



# **DOLAT**

## **ALGOTECH LIMITED**

**(Formerly known as Dolat Investments Limited)**

**41<sup>st</sup>**

**Annual Report  
2021-2022**

# DOLAT ALGOTECH LIMITED (Formerly known as Dolat Investments Limited)

<b>Board of Directors</b>	: Mrs. Neha P. Shah Mr. Pankaj D. Shah Mr. Shailesh D. Shah Mr. Sunil P. Shah Mr. Shailesh K. Nayak Ms. Monika A. Singhania	Chairperson Managing Director Director Independent Director Independent Director Independent Director
<b>Chief Financial Officer</b>	: Mr. Vaibhav P. Shah	
<b>Company Secretary</b>	: Mr. Sandeepkumar G. Bhanushali	
<b>Auditors</b>	: M/s. V. J. Shah & Co. Chartered Accountants	
<b>Bankers</b>	: ICICI Bank Ltd. AXIS Bank Ltd. Yes Bank Ltd. HDFC Bank Limited Federal Bank Bank of India Kotak Mahindra Bank Limited	
<b>Registered Office</b>	: 1401-1409, Dalal Street Commercial Co-op Soc Ltd, Block 53 (Bldg No.53E) Zone-5, Road-5E, Gift city, Gandhinagar - 382355, Gujarat	
<b>Corporate Office</b>	: 301-308, 3rd Floor, Bhagwati House, Plot No A/19, Veera Desai Road, Andheri (West), Mumbai – 400 058 Tel: 9122 267 32602 Fax: 9122 267 32642	
<b>Registrars &amp; Share Transfer</b>	: Purva Sharegistry (India) Private Limited Agents No.9, Shiv Shakti Industrial Estate, Ground Floor, J. R. Boricha Marg, Lower Parel (East), Mumbai 400011. Tel: 022-2301 6761.	

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## NOTICE

NOTICE is hereby given that the Forty first Annual General Meeting of the Members of **DOLAT ALGOTECH LIMITED** (Formerly known as Dolat Investments Limited) will be held through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) on, Friday, 30th September, 2022 at 4.30 p.m. (IST) to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements for the year ended 31st March, 2022 together with the Reports of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements for the year ended 31st March, 2022 together with the Reports of Auditors thereon.
3. To appoint a Director in place of Mrs. Neha P. Shah (DIN 05262280), who retires by rotation and, being eligible, offers herself for re-appointment.
4. **Re-appointment of Statutory Auditors of the Company**

To consider and, if though fit, to pass with or without modification the following resolution as **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. V. J. Shah & Co, Chartered Accountants (Firm Registration No. 109823W) be and is hereby reappointed as Statutory Auditors of the Company for 2nd term of four years, i.e. to hold office from the conclusion of this Annual General Meeting (“AGM”) till the conclusion of the Forty Fifth AGM to be held in the year 2026 at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.”

### SPECIAL BUSINESS:

5. **Appointment of Mr. Harendra D. Shah as Director (Non Executive – Non Independent) of the Company.**

To consider and, if though fit, to pass with or without modification the following resolution as **Special Resolution**:

“**RESOLVED THAT** based on the recommendation of Nomination & Remuneration Committee (NRC) and the approval of Audit Committee and the Board of the Company and pursuant to Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the “Act”) and Rules made there under (including any statutory modification(s) thereto or re-enactment thereof, for the time being in force), and pursuant to regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Harendra Dolatrai Shah (DIN: 00012601) aged 76 years and who has consented to act as a Director and in respect of whom the Company has received a notice in writing under Section 160 of Act from a Member proposing his candidature for the Office of Director, be and is hereby appointed as a Director (Non executive – Non Independent) of the Company, liable to retire by rotation.”

6. **Increase in borrowing limit under section 180(1)(c) of the Companies Act, 2013.**

To consider and, if though fit, to pass with or without modification the following resolution as **Special Resolution**:

“**RESOLVED THAT** in supersession of the earlier resolution passed in this regard and pursuant to the provisions of Sections 180(1) (c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force) read with the rules made thereunder, as may be amended from time to time, the consent of the Company be and is hereby accorded to the Board of Directors of the Company and/or any Committee thereof, to borrow and avail for funding

expansion and/or operational plans and meeting other funding requirements of the Company from time to time, the credit facilities and/or any sum or sums of money at its discretion either from the Company's Bank(s) or any other Bank(s), Financial Institution(s) and/or any other Lending Institution(s) or person(s) or body corporate(s) from time to time, on such terms and conditions as may be considered suitable by the Board of Directors upto a limit not exceeding in aggregate Rs.2,500 Crore (Rupees Two Thousand Five Hundred Crore Only), notwithstanding that such sum(s) of money(s) and the sum(s) to be borrowed by the Company together with the money already borrowed by the Company and remaining outstanding at any time with or without security on such terms and conditions as they may think fit shall exceed aggregate of its paid-up share capital, free reserves and securities premium (apart from temporary loans obtained from the Company's Bankers/ Financial Institutions in the ordinary course of business) provided however that the money or monies to be borrowed by the Company together with the money already borrowed shall not exceed Rs.2,500 Crore (Rupees Two Thousand Five Hundred Crore only), at any one time.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board or Committee thereof be and is hereby authorised to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this resolution."

## 7. Creation of charge / mortgage etc. on Company's movable or immovable properties in terms of section 180 (1) (a) of the Companies Act, 2013

To consider and, if though fit, to pass with or without modification the following resolution as **Special Resolution**:

**"RESOLVED THAT** in supersession of the earlier resolution passed in this regard and pursuant to the provisions of Sections 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force) read with the rules made thereunder, as may be amended from time to time, consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred as 'Board' which term shall include a Committee thereof authorized for the purpose) of the Company, to mortgage, hypothecate, pledge and / or charge all or any of the movable and / or immovable assets and properties of the Company, wherever situate, present and future, and / or any other assets including tangible and intangible assets or properties of the Company, in favour of the Banks, Financial Institutions, any other Lender(s), Agent(s) and Trustee(s), to secure the loans, borrowings, working capital facilities and other credit facilities up to the Borrowing limits approved or as may be approved by the shareholders, from time to time, under Section 180(1)(c) of the Companies Act, 2013 (including any statutory modification or re-enactment thereof ) along with interest, additional interest, accumulated interest, liquidated charges, commitment charges or costs, expenses and all other monies payable by the Company in respect of such borrowings.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board or Committee thereof be and is hereby authorized to finalize, settle and execute such documents/deeds/writings/ papers/ agreements/ undertakings as may be required and to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgage/ charge/ pledge / hypothecation as mentioned aforesaid."

### NOTES:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid -19", General Circular no. 20/2020 dated May 5, 2020, General Circular nos. 02/2021 and 21/2021 dated January 13, 2021 and December 14, 2021 respectively in relation to "Clarification on holding of annual general meeting (AGM) through video

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conferencing (VC) or other audio visual means (OAVM)", (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the AGM of the Company is being held through VC/OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 4 to 7 of the Notice, is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of director seeking appointment / re-appointment at this AGM of the Notice, are also annexed.
3. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC OR OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**
4. Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the AGM through VC/OAVM facility. Corporate Members intending to appoint their authorized representatives pursuant to Sections 112 and 113 of the Act, as the case maybe, to attend the AGM through VC or OAVM or to vote through remote e-voting are requested to send a certified copy of the Board Resolution to the Company by e-mail at [post@dolatinvest.com](mailto:post@dolatinvest.com) with a copy marked to [support@purvashare.com](mailto:support@purvashare.com).
5. The Register of Members and Share Transfer Books of the Company will be closed from Saturday, September 24, 2022 to Friday, September 30, 2022 (both days inclusive) for the purpose of 41<sup>st</sup> Annual General Meeting (AGM) or any adjournment thereof.
6. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.:
  - **For shares held in electronic form:** to their Depository Participants (DPs)
  - **For shares held in physical form:** to the Company/Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021. The Company has sent letters to the members in this regard. The said form can be downloaded from the Company's website at <http://www.dolatinvest.com> and is also available on the website of the Registrar and Transfer Agents, Purva Sharegistry (India) Private Limited ("PSIPL") at <https://www.purvashare.com/faqs>.
7. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR - 4, the format of which is available on the Company's website at <http://www.dolatinvest.com> and on the website of the Company's RTA, Purva Sharegistry (India) Private Limited ("PSIPL") at <https://www.purvashare.com/faqs>. It may be noted that any service request can be processed only after the folio is KYC Compliant.

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8. SEBI vide its notification dated January 24, 2022 has amended Regulation 40 of the SEBI Listing Regulations and has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or Company's RTA, Purva Sharegistry (India) Private Limited (PSIPL), Unit No. 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel (East), Mumbai 400011 for assistance in this regard.
9. SEBI HAS MANDATED SUBMISSION OF PAN BY EVERY PARTICIPANT IN THE SECURITIES MARKET. MEMBERS HOLDING SHARES IN ELECTRONIC FORM ARE, THEREFORE, REQUESTED TO SUBMIT THEIR PAN DETAILS TO THEIR DEPOSITORY PARTICIPANTS. MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO SUBMIT THEIR PAN DETAILS TO THE COMPANY'S RTA.
10. Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof. The shareholders are requested to update their valid PAN with the DPs (if shares held in dematerialized form) and the Company/PSIPL (if shares are held in physical form). Shareholders are requested to note that in case their PAN is not registered, or having invalid PAN or Specified Person as defined under section 206AB of the Income-tax Act ("the Act"), the tax will be deducted at a higher rate prescribed under section 206AA or 206AB of the Act, as applicable. Shareholders (Resident / Foreign) are required to update necessary documents for exemption / deduction at beneficial rates by uploading necessary documents on RTA's portal at <https://www.purvashare.com/submission-of-form-15g-15h-10f>
11. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or PSIPL, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
12. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website [www.dolatinvest.com](http://www.dolatinvest.com). Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to PSIPL in case the shares are held in physical form.
13. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
14. Members seeking any information with regard to the accounts, are requested to write to the Company atleast 10 days before the AGM so as to enable the management to keep the information ready.
15. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members/Claimants are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application in the web Form No. IEPF-5 on MCA Portal. The Members/Claimants can file only one consolidated claim in a financial year as per the IEPF Rules. For details, please refer to corporate governance report which is a part of this Annual Report.

16. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
17. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the AGM along with the Annual Report for FY 2021-22 is being sent only through electronic mode to those Members whose name appear in the Register of Members / Beneficial Owners maintained by the Depositories and whose email addresses are registered with the Company / Depositories/ RTA unless any Member has requested for a physical copy of the same. Members may note that the Notice and Annual Report for FY 2021-22 will also be available on website of the Company, i.e. [www.dolatinvest.com](http://www.dolatinvest.com), website of the Stock Exchange i.e. BSE Limited.
18. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode.
19. Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with PSIP in case the shares are held by them in physical form.
20. **Instructions for e-voting and joining the AGM are as follows:**

#### **Voting through electronics means:**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the Annual General Meeting (AGM). For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system during the AGM will be provided by CDSL.

The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.

The voting rights of Members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date.

The Company has appointed Mr. Dinesh Kumar Deora, Practicing Company Secretary, to act as the Scrutinizer, to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.

The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, unblock the votes cast through remote e-voting from the e-voting system and will submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairperson / Managing Director or a person authorized by him in writing, who shall countersign the same. The results will be announced within the time stipulated under the applicable laws.

The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website [www.dolatinvest.com](http://www.dolatinvest.com) and shall also be communicated to the Stock Exchanges where the Company is listed, viz. BSE Ltd.

The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come

first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

Members who are holding shares in physical form or who have not registered their email address with the Company/Depository or any person who acquires shares of the Company and becomes a Member of the Company after the Notice has been sent electronically by the Company, and holds shares as of the cut off date, such Member may obtain the User ID and password by sending a request at [support@purvashare.com](mailto:support@purvashare.com). However, if he/she is already registered with CDSL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

## THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- (i) The remote e-voting period begins on Tuesday, September 27, 2022 (09.00 a.m. IST) and ends on Thursday, September 29, 2022 (5.00 p.m. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Friday, September 23, 2022 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 cast their vote again.
- (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.



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Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) 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.</li> <li>2) 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' website directly.</li> <li>3) 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></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> 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.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>1) 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.nsdl.com">https://eservices.nsdl.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.</li> <li>2) If the user is not registered for IDEAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDEAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.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</li> </ol>

<p>Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b></p>	<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>
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**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 <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

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

- 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 Physical shareholders and other than individual shareholders holding shares in Demat</b>
PAN	<ul style="list-style-type: none"> <li>• Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</li> <li>• 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.</li> <li>• 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.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> </ul>

- (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 for the relevant <DOLAT ALGOTECH 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 will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, 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; [post@dolatinvest.com](mailto:post@dolatinvest.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

## **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. For ease of conduct, members who would like to ask questions may send their questions in advance atleast (7) days before AGM mentioning their name, demat account number / folio number, email id, mobile number at [post@dolatinvest.com](mailto:post@dolatinvest.com) and may register themselves as a speaker in advance atleast (7) days before AGM mentioning their name, demat account number / folio number, email id, mobile number at [post@dolatinvest.com](mailto:post@dolatinvest.com). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.

# DOLAT ALGOTECH LIMITED (Formerly known as Dolat Investments Limited)

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8. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
9. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

## **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE 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 [support@purvashare.com](mailto:support@purvashare.com) or use the link <https://www.purvashare.com/email-and-phone-updation/>
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.

## **Other Instructions**

- 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 toll free no. 1800 22 55 33
- 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](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.

## **Registered Office:**

Unit no 1401 – 1409, 14th floor,  
Dalal Street Commercial Co-Operative Society Ltd,  
Block 53 (Building No.53E) Zone-5, Road - 5E,  
Gift City, Gandhinagar, Gujarat – 382355  
CIN: L67100GJ1983PLC126089  
Email: [post@dolatinvest.com](mailto:post@dolatinvest.com)  
Website: [www.dolatinvest.com](http://www.dolatinvest.com)

**Date:** August 10, 2022

**Place:** Mumbai

## **By the Order of the Board of Directors For Dolat Algotech Limited**

(Formerly known as Dolat Investments Limited)

**Sandeepkumar G. Bhanushali**  
**Company Secretary & Compliance Officer**

## Explanatory Statement

As required by Section 102 of the Companies Act, 2013 (“Act”), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 5 to 7 of the accompanying Notice. As an additional information, the Explanatory Statement also contains material facts pertaining to ordinary business mentioned at Item No. 4 of the said Notice.

### Item 4

This explanatory statement is in terms of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), however, the same is strictly not required as per Section 102 of the Act.

The Members at the Thirty Sixth Annual General Meeting (“AGM”) of the Company held on September 29, 2017, had approved the appointment of M/s. V. J. Shah & Co, Chartered Accountants (Firm Registration No. 109823W) as Statutory Auditors of the Company, to hold office till the conclusion of the Forty First AGM.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company has, based on the recommendation of the Audit Committee, at its meeting held on August 10, 2022, proposed the re-appointment of M/s. V. J. Shah & Co, Chartered Accountants (Firm Registration No. 109823W), as the Statutory Auditors of the Company, for a term of Four consecutive years from the conclusion of Forth First AGM till the conclusion of Forty Fifth AGM of the Company to be held in the year 2026, at a remuneration as may be mutually agreed between the Board of Directors and Statutory Auditors.

