204	10245145	19.3
July, 2021	21.4	16.8	1579261	29860093	18.45
August, 2021	18.85	14	480475	7990440	15.65
September, 2021	15.8	12.55	434779	5961983	12.75
October, 2021	13.9	11	389243	4932463	13.2
November, 2021	14.1	12	1178196	15957076	13.45
December, 2021	16.35	10.46	851467	11683499	14.44
January, 2022	21.8	13	894537	15428903	15.58
February, 2022	16	11.8	4882072	59577189	12.05
March, 2022	13.65	11.01	818094	9999785	11.11

## PERFORMANCE IN COMPARISON TO OTHER INDICES

Table below gives the performance comparison of M/s. ARNOLD HOLDINGS LIMITED to BSE Sensex for the F.Y.2021-22 on month to month closing figures:

Month & Year	BSE Sensex Close	Change in %	ARNOLD (Closing Price at BSE)	Change in %
April, 2021	48782.36	-1.46	19.45	-17.23
May, 2021	51937.44	6.46	19.7	1.28
June, 2021	52482.71	1.05	19.3	-2.03
July, 2021	52586.84	0.19	18.45	-4.40
August, 2021	57552.39	9.44	15.65	-15.17
September, 2021	59126.36	2.73	12.75	-18.53
October, 2021	59306.93	0.30	13.2	3.52
November, 2021	57064.87	-3.78	13.45	1.89
December, 2021	58253.82	2.08	14.44	7.36
January, 2022	58014.17	-0.41	15.58	7.89
February, 2022	56247.28	-3.04	12.05	-22.65
March, 2022	58568.51	4.12	11.11	-7.80

## IN CASE THE SECURITIES ARE SUSPENDED FROM TRADING, THE DIRECTOR'S REPORT SHALL EXPLAIN THE REASON THERE OF

Securities of the company are not suspended from trading.

### REGISTRAR & TRANSFER AGENTS:

#### Niche Technologies Private Limited

Registrar to Issue & Share Transfer Agents

3A, Auckland Place, 7th Floor, Room No.7A & 7B

Kolkata-700017, West Bengal

Email Id: [nichetechpl@nichetechpl.com](mailto:nichetechpl@nichetechpl.com)

Website: [www.nichetechpl.com](http://www.nichetechpl.com)

Ph. No.: +91-033-22806616/17/18

Tele Fax: +91-033-22806619

## SHARE TRANSFER SYSTEM

The Company's shares are compulsorily traded in dematerialized mode. The dematerialized shares are transferable through the depository system. The power of share transfer has been delegated to the designated officials of Registrar & Transfer Agent of the Company, **Niche Technologies Private Limited**. The Registrar & Transfer Agent processes the share transfers within a period of fifteen days from the date of receipt of the transfer documents.

The Company has obtained yearly certificates from Company Secretary in Practice for compliance of share transfer formalities as per the requirement of Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has also carried out Quarterly Secretarial Audit for reconciliation of Share Capital Audit as required under SEBI circular no. 16 dated 31<sup>st</sup> December, 2002.

## INVESTOR HELPDESK

Shareholders/Investors can also send their queries through e-mail to the Company at [arnoldholding9@gmail.com](mailto:arnoldholding9@gmail.com).

This designated e-mail has also been displayed on the Company's website [www.arnoldholdings.in](http://www.arnoldholdings.in) under the section Investor relation.

## COMPLIANCE OFFICER

Ms. Santwana Todi (*resigned w.e.f 16.04.2021*)

Ms. Minal Dinesh Agarwal (*appointed w.e.f 24.04.2021*)

Company Secretary & Compliance Officer

## DISTRIBUTION OF SHAREHOLDINGS AS ON MARCH 31, 2022:

#### a. On the basis of Shareholdings

Shareholding of Nominal	No. of Shareholders	% of Shareholders	Total Shares	% of Shares
1 to 500	1593	72.31	1,46,898	0.49
501 to 1000	289	13.12	2,07,346	0.69
1001 to 5000	178	8.08	4,20,392	1.40
5001 to 10000	41	1.86	3,00,554	1.00
10001 to 50000	48	2.18	13,42,008	4.46
50001 to 100000	15	0.68	10,91,414	3.63
100001 & Above	39	1.77	2,65,66,388	88.33
<b>TOTAL</b>	<b>2203</b>	<b>100.00%</b>	<b>3,00,75,000</b>	<b>100.00%</b>

#### On the basis of Category

Sr. No.	Description	No. of members		No. of shares	
		Nos.	%	Nos.	%
<b>A</b>	<b>Promoters Holding</b>	11	0.50	32,01,375	10.64
<b>B</b>	<b>Non-Promoter Holding</b>				
	<u>Institutions</u>				
	Mutual Funds				
	<u>Non-Institutions</u>				
	Resident Individual	2133	96.82	1,42,57,814	47.41
	Foreign Individuals or NRI	19	0.86	1,48,882	0.50
	Bodies Corporate	33	1.50	1,24,57,777	41.42
	Any other (Clearing Member)	7	0.32	9,152	0.03
	<b>Total:</b>	<b>2203</b>	<b>100.00%</b>	<b>3,00,75,000</b>	<b>100.00%</b>

#### NOMINATION FACILITY

It is in the interest of the shareholders to appoint nominee for their investments in the Company. Those members, who are holding shares in physical mode and have not appointed nominee or want to change the nomination, are requested to send us nomination form duly filed in and signed by all the joint holders.

#### OUTSTANDING GDRS/ADRS/WARRANTS/ANY OTHER CONVERTIBLE INSTRUMENTS

The Company does not have any outstanding instruments of the captioned type.

#### PROCEEDS FROM PUBLIC ISSUE / RIGHTS ISSUE / PREFERENTIAL ISSUE / WARRANT CONVERSION

The Company has not issued further shares during the year.

#### DETAILS OF DIVIDEND

The Company has not declared dividend to its shareholders.

#### DETAILS OF UNPAID DIVIDEND

There is balance lying in unpaid equity dividend account. Details are showing on the website [www.arnoldholdings.in](http://www.arnoldholdings.in).

#### PLANT LOCATION

The Company is in the business of providing financial services; therefore, it does not have any manufacturing plants.

#### ADDRESS FOR CORRESPONDENCE:

(a) Registrar & Transfer Agents:	(b) Registered Office:
<b>Niche Technologies Private Limited</b>	<b>Arnold Holdings Limited</b>
3A, Auckland Place, 7 <sup>th</sup> Floor, Room No. 7A & 7B	B 208, Ramji House, 30 Jambulwadi,
Kolkata-700017, West Bengal	JSS Road, Mumbai – 400002, Maharashtra
Email Id: <a href="mailto:nichetechpl@nichetechpl.com">nichetechpl@nichetechpl.com</a>	Ph. No.: 022-22016640
Website: <a href="http://www.nichetechpl.com">www.nichetechpl.com</a>	Email: <a href="mailto:arnoldholding9@gmail.com">arnoldholding9@gmail.com</a>
Ph. No.: +91-033-22806616/17/18	Website: <a href="http://www.arnoldholdings.in">www.arnoldholdings.in</a>



**CREDIT RATING:** NIL

## **IX. DISCLOSURES**

### **DISCLOSURE OF ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENT**

In preparation of the financial statements, the Company has followed the Ind AS issued by the Institute of Chartered Accountants of India (ICAI). The significant accounting policies which are consistently applied have been set out in the Notes to the Accounts.

### **RISK MANAGEMENT**

The Company has to frame a formal Risk Management Framework for risk assessment and risk minimization to ensure smooth operation and effective management control. The Audit Committee has to review the adequacy of the risk management framework of the Company, the key risks associated with the business and to measure the steps to minimize the same.

### **CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING**

The Company has adopted the Code of Conduct for regulating, monitoring and reporting of Trading by Insiders in accordance with the requirement of SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Companies Act, 2013.

### **MATERIAL SUBSIDIARY**

The Company does not have any material subsidiary.

### **COMPLIANCE CERTIFICATE FROM THE AUDITORS**

As required by Schedule V (E) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditors' certificate on Corporate Governance is annexed to this report. The certificate is enclosed as **Annexure 9**.

### **CERTIFICATION FROM COMPANY SECRETARY IN PRACTICE**

Mr. Ranjit Binod Kejriwal, Practicing Company Secretary has issued a certificate required under the listing regulations, confirming that none of the Directors on the Board of the company has been debarred or disqualified from being appointed or continuing as director of the company by SEBI/Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed as **Annexure 10**.

### **WHISTLE BLOWER POLICY/VIGIL MECHANISM POLICY**

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy has been posted on the website of the Company at <https://www.arnoldholdings.in/policies.html>.

### **RELATED PARTY TRANSACTION**

The Company has no materially significant related party transactions with related parties during the financial year which were in conflict with the interest of the Company. All Related Party Transactions during the year have been disclosed in **AOC-2 as per annexure 1**.

All the transactions entered into with Related Parties as defined under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the Ordinary Course of business and on arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. Prior approval of the Audit Committee is obtained for all Related Party Transactions.

The list of related party transactions entered by the Company during the year is mentioned in note no. 2.2 (xviii) of Related party Disclosures (As identified by management) of the financial statement. All related party transactions are monitored by Audit Committee of the Company. Company's policy on related party transaction is available on below link: <https://www.arnoldholdings.in/policies.html>.

### **FEES TO STATUTORY AUDITOR**

Company has paid total fees paid by the company to the Statutory Auditor as mentioned below:

**Amount in Rs.**

Payment to Statutory Auditor	FY 2021-22
Audit Fees	50,000

## DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The details of complaints filed, disposed & pending are given below:

Number of Complaints during the year	:	NIL
Number of complaints disposed of during the year	:	NIL
Number of complaints pending as on end of the financial year	:	NIL

## STATUTORY COMPLIANCE, PENALTIES AND STRICTURES

The Company has complied with the requirements of the Stock Exchanges / Securities and Exchange Board of India (SEBI) / and Statutory Authorities to the extent applicable, and accordingly no penalties have been levied or strictures have been imposed on the Company on any matter related to capital markets during the year.

## MANDATORY & NON MANDATORY REQUIREMENTS

The Company has complied with all the mandatory requirements of Corporate Governance and endeavors to adopt good corporate governance practices which help in adoption of non-mandatory requirements.

## UPDATE E-MAILS FOR RECEIVING NOTICE/DOCUMENTS IN E-MODE

The Ministry of Corporate Affairs (MCA) has through its circulars issued in 2011, allowed service of documents by companies including Notice calling General Meeting(s), Annual Report etc. to their shareholders through electronic mode. This green initiative was taken by MCA to reduce paper consumption and contribute towards a green environment. As a responsible citizen, your company fully supports the MCA's endeavor.

In accordance of the same, your company had proposed to send Notice calling General Meetings, Annual Report and other documents in electronic mode in future to all the shareholders on their email addresses. Accordingly, the Annual Report along with Notice will be sent to the shareholders in electronic mode at their email addresses.

The shareholders may register their email addresses with their Depository through Depository Participant.

## UPDATE YOUR CORRESPONDENCE ADDRESS/ BANK MANDATE/PAN/ EMAIL ID

Shareholder(s) holding shares in dematerialized for are requested to notify changes in Bank details/ address/ email ID directly with their respective DPs.

## QUOTE FOLIO NO. / DP ID NO.

Shareholders/ Beneficial owners are requested to quote their DP ID no. in all the correspondence with the Company.

Shareholders are also requested to quote their Email ID and contact number for prompt reply to their correspondence.

## LOANS AND ADVANCES IN WHICH DIRECTORS ARE INTERESTED

The company has not provided any loans and advances to any firms/companies in which directors are interested.

## X. DISCRETIONARY REQUIREMENTS

### THE BOARD

The chairman of the company is a Non-Executive Director.

### SEPARATE POSTS OF CHAIRPERSON AND CHIEF EXECUTIVE OFFICER

The company has its Non-Executive Independent Director as Chairperson. But all efforts are made to ensure that all the members of the board are given adequate opportunity to put their views and participate in the proceeding(s) of meeting.

### SHAREHOLDER RIGHTS

Quarterly, half yearly and yearly declaration of financial performance is uploaded on the website of the company <https://www.arnoldholdings.in/financial-result.html> as soon as it is intimated to the stock exchange.

## **MODIFIED OPINION(S) IN AUDIT REPORT**

Standard practices and procedures are followed to ensure unmodified financial statements.

## **REPORTING OF INTERNAL AUDITOR**

The Internal Auditor reports directly to the Audit Committee of the Company.

## **XI. The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46**

The company has complied with the provisions of regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI( Listing Obligations and Disclosure Requirements), Regulations, 2015.

Place: Mumbai  
Date: 26.08.2022

For the Board of Director  
**Arnold Holdings Limited**

For the Board of Director  
**Arnold Holdings Limited**

Sd/-  
**Murari Mallawat**

Whole Time Director  
DIN: 08809840

Sd/-  
**Munni Devi Jain**

Chairperson  
DIN: 08194500

## Annexure-3

### AS PER RULE 8 OF COMPANIES (ACCOUNTS) RULES, 2014

#### A. CONSERVATION OF ENERGY

- (i) The steps taken or impact on conservation of energy
  - (ii) The steps taken by the Company for utilizing alternate sources of energy
  - (iii) The capital investment on energy conservation equipment
- } NIL

#### B. TECHNOLOGY ABSORPTION

- (i) The efforts made towards technology absorption
  - (ii) The benefits derived like product improvement, cost reduction, product development Or import substitution
  - (iii) In case of imported technology (imported during last three years reckoned from the Beginning of the financial year)
    - a. The details of technology imported
    - b. The year of import
    - c. Weather the technology been fully absorbed
    - d. If not fully absorbed areas where absorption has not taken place & reasons thereof
  - (iv) The expenditure incurred on research & development during the year 2021-22
- } NIL

#### C. FOREIGN EXCHANGE EARNING AND OUTGO

##### The Foreign Exchange earning in terms of actual inflows

Foreign Exchange earnings during the financial year 2021-22: NIL

##### The Foreign Exchange outgo during the year in terms of actual outflows

Foreign Exchange outgo during the financial year 2021-22: NIL

Place: Mumbai  
Date: 26.08.2022

For the Board of Director  
**Arnold Holdings Limited**

For the Board of Director  
**Arnold Holdings Limited**

Sd/-  
**Murari Mallawat**  
Whole Time Director  
DIN: 08809840

Sd/-  
**Munni Devi Jain**  
Chairperson  
DIN: 08194500

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

## ECONOMIC OVERVIEW

### Global Economy

The world has shown remarkable resilience in the face of two consecutive waves of COVID-19 caused by the Delta and Omicron variants of the virus in FY 2022. The lockdowns imposed by governments across the world were quite significant during the Delta variant but was limited during the third wave. The economic activities however were on an upswing but supply side constraints disrupted financial markets and businesses. Central banks implemented an array of measures to ensure credit was available to businesses and individuals. Large-scale vaccination drives around the world, coupled with accommodative policy measures, boosted economic recovery.

