

2018 - 19

26th

Annual Report



SOM DATT FINANCE CORPORATION LIMITED

BOARD OF DIRECTORS

Usha Datt

Charu Datt Bhatia

Latika Datt Abbott - Managing Director

Lalit Mohan Segat

Satish Kumar

AUDITORS

D.S. Talwar & Co.

Chartered Accountants

S-58, Greater Kailash-II

New Delhi-110048

Registered Office

Gajraj Chamber, 2B,
2nd Floor, 86B/2, Topsia Road,
(South) Kolkata-700046

Administrative Office

56-58, Community Centre
East of Kailash
New Delhi – 110065

Share Transfer Agents

RCMC Share Registry (P) Ltd.
B-25/1, Okhla Industrial Area,
Phase -2, Near Rana Motors,
New Delhi - 110020

Bankers

Bank of Baroda

HDFC Bank Limited

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NOTICE

NOTICE is hereby given that the 26th Annual General Meeting of the Members of Som Datt Finance Corporation Ltd. will be held at Gajraj Chambers, 2B, 2nd Floor, 86B/2, Topsia Road (South), Kolkata-700046 on Monday, 30th day of September, 2019 at 10.30 a.m., to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Profit and Loss Account for the year ended March 31, 2019, Balance sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Charu Datt Bhatia (DIN: 00035069), who retires by rotation and is eligible for re-appointment.
3. To appoint Auditors and to fix their remuneration.

By Order of the Board of Directors
For **Som Datt Finance Corporation Limited**

(Latika Datt Abbott)

Managing Director

DIN: 00031056

Place : Delhi

Dated : 01.09.2019

Add: C-10, Geetanjali, Malviya Nagar, New Delhi-110017

NOTES:

1. **A Member entitled to attend and vote at the meeting is entitled to appoint a proxy and proxy need not be a member of the Company. The instrument appointing proxy must reach the Registered Office of the Company not later than 48 hours before the time fixed for the meeting.**
2. Members who have not claimed/ encashed their dividend so far for the financial year ended 31.03.2019 or any subsequent financial year (s) may approach the company for obtaining payments thereof before expiry of the stipulated 7 year period.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 26th September, 2019 to Sunday, 29th September, 2019 (both days inclusive).
4. The members are requested to send the dividend mandate to the Company's Share Transfer Agent, RCMC Limited.
5. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
6. The Company provides Electronic Clearing Service (ECS) to its members free for directly crediting their account with the dividend proceeds. Member holding shares in physical form may avail this service by forwarding the ECS mandate as per the format enclosed in the Annual Report to the Company's Transfer Agent, RCMC Limited and Members holding shares in demat mode are requested to send their request to their respective Depository Participants (DP).
7. The members are requested to intimate the change of address immediately to the Company's Share Transfer Agent, RCMC Ltd.

8. Member/Proxies should bring the Attendance Slip duly filled in for attending the meeting.
9. Members are requested to forward their queries on Annual Accounts at least one week before the date of the Annual

General Meeting.

10. Route map of the venue of the Meeting is annexed.
11. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given as under. The Company will also send communication relating to remote e-voting which inter alia would contain details about User ID and password along with a copy of this Notice to the members, separately.
12. (a) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Clause 35B of the Listing Agreement, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
 - (b) 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.
 - (c) The Company has engaged the services of **National Securities Depository Limited (NSDL)** as the Agency to provide e-voting facility
 - (d) The Board of Directors of the Company has appointed Diwanshu Kumar from WDK & Associates, Chartered Accountant from Delhi as Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner and she has communicated her willingness to be appointed and will be available for same purpose.
 - (e) Voting rights shall be reckoned on the paid up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-of date i.e. 23rd September, 2019.
 - (f) 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-of date, i.e. 23rd September, 2019, only shall be entitled to avail the facility of remote e-voting.
 - (g) The remote e-voting facility will be available during the following period: Commencement of remote e-voting: From 9.30 a.m. (IST) on 26th September, 2019 End of remote e-voting: Up to 5.00 p.m. (IST) on 29th September, 2019 The remote e-voting will not be allowed beyond the aforesaid date and time and the e- voting module shall be disabled by **NSDL** upon expiry of aforesaid period.
 - (h) The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will, not later than three 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 www.somdattfin.com and on the website of **NSDL** <https://www.evoting.nsd.com>. The results shall simultaneously be communicated to the Stock Exchanges.
 - (i) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 30th September 2019.
 - (j) Instructions and other information relating to remote e-voting:



- (i) User ID and Password for e-voting is provided in the table above in this annexure to AGM Notice.
Please note that the Password is an Initial Password.
- (ii) Launch the internet browser by typing the following <https://www.evoting.nsdl.com>
- (iii) Click on “Shareholder-Login:
- (iv) Put user ID and Password noted in step (a) above as the initial password. Click login. If you are already registered with NSDL for e-voting then you can use your existing User ID and Password for Login.
- (v) If you are logging in for the first time, Password Change Menu appears. Change the Password of your choice with minimum 8 digits / characters or a combination thereof. Please note the new Password for all the future e- voting cycles offered on NSDL e-voting Platform. It is strongly recommended not to share your Password with any other person and take utmost care to keep your Password confidential.
- (vi) Homepage of “e-voting” opens. Click on “e-voting” : Active Voting Cycles.
- (vii) Select “EVEN (E-Voting Event No. 112402)” of Som Datt Finance Corporation Limited as mentioned above, you can login any number of times on e-voting platform of NSDL till you have voted on the resolution during the voting period.
- (viii) Now you are ready for “e-voting” as “Cast Vote” Page opens.
- (ix) Cast your vote by selecting appropriate option and click “Submit” and also “Confirm” when prompted. Kindly note that vote once cast cannot be modified.
- (k) Institutional members (i.e. members other than individuals, HUF, NRIs, etc.) are also required to send scanned copy (PDF/JPG format) of the relevant board resolution / authority letter, etc. together with the attested specimen signature(s) of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through email at: wdk_ca@yahoo.com with a copy marked to evoting@nsdl.co.in. You can also forward the documents at the Company’s email ID: somdattfin@hotmail.com
- (l) Once the vote on a resolution is cast by the shareholder she/he shall not be allowed to change it subsequently.
- (m) In case of any queries you may refer the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the “downloads” section of <https://www.evoting.nsdl.com> or contact NSDL by email at evoting@nsdl.co.in

By Order of the Board of Directors
For Som Datt Finance Corporation Limited

(Latika Datt Abbott)
Managing Director
DIN: 00031056

Place : Delhi
Dated : 01.09.2019

Add: C-10, Geetanjali, Malviya Nagar, New Delhi-110017

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

(Pursuant to Clause 49 of the Listing Agreement)

NAME OF DIRECTOR	MS. CHARU DATT BHATIA
Date of Birth	24.09.1965
Date of Appointment	30.09.2014
Relationship with Directors	Relative of Ms. Usha Datt, Director and Ms. Latika Datt Abbott, Managing Director
Expertise in specific functional areas	Extensive Management Experience
Qualification	Graduate
Details of Equity Shares held in the Company	359910
Board Membership of other Companies as on 31.03.2019	Som Datt Enterprises Ltd. Som Datt Overseas Ltd. Som Datt Power Ltd. Som Datt Securities Ltd. Som Datt Investments and Finance Co. P. Ltd. Som Datt Infosoft Private Limited
Chairman/ Member of the Committees of other Companies on which he/ she is a Director as on 31.03.2019	Nil

DIRECTORS' REPORT

Your Directors have pleasure in presenting their Annual Report and Audited Statement of Accounts of the Company for the year ended on 31st March 2019.