M/s. V. J. Shah & Co have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members.

None of the Directors and Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the Resolution set out at Item No. 4 of the Notice.

### Item 5

As per Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), with effect from April 1, 2019, no listed company shall appoint or continue the directorship of a Non-Executive Director who has attained the age of 75 (Seventy Five) years, unless a Special Resolution is passed to that effect and justification thereof is indicated in the explanatory statement annexed to the Notice for such appointment

In compliance pursuant to aforesaid regulation, since Mr. Harendra Dolatrai Shah has attained the age of 76 years, the Board of Directors, at its meeting held on August 10, 2022, based on the recommendations of the Nomination and Remuneration Committee and approval of Audit Committee approved recommendation for appointment Mr. Harendra Dolatrai Shah (DIN: 00012601) as Director (Non executive – Non Independent).

The Company has received notice from member alongwith deposit of requisite amount under section 160 of the Companies Act, 2013 proposing the candidature of Mr. Harendra Dolatrai Shah (DIN: 00012601) for the office of Director (Non executive – Non Independent). Mr. Harendra D. Shah is not disqualified from being appointed as Director in terms of Section 164 of the Act. Mr. Harendra D. Shah has furnished consent/declaration for his appointment as required under the Act and the Rules made thereunder.

# **DOLAT ALGOTECH LIMITED** (Formerly known as Dolat Investments Limited)

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Mr. Harendra Dolatrai Shah has been associated with the company as Promoter since inception and also had been on board of directors since inception till 2015.

The details of Mr. Harendra Dolatrai Shah, as required under Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, are set out in the Annexure forming part of the Notice.

Considering his rich experience and expertise, Board hereby recommend the Members to grant their approval by way of passing a Special Resolution for the appointment of Mr. Harendra Dolatrai Shah (DIN: 00012601) as Director (Non executive – Non Independent) of the Company, liable to retire by rotation.

Mr. Pankaj D. Shah, Managing Director and Mr. Shailesh D. Shah, Director may be deemed to be interested in the said resolution.

The other relatives of Mr. Harendra Dolatrai Shah may be deemed to be interested in the said resolution of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

## **Item 6**

As per Section 180(1)(c) of the Companies Act, 2013, borrowings (apart from temporary loans obtained from the Company's bankers in ordinary course of business) by the Company beyond the aggregate of the paid up share capital of the Company and its free reserves and securities premium requires the approval from the shareholders of the Company.

Members in 39th Annual General Meeting, held on 10th September, 2020, had approved borrowings limits under Section 180 (1)(c) of the Companies Act, 2013 (the "Act") upto Rs.1,500 Crores.

Company's requirements to fund is growing taking into consideration of its business activities and operations, the Board of Directors of the Company at its meeting held on August 10, 2022, proposed to raise the existing borrowing limit from Rs.1,500 Crore (Rupees One Thousand Five Hundred crore) to Rs.2,500 Crore (Rupees Two Thousand Five Hundred crore), which is subject to the approval of the Shareholders of the Company.

Accordingly, the Board of Directors recommends the Special Resolution at Item no.6 of the accompanying Notice for the approval of members.

None of the Directors and Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, Financial or otherwise, in the said resolution.

## **Item 7**

Members in 39th Annual General Meeting, held on 10th September, 2020, had authorized the Board of Directors to create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the lenders/ trustees to secure the repayment of monies borrowed by the Company.

## **DOLAT ALGOTECH LIMITED** (Formerly known as Dolat Investments Limited)

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Under the provisions of Section 180(1)(a) of the Companies Act, 2013 the above powers can be exercised by the Board only with the consent of the shareholders obtained by way of a Special Resolution. Accordingly, the Board of Directors at its meeting held on August 10, 2022, proposed to obtain fresh approval of the shareholders by way of a Special Resolution under Section 180(1)(a) of the Companies Act, 2013, to create charge/ mortgage/ hypothecation /pledge on the Company's assets including tangible and intangible, both present and future, in favour of the Banks, Financial Institutions, any other Lender(s), Agent(s) and Trustee(s), for securing the borrowing availed or to be availed by the Company, from time to time up to the limits approved or as may be approved by the shareholders from time to time under Section 180(1)(c) of the Companies Act, 2013. Accordingly, the Board of Directors recommends the Special Resolution at Item no.7 of the accompanying Notice for the approval of members.

None of the Directors and Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, Financial or otherwise, in the said resolution.

**Registered Office:**

Unit no 1401 – 1409, 14th floor,  
Dalal Street Commercial Co-Operative Society Ltd,  
Block 53 (Building No.53E) Zone-5, Road - 5E,  
Gift City, Gandhinagar, Gujarat – 382355  
CIN: L67100GJ1983PLC126089  
Email: [post@dolatinvest.com](mailto:post@dolatinvest.com)  
Website: [www.dolatinvest.com](http://www.dolatinvest.com)

**By the Order of the Board of Directors  
For Dolat Algotech Limited**  
(Formerly known as Dolat Investments Limited)

**Date:** August 10, 2022

**Place:** Mumbai

**Sandeepkumar G. Bhanushali**  
**Company Secretary & Compliance Officer**



**ANNEXURE TO THE NOTICE****Details of Director Seeking Appointment / Re-appointment at the Annual General Meeting**

(Pursuant to Regulation 36(3) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Name of Director	Mrs. Neha Purvag Shah	Mr. Harendra Dolatrai Shah
DIN	05262280	00012601
Date of Birth	11.07.1984	01.04.1946
Date of Appointment	04.12.2017	-
Expertise in specific functional areas	Mrs. Neha P. shah has experience in Investment banking including managing NBFC business since last 10 years	Mr. Harendra Dolatrai Shah has more than 4 decades of experience in Share and commodities market.
Qualification	Masters in International Securities Investment and Banking (2006) from The University of Reading, UK	B.E. Electrical
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	NIL	NIL
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	NIL	NIL
Number of shares held in the Company	19,34,500 (1.10%)	20,000 (0.01%)
Relationship with other Directors / Key Managerial Personnel	She is daughter-in-law of Mr. Shailesh Dolatrai Shah	Brother of Mr. Pankaj D. Shah and Mr. Shailesh Dolatrai Shah

For other details such as number of meetings of the board attended during the year, remuneration drawn and other details in respect of above director, please refer to the Corporate Governance Report.

## DIRECTORS' REPORT

To,  
The Members,

Your Directors are pleased to present the Annual Report along with the Audited Financial Statements of your Company for the financial year ended on 31<sup>st</sup> March, 2022.

### 1. FINANCIAL RESULTS:

The summarised financial highlight is depicted below:

(₹ In Million)

Particulars	Consolidated		Standalone	
	2021-22	2020-21	2021-22	2020-21
Revenue from Operations	2,928.04	2,650.15	2,317.64	1,982.86
Other Income	293.14	203.44	574.60	494.15
<b>Total Income</b>	<b>3,221.18</b>	<b>2,853.58</b>	<b>2,892.24</b>	<b>2,477.01</b>
<b>Expenses:</b>				
Operating expenses	660.79	583.61	492.65	364.54
Depreciation and Amortization Expenses	3.44	2.88	3.44	2.88
<b>Total expenses</b>	<b>664.24</b>	<b>586.49</b>	<b>496.09</b>	<b>367.42</b>
Profit before Finance cost and tax	2,556.95	2,267.09	2,396.15	2,109.58
Finance Costs	252.50	253.66	247.42	253.12
<b>Profit before tax</b>	<b>2,304.44</b>	<b>2,013.43</b>	<b>2,148.73</b>	<b>1,856.46</b>
Tax Expense	627.47	543.40	474.51	389.35
<b>Profit for the year</b>	<b>1,676.97</b>	<b>1,470.03</b>	<b>1,674.23</b>	<b>1,467.11</b>
Attributable to:				
Owners of the Company	1,674.23	1,467.11	1,674.23	1,467.11
Non- controlling interest	2.74	2.92	NA	NA
Earnings Per Share (in ₹)				
Basic	9.51	8.34	9.51	8.34
Diluted	9.51	8.34	9.51	8.34

### 2. COMPANY PERFORMANCE:

On a consolidated basis, the revenue for FY 2022 was ₹2,928.04 million higher by 10.49 percent over the previous year's revenue of ₹2,650.15 Million. The profit after tax ("PAT") attributable to shareholders and non-controlling interests for FY 2022 and FY 2021 was ₹1,676.97 Million and ₹1,470.03 Million, respectively. The PAT attributable to shareholders for FY 2022 was ₹1,674.23 Million registering a growth of 14.12 percent over the PAT of ₹1,467.11 Million in FY 2021.

On a standalone basis, the revenue for FY 2022 was ₹2,317.64 Million higher by 16.88 percent over the previous year's revenue of ₹1,982.86 Million. The PAT attributable to shareholders in FY 2022 was ₹1,674.23 Million registering a growth of 14.12 percent over the PAT of ₹1,467.11 Million in FY 2021.

### 3. DIVIDEND:

During the year, Company paid to its shareholder interim dividend of ₹0.20 per Equity shares of FV ₹ 1/- each in the month of September 2021. Board has not declared any other dividend except aforesaid interim dividend. The Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") is available on the Company's website at <http://www.dolatinvest.com/>

#### 4. SHARE CAPITAL:

The paid up equity share capital as on March 31, 2022 was ₹176.00 Million. During the year under review, the Company has neither issued shares with differential voting rights nor granted stock options /sweat equity.

#### 5. TRANSFER TO RESERVES:

The closing balance of the retained earnings of the Company for FY 2022, after all appropriation and adjustments was ₹4,991.55 Million.

#### 6. DEPOSITS:

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

#### 7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of Loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013, as may be applicable, have been disclosed in the financial statements.

#### 8. RELATED PARTY TRANSACTIONS:

All the related party transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Your Company had not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Companies Act, 2013. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC 2 is not applicable.

During the year under review, your Company has entered into transactions with related party which are material as per Regulation 23 of the SEBI Listing Regulations and members have consented on the transaction through postal ballot in month of March 2022.

The policy governing the related party transactions has been adopted by the Company and is placed on the Company's website ([www.dolatinvest.com](http://www.dolatinvest.com)).

#### 9. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

During the year under review, Company has not incorporated any subsidiary, Joint venture or Associate Companies. A statement containing the salient features of financial statements of subsidiary(ies) companies of the Company in the prescribed Form AOC – 1 forms a part of Financial Statements in compliance with Section 129 (3) and other applicable provisions, if any, of the Act read with Rules.

The Company's Policy for determining material subsidiaries may be accessed on the website of the Company at ([www.dolatinvest.com](http://www.dolatinvest.com)).

#### 10. CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of the Act, Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and applicable Accounting Standards, the Audited Consolidated Financial Statements of the Company for the financial year 2021-22, together with the Auditors' Report form part of this Annual Report.

In accordance with Section 136 of the Act, the audited financial statements, including the Consolidated Financial Statements and related information of the Company and the financial statements of the subsidiary, are available on our website, ([www.dolatinvest.com](http://www.dolatinvest.com)).

#### 11. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:

During the financial year 2021-22, 6 (Six) meetings of the Board of Directors were held. For details of the meetings of the board, please refer to the corporate governance report, which forms part of this report.

## 12. DIRECTORS AND KEY MANAGERIAL PERSONNEL :

The composition of the Board of Directors of the Company is in accordance with the provisions of Section 149 of the Act and Regulation 17 of the SEBI Listing Regulations, with an appropriate combination of Executive, Non-Executive and Independent Directors.

Mrs. Neha P. Shah retires by rotation and being eligible, offers herself for re-appointment. A resolution seeking shareholders' approval for her re-appointment forms part of the Notice.

Notice has been received from member proposing candidature of Mr. Harendra D. Shah (DIN: 00012601) as Director (Non Executive – Non Independent Director). Proposal for appointment of Mr. Harendra D. Shah who has attained the age of 76 years as Director (Non Executive – Non Independent Director), is placed in ensuing Annual General Meeting for approval of members of the company through special resolution, which is in compliance pursuant to regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and the SEBI Listing Regulations.

In terms of Regulation 25(8) of SEBI Listing Regulations there has been no change in the circumstances affecting their status as Independent Directors of the Company.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission, if any and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board /Committee of the Company.

The Board recommends the appointment / re-appointment of above directors for your approval.

Brief details of Directors proposed to be appointed / re-appointed as required under Regulation 36 of the SEBI Listing Regulations are provided in the Notice of the ensuing Annual General Meeting.

## 13. DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- b) they 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 the Company as at the end of the Financial year and of the profit of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## 14. BOARD EVALUATION:

The Board of Directors has carried out on an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act, SEBI Listing Regulations and the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of 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.

In a separate meeting of independent directors, performance of non-independent directors, the Chairperson of board and the board as a whole was evaluated.

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

## **15. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, REMUNERATION AND OTHER DETAILS:**

The Company's policy on directors' appointment and remuneration and other matters provided in section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of this report and is also available on the Company's website at [www.dolatinvest.com](http://www.dolatinvest.com)

## **16. RISK MANAGEMENT POLICY:**

The Board has formed a Risk Management Committee (RMC) to frame, implement and monitor the risk management plan for the Company. The RMC is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has an additional oversight in the area of financial risks and controls. The major risks identified by the businesses are systematically addressed through mitigation actions on a continual basis.

## **17. INTERNAL FINANCIAL CONTROLS:**

Internal Audit plays a key role in providing an assurance to Management with respect to the Company having adequate Internal Control Systems. The Internal Control Systems provide, among other things, reasonable assurance of recording the transactions of its operations in all material respects and of providing protection against significant misuse or loss of Company's assets. The Internal Auditors submit their Report periodically which is placed before and reviewed by the Audit Committee.

## **18. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has adopted a policy for prevention, prohibition and Redressal of sexual harassment at the work place, in line with the provisions of the Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder. All employees including temporary and trainee are covered under the policy. The Company has constituted an internal committee to inquire and redress the complaints. The Company has not received any complaint during the FY year 2021-22.

## **19. 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, unacceptable and improper practices or suspected fraud. The Policy provides for adequate safeguards against victimisation of employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The policy has been uploaded on the company's website [www.dolatinvest.com](http://www.dolatinvest.com).

## **20. CORPORATE SOCIAL RESPONSIBILITY:**

The Company has constituted a Corporate Social Responsibility (CSR) Committee and has framed a CSR Policy. The brief details of CSR Committee are provided in the Corporate Governance Report. The Annual Report on CSR activities is set out in Annexure [A] to this report. The CSR Policy is available on the website of the Company at [www.dolatinvest.com](http://www.dolatinvest.com).

## **21. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE:**

The details pertaining to composition of audit committee are included in the Corporate Governance Report which forms part of this report.

## **22. STATUTORY AUDITORS:**

M/s. V.J. Shah & Co., Chartered Accountants (Firm Registration No. 109823W), Mumbai, the statutory auditors of the Company, will hold office till the conclusion of the 41st Annual General Meeting of the Company.

