

Pyxis Finvest Limited

16TH ANNUAL REPORT
2020-21

Index

Contents	Page No.
<i>Company's Information</i>	1
<i>Directors' Report</i>	2
<i>Management Discussion and Analysis</i>	30
<i>Independent Auditor's Report</i>	37
<i>Financial Statements – FY 2020-21</i>	49
<i>Notice of the Annual General Meeting</i>	66
<i>Proxy Form</i>	74
<i>Attendance Slip</i>	76

Company Information

Board of Directors

Mr. Kumud Ranjan Mohanty - Managing Director
Mr. Shailendra Apte - Non-Executive
Director and CFO
Mr. Surajit Sarkar - Non-executive
Director
Mr. Rahul Singh - Independent Director
Ms. Nikita Mahavir Kothari - Independent Director

Company Secretary

Mrs. Neha Malot

Registered Office

Level 9 (Unit-801), Centrum House, CST Road,
Vidyanagari Marg, Kalina, Santacruz (E),
Mumbai-400098
E-mail: pyxisinvestltd@gmail.com
Website: www.pyxisinvest.com

Registrar and Share Transfer Agents

Purva Sharegistry (I) Pvt Ltd
9, Shiv Shakti Industrial Estate, J.R. Boricha Marg,
Lower Parel (E), Mumbai – 400011
Tel No.: 91-22-23012518
Fax No.: 91-22-2301 6761
E-mail: support@purvashare.com
Website: www.purvashare.com

Stock Exchange

BSE Limited (SME) (534109)

Bankers

Bank of India, Stock Exchange Branch,
Fort, Mumbai 400 001
HDFC Bank, Kalina, Santacruz (E),
Mumbai-400098
Axis Bank, Kalina, Santacruz (E), Mumbai-
400098

Statutory Auditor

M/s. P.D Saraf & Co.,
Chartered Accountants,
1103, Arcadia, 195 Nariman Point,
Mumbai-400021

Internal Auditor

M/s. F. K. Mody & Co.,
Chartered Accountants,
4th Floor, Laxmi House 177,
79 Kalbadevi Road, Mumbai-400002

Secretarial Auditor

Priyanka J & Associates
Practicing Company Secretary
A-402, Rajeshri Accord Teli Galli, Cross Rd
Andheri East, Mumbai- 400069

Corporate Identification Number (CIN)

L65990MH2005PLC157586

Director's Report

Dear Members,

Your Directors take pleasure in presenting the **16th Annual Report** on the business and operations of your Company together with the Audited Financial Statements for the year ended March 31, 2021.

FINANCIAL HIGHLIGHTS

The financial performance of your Company for financial Year 2020-21 and 2019-20 is summarized as below:

(Rs. in Lakh)

Particulars	For Financial Year Ended	
	March 31, 2021	March 31, 2020
Total Revenue	174.38	151.09
Total Expenditure	1555.95	100.81
Profit before Tax	(1381.57)	51.24
Provision for Tax	-	56.99
Profit/ (loss) After Tax	(1381.57)	(5.76)

FINANCIAL PERFORMANCE AND STATE OF COMPANY AFFAIRS

Information on the operational and financial performance of the Company is given in the Management Discussion and Analysis Report, which is annexed to the Report, and is in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

SHARE CAPITAL

During the period under review, there has been no change in the authorized as well as paid up share capital of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis forms an integral part of this Report and gives details of the overall industry structure, economic developments, performance and state of affairs of the Company's various businesses, internal controls and their adequacy, risk management systems and other material developments during the financial year 2020-21.

TRANSFER TO RESERVES

Your Company have not transfer any amount to Statutory Reserve due to losses in the current year.

DIVIDEND

Considering the impending growth and expansion plans of the Company and the need to conserve the resources and redeploy the same, the Board decided not to recommend any dividend for financial year 2020-21.

MATERIAL CHANGES AND COMMITMENTS

There has been no material change and commitment, affecting the financial performance of the Company which occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report.

LISTING FEES

The Company's Equity shares are listed on BSE Limited and the Company has paid listing fees upto the financial year 2020-21.

PARTICULARS OF DEPOSITS

Your Company being a 'Non-Deposit taking Non-Banking Financial Company' has not accepted deposits during the year under review and shall not accept any deposits from the public without obtaining prior approval of the RBI. Accordingly, the disclosure requirements under Rule 8(5)(v) and (vi) of the Companies (Accounts) Rules, 2014 are not applicable to the Company.

MEETINGS OF THE BOARD & COMMITTEES

Details of meetings of the Board and committees held during the year are set out in following table.