However, many low-income, emerging economies continue to struggle with the uncertainties unleashed by the pandemic. Rising supply chain disruptions, semiconductor shortages and the continued energy crisis complicated by the ongoing geopolitical conflict in Ukraine, are creating short-term challenges for business. According to the International Monetary Fund (IMF) outlook, global growth is predicted to be 3.6% in 2022, down from 6.1% in 2021. But the forecast hinges upon improved health conditions across the world on the back of aggressive vaccination drive and equitable access to treatment, coupled with the availability of advanced and effective therapies. By the second quarter of 2022, the negative impact of the pandemic is expected to lessen, provided there are no fresh outbreaks.

### Outlook

Despite the impact of the pandemic, the unprecedented collective policy efforts by governments and central banks, paired with the resilience and innovations of private enterprises, have helped minimise lasting economic and physical damage across the world. While the direction of the Russia-Ukraine crisis remains uncertain, its impact on the global economy is likely to subsist. In the near term, many governments will need to cushion the blow of higher energy prices, diversify energy sources and increase efficiency wherever possible. Full economic revival seems to be further away, but if businesses and governments work in tandem, across borders and disciplines, we will be able to weather this storm and emerge stronger and more resilient.

### Indian Economy

The Indian economy gained momentum after the second wave of COVID-19 but the emergence of the third wave in January 2022 led to a worsening performance across several high frequency indicators. As per National Statistical Office's second advance estimates, the Indian economy grew by 8.7% in 2021-22 while GDP growth slowed to 4.1% in Q4 2021-22.

The growth in FY 2022 was driven by increased exports, investment and consumer demand and was supported by fiscal and monetary policies. Better capacity utilisation in the agricultural sector, revival of manufacturing, higher consumer confidence with the increase in vaccination rate and increase in mobility stimulated the economy. Increased capital expenditure in infrastructure and the rise of the real estate industry contributed to the construction sector's resurgence, boosting the economy.

The rural economy was significantly impacted by the second wave of COVID-19. However, as the year progressed, favourable monsoons, good harvest, increasing acreage along with higher support prices improved cash flow in the rural segment. The Consumer Price Index (CPI) inflation in India stood at 6.95% in March 2022 and have since then moved upwards to touch an 8-year high of 7.79% recorded for April 2022. The rising inflation and uncertainty around its outlook is a reflection of persisting geopolitical tensions and sanctions resulting in elevated prices of crude oil and other commodities along with continuing Covid related supply chain bottlenecks and disruptions in the labour market.

### Outlook

A gradual subsidence of the impact of the pandemic will aid the growth of contact-intensive industries and support robust urban demand. A good Rabi harvest bodes well for the farm sector and rural demand. Resilient exports, improving capacity utilisation, higher capital expenditure to boost public infrastructure and increase in private investments will drive overall GDP growth. Monetary actions taken by the Reserve Bank of India would help contain inflation, the effect of which is expected to be seen in the second half. The Reserve Bank of India expects CPI inflation to be at 6.7% in FY2023. Risks to the outlook include global financial market volatility, elevated commodity prices and continuing global demand-supply disruptions. The silver lining remains the forecast of a normal south-west monsoon which augurs well for the kharif agricultural production and the food price outlook.

## Indian Financial Services Industry

The diverse Indian financial services sector represents the progress and opportunity of its economy. The sector continues to be impacted by rising incomes, increased government support through policies, and rapid digital adoptions throughout the value chain.

### Growth drivers

- **Financial inclusion:** India's current financial inclusion index stands at 53.9. Government efforts through the Pradhan Mantri Jan Dhan Yojana (PMJDY) and the RBI's continuous efforts to bring banking to a large mass of people continues to intensify financial inclusion in India. As many as 1.5 lakh post offices are set to connect with the core banking system in 2022 to increase the interoperability of the accounts via various accessible means.
- **Technology/digitalization:** The Government has been driving as well as supporting the digital revolution in banking, fintech and payment systems to increase efficiency and streamline processes, creating an indirect credit demand from banks and NBFCs. Scheduled commercial banks are planning to set up digital banking units in 75 districts across India.
- **Fintech:** Fintech has hastened the transformation of the financial sector. India is one of the fastest growing fintech markets, with an 87% digitally active population. Massive investments, innovation, growing internet penetration, and adoption of Unified Payments Interface (UPI) have contributed to the sector's growth. In September 2021, eight Indian banks joined the Account Aggregator system, a financial data-sharing system that is about to revolutionise investing and credit, giving millions of consumer's greater access and control over their financial records and expanding the potential pool of customers for lenders and fintech companies.
- **Financialisation of savings:** The number of folios under equity, hybrid and solution-oriented schemes, wherein the maximum investment is from retail segment, stood at about 10.34 crore as of March 2022. Increasing awareness about mutual funds, ease of transactions through digitisation and sharp surge in equity markets have aided asset management companies to add a staggering 3.17 crore investor accounts in FY 2022.
- **Growing penetration of financial products:** The increasing penetration of insurance and mutual funds among the Indian population is good for the financial sector. Advancement in technology that has made these products more accessible and enhanced customer convenience is a driving factor in enlarging the market size.
- **Policy support:** The approval of Factoring Regulation (Amendment) Bill has enabled approximately 9,000 NBFCs to participate in factoring market and with an oversight of central bank on the US\$6 billion factoring sector.

## Non-banking financial companies

### Overview

NBFCs have gained systemic importance in the Indian financial services industry with a growing share in credit. NBFCs' credit intensity measured by the credit/GDP ratio reached a high of 13.7% in 2021.

The asset quality also started to gradually improve with the outlook improving with increasing loan disbursements. According to ICRA, the gross stage 3 assets (loans overdue for more than 90 days) for NBFCs reduced to 4.4% in March 2022 from 5.7% in December 2021.

### Financial position

NBFCs are well capitalised, with their capital to risk-weighted asset ratio (CRAR) well above the stipulated level of 15%. Stressed assets of non-banking financial companies-microfinance institutions (NBFC-MFIs) are estimated to have declined to around 14% as of March 2022 from close to 22% in September 2021, helped by the revival in the economy and limited impact of the Omicron variant. In view of the pandemic, NBFCs have enhanced their liquidity, with their cash and bank balances growing at a robust pace.

For the full year, assets under management (AUM) is projected to increase by 6-8%. The pandemic has led to an acceleration in digitalisation, rise in small ticket personal loans and Buy-Now-Pay-Later (BNPL) segments. NBFCs' credit also gained traction in the co-lending model with banks, with regard to priority sector loans.

### Key regulatory developments in FY 2022

NBFCs are regulated by the RBI and the level of regulation and supervision for NBFCs is relatively moderate when compared to banks. However, over the last few years following the 2018 crisis, the regulatory requirements for NBFCs

have been strengthened to bring parity with banks. During FY 2022, the following important regulations were introduced by the RBI to govern NBFCs:

**Prudential norms for Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to advances:** During the year, the RBI tightened NPA upgradation norms, which may lead to a rise in NPAs of NBFCs as the provision is to be implemented effective October 2022. As per the new norms, an NBFC may upgrade an NPA to a 'standard' asset only if entire arrears of interest and principal are paid by the borrower. Additionally, there is change in the recognition of NPAs to a daily due-date basis versus month-end basis, followed earlier by many NBFCs. These revised norms will bring parity in income recognition and asset classification practices at banks and NBFCs.

### **Scale-based regulation for NBFCs**

The regulatory framework for NBFCs was revised in October 2021 to introduce scale-based regulation, which will become effective in October 2022. Under the new framework, NBFCs are placed in four layers based on their size, activity, and perceived risks, viz., Base Layer (BL), Middle Layer (ML), Upper Layer (UL) and a possible Top Layer (TL). The new framework will tighten regulatory oversight of the sector with progressively tighter norms for the higher layers.

NBFCs in the Base Layer will be non-deposit-taking NBFCs, with assets worth up to Rs. 1,000 crore. These will be broadly subjected to extant regulations for non-deposit-taking NBFCs, except for changes in governance and prudential guidelines.

NBFCs in the Middle Layer will include deposit-taking NBFCs irrespective of asset size, non-deposit-taking firms with assets worth Rs. 1,000 crore or more, as well as HFCs. These will be regulated on the lines of systemically important non-deposit-taking NBFCs, deposit-taking NBFCs, and HFCs, as the case may be, except for changes in capital, prudential and governance guidelines.

NBFCs lying in the Upper Layer will include top-10 NBFCs as per size and NBFCs that warrant enhanced regulatory requirements based on certain parameters. These will be subject to regulations applicable to NBFCs in the Middle Layer, with additions such as introduction of common equity tier 1 and leverage requirements, mandatory listing, qualification of Board members and the like.

For NBFCs falling in the Top Layer (ideally vacant), while no specific regulation has been provided, they will be subjected to higher capital charges and enhanced supervisory engagement.

### **Prompt Corrective Action (PCA) framework for large NBFCs**

The PCA framework will be applicable for all deposit-taking NBFCs and other large ones falling in the ML, UL and TL categories of scale-based regulation. These norms will come into effect on 1st October 2022 on the basis of the respective NBFCs' financial position on or after 31st March 2022.

### **Outlook**

The NBFC sector is expected to deliver double-digit loan growth in FY 2023, on top of 6-8% growth projected for FY 2022. This will be driven by improvement in economic activity and strengthened balance sheets of NBFCs.

Overall, secured lending through loans against property, housing loans and vehicle finance will likely see a higher demand as compared to unsecured personal and business loans. There is significant pent-up demand in the vehicle finance segment, which can see a strong revival in growth depending on the availability of vehicles, which are facing component shortage due to the pandemic.

Asset quality metrics are expected to improve supported by the expected improvement in macro-economic activity, sharper focus on collections and adequate provisioning. However, the performance of restructured portfolios, as and when their regular payments begin, and impact from a potential resurgence of the pandemic are key risks.

The transition from a benign interest rate environment of FY 2022 to a rising interest rate scenario in FY2023, would impact funding costs for incremental borrowings across lenders. While the balance sheet of NBFCs have sufficient liquidity to maintain funding costs for certain quarters, cost of incremental borrowings is likely to rise across capital market instruments and bank funding.

### **COMPANY BUSINESS OVERVIEW:**



Arnold Holdings Limited is a public limited company incorporated in the year 1981 listed in Bombay Stock Exchange. It is a non-deposit taking NBFC, registered with the RBI vide Registration No. B-13.02130 Ever since its incorporation the company engaged in investment in shares and activity of non-banking finance company.

Our Company is primarily focused in providing inter corporate loans, personal loans, loans against shares & securities, loans against properties, trade financing, bills discounting, trading in shares & securities. Being an, NBFC our Company has positioned itself between the organized banking sector and local money lenders, offering the customers competitive, flexible and timely lending services.

#### **Products & Services:**

Our Company offers financial services to commercial, industrial and financial clients with a one stop financial solution:-

- ✓ Trade Finance & Bill Discounting
- ✓ Working capital loans
- ✓ Loan against property
- ✓ Margin funding and loan against approved securities
- ✓ Capital market
- ✓ Corporate finance
- ✓ Mortgage and loans
- ✓ Infrastructure finance

#### **FINANCIAL PERFORMANCE:**

During the fiscal Year 2022, the operational income of the Company stood at Rs. 7712.89 Lacs as compared to previous fiscal Year of Rs. 3733.11 Lacs. The company has continued its lending activities and advances portfolio of the Company has been Rs. 8078.99 Lacs and the interest income of the Company have been stood at Rs. 3021.35 Lacs. This fiscal Year Company's profits have been 150.78 Lacs as compared to Rs. 69.09 Lacs of fiscal Year 2021.

#### **Financial Highlights:**

- Income from operation stood at Rs. 7712.89 Lacs for fiscal Year 2022.
- Profit before Taxes of fiscal Year 2022 was Rs. 210.31 Lacs.
- Profit after Taxes of fiscal Year 2022 was Rs. 150.78 Lacs.
- Earnings per share for fiscal Year 2022 were Rs. 0.501 per share.
- Net Worth of company stood at Rs. 5423.11 Lacs as on March 31, 2022.

#### **SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE**

The company is operating as Non-banking Financial Company and so does not have segment wise performance. The performances are reflected in the balance sheet.

#### **SWOT ANALYSIS:**

##### **Strengths:**

**An integrated financial services platform:** We offer our clients an integrated financial services platform by offering lending against demat shares, finance consultancy, loan against immovable properties and allied products. Our integrated service platform allows us to leverage relationships across the lines of businesses and our industry and product knowledge by providing multi-channel delivery systems to our client base, thereby increasing our ability to cross-sell our services.

**Experienced Management:** We believe that our senior management and our talented and experienced Team are the principal reason for the growth of our Company. We believe that the extensive experience and financial acumen of our management and staff facilitates us with a significant competitive advantage.

##### **Weakness:**

**Branding:** Our Company is not a well-established brand among large NBFC players who have access to larger financial resources.

**Accessibility:** We do not have branches so we are unable to explore the business opportunities in other areas.

**Regulatory restrictions:** continuously evolving government regulations may impact operations.

**Uncertainty:** Uncertain economic and political environment.

**Opportunities:**

**Large Market:** The players in the NBFC sector still have a lot of scope to cover larger market and the rural markets are still untapped.

**Desire for Status:** With increased desire of individuals to improve their standard of living, the NBFC industry is getting exposed to new category of client (individuals) in a big way with large share of business coming from this segment apart from corporate clients.

**Digital Platform:** Use of digital solutions for business/collections.

**Threats:**

**Economic Downturn:** If the economic downturn is prolonged it can reduce the financing need of people due to shrinking business opportunities.