The Board has recommended the re-appointment of M/s. V. J. Shah & Co., Chartered Accountants as the statutory auditors of the Company, for a second term of Four consecutive years, from the conclusion of the 41st Annual General Meeting scheduled to be held in the year 2022 till the conclusion of the 45th Annual General Meeting to be held in the year 2026, for approval of shareholders of the Company, based on the recommendation of the Audit Committee.

## **23. AUDITOR'S REPORT AND SECRETARIAL AUDIT REPORT:**

The statutory auditor's report and the secretarial auditor's report do not contain any qualifications, reservations, or adverse remarks or disclaimer. Secretarial audit report is attached to this report as Annexure B.

## **24. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

During the year under review, there were no significant and material orders passed by the regulators or courts or tribunals, which may impact the going concern status of the Company and its operations in future.

## **25. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and on the date of this report.

## **26. EXTRACT OF ANNUAL RETURN**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2022 is available on the Company's website on <http://www.dolatinvest.com/>

## **27. PARTICULARS OF EMPLOYEES**

The information required under section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014, is given in Annexure C to the Board Report.

## **28. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The company believes that energy provides the means for economic growth and hence, it is important to conserve and use energy judiciously. Being a Company into trading of Stock, the scope of conservation of energy and technology absorption are very limited. However, efforts are made to further reduce energy conservation.

During the year, the company's expenditure in foreign exchange was Rs.NIL (Previous Year Rs.NIL) as mentioned in the notes to financial statement and the company did not have any foreign exchange earnings during the year.

## 29. CORPORATE GOVERNANCE REPORT AND BUSINESS RESPONSIBILITY REPORT

In compliance with Regulation 34 of the Listing Regulations, a separate report on Corporate Governance along with a certificate from the Auditors on its compliance and a Business Responsibility Report forms part of this Report.

## 30. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis as stipulated under the Listing Regulations is presented in a separate section forming part of this Report.

## 31. DISCLOSURES

- a) The Company is in compliance with the relevant provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government;
- b) Details of various committees constituted by the Board of Directors, as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, are given in the Corporate Governance Report and forms part of this report
- c) None of the Auditors of the Company have reported any fraud as specified under the second proviso of Section 143 (12) of the Act;
- d) Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions pertaining to these items during the year under review:
  - Details relating to deposits covered under Chapter V of the Act
  - Issue of equity shares with differential rights as to dividend, voting or otherwise.
  - Issue of shares (including sweat equity shares) to employees of the Company under ESOP or any other scheme.
  - Neither the Managing Director nor the Whole-time Director of the Company has received any remuneration or commission from any of its subsidiaries.

## 33. ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, employees and various Government Authorities for their continued support extended to your Company's activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

**For And on Behalf of The Board of Directors**

**Neha P. Shah**  
Director  
DIN: 05262280

**Pankaj D. Shah**  
Managing Director  
DIN: 00005023

**Place:** Mumbai  
**Date:** August 10, 2022

**ANNEXURE [A] TO THE DIRECTORS' REPORT  
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)**

**1. Brief outline on CSR Policy of the Company :**

The Company has formulated a Corporate Social Responsibility (CSR) Policy pursuant to Section 135 of the Companies Act, 2013 and relevant rules prescribed therein. This CSR Policy relates to the activities to be undertaken by the Company as specified in Schedule VII of the Act and the expenditure thereon and to focus on addressing critical social, environmental and economic needs of marginalized / underprivileged sections of the society and including identifying programmes eligible for financial assistance.

The Company's CSR policy can be accessed on the Company's website at [www.dolatinvest.com](http://www.dolatinvest.com)

**2. Composition of CSR Committee:**

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Sunil Parmanand Shah	Chairman of CSR committee (Non Executive, Independent Director)	2	2
2	Mr. Shailesh Kashanji Nayak	Member of CSR committee (Non Executive, Independent director)	2	2
3	Ms. Monika Amit Singhania	Member of CSR committee (Non Executive, Independent director) (w.e.f. 18-05-2021)	2	2
4	Mr. Pankaj Dolatrai Shah	Member of CSR committee (Managing Director, Executive Director)	2	2

**3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company :** The web-link is as follows: <http://www.dolatinvest.com>

**4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable:** Not Applicable

**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in INR)	Amount required to be set-off for the financial year, if any (in INR)
NOT APPLICABLE			



# DOLAT ALGOTECH LIMITED (Formerly known as Dolat Investments Limited)

6. **Average net profit of the company as per section 135(5):** ₹1,16,11,14,359/-
7. (a) **Two percent of average net profit of the company as per section 135(5):** ₹2,32,22,287.18/-
- (b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Nil
- (c) **Amount required to be set off for the financial year:** NIL
- (d) **Total CSR obligation for the financial year (7a+7b- 7c):** ₹2,32,22,287.18/-
8. (a) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year.	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹2,32,22,288/-	NIL	NIL	Prime Minister's National Relief Fund	# ₹5,00,000/-	21st September, 2021

\*Pursuant second proviso of Section 135(5), Company transferred the unspent amount pertaining to FY 2020-21.

## (b) Details of CSR amount spent against ongoing projects for the financial year:

Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
NIL												

## (c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1.	Promotion Of Vocational Training	Promoting vocational skills etc. {Clause. (ii)}	Yes (Corporate area)	Maharashtra	Mumbai	2,32,22,288/-	No	AMULAKH JAGJIVAN SHAH MEMORIAL TRUST	CSR00015033
	<b>Total</b>					2,32,22,288/-			

# DOLAT ALGOTECH LIMITED (Formerly known as Dolat Investments Limited)

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: NIL

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹2,32,22,288/-

(g) Excess amount for set off, if any:

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	2,32,22,288/-
(ii)	Total amount spent for the Financial Year	2,32,22,288/- #
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

#Pursuant second proviso of Section 135(5), Company transferred the unspent amount pertaining to FY 2020-21 on 21st September, 2021, is not included in calculating amount spent in FY 2021-22.

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
Not applicable							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed / Ongoing
Not applicable								

## **DOLAT ALGOTECH LIMITED** (Formerly known as Dolat Investments Limited)

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10. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:** NOT APPLICABLE
- (a) Date of creation or acquisition of the capital asset(s).
  - (b) Amount of CSR spent for creation or acquisition of capital asset.:
  - (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
  - (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)
11. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):** NOT APPLICABLE

**Sunil P. Shah**  
Chairman of CSR Committee  
DIN: 00010068

**Pankaj D. Shah**  
Managing Director  
DIN: 00005023

**Place:** Mumbai  
**Date:** August 10, 2022

**ANNEXURE B**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

To,  
The Members,  
**Dolat Algotech Limited**  
Unit No. PO6-02A-PO6-02D, Tower A,  
WTC, Block 51, Zone-5, Road 5E, Gift City,  
Gandhinagar, Gujarat-383355

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Dolat Alogtech Limited (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion there on.

Based on our verification of the Company's 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, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March, 2022, generally 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- 1 The Companies Act, 2013 (the Act) and the rules made there under;
- 2 The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- 3 The Depositories Act, 1996 and the Regulations and bye-laws framed there under;
- 4 The provisions of 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 (Not applicable to the Company during the audit period);
- 5 The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- 6 Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI') were not applicable to the Company under the financial year under report:-
  - a. The Securities and Exchange Board of India (Issue of Capital and Disclosure requirements) Regulations, 2018;

# **DOLAT ALGOTECH LIMITED** (Formerly known as Dolat Investments Limited)

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- b. The Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- d. 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;
- e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

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

1. Secretarial Standards issued by The Institute of Company Secretaries of India.
2. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We 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. No changes took place in the composition of the Board of Directors during the period under review.

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 other than those held at shorter notice, 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.

Decisions at the Board meetings and Committee Meetings have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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.

We further report that during the audit period, there was no other event/action having major bearing on Company's affairs except the following:

- (a) The Company has shifted its Registered Office from the Union Territory of Daman & Diu to the State of Gujarat, which is approved by the Office of the Regional Director, Western Region vide its Order dated 12th August, 2021 and approved by Members of the Company vide special resolution passed at 39th Annual General Meeting held on September 10, 2020.
- (b) The Company has changed its name from Dolat Investments Limited to Dolat Algotech Limited, which was approved by the Members of the Company vide special resolution passed at 40th Annual General Meeting held on September 30, 2021.

**For DM & Associates Company Secretaries LLP**  
Company Secretaries  
**ICSI Unique Code: L2017MH003500**

**Dinesh Kumar Deora**  
Partner

**Membership No.: FCS5683**

**COP No.: 4119**

**UDIN: F005683D000278802**

**Place:** Mumbai  
**Date:** 6<sup>th</sup> May, 2022

Note: This report is to be read with our letter of even date that is annexed as Annexure - I and forms an integral part of this report.

**ANNEXURE - I**

To,  
The Members,  
**Dolat Algotech Limited**  
Unit No. PO6-02A-PO6-02D, Tower A,  
WTC, Block 51, Zone-5, Road 5E, Gift City,  
Gandhinagar, Gujarat-383355

Our report of even date is to be read along with this letter,

1. Maintenance of secretarial record 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 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. Where ever 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 future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For DM & Associates Company Secretaries LLP**  
Company Secretaries  
**ICSI Unique Code: L2017MH003500**

**Dinesh Kumar Deora**  
Partner

**Membership No.:** FCS5683

**COP No.:** 4119

**UDIN:** F005683D000278802

**Place:** Mumbai  
**Date:** 6<sup>th</sup> May, 2022

## ANNEXURE [C] TO THE DIRECTORS' REPORT

[Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014]

- The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Name of Director	Designation	Ratio
Mr. Pankaj Dolatrai Shah	Managing Director	4.88
Mr. Shailesh Dolatrai Shah	Director ( Non executive)	-
Mrs. Neha P Shah	Director ( Non Executive)	-
Mr. Sunil Parmanand Shah	Independent Director	0.10
Mr. Shailesh K. Nayak	Independent Director	0.09
Ms. Monika Amit Singhania	Independent Director	0.08

- The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

Name of Director	% increase in remuneration
Mr. Pankaj Dolatrai Shah	-
Mr. Vaibhav Pankaj Shah	-
Mr. Sandeepkumar G. Bhanushali	10.45

Note: No remuneration / Commission is paid to Independent Directors and Non - Executive Directors. Independent Directors are paid sitting fees for attending meetings.

- The percentage increase in the median remuneration of employees in the financial year: 4.94%
- The number of permanent employees on the rolls of Company: 29
- Average percentile increase/ (decrease) already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year was 41.07% whereas increase in the managerial remuneration for was 1.63 % the same financial year.

- Affirmation that the remuneration is as per the remuneration policy of the Company: Yes.

The Company affirms remuneration is as per the remuneration policy of the Company.

**For And on Behalf of The Board of Directors**

**Neha P. Shah**

Director

DIN: 05262280

**Pankaj D. Shah**

Managing Director

DIN: 00005023

**Place:** Mumbai

**Date:** August 10, 2022

## MANAGEMENT DISCUSSION AND ANALYSIS

### Macro-Economic Indicators

The global economy grew an estimated 5.9% in 2021. This remarkable rebound in global economic recovery was attributed to easing of pandemic-related restrictions and lockdowns and accelerated vaccine rollout across 4.4 billion people, around 56% of the global population (single dose).

An unprecedented scale of vaccination programme across the country along with supportive policies helped the Indian economy withstand challenges posed by the second and third wave of the pandemic. The Indian economy for the quarter ended March 2022 showed tremendous resilience to the global macro disruption. The Centre's gross tax revenue for FY22 exceeded the budget estimate by almost ₹5 lakh crore, adding up to ₹27.07 lakh crore for the year against an estimated ₹22.17 lakh crore. The sharp rise in the collections lifted the tax-GDP ratio to the highest ever 11.7% – 6.1% for direct taxes and 5.6% for indirect taxes. The gross corporate taxes for FY22 were ₹8.6 lakh crore, up 56% from a year ago while personal income taxes rose slightly less by 43% to ₹7.48 lakh crore.

### Company's Financial Review

On a consolidated basis, the revenue for FY 2022 was ₹2,928.04 million higher by 10.49 percent over the previous year's revenue of ₹2,650.15 Million.

On a standalone basis, the revenue for FY 2022 was ₹2,317.64 Million higher by 16.88 percent over the previous year's revenue of ₹1,982.86 Million.

Other significant financial parameters of the Company are given below:

### Profit before finance cost and tax

The profit before finance cost and tax for Consolidated aggregated ₹2,556.95 Million in FY 2021-22 as against ₹2,267.09 Million in Previous year.

The profit before finance cost and tax for standalone aggregated ₹2,396.15 Million in FY2021-22 as against ₹2,109.58 Million in previous year.

### Profit before tax (PBT)

Profit before tax for Consolidated amounts to ₹2,304.44 Million in FY2021-22 as against ₹2,013.43 Million in previous year.

Profit before tax for standalone aggregated ₹2,148.73 Million in FY 2021-22 as against ₹1,856.46 Million in previous year.

### Profit after tax (PAT)

The profit after tax ("PAT") attributable to shareholders and non-controlling interests for FY 2022 and FY 2021 was ₹1,676.97 Million and ₹1,470.03 Million, respectively. The PAT attributable to shareholders for FY 2022 was ₹1,674.23 Million registering a growth of 14.12 percent over the PAT of 1,467.11 Million in FY 2021

PAT for standalone aggregated to ₹1,674.23 Million registering a growth of 14.12 percent over the PAT of ₹1,467.11 Million in previous year.

### Earnings per share (EPS)

EPS for Consolidated aggregated ₹9.51 in FY 2021-22 as against ₹8.34 in previous year.

EPS for standalone aggregated ₹9.51 in FY 2021-22 as against ₹8.34 in previous year.

The company is engaged primarily in the business of trading in shares and securities and there are no separate reportable segments.



# DOLAT ALGOTECH LIMITED (Formerly known as Dolat Investments Limited)

**Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefore, including:**

Sr no	Ratio	FY 2022	FY 2021
1	Current ratio	1.65	0.78
2	Debt service coverage ratio	11.32	7.95
3	Return on equity ratio	37.57	50.3
4	Return on capital employed	39.16	58.5
5	Return on investment	104	33.3

**Current ratio:** During the year, the fixed deposits with banks with original maturity of more than 3 months of Rs. 1785.5 million have been categorized as current other financial assets

**Debt service coverage ratio:** During the year, average rate of interest on borrowed fund from the group companies is 5% (P. Yr 6%) and also companies is well capitalized leading to reduced reliance on borrowed funds.

**Return on equity ratio:** The other expenses specially direct expenses viz securities transaction tax and transaction charges has increased disproportionately as compared to the increase in operating income has led to decrease in return on equity and return on capital employed.

**Return on capital employed:** The other expenses specially direct expenses viz securities transaction tax and transaction charges has increased disproportionately as compared to the increase in operating income has led to decrease in return on equity and return on capital employed.