Particulars	Board	Audit Committee	Nomination & Remuneration Committee
Number of Meetings	4	2	2
Dates of Meetings	31.07.2020 24.08.2020 11.11.2020 13.11.2020 05.03.2021	31.07.2020 13.11.2020	31.07.2020 24.08.2020
<i>No. of meetings attended by Directors/ Committee members</i>	As given below	As given below	As given Below
Mr. Kumud Ranjan Mohanty	5 of 5	N.A.	N.A.
Mr. Shailendra Kishor Apte	5 of 5	2 of 2	N.A.
Mr. Parag Gunvantrai Shah	2 of 5	1 of 2	2 of 2

Ms. Swati Sahukara	2 of 5	1 of 2	2 of 2
Mr. Surajit Sarkar	5 of 5	2 of 2	2 of 2
Mr. Rahul Singh	3 of 5	1 of 2	NA
Ms. Nikita Mahavir Kothari	2 of 5	1 of 2	NA

The intervening gap between the Board Meetings was within the period prescribed under the Companies Act, 2013.

SELECTION OF NEW DIRECTORS AND BOARD MEMBERSHIP CRITERIA

The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skills and experience required the Board as a whole and its individual members with the objective of having a Board with a diverse background and rich experience in business. Characteristics expected from all Directors include independence, integrity, high personal and professional ethics, sound business judgement, ability to participate constructively in deliberation and willingness to exercise authority in a collective manner. The policy regarding the same is provided in **Annexure 1** to this Report.

NOMINATION AND REMUNERATION POLICY

The Company has in place a Nomination and Remuneration Policy for the Directors, KMP and other employees pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations which is set out in **Annexure 2** which forms part of this Report.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

In terms of Listing Regulations, the Company is required to familiarize its Independent Directors with their roles, rights and responsibilities in the Company etc., through interactions and various programmes.

The Independent Directors are also required to undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company in terms of Schedule IV of the Companies Act, 2013.

The details on the Company's Familiarisation Programme for Independent Directors is available at www.pyxisfinvest.com

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 read with the Rules issued there under and the Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force), the process for evaluation of the annual performance of the Directors/ Board/ Committees was carried out.

In a separate meeting of Independent Directors, evaluation of the performance of Non-Independent Directors, performance of Board as a whole and performance of the Managing Director was done after taking into account views of Executive and Non-Executive Directors.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of the

Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Regulation 16(1)(b) of Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force).

INDEPENDENT DIRECTOR'S MEETING

A meeting of Independent Directors was held on March 05, 2020, as per schedule IV of the Companies Act, 2013.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Induction

During the year under review, there was following appointments being made.

- As per the provisions of the Companies Act, 2013, **Mr. Kumud Ranjan Mohanty (DIN: 07056917)** was reappointed as Managing Director at Annual General Meeting (AGM) of the Company by passing Special Resolution and being eligible, seek re-appointment. The Board has recommended his re-appointment.
- As per the provisions of the Companies Act, 2013, **Mr. Shailendra Apte (DIN: 00017814)** will retire by rotation at the ensuing Annual General Meeting (AGM) of the Company and being eligible, seek re-appointment. The Board has recommended his re-appointment.

Information pursuant to Regulation 36(3) of the Listing Regulations with respect to the Directors seeking Appointment/Re-appointment is appended to the Notice convening the ensuing Annual General Meeting. The Board recommends their Appointment/ Re-appointment.

All the Independent Directors have furnished declarations stating that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) of the Listing Regulations.

- The term of the existing Independent Directors, **Mr. Parag Shah (DIN: 00727233) and Ms. Swati Sahukar (DIN: 06801137)** who were appointed as additional Director in 2014 to hold the office upto the conclusion of AGM to be held in 2015 and thereafter reappointed as Independent Director in the 9th AGM held in the year 2015, has been expired on 26th September, 2020
- As per the provisions of the Companies Act, 2013, **Mr. Rahul Singh (DIN: 07477748) and Ms. Itishree Garg (DIN: 08837706)** were appointed as Additional (Non-Executive) Director of the Company with effect from 24th August, 2020 to the conclusion of 15th Annual General Meeting of the Company and thereafter reappointed as Independent Director in the 15th Annual General Meeting for the term of 5 year commencing with effect from 30th September, 2020 to 29th September, 2025

RESIGNATION

Ms. Itishree Garg (DIN: 08837706), Additional (Non-Executive) Director, Member of Audit Committee resigned from position with effect from 3rd November, 2020 and subsequently **Ms. Nikita Kothari (DIN: 08952012)** appointed as Additional Director (Non-executive, Independent) of the Company, with immediate effect, who shall hold office up to the date of the ensuing Annual General Meeting.