**Private Banks:** Private Banks are also working on the similar business model as the NBFCs do, thereby giving a very strong competitions to the NBFC's.

**RBI and Government restrictions:** With more stringent norms governing the functioning of NBFC and certain government restrictions act as a hindrance in smooth functioning of NBFC.

**FUTURE STRATEGY:**

- **Expansion of existing activities:** Our Company intends to expand its financial services by enhancing its focus on margin funding, loan against shares and securities, loan against properties and corporate loan, bill discounting and working capital loan.
- **Differentiated Services:** In the growing economy, the corporate clients will be requiring funds for further expansions. Our Company would be providing all diversified service portfolio under one umbrella to cater most of the customer needs and demands.
- **Brand recognition:** We are in such a business where we are facing lot of competition. Our Company is not a well-established brand among large NBFC players. We will be making the necessary arrangements for our brand reorganization.

**RISKS AND CONCERNS**

As a NBFC, the Company is exposed to market risk, global risk, regulatory risk, credit risk, liquidity risk, competition risk and interest rate risk etc. which can affect the return on investments and financial business in unexpected way. Sustained efforts to strengthen the risk framework and portfolio quality have yielded consistently better outcomes for the Company. The level and degree of each risk varies depending upon the nature of activity undertaken by them. The company's operations might be adversely impacted due to incapacitation of sections of the global workforce due to exposure to the pandemic COVID 19, reduced productivity due to employee stress and impact on emotional well-being while under local lockdowns or quarantines, inability to provide work from home access to some employees due to logistical or security or contractual reasons. Demand for the company's product may be adversely affected not only in industry segments directly impacted by the pandemic – like hotels and hospitality, but across other segments as well due to a sharp slowing down of the world's major economies. This is likely to affect the company's earnings in the short and medium term.

**HUMAN RESOURCE**

At AHL, we firmly believe that our employees are our core and our greatest assets. Over the years, we have been adopting best-in-class practices, inclusive policies as well as offering unique health and fitness benefits to ensure a safe and secure ecosystem for diverse cohorts of employees. Our HR function is a strategic partner in driving business outperformance and in simultaneously creating a seamless employee experience across all touch points.

Ensuring the safety of our people was of paramount importance during the COVID-19 pandemic. We spared no effort in taking care of our employees and their families. Through various initiatives, we proactively reached out to them to address their concerns and, most importantly, we ensured their psychological well-being as well. We provided financial and healthcare assistance services to our COVID- affected employees by introducing COVID test/vaccination reimbursement policies, tele-consultation and other facilities for employees and their families.

#### **INTERNAL CONTROL SYSTEM AND ADEQUACY:**

We have put in place an adequate internal control mechanisms to safeguard all our assets and to ensure operational excellence. The mechanism also meticulously records all transaction details and ensures regulatory compliance. We have multiple policy frameworks to ensure adequate controls on business processes. Further, Risk and Control dashboards have been defined and are periodically updated for all important operational processes. At periodic intervals, the management team and statutory auditors check and ensure that the defined controls are operative.

The AHL has a dedicated team of internal auditors to conduct internal audit. Every year, this team defines the audit agenda for the year, which is implemented after approval from the Audit Committee.

Reputed audit firms also ensure that all transactions are correctly authorised and reported in accordance with the relevant regulatory framework. The reports are reviewed by the Audit Committee of the Board. Wherever necessary, internal control systems are strengthened, and corrective actions initiated.

#### **MATERIAL DEVELOPMENT IN HUMAN RESOURCES**

Your Company firmly believes that its human resources are the key enablers for the growth of the Company and important asset. Hence, the success of the Company is closely aligned to the goals of the human resources of the Company. Taking into this account, your Company continued to Invest in developing its human capita and establishing its brand on the market to attract and retain the best talent.

Employee relations during the period under review continued to be healthy, cordial and harmonious at all levels and your Company is committed to maintain good relations with the employees.

#### **SIGNIFICANT CHANGES:**

- a. Debtors turnover ratio stood at 166.91 in FY.22 as against 221.46 in FY.21.
- b. Inventory turnover ratio has stood at 5.14 in FY 22 as compared to 2.62 in FY 21.
- c. Interest Coverage Ratio has stood at 1.351 in FY 22 as compared to 20.439 in FY 21.
- d. Current Ratio has decreased from 276.65 in FY. 21 to 1.11 in FY.22.
- e. Debt Equity Ratio increased from 0.00 in FY.21 to 0.66 in FY.22.
- f. Operating profit margin has increased from 2.82% in FY.21 to 10.56% in FY.22.
- g. Similarly, net profit margin also increased from 1.85% in FY.21 to 1.95% in FY.22.
- h. Return on net worth stood at 2.78% in FY.22 as compared to 1.30% in FY.21.

#### **CAUTIONARY:**

Certain statements in the Management Discussion and Analysis describing the Company's objectives, predictions may be 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results may vary significantly from the forward-looking statements contained in this document due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India, volatility in interest rates, new regulations and Government policies that may impact the Company's business as well as its ability to implement the strategy. The Company does not undertake to update these statements.

Place: Mumbai  
Date: 26.08.2022

For the Board of Director  
**Arnold Holdings Limited**

For the Board of Director  
**Arnold Holdings Limited**

Sd/-  
**Murari Mallawat**

Whole Time Director  
DIN: 08809840

Sd/-  
**Munni Devi Jain**

Chairperson  
DIN: 08194500

## Annexure-5

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31.03.2022

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

To,  
The Members,  
**Arnold Holdings Limited**  
(CIN: L65993MH1981PLC282783)  
B 208, Ramji House, 30 Jambulwadi,  
JSS Road Mumbai - 400002

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

Based on my/our verification on test check basis of the **M/s. Arnold Holdings Limited**, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2022** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. Arnold Holdings Limited** for the financial year ended on **31<sup>st</sup> March, 2022** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable during the year:-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **the regulation is not applicable during the Financial Year 2021-22.**
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **the regulation is not applicable during the Financial Year 2021-22.**
  - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **the regulation is not applicable during the Financial Year 2021-2022.**
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares)(Amendment) Regulations, 2016; **the regulation is not applicable during the Financial Year 2021-22 and**
  - h. Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **the regulation is not applicable during the Financial Year 2021-22**
- vi. Other Laws Specifically Applicable to Company:
  - a. Income Tax Act, 1961
  - b. Goods & Service Tax and other Indirect Taxes
  - c. The Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975
  - d. Reserve Bank of India Act, 1934

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

- i. Secretarial Standards with regard to the Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with BSE Stock Exchange of India and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During The year under review, the company has generally complied with the provisions of the act, rules, regulations and guidelines mentioned above except:

**1. The company is suspended on Calcutta Stock Exchange for non-filing of documents but is regularly filing its document on BSE.**

**2. Following forms are filed after the due date:**

Sr. No	Form No. / Return	SRN	Particulars	Date of Filing
1.	Form MGT-14	T65683690	Approval of audited balance sheet, Profit and loss, Cash Flow Statement and Directors Report for year ended 31st March 2021; Director liable to retire by rotation; Re app of Statutory Auditor and Appointment of Mr. Rajpradeep Mahavirprasad Agrawal (DIN: 09142752) as the Whole Time Director of the Company.	21/12/2021
2.	Form MR-1	T65735789	Appointment of Rajpradeep Mahavirprasad Agrawal as WTD	21/12/2021
3.	Form MGT-7*	T66896895	Annual Return	24/12/2021

*\*Form MGT-7 was filed after due date as relaxation was provided by MCA vide General Circular No. 17/2021 dated 29<sup>th</sup> October, 2021*

**I further report that**, based on the information provided by the company, its officers and authorised representative during the conduct of the audit, and also on the review of reports by CS/CFO and Statutory Auditor of the company, in my opinion, adequate systems and processes and control mechanism exist in the company to monitor and ensure compliance with applicable general laws.

**I further report**, that the compliance by the company of applicable financial laws, like direct and indirect tax laws, NBFC Rules, Pollution control, and Labour laws has not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the chairman, the decisions of the board were unanimous and no dissenting views have been recorded.

**I/we further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

*I report further that, during the audit period, there were no specific events/actions in pursuance of the aforesaid laws, rules, regulations, etc. having a major bearing on the company's affairs.*

Place: SURAT  
Date: 26.08.2022

Name of PCS: Ranjit Binod Kejriwal

Sd/-

FCS No.: 6116  
C P No.: 5985  
**PR: 12004GJ424500**  
**UDIN: F006116D000857483**

**This report is to be read with our letter dated 26<sup>th</sup> August, 2022 which is annexed and forms an integral part of this report.**

To,  
The Members,  
**Arnold Holdings Limited**  
(CIN: L65993MH1981PLC282783)  
B 208, Ramji House, 30 Jambulwadi,  
JSS Road Mumbai - 400002

Our Secretarial Audit report dated 26<sup>th</sup> August, 2022 is to be read along with this letter.

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

Place: SURAT  
Date: 26.08.2022

Name of PCS: Ranjit Binod Kejriwal

Sd/-  
FCS No.: 6116  
C P No.: 5985  
**PR:** 12004GJ424500  
**UDIN:** F006116D000857483



## Annexure-6

The Disclosures pertaining to remuneration as required under section 197(12) of the companies act, 2013 read with rule 5of the companies (appointment and remuneration of managerial personnel) Amendment rules, 2016 are as under:

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22, ratio of the remuneration of the employees of the Company for the financial year 2021-22 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for F.Y. 2021-22 (Amount in Rs.)	% increase in Remuneration in the F.Y. 2021-22	Ratio of Remuneration of each Director/to median remuneration of employees
1	Santkumar Goyal Whole Time Director	5,50,000	NIL	9.64:1
2	Murari Mallawat Whole Time Director	50,000	-16.39	0.88:1
3	Rajpradeep Mahavirprasad Agrawal* Whole Time Director	50,000	NIL	0.88:1
4	Munni Devi Jain Non-Executive Independent Director	NIL	NIL	N.A.
5	Sopan Vishwanathrao kshirsagar Non-Executive Independent Director	25,000	NIL	0.44:1
6	Sushil Mahendrakumar Jhunjunwala Non-Executive Independent Director	25,000	NIL	0.44:1
7	Minal Dinesh Agarwal Company Secretary & Compliance Officer	4,55,000	NIL	7.98:1
8	Dharmendra Ramnihor Yadav Chief Financial Officer	4,55,000	64.02	7.98:1

\* Appointed on 24.04.2021

(i) Names of the top ten employees in terms of remuneration drawn from the Company in the financial year 2021-22:

Sr. No.	Name & Designation	Qualification and Experience	Remuneration (Amount in Rs.) Per Annum	Date of Appointment	Age (In years)	Particulars of Last Employment	Relative of Director/ Manager	Percentage of Equity Shares
1.	Santkumar Goyal Whole Time Director	B.Com 34 Years	5,50,000/-	30-07-2020	53	Future Group	-	-
2.	Minal Dinesh Agarwal Company Secretary & Compliance Officer	CS 3 Years	4,55,000/-	01-03-2021	30	Mehta & Mehta Practicing Company secretaries	-	-
3.	Dharmendra Ramnihor Yadav Chief Financial Officer	B.Com 11Years	4,55,000/-	30-05-2019	35	Rihita Cargo Forwarders Pvt Ltd	-	-
4.	Sushma Pardeshi Assistant	B.com 5 Years	2,59,400/-	01-04-2017	44	NA	-	-
5.	Pankaj Giridharrao Sawai Engineering Manager	BE - ECE 11 Years	2,00,000/-	01-03-2022	36	Micro cloud Computing Pvt. Ltd.	-	-

6.	Pooja Mathur Loan Dept.	B.Com 9 Months	1,70,000/-	01-07-2021	42	N.A.	-	-
7.	Shubhangi Deshmukh Technical Lead	MSC. Computer Science 5.5 Years	1,25,000/-	01-03-2022	31	Institutional shareholder servi ces Pvt. Ltd	-	-
8.	Sagar Dasari Technical Lead-QA	BSC-IT 5 Years	1,03,225/-	01-03-2022	28	Mobisy Technologies Pvt Ltd	-	-
9.	Jatin Mukeshbhai Patel Technical Lead	BE in Computers 5.3 Years	1,00,000/-	01-03-2022	28	Neosoft Technology	-	-
10.	Swapnali Jadhav Technical Lead- Android	BSC. Computer Science 6.5 Years	62,500/-	01-03-2022	30	Dronitech	-	-

- (ii) The median remuneration of employees of the Company during the Financial Year was Rs. 57,000/- per annum.
- (iii) In the Financial year, the median remuneration of employees has decreased by 36.67%.
- (iv) There were 19 permanent employees on the rolls of the Company as on March 31,2022;
- (v) Average percentage increase made in the salaries of employees other than the managerial personnel in comparison of the last financial year is 168.91%. There is an average decrease of 15.67% in the managerial remuneration in comparison to the last financial year.
- (vi) The remuneration of KMP is as per the recommendations of the Nomination & Remuneration Committee.
- (vii) It is hereby affirmed that the remuneration paid is as per the remuneration policy for Directors, Key Managerial Personnel and other Employees.

Place: Mumbai  
Date: 26.08.2022

For the Board of Director  
**Arnold Holdings Limited**

For the Board of Director  
**Arnold Holdings Limited**

Sd/-  
**Murari Mallawat**  
Whole Time Director  
DIN: 08809840

Sd/-  
**Munni Devi Jain**  
Chairperson  
DIN: 08194500

## Annexure-7

### Certificate in terms of Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To  
The Board of Directors  
**ARNOLD HOLDINGS LIMITED.**

Dear Sir/Madam,

In accordance with Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we certify that:

1. I have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2022 and that to the best of my knowledge and belief:
  - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the financial year ended March 31, 2022 which is fraudulent, illegal or violative of the Company's code of conduct.
3. I accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of internal controls, if any, of which they are aware and these steps we have taken or propose to take to rectify these deficiencies.
4. I have indicated to the auditors and the Audit Committee:-
  - a. that there are no significant changes in internal control over financial reporting during the financial year ended March 31, 2022;
  - b. there are no significant changes in accounting policies during the financial year ended March 31, 2022; and
  - c. We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the company's internal control system over financial reporting.