**Return on investment:** Average investments includes investments in subsidiary partnership firm M/s Dolat Tradecorp carrying trading in shares and securities with a profit and loss sharing of 99%. Further Return on investments in 2021 is lower as average investments includes investments in liquid mutual funds having normally lower return on investments.

## Opportunities & Challenges

Your Company with its diversified trading strategy with available liquid funds was particularly well placed to benefit on improvement in the sentiment in market. In the year to come your company will continue to identify opportunities and making investment/trading in select sectors which the management believes have potential to grow your wealth. The volatility in the Indian Capital and Commodities Markets in the financial year under report represents both an opportunity and challenge for the Company.

## Risk & Concern

The capital market industry is mainly dependent on economic growth of country and capital market is also further affected by number of issues arising out of International policies of foreign government as well any change in international business environment. The industrial growth is very sensitive which is dependent on many factors which may be social, financial, economical or political and also natural climatic conditions in the country. However, with the positive attitude of country which can mitigate the avoidable risks. Geopolitical tensions, raising crude oil prices, rising US bond yields, Scams are some of the affecting factors that the country witnessed during the year under review. The country faced the said concerns with positive measures by way of making amendments or introducing new laws that can assist to grow the economy. Foreign investors are very positive for India and trust its policies which are very much investor friendly. It is expected that the said efforts shall continue during the coming years irrespective of the Government which is in power.

## **INTERNAL CONTROL SYSTEM**

The Company has an adequate system of internal control, which assures us of maintaining proper accounting records and reliability of financial information. The Company ensures adherence to all internal control polices and procedures as well as compliances with regulatory guidelines.

## **HUMAN RESOURCES**

The Company continues to strengthen its people capabilities in its quest to build a growing and sustainable business. An increased focus is being maintained to further build employee retention at all levels in the Company. Your Company gives significant importance to its human capital and is dedicated for continuous enhancement of their skills and knowledge by way of training and supervision. Your Company's belief in trust, transparency and teamwork improved employee productivity at all levels.

## **CAUTIONARY STATEMENT**

Statement in this Management Discussion and analysis describing the Company's objective, projection, estimates and expectations may be 'forward looking statement' 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. Several factors could make a significant difference to the Company's operations. These include economic conditions, Government regulations and Tax Laws, Political situation, natural calamities etc. over which the Company does not have any direct control.

# DOLAT ALGOTECH LIMITED (Formerly known as Dolat Investments Limited)

## BUSINESS RESPONSIBILITY REPORT 2021-22

### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY:

1	Corporate Identity Number (CIN) of the Company	L67100GJ1983PLC126089			
2	Name of the Company	Dolat Algotech Limited (Formerly known as Dolat Investments Limited)			
3	Registered address  Corporate Office	1401-1409, Dalal Street Commercial Co-op Soc Ltd, Block 53 (Bldg No.53E) Zone-5, Road-5E, Gift city, Gandhinagar - 382355, Gujarat  301-309, Bhagwati House, A/19, Veera Desai Road, Andheri (West), Mumbai-400058			
4	Website	<a href="http://www.dolatinvest.com">www.dolatinvest.com</a>			
5	E-mail id	<a href="mailto:grievances@dolatinvest.com">grievances@dolatinvest.com</a> , <a href="mailto:post@dolatinvest.com">post@dolatinvest.com</a>			
6	Financial Year reported	2021-22			
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Details of major products			
		Group	Class	Sub Class	Description
		649	6499	64990	Other Financial Intermediation
		661	6612	66120	Broking
8	List three key products/ services that the Company manufactures/ provides (as in balance sheet)	The Company is registered broker for capital market and futures & option segment with NSE and is engaged in proprietary trading of shares, securities, commodities and other financial products.			
9	Total number of locations where business activity is undertaken by the Company	(a) Number of International Locations (Provide details of major 5) - Nil (b) Number of National Locations : In India, the Company carries on the business in the city of Mumbai (Maharashtra) and Gandhinagar (Gujarat).			
10	Markets served by the Company	Local	State	National	International
		Yes	Yes	Yes	No

### SECTION B : FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR)	₹ 176.00 Million
2	Total Turnover (INR)	₹ 2,928.04 Million
3	Total profit after taxes (INR)	₹ 1,676.97 Million
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	During the year, an amount of ₹ 23.22 Million was spent on CSR activities. It represents 2% of average net profit for three financial years immediately preceding the financial year 2021-22
5	List of activities in which expenditure in 4 above has	Refer 'Annexure A' of Directors' Report

### SECTION C: OTHER DETAILS

1. Does the Company has any Subsidiary Company/Companies? Yes
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s): No
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]: No

## SECTION D: BR INFORMATION

### 1. Details of Director/Directors responsible for BR

a) Details of the Director/Directors responsible for implementation of the BR policy/policies:

1	DIN Number : 00005023
2	Name : Mr. Pankaj Dolatrai Shah
3	Designation : Managing Director

b) Details of the BR head:

Sr. No.	Particulars	Details
1	DIN Number (if applicable)	00005023
2	Name	Mr. Pankaj Dolatrai Shah
3	Designation	Managing Director
4	Telephone Number	022-26732602
5	Email ID	<a href="mailto:grievances@dolatinvest.com">grievances@dolatinvest.com</a>

### 2. Principle-wise (as per NGRBC) BR Policy/policies

a) Details of compliance (Reply in Y/N)

The Nine principles as per BRR are as given below :-

<b>P 1</b>	Businesses should conduct and govern themselves with integrity in a manner that is Ethical, Transparent and Accountable.
<b>P 2</b>	Businesses should provide goods and services in a manner that is sustainable and safe.
<b>P 3</b>	Businesses should respect and promote the well-being of all employees, including those in their value chains.
<b>P 4</b>	Businesses should respect the interests of and be responsive to all their stakeholders.
<b>P 5</b>	Businesses should respect and promote human rights.
<b>P 6</b>	Businesses should respect and make efforts to protect and restore the environment.
<b>P 7</b>	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
<b>P 8</b>	Businesses should promote inclusive growth and equitable development.
<b>P 9</b>	Businesses should engage with and provide value to their consumers in a responsible manner.

Sr. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for each principle?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The policies adopted by the Company are in conformity with the applicable rules and regulations								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	All Mandatory policies are available on the website of the Company.								

# DOLAT ALGOTECH LIMITED (Formerly known as Dolat Investments Limited)

Sr. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to key internal stakeholders of the Company.								
8	Does the Company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The Company is working on developing and improving its system for evaluating the implementation of the policies. The policies are evaluated from time to time and updated whenever required.								

- b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick upto 2 options):

Sr. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The Company has not understood the Principles	Not Applicable								
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

### 3. Governance related to BR

- a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

BR performance of the Company is currently assessed annually.

- b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Effective from this year, the Company prepares Business Responsibility Report annually and the same is also placed on the website of the Company at [www.dolatinvest.com](http://www.dolatinvest.com).

## SECTION E : PRINCIPLE WISE PERFORMANCE

### PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?

The Company is committed to acting professionally, fairly and with integrity in all its dealings. The Company, through the Code of Business Conduct & Ethics, has adopted a 'zero-tolerance' approach to bribery and corruption. The Company has put in place an 'Anti-Bribery and Anti-Corruption Policy', which sets forth obligations on part of every employee for prevention, detection and reporting of any act of bribery or corruption. The Code is applicable to directors and employees of the Company as well as the directors and employees of the subsidiary companies.

The Company has formulated a Whistle Blower Policy ('Policy') to enable employees to report about potentially illegal and/or unacceptable practices. It seeks to enable employees to report such practices without fear of victimisation and reprisal. The Policy aims to administer good governance practices in the Company and to ensure that serious concerns are properly raised and addressed. The Policy has been periodically communicated to the employees. A report on the concerns received and the manner in which they are dealt with is periodically reported to the Audit Committee.

**2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

No stakeholder complaints pertaining to the above Codes were received in the past financial year.

**PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE**

The Company is engaged in proprietary trading of shares, securities, commodities and other financial products through various trading platforms and does not have any goods and raw materials utilization as a part of its products and services. However, the Company is also cognizant of its role in supporting environmental sustainability. As part of the above initiative, Company is increasing the usage of LED power saving equipments. Our employee-related systems are digitised too. It also extends to the payment to our employees, vendors and agents too.

The above initiatives and digital processes have not only provided speed and convenience but has also had a positive impact on environment.

**PRINCIPLE 3:**

**BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS.**

**1. Please indicate the Total number of employees.**

The total number of employees is 29 as on 31st March, 2022.

**2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.** NIL

**3. Please indicate the Number of permanent women employees.**

There were 7 permanent women employees as on 31st March, 2022.

**4. Please indicate the Number of permanent employees with disabilities**

There were no permanent employees with disabilities as on 31st March, 2022.

**5. Do you have an employee association that is recognized by management?** No

**6. What percentage of your permanent employees is members of this recognized employee association?**  
NA

**7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

Sr. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour / forced labour / involuntary labour	The Company does not employ such labour	Not Applicable
2	Sexual harassment	Nil	Not Applicable
3	Discriminatory employment	Nil	Not Applicable

**8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? (getting re-verified)**

	Safety and skill up-gradation training
(a) Permanent Employees	100.00%
(b) Permanent Women Employees	100.00%
(c) Casual/temporary/Contractual Employees	NA
(d) Employees with Disabilities	NA

**PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL THEIR STAKEHOLDERS.**

- 1. Has the Company mapped its internal and external stakeholders? Yes/No: Yes**
- 2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders.**

We serve all sections of society irrespective of their wallet size.

- 3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

Not yet but the Company also has a well-established CSR policy which reflects the objective of economic and social development to create a positive impact.

**PRINCIPLE 5 : BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS**

- 1. Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint Ventures/Suppliers/ Contractors/NGOs/Others?**

The Policy relating to respecting and promoting human rights covers the Company. The Company encourages its business partners and third parties with whom it conducts business to abide by this Policy.

- 2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

During the financial year 2021-22, the Company did not receive any complaint with regard to violation of human rights.

## **PRINCIPLE 6 : BUSINESS SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT**

- 1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/ NGOs/others.**

The Policy relating to respecting, protecting and restoring the Environment covers the Company only. However, the Company encourages its suppliers, business partners and third parties with whom it conducts business to abide by this Policy.

- 2. Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for web page etc.**

The aspects outlined under this Principle are not substantially relevant to the Company given the nature of its business. The Company complies with applicable environmental regulations in respect of its premises and operations. Further, the Company participates in initiatives towards addressing environmental issues.

- 3. Does the Company identify and assess potential environmental risks? Y/N: Not Applicable**
- 4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

The above question is not applicable to the Company as it is not a manufacturing Company.

- 5. Has the Company undertaken any other initiatives on-clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

The above question is not applicable to the Company as it is not a manufacturing Company.

- 6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

The above question is not applicable to the Company as it is not a manufacturing Company.

- 7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

There were no outstanding notices as at March 31, 2022.

## **PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT**

- 1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

The Company is a Member of BSE Brokers' Forum

- 2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others): No**



## **PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT**

### **1. Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof.**

The Company has articulated its CSR philosophy as supporting the cause of education, health care, skill development, women empowerment and senior citizens' welfare.

### **2. Are the programmes /projects undertaken through in-house team/own foundation/external NGO/ government structures/ any other organization?**

In FY 21-22, the Company collaborates by funding the external agency, which specialize in the area of the programme conducted.

### **3. Have you done any impact assessment of your initiative?: No**

### **4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?**

The Company has spent ₹ 23.22 Million as part of its CSR initiatives during the year. Refer to the Report on CSR activities as contained in the Annual Report for Financial Year 2021-22.

### **5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

CSR Programme being done through the Public Charitable Trust, which helps in increasing reach as well as ensuring the adoption of initiative by communities.

## **PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER**

### **1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

The Company is till FY 2021-2022 engaged in proprietary trading of shares, securities and commodities and had no customers as such.

### **2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information): NA**

### **3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

There are no cases in relation to unfair trade practices, irresponsible advertising and/or violation of any laws during the financial year 2021-22.

### **4. Did your Company carry out any consumer survey/consumer satisfaction trends: NA**

## CORPORATE GOVERNANCE REPORT

### Company's Philosophy on Corporate Governance

The Company is committed to the highest standards of Corporate Governance. The Company's philosophy on Corporate Governance stresses the importance of transparency, accountability, ethical corporate behavior and fairness to all stakeholders. Good Corporate Governance framework enables the Board and Management to achieve the goals and objectives effectively for the benefit of the Company and its Stakeholders.

The Company is in compliance with the conditions of corporate governance as required under the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable.

### I. Board of Directors

- i. As on March 31, 2022, the Company has Six Directors. Of the Six Directors, Five (i.e. 83.33 percent) are Non-Executive Directors out of which Three (i.e. 50 percent) are Independent Directors. Non-Executive Directors includes two women directors out of which one being independent director. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013 ("the Act").
- ii. None of the Directors on the Board:
  - holds directorships in more than ten public companies;
  - serves as Director or as Independent Directors in more than seven listed entities; and
  - who are the Executive Directors serves as Independent Directors in more than three listed entities.

Necessary disclosures regarding Committee positions in other public companies as on March 31, 2022 have been made by the Directors. None of the Directors is related to each other except Mr. Pankaj Dolatrai Shah, Mr. Shailesh D. Shah & Mrs. Neha P. Shah.

- iii. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.
- iv. Six Board Meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held:  
April 12, 2021; May 18, 2021; July 29, 2021; August 12, 2021; November 12, 2021 and February 09, 2022; The necessary quorum was present for all the meetings.
- v. The names and categories of the Directors on the Board, their attendance at board meetings held during the year under review and at the last Annual General Meeting ("AGM"), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on March 31, 2022 are given herein

## DOLAT ALGOTECH LIMITED (Formerly known as Dolat Investments Limited)

below. Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act. Further, none of them is a member of more than ten committees or Chairman / Chairperson of more than five committees across all the public companies in which he / she is a Director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

Sr. No.	Name of Director	Category	No of Board Meeting attended during 2021 - 22	Whether attended AGM held on 30th September, 2021	Number of Directorships in other Public Companies as on 31/03/2022		Number of Committee positions held in other Public Companies as on 31/03/2022		Directorship in other listed entity (Category of Directorship)
					Chairman	Member	Chairman	Member	
1	Mrs. Neha P. Shah (Chairperson of Board related to promoter) DIN: 05262280	Non-Executive; Non-Independent;	6	Yes	-	-	-	-	-
2	Mr. Pankaj Dolatrai Shah (Managing Director) DIN: 00005023	Executive; Non-Independent; Promoter	5	Yes	-	-	-	-	-
3	Mr. Shailesh Dolatrai Shah DIN: 00005041	Non-Executive; Non-Independent; Promoter	6	Yes	-	-	-	-	-
4	Mr. Sunil Parmanand Shah DIN: 00010068	Non-Executive; Independent	6	Yes	-	-	-	-	-
5	Mr. Shailesh Kashanji Nayak DIN: 07726968	Non-Executive; Independent	6	Yes	-	-	-	-	-
6	Ms. Monika Amit Singhania DIN: 07950196	Non-Executive; Independent	6	Yes	-	2	2	2	Non-Executive; Independent: - NHC FOODS LIMITED - SANJIVANI PARANTERAL LTD.

