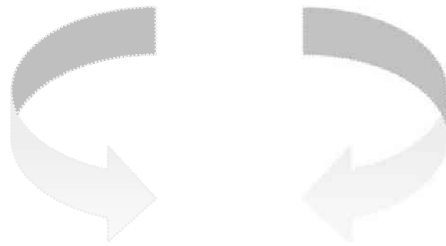


GARBI FINVEST LIMITED



ANNUAL REPORT

2021- 2022



Table of Contents:

| Sl. No. | Particulars | Page |
|---------|---|-------|
| 1. | General Information | 1 |
| 2. | Management Discussion & Analysis Report | 2-3 |
| 3. | Notice of AGM | 4-12 |
| 4. | Board Report | 13-52 |
| 5. | Audit Report | 53-65 |
| 6. | Financial Statements | 66-84 |

BOARD OF DIRECTORS

Rupesh Kumar Pandey
Kripa Shankar Mahawar
Sangita Kar
RituMahawar
Harsh Singrodia

CHIEF FINANCIAL OFFICER

Sachin Kumar Sharma

COMPANY SECRETARY

Richa Agarwalla

STATUTORY AUDITOR

S. Ramanand Aiyer & Co., Chartered Accountants
501/502, Umerji house, Next to Crescent Plaza,
Mumbai-400069

INTERNAL AUDITOR

Dipak Lal & Associates, Cost Accountants

SECRETARIAL AUDITOR

KSN & Company, Company Secretaries

BANKERS

ICICI Bank
Punjab National Bank

REGISTRAR & TRANSFER AGENT

Niche Technologies Private Limited
3A, Auckland Place, 7th Floor,
Room No-7A & 7B, Kolkata-700017
Phone: 033 2280 6616/6617
Fax: 033 2215 6823
E-mail: nichetechpl@nichetechpl.com

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Economic Overview

India adopted a four-pillar strategy of containment, fiscal, financial, and long-term structural reforms. India's gross domestic product (GDP) grew at 8.7 per cent in the fiscal year 2021-22. Financial, real estate and professional services grew by 5.4 per cent. Unemployment rate in urban India in the January-March quarter of 2021-22 fell for the third consecutive quarter to **8.2%** from 8.7% in October-December quarter, 9.8% in the July-September quarter and 12.6% in the April-June quarter after the ebbing of the second wave of the pandemic. It stood at 9.3% in the corresponding quarter of 2021-22.

Indian Financial Services Industry

The country's financial services sector consists of capital markets, insurance sector and non-banking financial companies (NBFCs). India's gross national savings (GDS) as a percentage of Gross Domestic Product (GDP) stood at 30.50% in 2019. In 2019, US\$ 2.5 billion was raised across 17 initial public offerings (IPOs). The number of ultra-high net-worth individuals (UHNWIs), with wealth of US\$ 30 million or more, is expected to rise 63% between 2020 and 2025 to 11,198; India has the second-fastest growth in the world. India has scored a perfect 10 in protecting shareholders' rights on the back of reforms implemented by Securities and Exchange Board of India (SEBI) in the World Bank's Ease of Doing Business 2020 report. In May 2021, the mutual fund (MF) industry's assets under management (AUM) amounted to 3,305,660 crore (US\$ 454.12 billion). The total number of accounts stood at 100.4 million. In May 2021, the mutual fund industry crossed over 10 crore folios. The Government of India has taken various steps to deepen reforms in the capital market, including simplification of the IPO process, which allows qualified foreign investors (QFIs) to access the Indian bond market.

Industry Structure and Development

Lenders are finding ways to manage their books, demand and stay in the business in long-run. The Government has taken a series of measures to generate demand and ease the liquidity by ensuring public sector banks lend further to NBFCs, introducing partial credit guarantee scheme, organizing loan mela etc. The slowdown that has begun can't be turned around that easily for which a booster shot is required. Structurally, the government can make it easier for MSMEs to survive the environment by providing more subsidies to some sectors and build more platforms for small-scale industries to expand. Government should consider relaxing and easing some compliances, for e.g. reforms on taxes or entry requirements for DFIs. Every fundamental indicates towards a higher growth and better future next year, reflecting strong optimism going into 2022.

Opportunities and Threats and Risks and Concerns

The RBI constantly issues new regulations and/ or modifies existing regulations endeavouring to balance the multiple objectives of financial stability, consumer and depositor protection and regulatory arbitrage concerns. The major opportunities are Demographic Changes, large untrapped rural and urban Markets and Use of digital solutions for business/collections.

The threat for the NBFCs come from increased competition from Banking industry, which is in a position to lend at competitive rate due to availability of huge funds at a cheaper cost.