Place: Mumbai  
Date: 30.05.2022

By order of Board of Directors

Sd/-  
**Dharmendra Ramnihor Yadav**  
Chief Financial Officer

## **Annexure-8**

### **DECLARATION BY WHOLE TIME DIRECTOR THAT THE MEMBERS OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL HAVE AFFIRMED WITH THE CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT**

All the Members of the Board of Directors of the Company and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended 31<sup>st</sup> March, 2022 as applicable to them as laid down in Companies Act, 2013 with the code of conduct of Board members and senior management personnel.

Place: Mumbai  
Date: 26.08.2022

**For Arnold Holdings Limited**

Sd/-  
**Murari Mallawat**  
Whole Time Director  
DIN: 08809840

## Annexure-9

**Amit Ray & Co.**

**Chartered Accountants**

401/403, D- Definity, Jai Prakash Nagar, Road No. 1, Goregaon (E), Mumbai-400063

Ph. No. 022-40146981/49769479/49725517

Mobile- 9167441068/ 9167441048

Email: [nagrao57@gmail.com](mailto:nagrao57@gmail.com),

Web: [www.amitrayco.in](http://www.amitrayco.in)

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### AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of

**ARNOLD HOLDINGS LIMITED.**

We have examined the compliance of the conditions of Corporate Governance by **Arnold Holdings Limited** (The Company); for the year ended 31<sup>st</sup> March 2022 as stipulated in Regulation 27(2) of SEBI (Listing Obligation and Disclosure Requirements), Regulations 2015 of the said Company with BSE Limited.

The compliance of the conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (Listing Obligation and Disclosure Requirements), Regulations 2015. In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (Listing Obligation and Disclosure Requirements), Regulations 2015.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Stakeholders Relationship Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with the management has conducted the affairs of the Company.

**For Amit Ray & Co.**

**Chartered Accountants**

Sd/-

**Nag Bhushan Rao**

**Partner**

**UDIN: 22073144APYOVU4781**

**M. No. 073144**

**FRN No. 000483C**

**Place: Mumbai**

**Date: 26.08.2022**

## Annexure-10

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(As per item 10(i) of clause C of Schedule V of the **Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015** read with regulation 34(3) of the said Listing Regulations)

To,  
The Members,  
Arnold Holdings Limited  
(CIN: L65993MH1981PLC282783)  
B 208, Ramji House, 30 Jambulwadi,  
JSS Road, Mumbai-400002

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Arnold Holdings Limited having CIN: L65993MH1981PLC282783 and having registered office at B 208, Ramji House, 30 Jambulwadi, JSS Road, Mumbai-400002 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Sopan Vishwanathrao Kshirsagar	06491444	07.02.2013
2.	Mr. Sushil Mahendrakumar Jhunjhunwala	08679362	13.02.2020
3.	Mr. Murari Mallawat	08809840	22.08.2020
4.	Mr. Santkumar Goyal	02052831	30.07.2020
5.	Mrs. Munni Devi Jain	08194500	30.07.2020
6.	Mr. Rajpradeep Mahavirprasad Agrawal	09142752	24.04.2021

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: SURAT  
Date: 26.08.2022

Name of PCS: Ranjit Binod Kejriwal

Sd/-  
FCS No.: 6116  
C P No.: 5985  
UDIN: F006116D000857494

## **INDEPENDENT AUDITOR'S REPORT**

**To**  
**The Members,**  
**Arnold Holdings Limited,**

### **Report on the Standalone Ind AS Financial Statements**

We have audited the accompanying standalone Ind AS financial statements of **ARNOLD HOLDINGS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of other comprehensive income, the cash flow statement and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

In preparing the financial statement, 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 Statement**

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

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



- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

## **Basis of Opinion**

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in

accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provision of the Act and Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significant in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In the audit of the current period, we do not have observed any key audit matters required to be reported separately.

Other Matters:

The continuous spreading of COVID -19 across India has resulted in restriction on physical visit to the client locations and the need for carrying out alternative audit procedures as per the Ind AS prescribed by the Institute of Chartered Accountants of India (ICAI). As a result of the above, the entire audit was carried out based on remote access of the data as provided by the management of the Company. This has been carried out based on the advisory on "Specific Considerations while conducting Distance Audit/ Remote Audit/ Online Audit under current Covid-19 situation" issued by the Auditing and Assurance Standards Board of ICAI. We have been represented by the management of the Company that the data provided for our audit purposes is correct, complete, reliable and are directly generated by the accounting system of the Company without any further manual modifications.

We bring to the attention of the users that the audit of the financial statements has been performed in the aforesaid conditions.

Our audit opinion is not modified in respect of the above.

### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Financial Statements 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 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.

Our opinion is not modified in respect of this matter.

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

1. As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e. On the basis of written representations received from the directors as on March 31, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 with reference to these standalone Ind AS financial statements 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 the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For AMIT RAY & COMPANY**  
**Chartered Accountants**  
**Firm Reg. No. 000483C**

**SD/-**

**FCA Nag Bhushan Rao**  
**Partner**  
**Membership No: 073144**  
**UDIN: 22073144AJXYXE3659**

**Place: Mumbai**  
**Date: 30.05.2022**

**Annexure A referred to in paragraph 1 under the heading “Report on other legal and regulatory requirements” of our report of even date**

(Referred to in of our report of even date to the members of Arnold Holdings Limited as on the financial statements for the year ended March 31, 2022)

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of audit, we state that:

<b>1</b>	<b><u>Property, Plant, Equipment and Intangible Assets</u></b>	
<b>(a)</b>	Whether the company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant, equipment and intangible assets.	The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
<b>(b)</b>	Whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	The fixed assets of the company have been physically verified by the management during the period and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed asset is reasonable having regard to size of the company and the nature of its assets company has a program of physical verification of fixed assets over a period of one year which is, in our opinion, reasonable having regard to the size of the company and the nature of its assets and no material discrepancies were noticed on physical verification.
<b>(c)</b>	Whether title deeds of immovable properties are held in the name of the company. If not, provide details thereof.	Yes
<b>(d)</b>	Whether the company has revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year and, if so, whether the revaluation is based on the valuation by a Registered Valuer.	No
<b>(e)</b>	Whether any proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.	No
<b>2</b>	<b><u>Inventories</u></b>	
<b>(a)</b>	Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, how they have been dealt with in the books of account;	As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.

	(b)	Whether Company has availed Working Capital Loan(s) from banks or financial institutions by pledging current assets and the sanction limit(s) by combining limit of all banks or financial institutions exceed Rs 5 Crore and if so. Whether quarterly result or statement filed by the company with such banks or financial institutions are in line with the accounting books.	NA
<b>3</b>		<b><u>Loan Granted</u></b>	
		Whether the company has made investment in, provide any guarantee or security or granted any loans, secured or unsecured to companies, firms, LLPs or any other parties.	According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013 and the provisions of this clauses of the order are complied by the company.
	(a)	Whether the investment made, guarantees provided, security given and terms and conditions of the grant of such loans are not prejudicial to the company's interest;	No
	(b)	Whether receipt of the principal amount and interest are regular. If not provide details thereof; and	NA
	(c)	if amount is overdue then total amount overdue for more than 90 days and whether reasonable steps have been taken by the company for recovery of the principal and interest;	NA
	(d)	Whether any loan or advances granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loan given to the same party, if so, specify the aggregate amount of such dues renewed or extended or settled by fresh loan and the percentage of the aggregate to the total loans or advances in the nature of loan granted during the year.	No
	(e)	whether the company has granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, if so, specify the aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to promoters, related parties as defined in clause (76) of the section 2 of the companies Act 2013	No
<b>4</b>		<b><u>Loans, Investments and guarantees</u></b>	
		In respect of loans, investments and guarantees, whether provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide details thereof.	In respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
<b>5</b>		<b><u>Deposit</u></b>	

		In case the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	As the company is registered under Reserve Bank of India as a Non-Banking Finance Company, it is eligible to take Loan & Advances and grant Loan & Advances on such terms & conditions which are prejudicial to the interest of the company.
<b>6</b>		<b><u>Cost Records</u></b>	
		Whether maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained;	As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. Therefore, in our opinion, the provisions of this clause of the Order are not applicable to the Company.
<b>7</b>		<b><u>Statutory dues</u></b>	
	(a)	whether the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, , service tax, duty of customs, duty of excise, value added tax, and any other statutory dues with the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated by the auditor.	According to the information and explanations given to us and the record examined by us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employee's State Insurance, Income-tax, Sales-tax and other material Statutory Dues applicable to it. There were no arrears as at, 31st March, 2022 for a period of more than six months from the date they became payable.
	(b)	Where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute).	As per Enclosure-I
<b>8</b>		<b><u>Income Disclosed in Tax Assessment but not properly accounted in Books of Accounts.</u></b>	
		Whether any transactions not recorded in books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, if so, whether the previously unrecorded income has been properly recorded by the company in the books of accounts during the year.	NA
<b>9</b>		<b><u>Default in Repayment</u></b>	
	(a)	Whether the company has defaulted in repayment of dues to a financial institution or bank or debenture holders? If yes, the period and amount of default to be reported (in case of banks and financial institutions, lender wise details to be provided).	In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank,

		Government or debenture holder, as applicable to the company.	
	(b)	Whether the company has been disclosed willful defaulter by any financial institution (including Banks)	No
	(c)	Whether term loan was applied for the purpose for which the loans were obtained, if not, the amount of loan so diverted and the purpose for which it is used.	Yes
	(d)	Whether fund raised on short term basis have been utilised for long term purpose, if yes, the nature and amount to be indicated	No
	(e)	Whether the company has taken any fund from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures, if so, details thereof with nature of such transaction and the amount in each case.	NA
	(f)	Whether the company has raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, if so, provide details thereof and also report if the company has defaulted in repayment of such loan raised.	NA
<b>10</b>		<b><u>Money raised</u></b>	
	(a)	Whether moneys raised by way of initial public offer or further public offer (including debt instrument) were applied for the purposes for which those are raised. If not, the details together with delays / default and subsequent rectification, if any, as may be applicable, be reported;	Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) or taken any term loan during the year.
	(b)	Whether the company has made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of Section 42 and section 62 of the Companies Act, 2013 have been complied with and the fund raised have been used for the purpose for which the fund were raised, if not, the details in respect of amount involved and nature of non-compliances.	No
<b>11</b>		<b><u>Fraud</u></b>	
	(a)	Whether any fraud by the company or any fraud on the Company by its officers/ employees has been noticed or reported during the year; If yes, the nature and the amount involved be indicated.	According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
	(b)	whether any report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;	No
	(c)	whether the auditor has considered whistle-blower	NA



		complaints, if any, received during the year by the company	
<b>12</b>		<b><u>Nidhi Company</u></b>	
		Whether the Nidhi Company has complied with the Net Owned Fund in the ratio of 1:20 to meet out the liability and whether the Nidhi Company is maintaining 10% liquid assets to meet out the unencumbered liability.	The company is not a Nidhi Company. Therefore, this clause of the order is not applicable to the company.
<b>13</b>		<b><u>Related Parties Transactions</u></b>	
		Whether all transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc as required by the accounting standards and Companies Act, 2013.	According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
<b>14</b>		<b><u>Internal Audit</u></b>	
		Whether the company has an internal audit system commensurate with the size and nature of its business, if yes, whether the reports of the Internal Auditors for the period under audit were considered.	NA
<b>15</b>		<b><u>Non-cash Transactions</u></b>	
		Whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether provisions of Section 192 of Companies Act, 2013 have been complied with.	The company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, the provision of this clause of the Order is not applicable to the Company.
<b>16</b>		<b><u>Registration with RBI</u></b>	
	<b>(a)</b>	Whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration is obtained.	According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are applicable to the Company and registration has been obtained by the company.
	<b>(b)</b>	Whether the company has conducted Non-Banking or Housing Finance activities without a valid Certificate of Registration (CoR) from RBI as per Reserve Bank of India Act, 1934	No
	<b>(c)</b>	Whether the company is Core Investment Company (CIC) as defined in the regulations made by the RBI, if so, whether it continue to fulfil the criteria of a CIC, and in case the company is an exempted or unregistered CIC, whether it continues to fulfil such criteria.	NA
<b>17</b>		<b><u>Cash Losses</u></b>	
		Whether the company has incurred cash losses in the financial year and in the immediately preceding financial year if so the amount of cash losses.	No
<b>18</b>		<b><u>Resignation of Previous Statutory Auditor</u></b>	
		Whether there has been any resignation of the Statutory Auditor during the year, if so, whether	No

		consideration has been taken for the issues, objections or concerns raised by the outgoing auditors.	
<b>19</b>		<b>Material Uncertainty</b>	
		On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, whether the auditor is of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;	No
<b>20</b>		<b>Corporate Social Responsibility</b>	
	(a)	whether, in respect of other than ongoing projects, the company has transferred unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act;	No
	(b)	whether any amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act;	No
<b>21</b>		<b>Qualification or Adverse Remark for CFS Companies</b>	
		Whether there have been any qualification or adverse remark by the respective auditors in the Companies (Auditor's Report) order (CARO) reports of the companies included in the Consolidated Financial Statement, if yes, the details of the companies and the paragraph number of the CARO report containing the qualifications or adverse remark.	NA

#### Enclosure-I

According to the information and explanations given to us, there is no amount payable in respect of income tax, Goods & service tax, sales tax, customs duty, excise duty, value added tax and Cess whichever applicable, which have not been deposited on account of any disputes. The dues of income-tax and other statutory dues on account of any dispute are as follows:

S. N.	Name of the Statute	Period to which the amount relates (AY)	Outstanding Demand/Assessed Income	Date on which demand raised	Under Section	Forum where the dispute is pending
1	Income Tax Act, 1961	2009-10	1,000	10.02.2021	NFAC	Appeal Fees Pending with NFAC
2	Income Tax Act, 1961	2009-10	14,64,644	09.11.2020	-	Appeal pending with CIT (Appeals)
3	Income Tax Act,	2012-13	Assessed u/s 143(3) Rs.	17.12.2019	u/s 143(3)	Closed on 17.12.2019