- vi. During the year 2021-22, information as mentioned in Part A of Schedule II the SEBI Listing Regulations, has been placed before the Board for its consideration.
- vii. During the year under the review, Independent Directors met once on February 09, 2022. The Independent Directors, inter-alia, reviewed the performance of non-independent directors, Chairperson of the Board and the Board as a whole, taking into account the views of the Executive Directors and Non-Executive Directors.
- viii. The Board periodically reviews the compliance reports of all laws applicable to the Company.

ix. The details of the familiarization programme of the Independent Directors are available on the website of the Company (<http://www.dolatinvest.com>).

**x. Skills/expertise/competencies identified by the Board of Directors**

The core skills/expertise/competencies available with the Board and taken into consideration while nominating any candidate to serve on the Board are:

1. Experience in Stock and Commodities market;
2. Strategic thinking and decision making;
3. Leadership and Governance;
4. Finance, Account and Risk Management;
5. Relevant Technologies

In the table below, the specific areas of focus or expertise of individual board members have been highlighted

Name of Director	Areas of Skills/ Expertise				
	Experience in Stock and Commodities market	Strategic thinking and decision making	Leadership and Governance	Finance, Account and Risk Management	Relevant Technologies
Mrs. Neha P. Shah	√	√	√	√	√
Mr. Pankaj Dolatrai Shah	√	√	√	√	√
Mr. Shailesh Dolatrai Shah	√	√	√	√	√
Mr. Sunil Parmanand Shah	√	√	√	√	√
Mr. Shailesh Kashanji Nayak	√	√	√	√	√
Ms. Monika Amit Singhanian		√	√	√	

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board as above. The Company is engaged in proprietary trading of shares, securities, commodities and other financial products, the Directors so appointed are from varied backgrounds who possess special skills with regards to Company's business activities.

The Directors so appointed are drawn from diverse backgrounds and possess the requisite skills, expertise and competencies as identified by the Board.

xi. Details of equity shares of the Company held by the Directors as on March 31, 2022 are given below:

Sr. No.	Name of Director	Category	Number of equity shares
1	Mrs. Neha P. Shah	Non Executive; Non Independent	19,34,500
2	Mr. Pankaj Dolatrai Shah	Executive; Promoter	20,000
3	Mr. Shailesh Dolatrai Shah	Non Executive; Promoter	20,000
4	Mr. Sunil Parmanand Shah	Non – Executive; Independent	-
5	Mr. Shailesh Kashanji Nayak	Non – Executive; Independent	-
6	Ms. Monika Amit Singhanian	Non – Executive; Independent	-

## II. Audit committee

- a. The audit committee of the Company is constituted in compliance with the provisions of Section 177 of the Act and the Regulation 18 of SEBI Listing Regulations.
- b. As on date, the Committee comprises of Mr. Sunil Parmanand Shah, Chairman, Mr. Shailesh Kashanji Nayak, Ms. Monika Amit Singhaniania and Mr. Pankaj D. Shah.
- c. The composition of the Audit Committee for FY 2021-22 and the details of meetings attended by its members are given below:

Sr. No.	Name of Director	Nature of Membership	No of Meetings Attended during FY 2021 - 22
1	Mr. Sunil Parmanand Shah	Chairman	5
2	Mr. Shailesh Kashanji Nayak	Member	5
3	Ms. Monika Amit Singhaniania <sup>®</sup>	Member	3
4	Mr. Pankaj Dolatrai Shah	Member	4

<sup>®</sup>appointed as member of the committee w.e.f. 18-05-2021

- d. Five audit committee meetings were held during the year. The dates on which the said meetings were held are as follows:  
April 12, 2021; May 18, 2021; August 12, 2021; November 12, 2021 and February 09, 2022; The necessary quorum was present for all the meetings.
- e. The terms of reference of the audit committee are broadly as under:
  - Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
  - Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
  - Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
  - Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to the items mentioned in Para A (4) of Part C of Schedule II of the SEBI Listing Regulations;
  - Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  - Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.) (as also provided in the Act), 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;
  - Review and monitor the auditor's independence and performance, and effectiveness of audit process;
  - Approval or any subsequent modification of transactions of the Company with related parties;
  - Scrutiny of inter-corporate loans and investments;
  - Valuation of undertakings or assets of the company, wherever it is necessary;
  - Evaluation of internal financial controls and risk management systems;

- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  - 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;
  - Discussion with internal auditors of any significant findings and follow up thereon;
  - 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;
  - 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;
  - 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;
  - To review the functioning of the whistle blower mechanism;
  - Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
  - Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding Rs.100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments;
  - Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
  - To review management discussion and analysis of financial condition and results of operations;
  - To review statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - To review management letters / letters of internal control weaknesses issued by the statutory auditors;
  - To review internal audit reports relating to internal control weaknesses; and
  - The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
  - To oversee financial reporting controls and process for material subsidiaries;
  - To oversee compliance with legal and regulatory requirements including the Code of Conduct for the company and its material subsidiaries;
  - To oversee the implementation of code of conduct for prevention of insider trading; and
  - Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- f. The previous Annual General Meeting (“AGM”) of the Company was held on September 30, 2021 and was attended by Mr. Sunil P. Shah, Chairman of the audit committee.
- g. Statutory Auditors / Internal Auditors, Chief Financial Officer attended the meetings as and when called for. The Company Secretary acted as the Secretary to the Committee.

## III. Nomination and Remuneration Committee

- a. The Nomination and Remuneration Committee has been constituted in compliance with Section 178 of the Act, and Regulation 19 of the SEBI Listing Regulations.
- b. As on date, the Committee comprises of Mr. Sunil Parmanand Shah, Chairman, Mr. Shailesh Kashanji Nayak, Ms. Monika Amit Singhaniania and Mrs. Neha P. Shah.
- c. The composition of the Nomination and Remuneration Committee for FY 2021-2022 and the details of meetings attended by its members are given below:

Sr. No.	Name of Director	Nature of Membership	No of Meetings Attended during FY 2021-22
1	Mr. Sunil Parmanand Shah	Chairman	2
2	Mr. Shailesh Kashanji Nayak	Member	2
3	Ms. Monika Amit Singhaniania <sup>®</sup>	Member	2
4	Mrs. Neha Purvag Shah	Member	2

<sup>®</sup>appointed as member of the committee w.e.f. 18-05-2021

- d. Two Nomination and Remuneration Committee meetings were held during the year. The dates on which the said meetings were held are as follows: November 15, 2021; and February 09, 2022. The necessary quorum was present for all the meeting;
- e. The extracts of terms of reference of the nomination and remuneration committee are as under:
  - Recommend to the Board the setup and composition of the Board and its Committees. This shall include formulation of the criteria for determining qualifications, positive attributes and independence of a director. The committee will consider periodically reviewing the composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience; 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:
    - i. use the services of external agencies, if required;
    - ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and
    - iii. consider the time commitments of the candidates
  - Recommend to the Board the Appointment/Re-appointment of Directors & Key Managerial Personnel.
  - Devising a policy on Board Diversity;
  - Oversee Familiarisation programmes for directors.
  - Carry out evaluation of every director's performance and support the Board and Independent Directors in evaluation of the performance of the Board, its committees and individual directors. This shall include formulation of criteria for evaluation of Independent Directors and the Board;
  - Recommend to the Board the Remuneration Policy for directors, executive team or Key Managerial Personnel as well as the rest of employees; and
  - Undertake any other matters as the Board may decide from time to time.

f. Remuneration Policy:

Remuneration policy in the Company is designed to create a high performance culture. It enables the Company to attract, retain and motivate Directors/employees to achieve results. The Non-Executive Independent Directors are paid sitting fees for every meeting of the Board and its Committees. The remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration Policy of your Company. The said policy is available on the website of the Company at <http://www.dolatinvest.com/investor>.

g. Details of the Remuneration for the year ended March 31, 2022

• **Remuneration of Non-Executive Directors:**

Non-Executive Independent Directors were paid sitting fee of ₹8,000 for attending each Board Meeting and Audit committee meeting and ₹6,000 for attending other respective Committee Meetings. No sitting fees is paid for CSR Committee. The Company has not paid any commission to Non Executive Directors for the year under review.

Details of the remuneration paid to the Directors of the Company for the financial year:

**Amount in ₹**

Name	Commission	Sitting Fees
Mr. Sunil Parmanand Shah	-	1,24,000
Mr. Shailesh Kashanji Nayak	-	1,12,000
Ms. Monika Amit Singhania	-	1,02,000
Mrs. Neha Purvag Shah	-	-
Mr. Shailesh D. Shah	-	-

• **Remuneration to the Executive Directors:**

The Executive Director, Mr. Pankaj D. Shah and was paid remuneration as per respective terms of appointment approved by the shareholders of the Company.

The remuneration paid to the Executive Directors during the year 2021 - 22 is given below:

**Amount in ₹**

Name	Salary	Benefits Perquisites and Allowances	Commission	Total
Mr. Pankaj Dolatrai Shah	60,00,000	-	-	60,00,000

h. Performance Evaluation

The Board of Directors has carried out on an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act, SEBI Listing Regulations and the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of 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.

In a separate meeting of independent directors, performance of non-independent directors, the Chairperson of board and the board as a whole was evaluated, taking into account the views of the Executive Directors and Non-Executive Directors.



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

## IV. STAKEHOLDERS' RELATIONSHIP COMMITTEE

- i. In compliance with Section 178 of Act and Regulation 20 of the SEBI Listing Regulations, the Stakeholders' Relationship Committee has been constituted.
- ii. As on date, the Committee comprises of Mr. Sunil Parmanand Shah, Chairman, Mr. Shailesh Kashanji Nayak, Ms. Monika Amit Singhania and Mr. Pankaj D. Shah.
- iii. The composition of the Stakeholders Relationship Committee for FY 21-22 and the details of meetings attended by its members are given below:

Sr. No.	Name of Director	Nature of Membership	No of Meetings Attended during FY 2021 - 22
1	Mr. Sunil Parmanand Shah	Chairman	2
2	Mr. Shailesh Kashanji Nayak	Member	2
3	Ms. Monika Amit Singhania@	Member	1
4	Mr. Pankaj Dolatrai Shah	Member	1

@ appointed as member of the committee w.e.f. 18-05-2021

- iv. During the year under review, two Stakeholders Relationship Committee meetings were held during the year. The dates on which the said meetings were held are as follows: 12th April, 2021 and 09th February, 2022 and requisite quorum was present in the committee meeting.
- v. The broad terms of reference of the Stakeholders' Relationship Committee are as under:
  - Resolving the grievances of security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificate, general meetings etc.;
  - Review of measures taken for effective exercise of voting rights by shareholders;
  - Review of adherence to service standards adopted by the Company in respect of various services being rendered by Share Transfer Agent;
  - Review of various measures and initiatives taken by the Company for reducing quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- vi. Mr. Sandeepkumar G. Bhanushali, Company Secretary is designated as the Compliance Officer. The Company has designated e-mail id [grievances@dolatinvest.com](mailto:grievances@dolatinvest.com) exclusively for the purpose of registering complaints.
- vii. Details of investor complaints received and redressed during FY 2022 are as follows:

Opening balance	Received during the year	Resolved during the year	Closing balance
0	1	1	0

## V. RISK MANAGEMENT COMMITTEE

- i. The Company has constituted a Risk Management Committee in compliance with the SEBI Listing Regulations.
- ii. The composition and role of Risk Management Committee is in compliance with the provisions of the Act and Regulation 21 read with Part D (C) of Schedule II of Listing Regulations.
- iii. The composition of the Risk Management Committee is as follows:

Sr. No.	Name of Director	Nature of Membership	No of Meetings Attended during FY 2021 – 22
1	Ms. Monika Amit Singhania	Chairperson	2
2	Mr. Shailesh Dolatrai Shah	Member	2
3	Mr. Pankaj Dolatrai Shah	Member	2
4	Mr. Sunil Parmanand Shah	Member	2

- iv. During the year, two meetings of the Committee were held on 15th November, 2021 and 28th March, 2022. The necessary quorum was present for all the meeting.
- v. The broad terms of reference of the Risk Management Committee are as under:
  - To formulate a detailed risk management policy which shall include:
    - a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
    - b. Measures for risk mitigation including systems and processes for internal control of identified risks.
    - c. Business continuity plan.
  - To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
  - To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
  - To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
  - To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
  - The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

## VI. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Pursuant to criteria specified in subsection (1) of section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, CSR provisions are applicable to the Company for FY 2021-22.

The Corporate Social Responsibility (CSR) Committee has been constituted under Section 135 of Companies Act, 2013.

As on date, the Committee comprises of Mr. Sunil Parmanand Shah, Chairman, Mr. Shailesh Kashanji Nayak, Ms. Monika Amit Singhania and Mr. Pankaj D. Shah.

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The composition of the Corporate Social Responsibility Committee and the details of meetings attended by its members are given below:

The composition of the Corporate Social Responsibility Committee and the details of meetings attended by its members are given below:

Sr. No.	Name of Director	Nature of Membership	No of Meetings Attended during FY 2021 - 22
1	Mr. Sunil Parmanand Shah	Chairman	2
2	Mr. Shailesh Kashanji Nayak	Member	2
3	Ms. Monika Amit Singhanian	Member	2
4	Mr. Pankaj Dolatrai Shah	Member	2

Two CSR committee meetings were held during the year. The dates on which the said meetings were held are as follows: July 29, 2021 and February 09, 2022. The necessary quorum was present for all the meeting.

The broad terms of reference CSR committee is as follows:

- Formulate and recommend to the board, a CSR policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act;
- Recommend the amount to be spent on the CSR activities;
- Monitor the CSR Policy of the Company periodically;
- Attend to such other matters and functions as may be prescribed from time to time.

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The same is displayed on the website of the Company at <http://www.dolatinvest.com>. An Annual Report on CSR activities for the year 2021-22 forms a part of the Board's Report.

## VII. General Body Meetings:

- i. Details of Annual General Meeting ("AGM") held and Special resolutions passed during last three years are given below

Financial Year	Day, Date & time	Venue	Details of special resolution passed at the AGM
2018-19	Saturday, 28th September, 2019 at 10.00 A.M.	Hotel Sovereign, Seaface Road, Nani Daman, Daman, Daman & Diu - 396210	Re-appointment of Mr. Sunil Parmanand Shah (DIN 00010068) as an Independent Director
2019-20	Thursday, 10th September, 2020 at 4.30 p.m.	Held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	<ul style="list-style-type: none"> <li>• Shifting of the registered office of the company from Union Territory of Daman &amp; Diu to State of Gujarat</li> <li>• Increase in borrowing limit under section 180(1)(c) of the Companies Act, 2013;</li> <li>• Creation of charge / mortgage etc. on company's movable or immovable properties in terms of section 180 (1) (a) of the Companies Act, 2013</li> <li>• Increase in the limits applicable for making investments / extending loans and giving guarantees or providing securities in connection with loans to persons / bodies corporate</li> </ul>
2020-21	Thursday, 30th September, 2021 at 4.30 p.m.	Held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	<ul style="list-style-type: none"> <li>• To consider and approve the change of name of the company</li> </ul>

The above mentioned Special Resolutions were passed with requisite majority.

ii. Extraordinary General Meeting:

No extraordinary general meeting of the members was held during FY 2022.

iii. **Postal Ballot:**

During financial year ended March 31, 2022, the Company had sought the approval of the shareholders by way of a Special Resolution through notice of postal ballot dated 9th February, 2022 for Re-appointment of Mr. Shailesh K. Nayak as Independent director for second term, which was duly passed with requisite majority and results were announced on March 28, 2022. Mr. Dinesh Kumar Deora (Membership No. FCS 5683), Practicing Company Secretary, was appointed as the Scrutinizer to scrutinize the postal ballot and remote e-voting process in a fair and transparent manner.