(Rs. In Lacs)

FINANCIAL RESULTS	Year ended 31.03.2019	Year ended 31.03.2018
Gross Total Income	148.66	196.52
Profit / Loss before Depreciation & Taxation	24.36	5.88
Less: Depreciation	0.24	0.24
Profit Before tax	24.12	5.63
Less: Provision for Income Tax	2.90	1.21
Less: Short Provision for earlier years	0.00	0.00
Add: Provision for Deferred Tax	3.21	0.30
Net Profit /(Loss) after Tax	17.62	4.11
Profit/(Loss) brought forward	17.62	4.11
Adjustment pursuant to Schedule-II to the Company Act , 2013 (Net of tax)	0	0.00
Profit carried to P&L Appropriation a/c	232.75	215.95
Less: Special Reserve (As per RBI Guidelines)	3.52	0.82
Surplus/ (Deficit) carried to Balance Sheet	229.23	215.12

2. State of Company's Affairs:

During the year under review, the gross income of the Company stood at Rs 148.66 lacs as compared to Rs 196.52 lacs during the previous year. The net profit of the Company was Rs 17.62 lacs during the year under review.

3. Material Changes and Commitments:

No material changes / commitments have occurred between the end of financial year to which the financial statements relate till the date of this report, which have any adverse effect on the financial position of the Company.

4. Open offer for purchase of shares:

The board of directors in its meeting held on 21st May 2019 has taken on record the share purchase agreement (SPA) entered by the promoters of the company namely Mrs. Usha Datt, Mrs Anjali , Mrs Sadhana singh, Mrs. Anuradha Munjal, Mrs. Latika datt abbott, Mrs Charu datt Bhatia, M/s Som Datt enterprises Pvt Ltd and M/s Som datt Investment and finance Pvt Limited and Som Datt Power Ltd with Mr. Kuldeep Rathee and Mrs. Vijay Rathee. In terms of the SPA Mr. Kuldeep Rathee and Mrs. Vijay Rathee have made an open offer in terms of SEBI (Substantial acquisition and takeover) regulation 2011.

5 Dividend

No dividend has been recommended by the Board of Directors for the year.

6. Directors:

The Company has Mrs. Latika Datt Abbott, Mrs. Charu Datt Bhatia, Mrs. Usha Datt Brig. Lalit Mohan Segat & Mr Satish Kumar on the Board of Directors of the Company. There was no change in the Board during the year.

7. Re-Appointment

As per the provisions of the Companies Act, 2013, Ms. Charu Datt Bhatia retires at the ensuing Annual General Meeting and being eligible, seeks re-appointment. The Board recommends her re-appointment.

8. Subsidiaries

The Company has M/s Som Datt Infosoft Private Limited as its subsidiary company. Section 129(3) of the Companies Act, 2013, we have prepared consolidated financial statements of the Company and all its subsidiaries, which form part of the Annual Report. Further, a statement containing the salient features of the financial statement of our subsidiary in the prescribed format AOC-1 is appended as Annexure B to the Boards' Report. The statement also provides the details of performance, financial positions of the subsidiary.

9. Consolidated Financial Statement

In accordance with the Companies Act, 2013 ("the Act") and Accounting Standard (AS) - 21 on Consolidated Financial Statements read with AS - 23 on Accounting for Investments in Associates and AS - 27 on Financial Reporting of Interests in Joint Ventures, the audited consolidated financial statement is provided in the Annual Report.

10. Declaration from Independent Directors on annual basis

The Company has received necessary declaration from Independent Directors of the Company under Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meet with the criteria of their Independence laid down in Section 149(6).

11. Corporate Governance

Corporate Governance is an ethically driven business process that is committed to values aimed at enhancing an organizations' brand and reputation. This is ensured by taking ethical business decisions and conducting business with firm commitment to values, while meeting stakeholders' expectations. At Som Datt Finance Corporation Ltd, it is imperative that our company affairs are managed in a fair and transparent manner. This is vital to gain and retain the trust of our stakeholders.

We comply with the Securities and Exchange Board of India (SEBI) guidelines on corporate governance. We have documented our Internal Policies on corporate governance. Our Corporate Governance report for fiscal 2018 forms part of this Annual Report.