	1961		12,72,410			
4	Income Tax Act, 1961	2013-14	58,660	18.12.2019	u/s 156	Open
5	Income Tax Act, 1961	2013-14	Assessed u/s 143(3) Rs. 57,72,840	29.03.2019	u/s 147	Closed on 14.12.2019
6	Income Tax Act, 1961	2013-14	-	23.06.2021	u/s 148	Open
7	Income Tax Act, 1961	2013-14	-	09.12.2021	u/s 142(1)	Open
8	Income Tax Act, 1961	2013-14	-	16.06.2021	u/s 147	Open
9	Income Tax Act, 1961	2013-14	-	27.05.2022	u/s 148A(b)	Open
10	Income Tax Act, 1961	2014-15	Assessed u/s 143(3) Rs. 63,24,470	30.03.2019	u/s 147	Closed on 14.12.2019
11	Income Tax Act, 1961	2014-15	5,05,580	23.12.2019	u/s 156	Open
12	Income Tax Act, 1961	2014-15	-	23.06.2021	u/s 148	Open
13	Income Tax Act, 1961	2014-15	-	16.12.2021	u/s 54A(1)	Open
14	Income Tax Act, 1961	2014-15	-	16.11.2021	u/s 142(1)	Open
15	Income Tax Act, 1961	2014-15	u/s 234A(3) Rs. 40,445/- & u/s 234B Rs. 2,27,997/-	23.03.2022	u/s 154	Open
16	Income Tax Act, 1961	2015-16	7,95,185	09.11.2020	-	Appeal pending with CIT (Appeals)

**For AMIT RAY & COMPANY**  
**Chartered Accountants**  
**Firm Reg. No. 000483C**

**SD/-**

**FCA Nag Bhushan Rao**  
**Partner**  
**Membership No: 073144**  
**UDIN: 22073144AJXYE3659**

**Place: Mumbai**  
**Date: 30.05.2022**

## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ARNOLD HOLDINGS LIMITED**

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

We have audited the internal financial controls over financial reporting of **ARNOLD HOLDINGS LIMITED** ("the Company") as of **March 31, 2022** in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### **Auditor's Responsibility**

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

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

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

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

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

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

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and

not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

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

**For AMIT RAY & COMPANY**  
**Chartered Accountants**  
**Firm Reg. No. 000483C**

**SD/-**

**FCA Nag Bhushan Rao**  
**Partner**  
**Membership No: 073144**  
**UDIN: 22073144AJXYE3659**

**Place: Mumbai**  
**Date: 30.05.2022**

**ARNOLD HOLDINGS LIMITED**  
Balance Sheet as at 31st March 2022

(₹ in Lakhs )

Particulars	Note no.	As at 31st March 2022	As at 31st March 2021
<b>ASSETS</b>			
<b>1) Financial assets</b>			
i) Trade receivable	3A	64.574	27.846
ii) Cash & cash equivalents	3B	28.622	29.852
iii) Investments	4A	908.346	430.500
iv) Loans	4B	8,078.990	3,343.415
v) Other financial assets	3C	7.800	-
<b>Total Financial assets (1)</b>		<b>9,088.332</b>	<b>3,831.614</b>
<b>2) Non-Financial Assets</b>			
i) Inventory	5	1,500.300	1,421.634
ii) Property, plant and equipment	6	72.282	110.134
iii) Deferred tax assets	7	2.303	2.335
iv) Other non-financial assets	8	36.924	157.106
<b>Total Non-Financial Assets (2)</b>		<b>1,611.809</b>	<b>1,691.208</b>
<b>Total Assets (1) + (2)</b>		<b>10,700.141</b>	<b>5,522.822</b>
<b>EQUITY AND LIABILITIES</b>			
<b>1) Financial liabilities</b>			
i) Trade payables	9A	1,430.115	6.122
ii) Borrowings	10	3,690.557	-
iii) Other financial liabilities	9B	(268.973)	(0.822)
<b>Total Financial Liabilities (1)</b>		<b>4,851.699</b>	<b>5.300</b>
<b>2) Non-Financial liabilities</b>			
i) Provisions	11	288.436	108.313
ii) Other current liabilities	12	0.121	0.101
<b>Total Non-Financial liabilities (2)</b>		<b>288.557</b>	<b>108.414</b>
<b>3) Equity</b>			
i) Equity share capital	13	3,007.500	3,007.500
ii) Other equity	14	2,552.385	2,401.607
<b>Total equity (3)</b>		<b>5,559.885</b>	<b>5,409.107</b>
<b>Total Equity &amp; Liabilities (1) + (2) + (3)</b>		<b>10,700.141</b>	<b>5,522.822</b>
Significant accounting policies Notes on financial statements	1 & 2		

The accompanying notes are an integral part of the financial statements

As per our report of even date.

**For Amit Ray & Company**  
**Chartered Accountants**  
**Firm Regn. No. 000483C**

**For and on behalf of the Board of directors**

**SD/-**  
**Nag Bhushan Rao**  
**Partner**  
**Membership No.: 073144**  
**UDIN: 22073144AJXYXE3659**

**SD/-**  
**Murari Mallawat**  
**Whole Time Director**  
**DIN: 08809840**

**SD/-**  
**Santkumar Goyal**  
**Whole Time Director**  
**DIN: 02052831**

**Date: 30.05.2022**  
**Place: Mumbai**

**SD/-**  
**Minal Agarwal**  
**Company Secretary**

**SD/-**  
**Dharmendra Yadav**  
**CFO**



**ARNOLD HOLDINGS LIMITED**  
**Statement of Profit & Loss for the Year Ended 31st March 2022**

(₹ in Lakhs)

Particulars	Note No.	Year ended 31st March 2022	Year ended 31st March 2021
<b>I) Revenue from operations</b>	15		
i) Interest Income	15(i)	3,021.354	291.063
ii) Dividend Income	15(ii)	21.991	13.664
iii) Sale of Securities	15(iii)	4,599.549	3,428.372
iv) Commission Income	15(iv)	70.000	-
vi) Income for Mutual Fund Redeem	15(vi)	-	0.007
<b>I) Total Revenue from Operations</b>		<b>7,712.893</b>	<b>3,733.106</b>
<b>II) Other Income</b>	16	<b>4,177.033</b>	<b>14.721</b>
<b>III) Total Income (I) + (II)</b>		<b>11,889.926</b>	<b>3,747.827</b>
<b>IV) Expenses</b>			
i) Finance Costs	17	598.838	4.819
ii) Purchases of stock in trade	18	4,420.271	3,834.038
iii) Changes in inventories of finished goods	19	(78.667)	(351.779)
iv) Employee Benefit Expenses	20	34.575	22.106
v) Depreciation and amortization expense	6	5.364	6.779
vi) Fees & Commission Paid		250.317	1.100
vi) Other Expenses	21	6,448.919	137.086
<b>IV) Total Expenses</b>		<b>11,679.617</b>	<b>3,654.149</b>
<b>V) Profit/(Loss) Before tax and Exceptional items (III) - (IV)</b>		<b>210.310</b>	<b>93.678</b>
<b>VI) Exceptional Items</b>			-
<b>VII) Profit/(Loss) Before tax (V) - (VI)</b>		<b>210.310</b>	<b>93.678</b>
<b>VIII) Tax expense:</b>			
(i) Current tax	22	59.500	24.031
(ii) Deferred tax		0.032	0.554
<b>IX) Profit/(Loss) for the period from continuing operations (VII) - (VIII)</b>		<b>150.778</b>	<b>69.094</b>
<b>X) Tax Expense of discontinued operations</b>		-	-
<b>XI) Profit/(loss) from discontinued operations(After tax) (X-XI)</b>		-	-
<b>XII) Profit/(loss) for the period (IX+XII)</b>		<b>150.778</b>	<b>69.094</b>
<b>XIII) Other Comprehensive Income</b>			
(A) (i) Items that will not be reclassified to profit or loss			
(ii) Income tax relating to items that will not be reclassified to profit or loss			

<b>Subtotal (A)</b>		-	-
(B) (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
<b>Subtotal (B)</b>		-	-
<b>XIV) Other Comprehensive Income (A + B)</b>		-	-
<b>XV) Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and other Comprehensive Income for the period)</b>		150.778	69.094
<b>XVI) Earning per equity share (Face value of Rs 10 each) (for continuing operations)</b>			
- Basic (in Rs.)		0.501	0.230
-Diluted (in Rs.)		0.501	0.230
<b>XVI) Earning per equity share (Face value of Rs 10 each) (for discontinued operations)</b>			
- Basic (in Rs.)		-	-
-Diluted (in Rs.)		-	-
<b>XVI) Earning per equity share (Face value of Rs 10 each) (for continuing and discontinued operations)</b>			
- Basic (in Rs.)		0.501	0.230
-Diluted (in Rs.)		0.501	0.230
Significant accounting policies	1 & 2		
Notes on financial statements			

The accompanying notes are an integral part of the financial statements

As per our report of even date.

For Amit Ray & Company  
Chartered Accountants  
Firm Regn. No. 000483C

For and on behalf of the Board of directors

SD/-  
Nag Bhushan Rao  
Partner  
Membership No.: 073144  
UDIN: 22073144AJXYXE3659

SD/-  
Murari Mallawat  
Whole Time Director  
DIN: 08809840

SD/-  
Santkumar Goyal  
Whole Time Director  
DIN: 02052831

Date: 30.05.2022  
Place: Mumbai

SD/-  
Minal Agarwal  
Company Secretary

SD/-  
Dharmendra Yadav  
CFO

**ARNOLD HOLDINGS LIMITED**  
Statement of Changes in Equity for the year ended March 31, 2022

**Equity share capital**

(₹ in Lakhs)

Particulars	Amount
<b>As at April 01, 2020</b>	3,007.500
Changes in equity share capital during the year	-
<b>As at March 31, 2021</b>	3,007.500
Changes in equity share capital during the year	-
<b>As at March 31, 2022</b>	<b>3,007.500</b>

**% of Shareholding more than 5%**

Name of the Shareholder	No. of Shares	% of Shareholdings
<b>As at March 31, 2022</b>		
Keemtee Financial Services Limited	1,773,315.000	5.90
INT Infrastructure Private Limited	3,420,230.000	11.37
Bhuvneshwari Vyapar Private Limited	1,623,975.000	5.40
<b>Total no. of shares</b>	<b>6,817,520.000</b>	<b>22.67</b>

**Other equity**

(₹ in Lakhs)

Particulars	Reserves and surplus						Total
	General Reserve	Capital Reserve	Statutory Reserve	Reserve Fund U/Sec: 45-IC@20% of NP after Tax	Provision Against Standard Asset @ 0.25% of Loans and Advances.	Retained earnings	
<b>As at April 01, 2020</b>	1,782.643	10.526	0.114	118.654	91.086	329.491	2,332.513
Profit for the year	-	-	-	-	-	69.094	69.094
Transfer to reserve	-	-	-	13.929	13.374	(27.303)	-
<b>As at March 31, 2021</b>	<b>1,782.643</b>	<b>10.526</b>	<b>0.114</b>	<b>132.583</b>	<b>104.459</b>	<b>371.282</b>	<b>2,401.607</b>
Profit for the year	-	-	-	-	-	150.778	150.778
Transfer to reserve	-	-	-	37.613	32.316	(69.929)	-
<b>Balance as at March 31, 2022</b>	<b>1,782.643</b>	<b>10.526</b>	<b>0.114</b>	<b>170.197</b>	<b>136.775</b>	<b>452.130</b>	<b>2,552.385</b>

The accompanying notes are an integral part of the financial statements

**For Amit Ray & Company**  
Chartered Accountants  
Firm Regn. No. 000483C

**For and on behalf of the Board of directors**

**SD/-**  
**Nag Bhushan Rao**  
Partner  
Membership No.: 073144  
UDIN: 22073144AJXYXE3659

**SD/-**  
**Murari Mallawat**  
Whole Time Director  
DIN: 08809840

**SD/-**  
**Santkumar Goyal**  
Whole Time Director  
DIN: 02052831

Place: Mumbai  
Date: 30.05.2022

**SD/-**  
**Minal Agarwal**  
Company Secretary

**SD/-**  
**Dharmendra Yadav**  
CFO

**ARNOLD HOLDINGS LIMITED**  
**Cash Flow Statement for the year ended 31st March 2022**

(₹ in Lakhs)

Particulars	For the period ended 31.03.2022	For the period ended 31.03.2021
<b>A. Cash Flow From Operating Activities</b>		
Profit as per Profit and Loss Account	210.310	93.678
<b>Non-cash adjustments:</b>		
Add-Interest expense	598.838	4.819
Add-Depreciation	5.364	6.779
Add-Provision for expenses	180.123	23.170
<b>Operating Profit/ (Loss) before working capital change</b>	<b>994.634</b>	<b>128.447</b>
<b>Movements in working capital</b>		
(Increase)/ Decrease in Trade Receivables	(36.728)	(21.979)
(Increase)/ Decrease in Inventory	(78.667)	(351.779)
(Increase)/ Decrease in other current financial assets	-	-
(Increase)/ Decrease in other non-current assets	120.182	(90.159)
(Increase)/ Decrease in other current assets	(7.800)	9.545
Increase/ (Decrease) in current financial liabilities	(268.152)	(2.593)
Increase/ (Decrease) in trade payable	1,423.993	6.001
Increase/ (Decrease) in other current Liabilities	0.020	(0.008)
<b>Cash Generated From Operations</b>	<b>2,147.483</b>	<b>(322.525)</b>
Income Tax Paid	(59.500)	(24.031)
<b>Net Cash From Operating Activities</b>	<b>2,087.983</b>	<b>(346.556)</b>
<b>B. Cash Flow From Investing Activities</b>		
Sale/(Purchase) of fixed assets	32.488	22.291
Sale/(Purchase) of Investment	(477.846)	(419.958)
Cash advances and loans received back	(4,735.574)	550.872
<b>Net Cash Flow From Investing Activities</b>	<b>(5,180.932)</b>	<b>153.206</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds/(Payment) from long term borrowings	3,690.557	(100.521)
Interest paid	(598.838)	(4.819)
<b>Net Cash Flow From Financing Activities</b>	<b>3,091.720</b>	<b>(105.340)</b>
<b>Net Increase/ Decrease In Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(1.230)</b>	<b>(298.691)</b>
Cash & Cash Equivalents at the beginning of the period	29.852	328.543
Cash & Cash Equivalents at the end of period	28.622	29.852
<b>Cash surplus/(deficit) for the year</b>	<b>(1.230)</b>	<b>(298.691)</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date.