High cost of funds, Rising Non-performing Assets (NPAs), restrictions on deposit taking NBFCs, Competition from other NBFCs and banks. and Growing number of Fintech companies are major threats for the Industry.

A company in its normal course of working takes on many risks. For a Non-Banking Finance Company the risks that are most important are operational risk, credit risk and competition risk. The identification, monitoring and mitigation of these risks are integral to the success of the company. The Company has framed a Risk Management Policy for the Company in order to detect, mitigate and prevent risk both internal and peripheral arising to the Company.

Internal Control and their Adequacy

The company has an adequate system of internal controls commensurate with the size and nature of business. The company is complying with all the mandatory requirements of Corporate Governance as laid down in the Listing Agreement. This has improved the management of the affairs of the company and strengthened transparency and accountability. The Audit Committee reviews the internal control system and look into the observations of the statutory auditor very closely.

Discussions on Financial performance

The financial performance of the Company for the year has been discussed in the Director's Report and Cash Flow Statement annexed with the Annual Accounts.

Developments in Human Resources

The Company has potential appraisal systems for identifying and developing talent of Employees. The Company is confident of attracting, developing and nurturing the best talent in the industry in view of the company's inherent strengths gained over the years. As in the past, the Company has enjoyed cordial relations with the employees at all levels.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the company's present position, objectives, expectations or predictions may be "forward looking" statements within the meaning of applicable laws and regulations.

For and on behalf of the Board

Date: 30.05.2022

Place: Mumbai

Sd/-

Rupesh Kumar Pandey
Managing Director
DIN: 00150561

Sd/-

Kripa Shankar Mahawar
Director
DIN: 01158668

NOTICE

NOTICE is hereby given that 40th Annual General Meeting of the members of the company will be held on Thursday, the 29th day of September, 2022 at 10:00 A.M at Office No. F114,1ST FLR,Naharand Seth Ind. Estate Chakala Road, Naer P and G Plaza, Andheri East, Mumbai City MH 400099to transact with or without modification(s), as may be permissible, the following businesses:

AS ORDINARY BUSINESS

Item No.1 – Adoption of Financial Statements

To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31stMarch, 2022 together with the report of the Directors' and Auditors' thereon.

Item No.2 – Appointment of director in place of retiring director

To consider re-appointment of Mr. RituMahawar (DIN: 08075381), who retires by rotation, and being eligible, offer himself for re-appointment.

Item No. 3 – Appointment of Statutory Auditor in place of Retiring Auditor

To consider and approve appointment of Statutory Auditor of the Company to hold office for a period of 5 years until the conclusion of the 45th Annual General Meeting, and to fix their remuneration and to pass with or without modification(s), the following resolution as an Ordinary Resolution :

“RESOLVED THAT pursuant to the provision of Section 139 and 142(1) and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit & Auditor) Rules, 2014, framed there under, as amended from time to time, M/s DSUV & Associates, Chartered Accountant, (Firm Regn. No.0023618C), be and is hereby appointed as Statutory Auditor of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of 45th Annual General Meeting to be held in the year 2027 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the auditor.”

“RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized severally to notify the said auditor(s) about his/their appointment and file the necessary e-forms with the Registrar of Companies (ROC), Maharashtra and to perform all such acts, deeds, and things that may be necessary to give effect to the above resolution.

ITEM NO. 4

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as **SPECIAL RESOLUTION:**

RE-APPOINTMENT OF MR. RUPESH KUMAR PANDEY (DIN 00150561) AS MANAGING DIRECTOR OF THE COMPANY FOR A PERIOD OF FIVE (5) YEARS

"RESOLVED THAT pursuant to the provisions of Sections 117(3) 196, 203 and any other applicable provisions of the Companies Act 2013 and Chapter XIII of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 as may be applicable (including any statutory modification(s) or re-enactment thereof for the time being in force and further subject to such other requisite approvals, as may be required in this regard, the consent of the Shareholders be and is

hereby accorded for the appointment of Mr. Rupesh Kumar Pandey (DIN **00150561**) as Managing Director of the Company for a period of 5 years w.e.f. 01.04.2022, upon the terms and conditions as to remuneration appended to the notice and that the Board of Directors be and are hereby authorised to alter and vary such terms and condition of the said appointment and/or the remuneration for a period of three years subject to the limits as specified in the Companies Act 2013.

“RESOLVED FURTHER THAT any Director of the Company be and are hereby authorised to take all such actions and give all such directions, or do all such acts, deeds, matters and things as may be necessary in this regard and further to execute all such deeds, documents and writings etc as may be necessary in this regard.”