Description of the Resolution	Votes in favour of the resolution			Votes against the resolution			Invalid votes	
	Number of members voted	Number of valid votes cast (Shares)	Percentage of total number of valid votes cast	Number of members voted	Number of valid votes cast (Shares)	Percentage of total number of valid votes cast	Total number of members whose votes were declared invalid	Total number of invalid votes cast (Shares)
RE-APPOINTMENT OF MR. SHAILESH K. NAYAK (DIN 07726968) AS AN INDEPENDENT DIRECTOR	181	13,48,99,830	99.98	7	21,927	0.02	0	0

Procedure for postal ballot: The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and read with the General Circular nos. 14/2020, 17/2020, 02/2021 and 21/2021 dated April 8, 2020, April 13, 2020, January 13, 2021 and December 14, 2021 respectively issued by the Ministry of Corporate Affairs

No resolution is proposed to be passed through postal ballots at the ensuing Annual General Meeting of the Company.

## VIII. Means of communication

The quarterly, half-yearly and annual results of the Company are published in English newspapers i.e. Economic Time and Financial Express and regional language newspaper i.e. Financial Express (Ahmedabad edition) and Daman Ganga (Daman / Vapi edition) shortly after its submission to the BSE.

The financial results and other relevant information are regularly and promptly updated on the website of the Company "[www.dolatinvest.com](http://www.dolatinvest.com)".

## IX. Subsidiary Companies

Company has one subsidiary company i.e. M/s. Dolat Tradecorp (partnership firm). The Audit Committee reviews the financial statements and investments made by the aforesaid unlisted material subsidiary. The Company has framed Policy for determining the Material Subsidiary and which is available at the Company's website at this web link: <http://www.dolatinvest.com/investor>

## X. Other disclosures

- i. There were no materially significant Related Party Transactions that may have potential conflict with the interest of the Company at large. The details of Related Party Transactions are disclosed in financial section of this Annual Report. The board has approved a policy for related party transactions which is available on the website of the Company at <http://www.dolatinvest.com/investor>.
- ii. The Company has complied with all the requirements of the Stock Exchanges as well as the regulations and guidelines prescribed by the Securities and Exchange Board of India (SEBI). There were no penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

### iii. Whistle Blower Policy (Vigil Mechanism)

The Company has formulated Whistle Blower Policy for directors and employees to report concerns about unethical behaviour. No person has been denied access to the Chairman of the audit committee. The said policy is available on the website of the Company at <http://www.dolatinvest.com/investor>.

- iv. The Company has adopted Policy On Determination Of Materiality Of Events and Policy on Document Retention and Archival and said policies are available on the website of the Company at <http://www.dolatinvest.com/investor>

### v. Code of conduct

The Company has adopted a Code of Ethics for the Directors and senior management of the Company. The same has been posted on the website of the Company.

The members of the Board and senior management of the Company have submitted their affirmation on compliance with the code for the effective period. The declaration by the Managing Director to that effect forms part of this Report.

### vi. Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company.

### vii. CEO / CFO Certification

The Managing Director and the Chief Financial Officer have certified to the Board in accordance with Regulation 17 (8) read with Part B of Schedule II to the SEBI Listing Regulations pertaining to CEO / CFO certification for the Financial Year ended 31 March, 2022.

- viii. None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any such statutory authority. A Certificate to this effect, duly signed by the M/s. DM & Associates Company Secretaries LLP, Practising Company Secretaries is annexed to this Report.
- ix. No funds have been raised/ utilized through Preferential Allotment or Qualified Institutional Placement as specified under regulation 32(7A).
- x. The Board has accepted / considered all the recommendation(s) made by Committee(s) to the Board in the relevant financial year under review.
- xi. Total fees for all services paid by the listed entity and its subsidiary to the statutory auditors in FY 2021-22 is set out in Notes no 25 of the Consolidated Financial Statements, forming part of the Annual Report.

- xii. The Company has not received any complaint of sexual harassment during FY21-22.
- xiii. There were no loans / advances to firms/ companies in which Directors are interested.

#### **xiv. Compliance**

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of the Listing Regulations. The Company has adopted Non Mandatory requirements wherever necessary. Also the Company's financial statements are free from any qualifications by the Auditors.

### **XI. General shareholder information**

- i. Annual General Meeting for FY 2021-2022

Day & Date: Friday, September 30, 2022

Time: 4:30 p.m.

Venue: Meeting is being conducted through VC/OAVM pursuant to the MCA Circular dated May 5, 2020 read with general circulars dated April 8, 2020, April 13, 2020, January 13, 2021 and December 14, 2021 as such there is no requirement to have a venue for the AGM. For details, please refer to the Notice of this AGM.

As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2 on General Meetings, particulars of Directors seeking appointment / re-appointment at this AGM are given in the Annexure to the Notice of this AGM.

- ii. Financial Calendar For The Year 2022-23 (tentative and subject to change):

First Quarter Results – 2nd / 3rd Week of August, 2022

Second Quarter Results – 2nd Week of November, 2022

Third Quarter Results – 2nd Week of February, 2023

Last Quarter and Annual Audited Results – 3rd week of May, 2023

Dividend Payment Date: Not applicable

- iii. Date of Book Closure: As mentioned in the Notice of this AGM

- iv. Listing on Stock Exchanges:

BSE Limited ("BSE"), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001

- v. Stock Codes/Symbol:

BSE: 505526

Listing Fees as applicable have been paid.

- vi. ISIN in NSDL & CDSL for Company's Equity Shares (face value of Rs.1/- each): INE966A01022.

- vii. Corporate Identity Number (CIN) of the Company : L67100GJ1983PLC126089

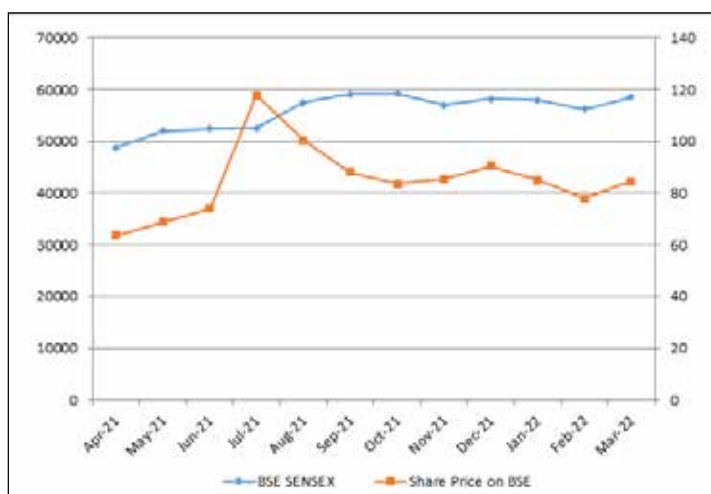
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## viii. Market Price Data:

High, Low (based on daily closing prices) and number of equity shares traded during each month in the year 2021-22 on BSE:

Month	BSE Share Price (₹)		Volume (No.of Shares)	Bse Sensex	
	High Price	Low Price		High	Low
Apr-21	71.6	61.75	529510	50375.77	47204.5
May-21	78.65	61.4	1740332	52013.22	48028.07
Jun-21	80	67	1546488	53126.73	51450.58
Jul-21	128	74.2	4440279	53290.81	51802.73
Aug-21	127.5	87.75	2087667	57625.26	52804.08
Sep-21	105	86.05	1265641	60412.32	57263.9
Oct-21	95.5	81.5	868191	62245.43	58551.14
Nov-21	93.45	79.85	713972	61036.56	56382.93
Dec-21	95.55	80.1	811429	59203.37	55132.68
Jan-22	91.9	77.05	577224	61475.15	56409.63
Feb-22	101.15	71.05	1092834	59618.51	54383.2
Mar-22	94.6	73.1	735425	58890.92	52260.82

## ix. Stock performance of the company vis a vis BSE Sensex:



## x. Shareholding as on March 31, 2022:

### a. Distribution of equity shareholding as on March 31,2022:

No. of Equity Shares held (Range)	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
UPTO 5,000	38,361	97.76	1,06,10,319	6.03
5,001 - 10,000	356	0.91	26,85,399	1.53
10,001 - 20,000	237	0.6	34,14,190	1.94
20,001 - 30,000	85	0.22	21,37,236	1.21
30,001 - 40,000	30	0.08	10,72,439	0.61
40,001 - 50,000	30	0.08	13,78,484	0.78
50,001 - 1,00,000	54	0.14	36,67,237	2.08
1,00,001 & ABOVE	85	0.22	15,10,34,696	85.82
<b>TOTAL</b>	<b>39,238</b>	<b>100</b>	<b>17,60,00,000</b>	<b>100</b>

### b. Categories of equity shareholders as on March 31, 2022:

Category	No. of Equity shares held	Percentage of Holding
Promoter and Promoter Group	13,10,94,059	74.49
Trust	10,000	0.01
Resident Individuals	3,67,35,877	20.87
Bodies Corporate	20,45,775	1.16
Foreign Portfolio Investor (Corporate)	26,645	0.02
Non Resident Indians (Repat & Non Repat)	4,79,320	0.27
IEPF	5,91,137	0.34
Hindu Undivided Family	33,15,748	1.88
Clearing Members	16,11,478	0.92
LLP	89,961	0.05
<b>Grand Total</b>	<b>17,60,00,000</b>	<b>100.00</b>

## xi. Registrars and Transfer Agents

Name and Address: M/s. Purva Sharegistry (India) Pvt. Ltd. Unit No. 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel (East), Mumbai-400011. Telephone: 91-22-23016761/8261 Fax: 91-22-2301 2517 Email: [support@purvashare.com](mailto:support@purvashare.com)

## xii. Share Transfer System

According to the Listing Regulations, no shares can be transferred unless they are held in dematerialised mode. Members holding shares in physical form are therefore requested to convert their holdings into dematerialized mode to avoid loss of shares and fraudulent transactions and avail better investor servicing. Accordingly, only valid transmission or transposition cases may be processed by the Registrar of the Company, subject to compliance with the guidelines prescribed by SEBI. Shares in physical form for transfer/transmission should be lodged with the office of the Company's Registrar / Company. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

The endeavour is to attend to shareholder requests and redress their queries speedily and to their satisfaction, keeping in mind the statutory/regulatory time frame.

During the year under review, the Company obtained following certificate(s) from a Practicing Company Secretary and submitted the same to the stock exchanges within stipulated time



- a. Certificate confirming due compliance of share transfer formalities by the Company pursuant to Regulation 40(9) of the SEBI Listing Regulations for year ended 31st March, 2022 respectively with the Stock Exchanges; and
- b. Certificate regarding reconciliation of the share capital audit of the Company on quarterly basis.

### xiii. Dematerialisation of Shares

The shares of the company are compulsorily to be traded in the Stock Exchanges in dematerialized form. 99.98% of the equity shares of the Company are in electronic form as on March 31, 2022. During the year 2021-22, 2,000 shares were dematerialized. The distribution of shares in physical and electronic modes as at March 31, 2022 and March 31, 2021 is as per below:

Categories	Position as at March 31, 2022		Position as at March 31, 2021	
	No. of Shares	% to total shareholding	No. of Shares	% to total shareholding
Physical	42,950	0.02	44,950	0.03
Demat:				
NSDL	15,60,99,720	88.69	15,73,87,241	89.42
CDSL	1,98,57,330	11.28	1,85,67,809	10.55
Sub-total	17,59,57,050	99.98	17,59,55,050	99.97
<b>Total</b>	<b>17,60,00,000</b>	<b>100.00</b>	<b>17,60,00,000</b>	<b>100.00</b>

### xiv. Dividend Distribution Policy

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), Company has formulated a dividend distribution policy. The said policy is available on the website of the Company at <http://www.dolatinvest.com>

### xv. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence, as on March 31, 2022, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

### xvi. Commodity price risk or foreign exchange risk and hedging activities:

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given. The company is not exposed to changes in any foreign and hedging activities is not required.

### xvii. Transfer of Unclaimed / Unpaid amounts & shares to the Investor Education and Protection Fund (IEPF)

In accordance with the provisions of Sections 124, 125 and other applicable provisions, if any, of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as “IEPF Rules”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the amount of dividend remaining unclaimed or unpaid for a period of 7 (seven) years from the date of transfer to the unpaid dividend account is required to be transferred to IEPF.

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Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

The members who have a claim on above dividends and shares may claim the same from IEPF Authority by submitting an online application in the web Form No. IEPF-5 through MCA portal and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend/shares so transferred. The Members/Claimants can file only one consolidated claim in a financial year as per the IEPF Rules.

The details of unclaimed dividends and shares transferred to IEPF during FY 2022 is NIL.

List unclaimed dividends transferred to IEPF are available on the website of the Company at [www.dolatinvest.com](http://www.dolatinvest.com).

The following tables give information relating to unclaimed and unpaid dividends and the dates by which they can be claimed by the shareholders from the Company's Registrar and Transfer Agent.

Financial Year	Final / Interim Dividend	Date of declaration of Dividend	Last date for claiming unpaid dividend
2018-19	Interim	23/07/2018	22/08/2025
2019-20	Interim	06/08/2019	05/09/2026
2020-21	Interim	26/08/2020	25/09/2027
2021-22	Interim	12/08/2021	11/09/2028

## xviii. Address for correspondence:

Dolat Algotech Limited (Formerly known as Dolat Investments Limited)

301-308, Bhagwati House, A/19, Veea Desai Road, Andheri (West), Mumbai 400058. Tel: +91 22 26732602 Fax: +91 22 26732642

**E-mail:** [grievances@dolatinvest.com](mailto:grievances@dolatinvest.com)

**Website:** <http://www.dolatinvest.com>

## XII. Auditors' Certificate on Corporate Governance

A certificate from the Auditors of the Company regarding compliance of conditions of corporate governance is annexed to this Report.

## XIV. Management Discussion and Analysis

Management Discussion and Analysis is given in a separate section forming part of the Directors' Report in this Annual Report.

# **DOLAT ALGOTECH LIMITED** (Formerly known as Dolat Investments Limited)

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## **DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the code of conduct for Board Members and Senior Management Personnel in respect of the financial year ended 31st March, 2022.