KEY MANAGERIAL PERSONNEL

There were no changes in the Key Managerial Personnel during the period under review.

Mr. Shailendra Apte is the Chief Financial Officer of the Company and Mr. Deepesh Shah is the Company Secretary.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force), the Directors of the Company confirm that:

- i. In the preparation of the annual accounts for the financial year ended March 31, 2021, the applicable Accounting Standards and Schedule III of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force), have been followed and there are no material departures from the same;
- ii. 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 of your Company as at March 31, 2021 and of the profit and loss of the Company for the financial year ended March 31, 2021;
- iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force) for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The annual accounts have been prepared on a 'Going Concern' basis;
- v. Proper internal financial controls laid down by the Directors were followed by your Company and that such internal financial controls are adequate and operating effectively; and
- vi. Proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

AUDIT COMMITTEE

The primary objective of the Audit Committee is to monitor and provide effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures with the highest levels of transparency, integrity and quality of financial reporting.

The Committee met 2 (two) times during the period under review. As on March 31, 2021, the composition of the Audit Committee was as follows:

Name	Designation	Category
Mr. Surajit Sarkar	Chairman	Non-Executive Director
Mr. Rahul Singh	Member	Independent Director
Ms. Nikita Mahavir Kothari	Member	Independent Director

The recommendation of Audit Committee given from time to time were considered and accepted by the Board.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered during the financial year under review were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

Accordingly, particulars of contracts or arrangements with related party referred to in section 188(1) along with the justification for entering into such contract or arrangement in form AOC-2 form part of the Report set out in Annexure- 3.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The internal financial controls with reference to financial statements as designed and implemented by the Company are adequate. During the financial year under review, no material or serious observations have been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

PARTICULARS OF LOANS, GUARANTEES, SECURITIES AND INVESTMENTS

In accordance with the provisions of Sections 134(3)(g) and 186(4) of the Companies Act, 2013, full particulars of loans given, investments made, guarantees given and securities provided, if any, have been disclosed in the financial statements.

THE CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

In view of the nature of activities carried on by the Company, the requirements for disclosure in respect of conservation of energy, technology absorption, in terms of the Section 134 of the Companies Act, 2013 are not applicable to the Company. However, the Company takes all possible efforts towards energy conservation. The requirement for disclosure with respect to technology absorption does not apply to the Company as the activities in which the Company operates does not require any technology.

During the period under review, the Company has not earned any foreign exchange income and also has not incurred any foreign exchange outgo.

RISK MANAGEMENT POLICY

An effective risk management policy lies at the core of our business philosophy of the Company, which is centred on delivering high and better returns to all stakeholders. With ups and downs, volatility and fluctuations in the financial business in which the Company operates, the Company is exposed to various risks and uncertainties in the normal course of our business. Since such variations can cause deviations in the results from operations and affect our financial state, the focus on risk management continues to be high. The Company has its Risk Management Policy in place which is also displayed on the website of the Company. In the opinion of the Board, during the financial year 2020-21, the Board has not noticed any elements of risk which may threaten the existence of the Company.

CORPORATE SOCIAL RESPONSIBILITY

Provisions of section 135 of the Companies Act, 2013 concerning the constitution of Corporate Social Responsibility Committee and related matters are not applicable to the Company.

AUDITORS

The members of the Company at the 11th Annual General Meeting of the Company held on September 19, 2016, had appointed M/s. P.D. Saraf & Co., Chartered Accountants as a Statutory Auditors till the conclusion of the 16th Annual General Meeting of the Company to be held in the year 2021.

The Board of Directors at its Meeting held on June 30, 2021, proposed the re-appointment of M/s. P. D. Saraf & Co. Chartered Accountants, as Statutory Auditors of the Company for a period of 4 (Four) Financials Years up to Financial Year 2025, for the approval of Shareholders, at the ensuing Annual General Meeting.

SECRETARIAL AUDIT

In accordance with the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed **M/s. Priyanka J & Associates**, Company Secretaries, as Secretarial Auditors for the financial year 2020-21. The Secretarial Audit Report for the financial year ended March 31, 2021 is set out in **Annexure- 4** to this Report. The Secretarial Audit Report does not contain any qualification.

CORPORATE GOVERNANCE

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 exempts companies which have listed their specified securities on SME Exchange from compliance with corporate governance provisions.

Since the equity share capital of your Company is listed exclusively on the SME Platform of BSE Limited, the Company is exempted from compliance with Corporate Governance requirements, and accordingly the reporting requirements like Corporate Governance Report, Business Responsibility Report etc. are not applicable to the Company.