For Amit Ray & Company

Chartered Accountants

Firm Regn. No. 000483C

SD/-

Nag Bhushan Rao

Partner

Membership No.: 073144

UDIN: 22073144AJXYE3659

Date: 30.05.2022

Place: Mumbai

For and on behalf of the Board of directors

SD/-

Murari Mallawat

Whole Time Director

DIN: 08809840

SD/-

Minal Agarwal

Company Secretary

SD/-

Santkumar Goyal

Whole Time Director

DIN: 02052831

SD/-

Dharmendra Yadav

C.F.O.

## Notes forming part of Financial Statements (NOTE No. 1& 2)

### 1. Corporate information

Arnold Holdings Ltd. is a public Limited NBFC Company incorporated in 1981 listed on BSE Ltd. The company is engaged in the field of Corporate Finance, Infrastructure Finance, Mortgage and Gold Loans, Capital Market.

Arnold has been seasoned provider of private equity to companies across sectors. Arnold private equity practice has led investments across range of sector- pharmaceutical research, high-end telecom technology, product development, media production services, technology, textiles, drug, manufacturing, construction, processed foods, components and tool fabrication and real estate.

### 2. Significant Accounting Policies

#### 1.1 Basis of Preparation of Financial Statements

##### a). Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the Companies Act, 2013 ("the Act").

##### b). Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities that are measured at fair value,
- Defined benefit plans - plan assets measured at fair value

#### 1.2 Summary of significant accounting policies

##### i. Current and non-current classification

The assets and liabilities reported in the balance sheet are classified on a "current/non-current basis".

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting date, or
- Cash or Cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

##### ii. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair value measurement of a non-financial asset takes into account market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

Where required/appropriate, external values are involved.

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

- Level 1 - Quoted (unadjusted) prices in active market for identical assets or liabilities.
- Level 2 (if level 1 feed is not available/appropriate) - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 (if level 1 and 2 feed is not available/appropriate) - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amount approximates fair value due to the short maturity of these instruments.

The Company recognizes transfers between levels of fair value hierarchy at the end of reporting period during which change has occurred.

### **iii. Revenue Recognition:**

Income and expenditure are recognized and accounted on accrual basis as and when they are earned or incurred. Revenue from sales transaction is recognized as and when the significant risk and reward attached to ownership in the goods is transferred to the buyer.

Revenue from sale of goods is recognized on completion of sale of goods and is recorded net of trade discount and rebates and GST is accounted for on exclusive accounting method which does not get included in Sales.

### **iv. Income Tax:**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

#### **Current income tax**

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The provision for current tax is made at the rate of tax as applicable for the income of the previous year as defined under the Income tax Act, 1961. Management periodically evaluates positions taken in tax

returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provision where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and current tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

### **Deferred tax**

Deferred tax is recognized using the Balance Sheet approach on temporary differences at the reporting date arising between the tax bases of assets and liabilities and their carrying amounts for the financial reporting purpose at the reporting date.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry forwards and unused tax credits could be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

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

Particulars	As at 31 <sup>st</sup> March,2022	As at 31 <sup>st</sup> March 2021
Opening Balance (Assets)	(2,30,279)	(2,33,466)
Addition/(Reversal) in Profit & Loss Statement	-	-
<b>Closing Balance Liability/(Assets)</b>	<b>(2,30,279)</b>	<b>(2,33,466)</b>

### **v. Impairment of Assets**

An impairment loss is charged to the Statement of profit and loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount. During the year, there is no impairment of assets and accordingly no provision has been made in this regard.

### **vi. Cash & Cash Equivalents:**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are term deposit balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to in significant risk of changes in value.

### **vii. Inventories:**

The inventories of equity shares have been valued at Cost.

### **Financial Instruments:**

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

Financial assets and liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

### **Financial assets:**



## Classification

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
- Those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

### **Initial recognition and measurement:**

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through Profit and Loss are expensed in the Statement of Profit and Loss.

### **Subsequent measurement:**

#### **After initial recognition, financial assets are measured at:**

Fair value (either through other comprehensive income or through Profit and Loss), or amortized cost.

#### **Debt instruments:**

Debt instruments are subsequently measured at amortized cost, fair value through other comprehensive income ('FVOCI') or fair value through Profit and Loss ('FVTPL') till de-recognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

#### **Amortised cost:**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in the Statement of Profit and Loss when the asset is derecognized or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

#### **Fair Value through Other Comprehensive Income (FVOCI):**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in the Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

#### **Fair Value through Profit and Loss (FVTPL):**

Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognized in Statement of Profit and Loss in the period in which it arises. Interest income from these financial assets is recognized in the Statement of Profit and Loss.

### **Financial liabilities:**

#### **Initial recognition and measurement**

Financial liabilities are initially measured at its fair value plus or minus, in the case of a financial liability not at FVTPL, transaction costs that are directly attributable to the issue/origination of the financial liability.

#### **Subsequent measurement:**

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in Statement of profit and loss. Any gain or loss on derecognition is also recognized in statement of Profit and Loss.

**De-recognition:**

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

**viii. Property, plant and equipment**

Items of Property, plant and equipment acquired or constructed are initially recognized at historical cost net of recoverable taxes, duties, trade discounts and rebates, less accumulated depreciation and impairment loss, if any. The historical cost of Property, plant and equipment comprises of its purchase price, borrowing costs and adjustment arising for exchange rate variations attributable to the assets, including any cost directly attributable to bringing the assets to their working condition for their intended use.

Capital Work-in-Progress represents Property, plant and equipment that are not ready for their intended use as at the reporting date.

"The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition and location for their intended use, and the initial estimate of dismantling and removing the items and restoring the site on which they are located and borrowing costs. Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis to the cost of related assets. Deposit works/cost plus contracts are accounted for on the basis of statements of account received from the contractors.

Unsettled liabilities for price variation/exchange rate variation in case of contracts are accounted for on estimated basis as per terms of the contracts."

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

The Company identifies and determines cost of each component/part of the plant and equipment separately, if the component/part has a cost which is significant to the total cost of the plant and equipment and has useful lives that is materially different from that of the remaining plant and equipment.

The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the year in which they are incurred.

Gains and losses arising from de-recognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

**Transition to Ind AS**

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognized as at April 1, 2018 measured as per the previous GAAP and use that carrying value as the deemed cost of the Property, plant and equipment.

**Depreciation method**

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written down Value (WDV) Method/SLM method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

**ix. Intangible Assets**

Intangible assets are stated at cost of acquisition net of recoverable taxes, trade discounts and rebates less accumulated amortization/depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net changes on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit & loss when the asset is derecognized.

**x. Provisions and contingent liabilities**

**Provisions**

Provisions are recognized when there is a present legal or constructive obligation as a result of a past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

**Contingencies**

Contingent liabilities are disclosed in the Notes to the financial statements. Contingent liabilities are disclosed for: -  
- When there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or  
- A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

The company has filed and contesting appeals before CIT (A), Kolkata against the Assessment orders u/s 143(3) of Income Tax Act, 1961 in the case of erstwhile transferor companies which were merged in the company pursuant to Order of Hon'ble High Court, Kolkata. The demand raised by the department as informed by the Management of the Company for the Asst. Year 2007-2008 is Rs. 79.25 Lacs. The Management is confident to get the relief from the Appellate Authorities.

**xi. Earnings per Share:**

Basic earnings per share is calculated by dividing the net profit after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, etc. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

All Property, Plant and Equipment (PPE) are stated at carrying value in accordance with previous GAAP, which is used as deemed cost on the date of transition to Ind AS using the exemption granted under Ind AS 101.

The cost of an item of property, plant and equipment is recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The cost of an item of PPE is the cash price equivalent at the recognition date.

The company has chosen the cost model for recognition and this model is applied to all class of assets. After recognition as an asset, an item of PPE is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Particulars	Current Year	Previous Year
Amounts used as numerator in calculating EPS (Rs.)	1,50,77,774.81	69,09,362.42
Weighted no. of Equity Shares used as denominator (Nos.)	3,00,75,000.00	3,00,75,000.00
Nominal value per Equity Share (Rs.)	10.00	10.00
Earnings/(Loss) Per Share (Basic) (Rs.)	0.501	0.230
Earnings/(Loss) Per Share (Diluted) (Rs.)	0.501	0.230

**xii. Employee's Benefit:**

Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

**Short-Term Obligation**

Short-term employee benefits like salaries, wages, bonus and welfare expenses payable wholly within twelve months of rendering the services are accrued in the year in which the associated services are rendered by the employees and are measured at the amounts expected to be paid when the liabilities are settled.

**Long-Term Obligation**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognized as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

**Defined Contribution Plans**

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

**xiii. Cash flow statement:**

Cash flows are reported using the indirect method prescribed in Ind AS 7 'Statement of Cash Flows', where by profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**xiv. Loan, Advances & Security Deposit**

Loans and Advances are considered good in respect of which company does not hold any security other than the personal guarantee of persons.

Balances of Loans and Advances, Debtors, Creditor, Banks are subject to confirmation and reconciliation.

**xv. Accounting for Indirect Taxes (GST)**

The Company is recording sales and purchases on exclusive method and GST are not passed through the profit and Loss accounts of the company. The Effect of Indirect Taxes (GST) on Sales will be as = Gross Sales (-) GST = Net Sales

**xvi. Break-Up of auditors remuneration:**

Particulars	Current Year Amount (₹)	Previous Year Amount (₹)
Statutory Audit	50,000	29,500
Company Law Matters	-	-

<b>Total</b>	<b>50,000</b>	<b>29,500</b>
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**xvii. Related Party Disclosures are as under**

- (i) The disclosures of transactions with the related parties as required by IND AS 24 "Related Party Disclosures" are given as under. Related parties have been identified on the basis of representation made by the management of the company and information available with the company.

**A. Name of Directors & Key Management Personnel**

Sr. No.	Name of Director & KMP	Designation
1	Mr. Santkumar Goyal	Whole Time Director
2	Mr. Murari Mallawat	Whole Time Director
3	Mr. Rajpradeep Mahavirprasad Agrawal	Whole Time Director
4	Mr. Sopan Vishwanathrao Kshirsagar	Independent Non- Executive Director
5	Mr. Sushil Mahendrakumar Jhunjhunwala	Independent Non- Executive Director
6	Mrs. Munni Devi Jain	Independent Non- Executive Director
7	Mr. Dharmendra R. Yadav	CFO
8	Ms. Minal Dinesh Agarwal	Company Secretary & Compliance Officer

**B. Relative of Directors & Key Management Personnel**

Sr. No.	Name	Relation
1	Mr. Pawankumar Mallawat	Relative of Director

**(ii) Transaction with Related Parties**

(Rs. In Lakhs)

Particulars	Year Ended 31.03.2022		Year Ended 31.03.2021	
	Directors & Key Management Personnel	Relative of Key Management Personnel	Directors & Key Management Personnel	Relative of Key Management Personnel
Remuneration Paid & Sitting Fees	16.10	-	16.27	-
Office Rent	-	6.60	-	6.60

- (iii) Loans and Advances in nature of loans granted to directors, promoters, KMPs, and the Related Parties during the year:

The Company has not granted any loan or advances in nature of loans to directors, promoters, KMPs, and the Related Parties during the year either jointly or severally whether repayable on demand or without specifying any terms or period.

**xviii. Significant Judgments and Estimates**

The preparation of the Company's financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amount of assets, liabilities, revenue, expenses, and the accompanying disclosures and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associates' assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when financial statements were prepared. These estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

**xix. Estimates and Assumptions**

The key assumptions concerning the future and other key sources of estimation at the reporting date, which may cause material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market

changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

The areas involving critical estimates and judgments are:

- Useful lives of Property, plant and equipment and intangibles
- Measurement of defined benefit obligations
- Provision for inventories
- Measurement and likelihood of occurrence of provisions and contingencies
- Impairment of trade receivables
- Deferred Taxes

**xx. Dividend:**

The Company has not paid and declared any dividend to the public shareholders.

**xxi. Corporate Social Responsibility (CSR) expenditure**

As per the provisions of section 135 Corporate Social Responsibility of Companies Act, 2013 the above-mentioned company does not fulfill the criteria as mentioned in sec 135 of the act. Therefore, this section is not applicable to the above-mentioned company.

**xxii. Other Notes:**

Additional information required pursuant to The Companies Act 2013.

**a) Stock Details**

	Units	Opening Stock	Inward	Outward	Closing Stock
Shares & Securities	Numbers	36,14,114 NOS	47,49,300 NOS	49,20,388 NOS	34,43,026 NOS

**b) Foreign currency transactions**

Expenditure in Foreign Currency:	NIL	NIL
Earning in Foreign Exchange	NIL	NIL

**c) Disclosure under Sec 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED):**

The principal amount and the interest thereon due to any supplier as at the year end	The amount of payment made to the supplier beyond the appointed day and the interest thereon, during the year	The amount of interest due and payable for the period of delay in making payment	The amount of interest accrued and remaining unpaid at the end of the year	The amount of further interest remaining due and payable in the succeeding year
NIL	NIL	NIL	NIL	NIL

Dues to the Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information by the management. This has been relied upon by the auditors.

The Company is in the process of compilation of details of amounts due to small scale industrial units, and only the party who have informed their status as MSME to the company have been consider for above report.

- d) Provision for current tax is made in the accounts on the basis of estimated tax liability as per the applicable provisions of the Income Tax Act 1961.
- e) Figures pertaining to the previous year's/period have been regrouped/rearranged, reclassified and restated wherever considered necessary, to make them comparable with those of current year/period.
- f) The Company does not have any benami property, where any proceeding has been initiated or pending against the company for holding any Benami Property.
- g) The Company does not have any transactions with companies struck off.
- h) The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- i) The company have not traded or invest in Crypto currency or Virtual currency during the financial year.
- j) The company have not advanced or given loan or invested fund to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- k) The company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding party) with the understanding (whether recorded in writing or otherwise) that the company shall:
- (i) 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
- (ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- l) The company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- m) The company has not been declared as Willful defaulter by the Banks, Financial institution or other lenders.