**For Dolat Algotech Limited**

**Place:** Mumbai

**Date:** 13<sup>th</sup> May, 2022

**Pankaj D. Shah**

Managing Director

**DIN:** 00005023

**CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS**

To,  
The Members of  
Dolat Algotech Limited  
Unit No. PO6-02A-PO6-02D, Tower A,  
WTC, Block 51, Zone-5, Road 5E, Gift City,  
Gandhinagar, Gujarat-383355

We have examined the compliance of conditions of corporate governance by **Dolat Algotech Limited (“the Company”)** for the year ended 31st March, 2022, as specified in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**the Regulations**”).

**Management’s Responsibility:**

The Compliance of the conditions of Corporate Governance is the responsibility of the Management.

**Auditors’ Responsibility:**

Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We conducted our engagement in accordance with the “Guidance Note on Corporate Governance Certificate” issued by the Institute of Company Secretaries of India. Our responsibility is to certify based on the work done.

**Conclusion:**

In our opinion and to the best of our information and according to the examination of relevant records and the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

**Restrictions on use:**

This certificate is issued solely for the purposes of complying with the aforesaid Regulations and may not be suitable for any other purpose.

**FOR DM & ASSOCIATES COMPANY SECRETARIES LLP**  
**COMPANY SECRETARIES**  
**UNIQUE CODE: L2017MH003500**

**DINESH KUMAR DEORA**  
PARTNER

**Place:** Mumbai  
**Date:** 6<sup>th</sup> May, 2022

**Membership No.:** FCS 5683 **COP No.:** 4119  
**UDIN:** F005683D000279000

# DOLAT ALGOTECH LIMITED (Formerly known as Dolat Investments Limited)

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members of  
Dolat Algotech Limited  
Unit No. PO6-02A-PO6-02D, Tower A,  
WTC, Block 51, Zone-5, Road 5E, Gift City,  
Gandhinagar, Gujarat-383355

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **DOLAT ALGOTECH LIMITED** having CIN: L67100GJ1983PLC126089 and having its Registered Office at Unit No. PO6-02A-PO6-02D, Tower A, WTC, Block 51, Zone-5, Road 5E, Gift City, Gandhinagar, Gujarat-383355 (hereinafter referred to as 'the Company'), produced before us 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our 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, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended 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
1	Pankaj Dolatrai Shah	00005023	03-05-2019
2	Shailesh Dolatrai Shah	00005041	23-01-2020
3	Sunil Parmanand Shah	00010068	31-01-2004
4	Neha Purvag Shah	05262280	04-12-2017
5	Shailesh Kashanji Nayak	07726968	14-02-2017
6	Monika Amit Singhania	07950196	23-01-2020

Ensuring the eligibility 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.

**FOR DM & ASSOCIATES COMPANY SECRETARIES LLP**  
**COMPANY SECRETARIES**  
**UNIQUE CODE: L2017MH003500**

**DINESH KUMAR DEORA**  
PARTNER

**Date:** 6<sup>th</sup> May, 2022  
**Place:** Mumbai

**Membership No.:** FCS 5683  
**CP No.:** 4119  
**UDIN No. :** F005683D000278483

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DOLAT ALGOTECH LTD. (FORMERLY KNOWN AS DOLAT INVESTMENTS LIMITED)

### REPORT ON AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS

#### OPINION

We have audited the accompanying consolidated financial statements of Dolat Algotech Limited (hereinafter referred to as the 'holding company') and its subsidiary (Holding company and its subsidiary together referred to as 'the Group') which comprise the consolidated balance sheet as at 31 March 2022, and the Statement of Profit and Loss (including 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 (hereinafter referred to as 'the Consolidated Financial Statements')

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 31st March, 2022 of its consolidated profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

#### BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

##### *Key audit Matter –*

##### *Accounting and Valuation of Investments*

The Group's investments under Bank Deposits grouped as Other Financial Asset and Cash and Cash Equivalent as on 31/03/2022 amount to ₹5,683.50/- millions which comprises 74.28 % of total assets of the Group. Considering the high value of this item of asset it has been considered as a key audit matter.

##### *How our audit addressed the key audit matter*

- We obtained an understanding of the internal controls designed by the management for accounting and valuation and tested the operating effectiveness these controls.
- We undertook substantive audit procedures like inspection, recalculation and reperformance.
- We performed procedures to identify encumbrances on these investments and verified sufficiency and appropriateness of disclosures regarding the same.
- We performed procedures to verify adherence to IND-AS.

##### *Key audit Matter – Valuation of Financial Instruments*

The derivative financial assets amount to ₹32.53 millions and derivative financial liabilities amount to ₹331.64 millions. We focused on this because of the number of contracts, their measurement and the complexity related to fair value estimation.

## *How our audit addressed the key audit matter*

- We obtained an understanding of management's process and evaluated design and tested operating effectiveness of controls around existence and measurement of derivative financial instruments.
- Reconciling derivative financial instruments data with data received from independent third parties.
- Considering the appropriateness of disclosures in relation to financial risk management and derivative financial instruments.

## **INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITORS REPORT THEREON**

The Holding 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 Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS**

The Holding Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the financial position, financial performance including

other comprehensive income, cash flows and changes in the equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and applications of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Group's financial reporting process.

## **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial results, 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 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 Holding 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 the managements 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 Group'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 results 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 consolidated financial results, including the disclosures, and whether the consolidated financial statements represent the

underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the consolidated Financial Results. For the other entities included in the consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company 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 consolidated 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.

## OTHER MATTERS

1. The consolidated financial results include the financial results of the subsidiary mentioned above whose interim Financial Statements/Financial Results/ financial information reflect Group's share of total assets of ₹465.95/- millions as at March 31, 2022, Group's share of total income of ₹296.68/- millions and ₹616.06/- millions and Group's share of total net profit after tax of ₹126.65/- millions and ₹274.15/- millions for the quarter ended March



31, 2022 and for the period from April 1, 2021 to March 31, 2022 respectively, as considered in the consolidated Financial Results, which have been audited by their respective independent auditors. The independent auditors' reports on interim financial statements/Financial Results/financial information of these entities have been furnished to us and our opinion on the consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiary, as noted in the 'Other Matter' paragraph we report, to the extent applicable, that:

- a. We/the other auditors whose report we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b. in our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the so far as it appears from our examination of those books and reports of other auditors;

- c. the consolidated balance sheet, consolidated statement of profit and loss including other comprehensive income, consolidated statement of changes in equity and the consolidated cash flow statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- d. in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.
- e. on the basis of the written representations received from the directors of the Holding Company as on 31 March 2022, taken on record by the Board of Directors of the holding company, none of the directors of the Group company is disqualified as on 31 March 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 with reference to these consolidated financial statements of the holding company and its subsidiary and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary as noted in the Other matter paragraph:
  - i. the Group does not have any pending litigations which would impact its financial position,
  - ii. the Group did not have any long term contract including derivative contract; as such the question of commenting on any material foreseeable losses thereon does not arise;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.
  - iv. (i) The management has represented that, to the best of its knowledge and belief, no funds have

been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary companies incorporated in India or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its subsidiary companies incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies incorporated in India shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d)(i) and (d)(ii) contain any material misstatement; and

v. The dividend declared or paid during the year by the Holding Company and its subsidiary companies incorporated in India is in compliance with Section 123 of the Act.

With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**UDIN:** 22164370AIYEQE4032      **For V. J. Shah & Co.**  
Chartered Accountants  
Firm Registration No.: 109823W

**Chintan V. Shah**  
Partner  
**Place:** Mumbai  
**Date:** 13<sup>th</sup> May, 2022      Membership No.: 164370

**ANNEXURE – A TO THE AUDITORS’ REPORT**

Annexure referred to in Paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirements” of the Independent Auditor’s Report on the Consolidated Accounts of **DOLAT ALGOTECH LIMITED** (“the company”) for the year ended 31<sup>st</sup> March, 2022.

(xxi) According to the information and explanations given to us, and on the basis of examination of the relevant records it is observed that no qualification or adverse remarks are reported in the audit report issued by the auditors of subsidiary company.

**UDIN:** 22164370AIYEQE4032

**For V. J. Shah & Co.**  
Chartered Accountants  
Firm Registration No.: 109823W

**Place:** Mumbai  
**Date:** 13<sup>th</sup> May, 2022

**Chintan V. Shah**  
Partner  
Membership No.: 164370

## **ANNEXURE – B TO THE AUDITORS’ REPORT**

### **REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB-SECTION 143 OF THE COMPANIES ACT, 2013 (“the Act”)**

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of Dolat Algotech Limited (hereinafter referred to as “the Holding Company”) and its subsidiary (together referred to as “the Group”), as of that date.

#### **OPINION**

In our opinion, to the best of our information and according to explanations given to us and based on the consideration of reports of the other auditors as referred to in the Other Matters paragraph the Holding Company and its subsidiary, have maintained, 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 31 March 2022, based on the internal control over financial reporting criteria established by the Holding 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.

#### **MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

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

#### **AUDITORS’ RESPONSIBILITY**

Our responsibility is to express an opinion on the Holding 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by 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.

# **DOLAT ALGOTECH LIMITED** (Formerly known as Dolat Investments Limited)

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The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence obtained by us and the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting.

## **MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated 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 consolidated 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 consolidated 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.

## **OTHER MATTERS**

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, in so far as it relates to separate financial statements of its subsidiary is based on the corresponding reports of the auditors of such subsidiary.

**UDIN:** 22164370AIYEQE4032

**For V. J. Shah & Co.**  
Chartered Accountants  
Firm Registration No.: 109823W

**Place:** Mumbai  
**Date:** 13<sup>th</sup> May, 2022

**Chintan V. Shah**  
Partner  
Membership No.: 164370

# DOLAT ALGOTECH LIMITED (Formerly known as Dolat Investments Limited)

## CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2022

(₹ In Million)

	Notes	31st March, 2022	31st March, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	12.79	5.43
Financial assets			
Investments	3	0.00	0.00
Other Financial Assets	4	3,354.00	3,691.00
Other non current assets	5	0.00	0.02
<b>Total Non Current Assets</b>		<b>3,366.79</b>	<b>3,696.46</b>
<b>Current assets</b>			
Financial assets			
Investments	6	425.54	20.72
Cash and Cash Equivalent	7	29.70	21.72
Other Bank Balance	8	0.35	0.24
Loans	9	0.33	0.48
Other financial assets	10	3,719.08	1,186.54
Other current assets	11	109.45	51.81
<b>Total Current Assets</b>		<b>4,284.47</b>	<b>1,281.50</b>
<b>Total Assets</b>		<b>7,651.26</b>	<b>4,977.95</b>
<b>EQUITY AND LIABILITY</b>			
<b>Equity</b>			
Equity Share Capital	12	176.00	176.00
Other Equity	13	5,100.28	3,461.10
Non-Controlling Interest		4.13	2.52
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Provisions	14	0.00	0.11
Deferred Tax Liabilities	15	5.66	27.99
<b>Total Non Current Liabilities</b>		<b>5.66</b>	<b>28.10</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	16	1,748.56	1,143.21
Other Financial Liabilities	17	476.11	116.30
Other Current Liabilities	18	47.32	34.99
Provisions	19	0.07	0.53
Current Tax Liabilities (Net)	20	93.14	15.21
Total Current Liabilities		2,365.19	1,310.24
<b>Total Liabilities</b>		<b>2,370.85</b>	<b>1,338.34</b>
<b>Total Equity and Liabilities</b>		<b>7,651.26</b>	<b>4,977.95</b>
<b>Significant Accounting Policies</b>	1		
<b>Notes are an integral part of the Consolidated Financial Statements.</b>			

As per our attached report of even date

**For V. J. Shah & Co.**

**Firm Registration Number: 109823W**

**Chartered Accountants**

**Chintan V. Shah**

Partner

**Membership No.: 164370**

**Place:** Mumbai

**Date:** 13<sup>th</sup> May, 2022

**For and on behalf of the Board of Dolat Algotech Limited**

(Formerly known as Dolat Investments Limited)

**Pankaj D. Shah**

Managing Director

DIN: 00005023

**Vaibhav P. Shah**

Chief Financial Officer

**Neha P. Shah**

Director

DIN: 05262280

**Sandeepkumar G. Bhanushali**

Company Secretary

# DOLAT ALGOTECH LIMITED (Formerly known as Dolat Investments Limited)

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

(₹ In Million)

	Notes	31st March, 2022	31st March, 2021
Revenue from Operations	21	2,928.04	2,650.15
Other Income	22	293.14	203.44
<b>Total Income</b>		<b>3,221.18</b>	<b>2,853.58</b>
<b>Expenses:</b>			
Employee Benefit Expenses	23	51.45	38.23
Finance Costs	24	252.50	253.66
Depreciation and Amortization Expenses	2	3.44	2.88
Other Expenses	25	609.34	545.38
<b>Total Expenses (II)</b>		<b>916.74</b>	<b>840.15</b>
Profit before tax		2,304.44	2,013.43
Tax Expense:			
Current Tax		643.74	504.53
Deferred Tax		(22.38)	39.00
Tax adjustments of earlier years		6.11	(0.12)
Total Tax Expense		627.47	543.40
<b>Profit After Tax</b>		<b>1,676.97</b>	<b>1,470.03</b>
<b>Other Comprehensive Income (OCI)</b>			
Items that will not be reclassified to profit or loss			
Remeasurement benefit of defined benefit plans		0.21	0.01
Income tax expense on remeasurement benefit of defined benefit plans		(0.05)	(0.00)
<b>Total of other comprehensive income</b>		<b>0.15</b>	<b>0.01</b>
<b>Total Comprehensive Income for the period</b>		<b>1,677.12</b>	<b>1,470.04</b>
<b>Profit for the year attributable to:</b>			
Owners of the Company		1,674.23	1,467.11
Non- controlling interest		2.74	2.92
		<b>1,676.97</b>	<b>1,470.03</b>
<b>Other Comprehensive Income for the year attributable to:</b>			
Owners of the Company		0.15	0.01
Non- controlling interest		0.00	0.00
		<b>0.15</b>	<b>0.01</b>
<b>Total Comprehensive Income for the year attributable to:</b>			
Owners of the Company		1,674.38	1,467.12
Non- controlling interest		2.74	2.92
		<b>1,677.12</b>	<b>1,470.04</b>
Earnings per equity share			
(1) Basic		9.51	8.34
(2) Diluted		9.51	8.34

### Significant Accounting Policies

1

Notes are an integral part of the Consolidated Financial Statements.

As per our attached report of even date

For V. J. Shah & Co.