12. Meeting of the Board of Directors

During the financial year under review, 9 Board meetings were held on 25.05.2018, 30.05.2018, 15.06.2018, 07.07.2018, 14.08.2018, 04.09.2018, 14.11.2018, 05.12.2018, 13.02.2019. The gap between two Board meetings was in compliance with the provisions contained in the Act.

Details of Directors as on March 31, 2019 and their attendance at the Board during the financial year ended March 31st, 2019 are given below:

(Rs. In Lacs)

Name of the Director	No. of Board Meeting held	No. of Board Meetings attended
Mrs. Charu Datt Bhatia	9	9
Mrs. Latika Datt Abbott	9	9
Mr. Usha Datt	9	9
Mr. Lalit Mohan Segat	9	9
Mr. Ravinder Pal Singh Sachdeva	9	9
Mr. Satish Kumar**	9	9

13. Committees of the Board

The composition and other details of all the Committees of the Board are provided in the Corporate Governance Report forming part of this Report.

14. Director's Responsibility Statement

In compliance to the provisions of Section 134 (3) (c) of the Companies Act, 2013, your Directors wish to place on record –

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had 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 the company at the end of the financial year and of the profit and loss of the company for that period;
- 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 and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis; and
- 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.
- 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.

15. Auditors:

Ms. Shradha Talwar, Chartered Accountant of D.S. Talwar & Co. (Firm Registration No.000993 N.) was appointed as the statutory auditors of the Company for a period of five consecutive years from the conclusion of 24th Annual General Meeting till the conclusion of 29th Annual General Meeting to be held in the year 2022, subject to ratification by members of the Company at each AGM.

However, pursuant to section 40 of the Companies Amendment Act 2017, the first proviso to section 139(1) has been omitted and therefore, the shareholders are no longer required to ratify the appointment of the statutory auditors.

16. Secretarial Auditors

Naveen Narang of M/s Naveen Narang & Associates, Practicing Company Secretaries was appointed to conduct the secretarial audit of the Company for the financial year 2018-2019, as required under section 204 of the

Companies Act, 2013 and Rules thereunder. The Secretarial Audit report for FY 2018-2019 forms part of the Annual Report in Annexure A of the Board's Report.

There is no adverse qualification/ reservation/ remark in the Secretarial Auditor's Report.

17. Auditor's qualification / reservation / adverse remark:

There is no adverse qualification/ reservation/ remark in the Auditor's Report. However for other notes Directors would like to state that notes are self-explanatory and there is no need to give any further explanation/ comments.

18. Particulars of Loan given, Investment made, Guarantees given and Securities Provided:

During the year under review the Company has not made any Loan, Guarantee or Investment pursuant to the provisions of section 186 of the Companies Act, 2013.

19. Contracts / Arrangement with related parties:

All transactions with related parties, during the financial year, were on arm's length basis and in the ordinary course of business. No material contracts or arrangements with related party were entered into during the year under review. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Act read with rules made thereunder.

20. Particulars of Employees

The information required pursuant to Section 197 of the Companies Act, 2013 ("the Act") read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars, which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing AGM. If any member is interested in obtaining a copy thereof, such member may write to the Director of the Company in this regard.

21. Listing

The shares of the Company are listed on the Bombay Stock Exchange. The annual listing fee has been paid to the BSE.

22. Conservation of energy, technology absorption & foreign exchange earning & outgo:

Information in accordance with the provision of Section 134 (3) (m) of the Companies Act, 2013, read with Rule 8 of Companies (Account) Rules 2014 regarding conservation of energy technology absorption and foreign exchange earnings and outgo is given below is as under:

- | | | | |
|-----|--|---|-----|
| I. | Conservation of energy | : | N.A |
| II. | Technology Absorption: N.A III. Foreign Exchange Earnings & Expenditure: | | |
| (a) | Foreign Exchange Earnings | : | Nil |
| (b) | CIF Value of Import | : | Nil |
| (c) | Foreign Exchange Expenditure | : | Nil |

23. Vigil Mechanism

The Company has constituted a Vigil Mechanism for employees and directors to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct and ethics. The purpose of