**As per our report of even date.**

**For Amit Ray & Company  
Chartered Accountants  
Firm Regn. No. 000483C**

**SD/-  
Nag Bhushan Rao  
Partner  
Membership No.: 073144  
UDIN: 22073144AJXYE3659**

**Place: Mumbai  
Date: 30.05.2022**

**For and on behalf of the Board of directors**

**SD/-  
Murari Mallawat  
Whole Time Director  
DIN: 08809840**

**SD/-  
Minal Agarwal  
Company Secretary**

**SD/-  
Santkumar Goyal  
Whole Time Director  
DIN: 02052831**

**SD/-  
Dharmendra Yadav  
CFO**



**ARNOLD HOLDINGS LIMITED**  
Notes Forming Part of the Financial Statements as at 31st March 2022

**3: Current financial assets**

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>A: Trade Receivable</b>		
Trade Receivables Considered good	64.574	27.846
<b>Total A</b>	<b>64.574</b>	<b>27.846</b>
<b>B: Cash &amp; cash equivalents</b>		
Cash on Hand	3.731	1.955
Balances with Bank in Current Account	24.891	27.897
<b>Total B</b>	<b>28.622</b>	<b>29.852</b>
<b>C: Deposit</b>		
Rent Deposit	7.800	-
<b>Total C</b>	<b>7.800</b>	<b>-</b>

**4: Non-current financial assets**

Particulars	As at 31st March 2022	As at 31st March 2021
<b>A: Investments</b>		
Fixed Deposit (Auto Sweep)	908.346	430.500
<b>Total A</b>	<b>908.346</b>	<b>430.500</b>
<b>B: Loan (Unsecured, considered good)</b>	<b>8,078.990</b>	3,343.415
<b>Total B</b>	<b>8,078.990</b>	<b>3,343.415</b>

**5: Inventory**

Particulars	As at 31st March 2022	As at 31st March 2021
Shares And Securities	1,500.300	1,421.634
<b>Total</b>	<b>1,500.300</b>	<b>1,421.634</b>

## 6: Property, plant and equipment

(₹ in Lakhs)

Particulars	Gross Block				As at March 31, 2022	Depr eciati on	As at April 1, 2021	Additi ons	As at March 31, 2022	(Profit)/ Loss on sale of fixed assets	Net block	As at March 31, 2022	As at March 31, 2021
	As at April 1, 2021	Additi ons	Dispo sals	Comm ission on sale of assets									
<u>Residential Property (FG)</u>													
FLAT NO A/101 MAHALAXMI APART	8.510	-	15.738	5.460	(1.768)	-	0.414	0.414	(2.182)	-	-	8.510	
FLAT NO A/103 MAHALAXMI APART	6.010	-	12.241	1.390	(4.841)	-	0.293	0.293	(5.133)	-	-	6.010	
FLAT NO A/106 MAHALAXMI APART.	7.987	-	-	-	7.987	-	0.389	0.389	-	-	7.598	7.987	
FLAT NO A/204 MAHALAXMI APART	9.639	-	22.100	6.930	(5.531)	-	0.469	0.469	(6.001)	-	-	9.639	
FLAT NO B/304 GANESH APART	9.992	-	-	-	9.992	-	0.487	0.487	-	-	9.506	9.992	
FLAT NO. C/103 GANESH APART	9.992	-	21.300	2.440	(8.868)	-	0.487	0.487	(9.354)	-	-	9.992	
FLAT NO D/103 GANESH APART	9.992	-	-	-	9.992	-	0.487	0.487	-	-	9.506	9.992	
FLAT NO D/303 GANESH APART	9.992	-	-	-	9.992	-	0.487	0.487	-	-	9.506	9.992	
<u>Commercial Property (FG)</u>													
SHOP NO A/19 MAHALAXMI APART	4.518	-	-	-	4.518	-	0.220	0.220	-	-	4.298	4.518	
SHOP NO A/20 MAHALAXMI APART	4.408	-	-	-	4.408	-	0.215	0.215	-	-	4.193	4.408	
SHOP NO A/21 MAHALAXMI APART	3.581	-	-	-	3.581	-	0.174	0.174	-	-	3.406	3.581	
SHOP NO A/22 MAHALAXMI APART	4.518	-	-	-	4.518	-	0.220	0.220	-	-	4.298	4.518	
SHOP NO A/23 MAHALAXMI APART	3.484	-	-	-	3.484	-	0.170	0.170	-	-	3.314	3.484	

SHOP NO A/24 MAHALAXMI APART	2.777	-	-	-	2.777	-	0.135	0.135	-	2.642	2.777
SHOP NO A/25 MAHALAXMI APART	3.759	-	-	-	3.759	-	0.183	0.183	-	3.576	3.759
Shop No. A/26 MAHALAXMI APART.	3.313	-	-	-	3.313	-	0.161	0.161	-	3.152	3.313
SHOP NO B/17 MAHALAXMI APART	3.310	-	-	-	3.310	-	0.161	0.161	-	3.149	3.310
SHOP NO B/18 MAHALAXMI APART	4.351	-	-	-	4.351	-	0.212	0.212	-	4.139	4.351
<b>Total</b>	<b>110.13</b>	<b>-</b>	<b>71.379</b>	<b>16.220</b>	<b>54.975</b>	<b>-</b>	<b>5.364</b>	<b>5.364</b>	<b>(22.671)</b>	<b>72.282</b>	<b>110.13</b>

#### 7: Deferred tax asset

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Deffered tax assets	2.303	2.335
<b>Total</b>	<b>2.303</b>	<b>2.335</b>

#### 8: Other non-current assets

Particulars	As at 31st March 2022	As at 31st March 2021
Tax deducted at source (Unsecured)	17.359	157.106
Appeal & Demands	7.918	-
Advance Tax	10.000	-
Accrued Interest Receivable	1.647	-
<b>Total</b>	<b>36.924</b>	<b>157.106</b>

#### 9: Financial liabilities

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>A: Trade Payables</b>		
Sundry Creditors	1,430.115	6.122
<b>Total A</b>	<b>1,430.115</b>	<b>6.122</b>

<b>B: Other financial liabilities</b>		
Salary Payable	0.018	1.535
Director Remuneration - Sant Kumar Goyal	0.895	-
Director Remuneration Payable	1.400	-
Audit Fees Payable	-	0.538
Gst Payable	(271.286)	(2.895)
<b>Total B</b>	<b>(268.973)</b>	<b>(0.822)</b>

#### 10: Borrowings

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Borrowings</b>		
<b>Unsecured Loans</b>		
Smardoce Solutions Pvt Ltd - Loan	3,395.554	-
<b>Secured Loan</b>		
YES Bank 2347 - OD	295.004	-
<b>Total A</b>	<b>3,690.557</b>	<b>-</b>

#### 11: Provisions

Particulars	As at 31st March 2022	As at 31st March 2021
Provision for TDS on Contractor	34.465	-
Provision for TDS on Professional 194J	7.500	-
Provision for TDS on Interest Paid 194A	17.167	-
Provision for TDS on Professional Fees	0.709	0.135
Provision TDS on Rent	1.530	0.248
Provision TDS on Commission paid	0.259	0.168
Provision for Income Tax ( A.Y. 2022-23)	59.500	-
Provision for Income Tax ( A.Y. 2018-19)	-	16.248
Provision for Income Tax ( A.Y. 2019-20)	-	11.551
Provision for Income Tax ( A.Y. 2020-21)	-	55.934
Provision for Income Tax ( A.Y. 2021-22)	-	24.031
Provision For Expenses - Micro Loan	133.806	-
Provision for Micro Loan	33.501	-
<b>Total</b>	<b>288.436</b>	<b>108.313</b>

#### 12: Other Current liabilities

Particulars	As at 31st March 2022	As at 31st March 2021
Professional Tax Payable	0.121	0.101
<b>Total</b>	<b>0.121</b>	<b>0.101</b>

### 13: Equity share capital

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Authorised capital</b> 5,00,00,000 Crores Equity Shares of Rs. 10 each (P.Y. 5,00,00,000 Crores Equity Shares of Rs. 10 each)	5,000.000	5,000.000
<b>Total</b>	<b>5,000.000</b>	<b>5,000.000</b>
<b>Issued, subscribed &amp; paid up capital</b> 3,00,75,000 Equity Shares of Rs. 10 each (P.Y. 3,00,75,000 Equity Shares of Rs. 10 each fully paid up)	3,007.500	3,007.500
<b>iii) Other financial assets</b>	<b>3,007.500</b>	<b>3,007.500</b>

#### a. Reconciliation of number of equity shares

Particulars	As at 31st March 2022	As at 31 March 2021
<b>Equity Share</b> At the beginning of the year	300.750	300.750
Issued during the year	-	-
Bonus issue paid during the Year	-	-
<b>Outstanding at the end of the year</b>	<b>300.750</b>	<b>300.750</b>

#### b. Terms/rights attached to equity shares

##### Borrowings

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

### 14: Other equity

Particulars	As at 31st March 2022	As at 31 March 2021
<b>General Reserve</b> Balance at beginning of the year	1,782.643	1,782.643
Add: Transferred during the year	-	-
Less: Deletion during the year	-	-
<b>Sub Total-(a)</b>	<b>1,782.643</b>	<b>1,782.643</b>
<b>Capital Reserve</b> Balance at the Beginning of the year	10.526	10.526
Add: Transferred during the year	-	-
<b>Sub Total-(b)</b>	<b>10.526</b>	<b>10.526</b>
<b>Statutory Reserve</b> Balance at the Beginning of the year	0.114	0.114
Add: Transferred during the year	-	-
Less: Deletion during the year	-	-
<b>Sub Total-(c)</b>	<b>0.114</b>	<b>0.114</b>

<b>Reserve Fund U/Sec: 45-IC@20% of NP after Tax</b>		
Balance at the Beginning of the year	132.583	118.654
Add: Transferred during the year	37.613	13.929
Less: Deletion during the year	-	-
<b>Sub Total-(d)</b>	<b>170.197</b>	<b>132.583</b>
<b>Provision Against Standard Asset @ 0.25% of Loans and Advances &amp; ECL Provision</b>		
Balance at the Beginning of the year	104.459	91.086
Add: Transferred during the year	20.197	8.359
Add: Prov. for Impairment Assets (ECL)	12.118	5.015
Less: Deletion during the year	-	-
<b>Sub Total-(e)</b>	<b>136.775</b>	<b>104.459</b>
<b>Reserves &amp; Surplus</b>		
Balance at beginning of the year	371.282	329.491
Add: Profit for the year	150.778	69.094
Less: Contingent Provision Against Standard Assets	(20.197)	(8.359)
Less: Transferred to Reserve Fund U/Sec 45-1C	(37.613)	(13.929)
Less: Prov. for Impairment Assets (ECL)	(12.118)	(5.015)
<b>Sub Total-(f)</b>	<b>452.130</b>	<b>371.282</b>
<b>Total-(a+b+c+d+e+f)</b>	<b>2,552.385</b>	<b>2,401.607</b>

#### 15: Revenue from operations

(₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
i) Interest Income	3,021.354	291.063
ii) Dividend	21.991	13.664
iii) Sale of Securities	4,599.549	3,428.372
iv) Commission Income	70.000	-
vi) Income for Mutual Fund Redeem	-	0.007
<b>Total</b>	<b>7,712.893</b>	<b>3,733.106</b>

#### 16: Other Income

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Micro Loan Dues Income	132.676	-
Micro Loan Processing Fees	3,997.336	-
Interest Income Tax Refund A.Y 20-21	0.976	-
Professional Fees - Finance Work	-	-
Consultancy Fees Recd	23.375	1.000
Profit on Sale Flat	22.671	13.721
<b>Total</b>	<b>4,177.033</b>	<b>14.721</b>

**17: Financial Costs**

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Interest on Secured Loans	598.838	4.819
<b>Total</b>	<b>598.838</b>	<b>4.819</b>

**18: Purchase of stock-in-trade**

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Purchase of Securities	4,249.119	3,646.516
FNO Trading	171.152	148.044
Purchase of Securities (Bond)	-	39.478
<b>Total</b>	<b>4,420.271</b>	<b>3,834.038</b>

**19: Changes in inventories**

Borrowings	Year ended 31st March 2022	Year ended 31st March 2021
<b>Inventory at the end of the year</b>		
Traded Goods	1,500.300	1,421.634
<b>Inventory at the beginning of the year</b>		
Traded Goods	1,421.634	1,069.854
<b>(Increase)/decrease in inventories</b>		
Traded Goods	(78.667)	(351.779)

**20: Employment Benefit Expenses**

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Salary and wages	23.888	9.384
Director Remuneration	7.000	11.671
Staff Welfare	3.687	1.051
<b>Total</b>	<b>34.575</b>	<b>22.106</b>

**21: Other Expenses**

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Advertising expenses	0.572	0.559
Agency Charges ( Crif High Mark)	-	0.050
Agency Charges ( Equifax)	0.050	0.050



Agency Charges ( Experian)	0.050	0.100
Annual Fees	0.017	-
Auction Commission	0.013	-
Audit fees	0.500	0.295
Bank charges	1.125	0.026
BSE Listing Charges	3.000	3.000
Business Support Charges	421.357	-
CGST	1.872	-
Cloud Hosting Services	38.969	-
Collection Agency Expenses	62.968	-
Communication Exp	124.493	-
Consumer Credit Report Charges	92.911	-
Conveyance expenses	3.965	2.941
Digital Marketing Exp	35.675	-
Donation	3.000	-
Depository Charges	1.600	1.625
Demat Charges	0.103	-
Computer Maintenance	6.577	2.086
Electricity expenses	0.237	0.415
Face Book Adwords Exp	6.593	-
Rating Expenses	-	3.000
General Expense	4.053	2.435
Interest On Tds	0.424	-
Deliv Book	0.000	-
Legal Expenses	0.575	-
Loan Written Off - Exp	112.117	-
Marketing & Promotion Exp	21.775	-
Office Expense	3.456	3.745
On Boarding & Recruitment Exp	38.779	-
Other Charge	(0.104)	-
Other Support Charges	3,479.986	-
Out Sourcing & Back Office Exp	803.774	-
Office Rent	20.004	6.600
Postage & telegram Exp.	3.219	1.397
Printing and stationery	3.282	0.785
Professional Fees & Charges	481.077	-
Provisions W/off	37.258	-
Bad and Doubtful Debts W/off	435.565	81.465
Repairs and maintenance Charges	0.884	2.415
Telephone and postage expenses	0.593	0.263
Travelling Expenses	3.460	1.077
Website Expense	-	0.155
Round Off	0.021	(0.058)
ROC Charges	0.541	0.674
Rates & taxes	0.303	10.358
Sebi Fees	0.004	-

SGST	1.872	-
Stamp Charges	0.767	-
Stt Sttdel	8.515	-
Stt Sttrnd	0.000	-
Stt Sttsq	0.118	-
Share trading expenses	-	11.149
Share Registrar & Transfer Agent Fees	0.215	0.429
SMS Marketing Exp	49.400	-
Sourcing Fees	73.503	-
Tech Support & Main Power Exp	4.950	-
Web Development Exp	18.500	-
Website Expenses	0.254	-
Annual general meeting expense	-	0.050
Transaction Charges	0.632	-
Provision for Bad & Doubtful Debts (Micro Loan)	33.501	-
<b>Total</b>	<b>6,448.919</b>	<b>137.086</b>

## 22: Current tax

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Current tax pertaining to current year	59.500	24.031
<b>Total</b>	<b>59.500</b>	<b>24.031</b>

## 23. Fair Value Measurements

### (a) Financial instruments by category

(Amount in ₹)

Particulars	31 .03.2022			31.03 2021		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial assets</b>						
Trade Receivables	-	-	64.574	-	-	27.846
Loans	-	-	8,078.990	-	-	3,343.415
Cash and cash equivalents	-	-	28.622	-	-	29.852
Investments			908.346			430.500
Other financial assets			7.800			-
	-	-	<b>9,088.332</b>	-	-	<b>3,831.614</b>
<b>Financial liabilities</b>						
Borrowings	-	-	3,690.557	-	-	-
Trade payables	-	-	1,430.115	-	-	6.122
	-	-	<b>5,120.672</b>	-	-	<b>6.122</b>

### (b) Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value of financial instruments measured at amortised cost for which fair value is being disclosed, the company has classified these into the three

levels prescribed under Ind AS 113, 'Fair value measurement'.

**Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The fair value of financial assets and liabilities included in Level 3 is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes of similar instruments.

## **Financial Risk Management**

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

### **A. Credit risk**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The company is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities (deposits with banks and other financial instruments).

#### **Credit risk management**

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

The Company's maximum exposure to credit risk as at 31st March, 2022 and 2021 is the carrying value of each class of financial assets.

#### **i Trade and other receivables**

Credit risk on trade receivables is limited based on past experience and management's estimate.

Ageing of trade and other receivables that were not impaired was as follows.

<b>Carrying amount</b>	<b>31-Mar-22</b>	<b>31-Mar-21</b>
Neither Past due nor impaired	64.574	27.846
Past due but not impaired	-	-
Past due more than 180 days	-	-
<b>TOTAL</b>	<b>64.574</b>	<b>27.846</b>

#### **ii Cash and Cash Equivalents**

The Company held cash and bank balance with credit worthy banks of Rs. 28.622 at March 31, 2022 (March 31, 2021: Rs. 29.852). The credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks where credit risk is largely perceived to be extremely insignificant.

### **B. Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – trade payables.

#### **Liquidity risk management**

The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine the Company's credit rating and impair investor confidence. The Company maintained a cautious funding strategy, with a positive cash balance throughout the year ended 31st March, 2022 and 31st March, 2021. This was the result of cash delivery from the business. Cash flow from operating activities provides the funds to service the financing of financial liabilities on a day-to-day basis. The Company's treasury department regularly monitors the rolling forecasts to ensure it has sufficient cash on-going basis to meet operational needs. Any short term surplus cash generated by the operating entities, over and above the amount required for working capital management and other operational requirements, are retained as cash and cash equivalents (to the extent required).

#### Maturities of non – derivative financial liabilities

(Amount in Lakh.)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Less than 1 year	More than 1 year	Less than 1 year	More than 1 year
<b>Financial Liabilities - Current</b>				
i. Trade payables	1428.641	1.473	6.122	-
<b>Total</b>	<b>1428.641</b>	<b>1.473</b>	<b>6.122</b>	<b>-</b>

#### C. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments. The Company is exposed to market risk primarily related to interest rate risk and the market value of the investments.

##### i Currency Risk

The functional currency of the Company is Indian Rupee. Currency risk is not material, as the Company does not have any exposure in foreign currency.

##### ii Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

##### Exposure to interest rate risk

According to the Company interest rate risk exposure is only for floating rate borrowings. Company does not have any floating rate borrowings on any of the Balance Sheet date disclosed in this financial statements.

##### iii Price Risk

Price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. It arises from financial assets such as investments in quoted instruments.

##### a Fair value sensitivity analysis for fixed rate Instruments

The Company does not account for any fixed rate financial assets or financial liabilities at fair value through Profit or Loss. Therefore, a change in interest rates at the reporting date would not affect Profit or Loss.

##### b Cash flow sensitivity analysis for variable rate Instruments

The company does not have any variable rate instrument in Financial Assets or Financial Liabilities.

The company is exposed to price risk from its investment in equity instruments classified in the balance sheet at fair value through other comprehensive income.

#### Capital Management

The company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for Shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-today needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The management monitors the return on capital as well as the level of dividends to shareholders. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

## 24. Financial ratios

<u>Sr. No.</u>	<u>Ratios</u>	<u>Methodology</u>	<u>Variance</u>	<u>As at 31.03.2022</u>	<u>As at 31.03.2021</u>
1.)	Current Ratio	Current assets/Current liabilities	-99.60%	1.11	276.65
2.)	Debt Equity Ratio	Total debt/Shareholders Equity	-	0.66	0.00
3.)	Debt Service Coverage Ratio	Earnings available for Debt Service/ Interest exp + Principal repayment	-93.77%	1.36	21.85
4.)	Return On Equity Ratio	PAT-Preference Share dividend (if any)/Average Shareholders Fund**	333.65%	0.06	0.01
5.)	Inventory Turnover Ratio	Cost of Goods Sold/Average inventory	96.18%	5.14	2.62
6.)	Trade Receivables Turnover Ratio	Net Credit Sales / Average Trade Receivable	-24.63%	166.91	221.46
7.)	Trade Payables Turnover Ratio	Net Credit purchases/Average trade payable	-99.50%	6.15	1,228.26
8.)	Net Capital Turnover Ratio	Net Sales/ Average Working Capital	1776.25%	94.00	5.01
9.)	Net Profit Ratio	Net profit after tax/ Net Sales × 100	5.62%	1.95%	1.85%
10.)	Return On Capital Employed	Profit before Interest and Tax/Capital Employed × 100	389.89%	8.72%	1.78%
11.)	Return On Investment	Profit before Interest and Tax/Capital Employed × 100	389.89%	8.72%	1.78%

### Explanation for variances exceeding 25%

Current Ratio is decreased on account of increase in current liabilities.

Debt Equity Ratio increased on account of Increase in Unsecured Loan & Bank overdraft amount.

Debt Service coverage Ration decreased on account of increase in profit of the company in compare to last year.

Return on Equity Ratio increased on account of increase in profit of the company in compare to last year.  
 Trade receivable Turnover Ratio had decreased during the year on account of increase in sales as compared to last year.  
 Trade Payable Turnover Ratio had decreased on account of increase in purchase and avg. trade payables as compare to last year.  
 Net Capital Turnover Ratio had increased on account of increase in turnover and decrease in avg. working capital as compare to last year.  
 Return on Capital Employed and Return on Investment had increased on account of increase in PBIT and capital employed as compare to last year.

**Notes:**

a. Average shareholders fund	(Opening shareholders fund+Closing shareholders fund)/2
b. Cost of goods sold	(Opening stock+ Purchases- Closing stock)
c. Average inventory	(Opening stock+Closing stock)/2
d. Average Trade receivable	(Opening trade receivable+Closing trade receivable)/2
e. Average Trade payable	(Opening trade payable+Closing trade payable)/2
f. Working Capital	Current Assets-Current Liability(Excluding short term borrowing)
g. Average Working Capital	(Opening Working Capital+ Closing Working Capital)/2
h. Capital Employed	Total assets- Current liabilities

**As per our report of even date.**

**For Amit Ray & Company**  
**Chartered Accountants**  
**Firm Regn. No. 000483C**

**For and on behalf of the Board of directors**

**SD/-**  
**Nag Bhushan Rao**  
**Partner**  
**Membership No.: 073144**  
**UDIN: 22073144AJXYE3659**

**SD/-**  
**Murari Mallawat**  
**Whole Time Director**  
**DIN: 08809840**

**SD/-**  
**Santkumar Goyal**  
**Whole Time Director**  
**DIN: 02052831**

**Date: 30.05.2022**  
**Place: Mumbai**

**SD/-**  
**Minal Agarwal**  
**Company Secretary**

**SD/-**  
**Dharmendra Yadav**  
**CFO**

# ARNOLD HOLDINGS LIMITED

CIN: L65993MH1981PLC282783

Regd Off: B 208, Ramji House, 30 Jambulwadi, JSS Road, Mumbai-400002

Website: [www.arnoldholding.in](http://www.arnoldholding.in), E mail: [arnoldholding9@gmail.com](mailto:arnoldholding9@gmail.com), Ph.: 022-2016640



## ATTENDANCE SLIP

Name of the member(s):	
Registered Address:	

Folio No		*DP ID	
No. of Shares		*Client ID	

\* Applicable to holders holding shares in Demat/electronic form

I hereby record my attendance at the 40<sup>th</sup>Annual General Meeting of the Company held on Wednesday, the 28<sup>th</sup>day of September, 2022 at the IMC Chamber of Commerce & Industry, Kilachand Conference Room, 2nd Floor, IMC Bldg., IMC Marg, Churchgate-400020, Maharashtra at 10:00 A.M.

\_\_\_\_\_  
Shareholders Signature

### Note:

1. Please fill this attendance slip and hand it over at the entrance of the Meeting Hall.
2. Members signature should be in accordance with the specimen signature in the Register of Members of the Company.
3. Members are requested to bring their copy of the Annual Report and this Attendance Slip at the Annual General Meeting of the Company.



# ARNOLD HOLDINGS LIMITED

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## Form MGT-11

### PROXY FORM

[Pursuant to section 105(6) if the Companies Act, 2013 and rule 19(3) if the Companies (Management and Administration Rules, 2014)]

Name of the member(s):	
Registered Address:	
E-mail ID:	
Folio No/ *Client ID:	
*DP ID:	

\*Applicable for holders holding shares in demat/ electronic mode

I/We, being the member(s) of ..... Shares of the above named company, hereby appoint

1. Name:.....Address:.....  
E-mail ID: .....Signature: ..... **Or failing him**
2. Name:.....Address:.....  
E-mail ID: .....Signature: ..... **Or failing him**
3. Name:.....Address:.....  
E-mail ID: .....Signature: .....

As my/our proxy to attend and vote (on a poll) for me/ us and my/our behalf at the 40th Annual General Meeting of the Company, to be held on Wednesday, the 28<sup>th</sup> day of September, 2022 at the IMC Chamber of Commerce & Industry, Kilachand Conference Room, 2nd Floor, IMC Bldg., IMC Marg, Churchgate-400020, Maharashtra at 10:00 A.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Ordinary Resolution	For	Against
1	Adoption of Annual Accounts, Auditor's & Director's Report.		
2	Re-appointment of Mr. Murari Mallawat (DIN: 08809840), Whole Time Director Who retires by rotation and being eligible, offers himself for re-appointment.		
	<b>Special Resolution</b>		
3	To approve increase in Remuneration of Mr. Murari Mallawat (DIN: 08809840) Whole Time Director of the Company.		
4	Approval of Material Related Party Transaction(s)		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2022.

Affix Re. 1  
Revenue Stamp

\_\_\_\_\_  
Signature of Shareholder

**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

# ARNOLD HOLDINGS LIMITED

CIN: L65993MH1981PLC282783

Regd Off: B 208, Ramji House, 30 Jambulwadi, JSS Road, Mumbai-400002

Website: [www.arnoldholding.in](http://www.arnoldholding.in), E mail: [arnoldholding9@gmail.com](mailto:arnoldholding9@gmail.com), Ph.: 022-2016640



## FORM MGT-12

### POLLING FORM

1. Name(s) of Member(s) :  
(Including joint holders, if any)
2. Registered address of the :  
Sole/first named Member
3. Registered folio No./ :  
DP ID No. /Client ID No.\*  
(\*Applicable to investors holding  
Shares in dematerialized form)
4. Number of Shares held :
5. I/We hereby exercise my/our vote in respect of the Resolution to be passed through Postal Ballot for the Business stated in the Postal Ballot Notice and Explanatory Statement annexed thereto by sending my/our assent (FOR) or dissent (AGAINST) to the said resolution by placing the tick (v ) mark at the appropriate box below:

Item No.	Item	Nature of Resolution	No. of shares	I/We Assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)	(ABSTAIN)
1	Adoption of Annual Accounts, Auditor's & Director's Report	Ordinary				
2	Re-appointment of Mr. Murari Mallawat (DIN: 08809840), Whole Time Director Who retires by rotation and being eligible, offers himself for re-appointment.	Ordinary				
3	To approve increase in Remuneration of Mr. Murari Mallawat (DIN: 08809840) Whole Time Director of the Company.	Special				
4	Approval of Material Related Party Transaction(s)	Special				

Place:

Date:

(Member)

## INSTRUCTIONS

1. This Polling Paper is provided to enable the shareholder(s) or their proxy (ies) for voting by way of Polling Paper(s), who does not have access to e-voting facility and /or who have not voted through e-voting, so that they can also participate in voting through this physical Ballot Paper.
2. A Member can opt for only one mode of voting i.e. either through e-voting or by Polling paper if a Member casts votes by both modes, then voting done through remote e-voting shall prevail and voting by Polling paper shall be treated as invalid.

ELECTRONIC VOTING PARTICULAR EVSN (E VOTING SEQUENCE NUMBER)
220826048

E-Voting shall remain start on Sunday, 25<sup>th</sup> day of September, 2022 (9.00 a.m. IST) and will be open till Tuesday, 27<sup>th</sup> day of September, 2022 till the close of working hours (i.e. 5.00 p.m. IST).

Note: Please read the instructions printed overleaf carefully before exercising your vote.