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. Proxies, in order to be valid and effective, must be delivered at the registered/ corporate office of the company not later than forty-eight hours before the commencement of the meeting.
3. Pursuant to provisions of section 105 of the Companies Act, 2013, read with the applicable rules thereon, 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, may appoint a single person as proxy, who shall not act as a proxy for any other member.
4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. Only bonafide members of the company whose names appear on the register of members/ proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
6. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. The register of member and share transfer register of the company will remain closed from September 23, 2022 to September 29, 2022 (both days inclusive).
8. Members holding shares in physical form are requested to intimate any change of address and/or bank mandate to M/s. Niche Technologies Pvt. Ltd. or the Secretarial Department of the company immediately.
9. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the company. The Nomination Form SH-13 prescribed by the government can be obtained from M/s. Niche Technologies Pvt. Ltd. or the Secretarial Department of the company at its registered office.
10. Pursuant to section 101 and section 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration Rules), 2014, companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the company or with the depository. Members who have not registered their e-mail address with the company are requested to submit their request with their valid e-mail address to M/s. Niche Technologies Pvt. Ltd. Members holding shares in demat form are requested to register/ update their e-mail address with their Depository Participant(s) directly. Members of the company who have registered their email address, are entitled to receive such communication in physical form upon request.
11. All documents referred to in the accompanying Notice shall be open for inspection at the registered office of the Company during business hours except on holidays, up to and including the date of the Annual General Meeting of the Company.
12. Details of Directors seeking appointment/ re-appointment at the Annual General Meeting of the company to be held on September 28, 2022 and are provided in **Annexure A** of this Notice.
13. **VOTING THROUGH ELECTRONIC MEANS:**

In compliance with provisions of section 108 of the Companies Act, 2013 read with rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).

The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

The process and manner for remote e-voting are as under:

- (i) The remote e-voting period commences on September 26, 2022 (10:30 AM) and ends on September 28, 2022 (05:00 PM). During this period members of the company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 22, 2022 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- (iii) Click on "Shareholders" tab.
- (iv) 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. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

| | For Members holding shares in Demat Form and Physical Form |
|---------------------------|--|
| PAN | <ul style="list-style-type: none"> Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| DOB | Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format |
| Bank Account Number (DBD) | Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio. <ul style="list-style-type: none"> Please Enter the DOB or Bank Account Number in order to Login. If both the details are not recorded with the depository or company then please enter |

| | |
|--|---|
| | the member-id / folio number in the Bank Account Number details field as mentioned in above instruction (iv). |
|--|---|

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection Screen. However, members 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company Name i.e. **GARBI FINVEST LIMITED** on which you choose to vote.
- (xii) 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.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Institutional Shareholders & Custodians:
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user which 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 should be mailed to 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.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
14. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail

at cs.srassociates@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com on or before September 28, 2022 upto 05:00 P.M. without which the vote shall not be treated as valid.

15. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of September 22, 2022.
16. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members/ depositories as at closing hours of business, on August 26, 2022.
17. The shareholders shall have one vote per equity share held by them as on the cut-off date of September 23, 2021. The facility of e-voting would be provided once for every folio/ client id, irrespective of the number of joint holders.
18. Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 22, 2022 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
19. Investors, who became members of the company subsequent to the dispatch of the Notice/ Email and hold the shares as on the cut-off date i.e. September 22, 2022 are requested to send the written/ email communication to the company at rupesh_markvision@yahoo.co.in by mentioning their Folio No./ DP ID and Client ID to obtain the Login-ID and Password for e-voting.
20. Ms. Geeta Roy Chowdhury, or any other Partner of M/s S. R. & Associates, Practicing Company Secretaries has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner. The Scrutinizer will submit, not later than 3 days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the chairman of the company or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
21. The Results declared along with the Scrutinizer's Report shall be communicated to the stock exchanges i.e. BSE Ltd & The Calcutta Stock Exchange Ltd.

By order of the Board

Date: May, 30, 2022
Place: Mumbai

Sd/-
Richa Agarwalla
Company Secretary

EXPLANATORY STATEMENT
(Pursuant to section 102 of Companies Act, 2013)

Item No. 4

Mr. Rupesh Kumar Pandey is serving the Company in his capacity as Managing Director of the Company. In view of the key role is performed by Rupesh Kumar Pandey in the day-to-day affairs of the Company and his increased responsibility, the Board of Directors felt it necessary to appoint him as the re-appoint as Managing Director for a period of 5 years w.e.f 01.04.2022.

Considering his vast experience in the industry and contribution made by him in the business activities of the Company, appointed of Mr. Rupesh Kumar Pandey as Managing Director of the Company will in the best interest of the Company recommended remuneration and other