Firm Registration Number: 109823W

Chartered Accountants

**Chintan V. Shah**

Partner

Membership No.: 164370

Place: Mumbai

Date: 13<sup>th</sup> May, 2022

For and on behalf of the Board of Dolat Algotech Limited

(Formerly known as Dolat Investments Limited)

**Pankaj D. Shah**

Managing Director

DIN: 00005023

**Vaibhav P. Shah**

Chief Financial Officer

**Neha P. Shah**

Director

DIN: 05262280

**Sandeepkumar G. Bhanushali**

Company Secretary

# DOLAT ALGOTECH LIMITED (Formerly known as Dolat Investments Limited)

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

### A. Equity Share Capital

(₹ In Million)

	As at 31st March, 2022	As at 31st March, 2021
Balance at the beginning of the reporting year	176.00	176.00
Change in Equity Share Capital during the year	-	-
Balance at the end of the reporting year	176.00	176.00

### B. Other Equity

(₹ In Million)

	General Reserve	Retained Earning	Other Comprehensive Income	Total
<b>As on 31st March 2021</b>				
Balance at the beginning of the reporting period i.e 1st April, 2020	108.23	1,911.81	0.34	2,020.38
Total Comprehensive Income for the year	-	1,467.11	0.01	1,467.12
Dividends	-	26.40	-	26.40
<b>Balance at the end of the reporting period i.e 31st March, 2021</b>	<b>108.23</b>	<b>3,352.52</b>	<b>0.35</b>	<b>3,461.10</b>

(₹ In Million)

	General Reserve	Retained Earning	Other Comprehensive Income	Total
<b>As on 31st March 2022</b>				
Balance at the beginning of the reporting period i.e 1st April, 2021	108.23	3,352.52	0.35	3,461.10
Total Comprehensive Income for the period	-	1,674.23	0.15	1,674.38
Dividends	-	35.20	-	35.20
<b>Balance at the end of the reporting period i.e 31st March, 2022</b>	<b>108.23</b>	<b>4,991.55</b>	<b>0.50</b>	<b>5,100.28</b>

As per our attached report of even date

For V. J. Shah & Co.

Firm Registration Number: 109823W

Chartered Accountants

Chintan V. Shah

Partner

Membership No.: 164370

Place: Mumbai

Date: 13<sup>th</sup> May, 2022

For and on behalf of the Board of Dolat Algotech Limited

(Formerly known as Dolat Investments Limited)

Pankaj D. Shah

Managing Director

DIN: 00005023

Vaibhav P. Shah

Chief Financial Officer

Neha P. Shah

Director

DIN: 05262280

Sandeepkumar G. Bhanushali

Company Secretary



# DOLAT ALGOTECH LIMITED (Formerly known as Dolat Investments Limited)

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

(₹ In Million)

	For the year ended 31-03-2022	For the year ended 31-03-2021
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit Before Tax	2,304.44	2,013.43
<b>Adjustment for :</b>		
Depreciation	3.44	2.88
Employee benefit	0.26	0.23
Interest expenses	8.64	5.62
Interest on term deposits	(293.14)	(197.43)
CSR expenses	(0.50)	0.48
Interest to Minority Partners	0.16	0.18
Net gain arising on financial assets measured at fair value through profit or loss	(4.79)	4.76
Operating Profit before Working Capital Changes and Provisions	2,018.51	1,830.16
<b>Adjustment for Changes in Working Capital :</b>		
Other Current Liabilities	12.33	9.19
Loans and other assets	(1,005.71)	(436.04)
Liabilities and Provisions	965.15	1,001.47
Cash Generated/(used) in operations	1,990.28	2,404.79
Direct Taxes Paid (Net)	(580.50)	(521.23)
<b>Net Cash from Operating Activities</b>	<b>1,409.78</b>	<b>1,883.55</b>
<b>(B) CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Purchase of Property, Plant and Equipment	(10.80)	(4.57)
Purchase of term deposit	(1,247.50)	(3,821.00)
Interest on term deposits	293.14	197.43
<b>Net Cash from Investing activities</b>	<b>(965.16)</b>	<b>(3,628.14)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend paid including dividend distribution taxes	(35.20)	(26.40)
Net Capital Contribution/(Withdrawals) by minority partner	(1.29)	(3.30)
	(36.49)	(29.70)
<b>Net Inc./(Dec.) in Cash &amp; Cash equivalents [A+B+C]</b>	<b>408.13</b>	<b>(1,774.29)</b>
<b>Cash &amp; Cash Equivalents - Opening Balance</b>	<b>42.11</b>	<b>1,816.40</b>
<b>Cash &amp; Cash Equivalents - Closing Balance</b>	<b>450.24</b>	<b>42.11</b>
Cash & cash equivalents comprise of:		
Balances with Banks:		
In Current accounts	29.07	21.08
Cash in hand	0.64	0.64
Unclaimed dividend accounts*	0.35	0.24
Investments in liquid Mutual Fund	420.18	20.16
	450.24	42.11

\* Unclaimed dividend accounts which are not available for use by the Company.

As per our attached report of even date

**For V. J. Shah & Co.**

**Firm Registration Number: 109823W**

**Chartered Accountants**

**Chintan V. Shah**

Partner

**Membership No.: 164370**

**Place:** Mumbai

**Date:** 13<sup>th</sup> May, 2022

**For and on behalf of the Board of Dolat Algotech Limited**

(Formerly known as Dolat Investments Limited)

**Pankaj D. Shah**

Managing Director

DIN: 00005023

**Vaibhav P. Shah**

Chief Financial Officer

**Neha P. Shah**

Director

DIN: 05262280

**Sandeepkumar G. Bhanushali**

Company Secretary

## Group's Background

The consolidated financial statements comprise financial statements of Dolat Algotech Ltd. ('the Parent' or the Company) and its subsidiary for the year ended 31st March, 2022

The Parent is a public company domiciled in India and is incorporated under the provisions of the Companies Act, 1956. The registered office of the company is located at Unit No PO6-02A - PO6-02D, Tower A, WTC, Block 51, Zone-5, Road 5E, Gift City, Gandhinagar, Gujarat 382355. The Group is engaged in the trading of shares and securities in the stock exchanges. The parent company is a trading cum clearing member of National Stock Exchange of India Ltd. and carries on the business of securities trading.

### 1. Significant Accounting Policies and Key Accounting Estimates and Judgments

#### Significant Accounting Policies

##### 1.1 Basis of preparation of consolidated financial statements

These financial statements are the consolidated financial statements of the Group prepared in accordance with Indian Accounting Standard ('Ind AS') notified under Section 133 of the Companies Act; 2013, read together with the Companies (Indian Accounting Standard) Rules, 2015(as amended).

These consolidated financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

##### 1.2 Current / Non-Current Classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. the asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- ii. the asset is intended for sale or consumption;
- iii. the asset/liability is held primarily for the purpose of trading;
- iv. the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- vi. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories and their realization in cash and cash equivalents.

##### 1.3 Summary of Significant Accounting Policies

###### a) Property, Plant and Equipment

###### Measurement at recognition:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses if any.

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

The cost of an item of property, plant and equipment comprises of its purchase price including non refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

## Depreciation

Depreciation on item of property, plant and equipment is provided on written down value method based on useful life of the assets as prescribed in Schedule II to the Companies Act; 2013. Depreciation on addition to property, plant and equipment is provided on pro-rata basis from the date the asset is put to use. Depreciation on sale/deduction from the property, plant and equipment is provided for upto the date of sale/deduction as the case may be. The depreciation is provided as per the useful life of items of property, plant and equipment as prescribed in Schedule II to the Companies Act, 2013. The useful life of items of property, plant and equipment is mentioned below;

	Years
Furniture and Fixtures	10
Electric Installation	10
Vehicles	8
Office Equipments	5
Computers	3
Computer Servers	6

## Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

### **b) Impairment of Assets:**

At each balance sheet date, the Company reviews the carrying value of tangible assets for any possible impairment. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price or estimated future cash flows.

### **c) Revenue Recognition:**

- 1) Income from Shares & Securities trading is recognized as income or loss on the date of actual trade.
- 2) Income in respect of derivative contracts are accounted in respect of expired contracts.
- 3) In respect of option contracts open as on balance sheet date, the net premium paid or received is carried forward to the balance sheet as financial assets or financial liabilities. The unrealized gain or loss measured on fair valuation is shown as financial assets or financial liabilities as per IND AS 109 Financial Instruments.

- 4) In respect of futures contracts open as on balance sheet date, the net mark to market paid or received is carried forward to the balance sheet as financial assets or financial liabilities. The unrealized gain or loss measured on fair valuation is shown as financial assets or financial liabilities as per IND AS 109 Financial Instruments.
- 5) The dividend income is accounted for when the right to receive the payment is established whereas, interest income and other income is accounted on accrual basis.

## d) **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**

#### Initial recognition and measurement:

The Company recognizes a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

However, trade receivables that do not contain a significant financing component are measured at transaction price.

#### Subsequent measurement:

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

- i. The Company's business model for managing the financial asset and
- ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

- i. Financial assets measured at amortized cost
- ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)
- iii. Financial assets measured at fair value through profit or loss (FVTPL)

#### **i. Financial assets measured at amortized cost:**

A financial asset is measured at the amortized cost if both the following conditions are met:

- a) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and

- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, loans and other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method.

Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset. The same is included under other income in the Statement of Profit and Loss.

The amortized cost of a financial asset is also adjusted for loss allowance, if any.

## ii. **Financial assets measured at FVTOCI:**

A financial asset is measured at FVTOCI if both of the following conditions are met:

- a) The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

## iii. **Financial assets measured at FVTPL:**

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the Company. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

### **Derecognition:**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's Balance Sheet) when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues

to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On derecognition of a financial asset, (except as mentioned in ii above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

## **Financial Liabilities**

### Initial recognition and measurement:

The Company recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial liabilities are recognized initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

### Subsequent measurement:

All financial liabilities of the Company are subsequently measured at amortized cost using the effective interest method.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

### Derecognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

## e) Fair Value

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. 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
- In absence of principal market, in the most advantageous market for the asset or liability

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

## f) Investments in subsidiary

The company has elected to recognize its investment in subsidiary at cost in accordance with the option available in Ind AS 27 – ‘Separate Financial Statements’. The details of such investment are given in Note 3. The impairment policy on such investment is explained in note 1.3(b) above

## g) Income Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

### Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from ‘profit before tax’ as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

### Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

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

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

#### Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/ expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

#### **h) Provisions and contingencies**

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

#### **i) Cash and Cash Equivalents**

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

#### **j) Employees Benefits**

##### **Short Term Employee Benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.



## **Post-Employment Benefits:**

### I. Defined Benefit plans:

#### i. Provident Fund scheme:

Retirement benefit in the form of provident fund is defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to provident fund scheme as an expense, when an employee renders the related services.

#### ii. Gratuity scheme:

The Company operates a defined benefit gratuity plan for employees. The Company contributes to Life Insurance Corporation of India (a fund), towards meeting the Gratuity obligation.

## **Recognition and measurement of Defined Benefit plans:**

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary.

## **Other Long Term Employee Benefits:**

As per company's policy, no encashment of leave to any employee is allowed.

## **k) Lease Accounting**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

In respect of assets taken on operating lease, lease rentals are recognized as an expense in the Statement of Profit and Loss on straight line basis over the lease term unless

- 1) another systematic basis is more representative of the time pattern in which the benefit is derived from the leased asset; or
- 2) the payments to the lessor are structured to increase in the line with expected general inflation to compensate for the lessor's expected inflationary cost increases

## **l) Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

## **m) Events after Reporting Date**

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

## **n) Basis of consolidation**

The Consolidated Financial Statements comprise the financial statements of the Parent Company ('the Company') and its subsidiary. Control is achieved when the Company has:

- Power over the investee,
- Is exposed or has rights to variable returns from its involvement with the investee, and
- Has the ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee,
- Rights arising from other contractual arrangements,
- The Company's voting rights and potential voting rights,
- The size of the Company's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the Consolidated Financial Statements from the date the Company gains control until the date the Company ceases to control the subsidiary.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the Consolidated Financial Statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent company, i.e., year ended on 31st March. When the end of the reporting period of the Parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the Parent to enable the Parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent with those of its subsidiaries.

For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Consolidated Financial Statements at the acquisition date.

- b) Offset (eliminate) the carrying amount of the Parent's investment in subsidiary and the Parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Ind AS 12, Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

## 1.4 Key accounting estimates and judgments

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure 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.

### Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

#### a. Income taxes

The Company's tax jurisdiction is India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions

#### b. Defined Benefit Obligation

The costs of providing post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.



# DOLAT ALGOTECH LIMITED (Formerly known as Dolat Investments Limited)

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

(₹ In Million)

Particulars	31st March, 2022	31st March, 2021
<b>3 NON-CURRENT INVESTMENT</b>		
<b>Investment measured at cost In equity shares-others</b>		
Unquoted fully paid up		
700 Equity Shares with face value of ₹1/- each full paid up of Nirshilp Commodities & Trading Pvt. Ltd. (Investment carried at FVTPL)	0.00	0.00
	0.00	0.00
<b>4 OTHER FINANCIAL ASSETS</b>		
Bank deposits with more than 12 months of original maturity (#)	3,354.00	3,691.00
	3,354.00	3,691.00
# The FDRs are pledged with banks and brokers for margin purposes		
<b>5 OTHER NON-CURRENT ASSETS</b>		
Deposits	0.00	0.02
	0.00	0.02
<b>6 CURRENT INVESTMENT</b>		
<b>Investment in Liquid Mutual Funds (Quoted)</b>		
<b>Investments Measured at Fair Value through Profit and Loss Account</b>		
3,86,042.061 (68,000) Units of ICICI Prudential Liquid Fund - Growth	121.70	20.72
5,93,308.195 (Nil ) Units of Aditya Birla Sunlife Liquid Fund - Growth	203.58	0.00
44,618.859 (Nil ) Units of Mirae Asset Cash Management - Growth	100.26	0.00
	425.54	20.72
Note : The liquid mutual funds are pledged with the brokers for margin purpose.		
<b>7 CASH AND CASH EQUIVALENTS:</b>		
Cash on Hand	0.64	0.64
Balance with banks	29.07	21.08
	29.70	21.72
<b>8 OTHER BANK BALANCES</b>		
On Unpaid Dividend Accounts	0.35	0.24
	0.35	0.24
<b>9 LOANS</b>		
(Unsecured and Considered Good)		
Loans to Staff	0.33	0.48
	0.33	0.48

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT**

(₹ In Million)

Particulars	31st March, 2022	31st March, 2021
<b>10 OTHER FINANCIAL ASSETS</b>		
Bank deposits with more than 12 months of original maturity (#)	2,329.50	745.00
Interest accrued but not due	72.35	52.97
Financial Instruments held for trading - FVTPL	7.24	283.35
Balance with clearing house (net)	1,274.68	27.19
Balance with brokers	1.73	0.07
Financial assets on open series	32.53	76.76
Income tax refundable	1.05	1.19
	<b>3,719.08</b>	<b>1,186.54</b>

# The FDRs are pledged with banks and National Stock Exchange for margin purposes

<b>11 OTHER CURRENT ASSETS</b>		
Security deposits	9.03	9.00
Other receivables	100.42	42.81
	<b>109.45</b>	<b>51.81</b>

<b>12 EQUITY SHARE CAPITAL</b>		
<b>Authorized Share Capital</b>		
18,10,00,000 Equity Shares Of ₹1/- Each	181.00	181.00
<b>Issued, Subscribed and Paid-Up :</b>		
17,60,00,000 Equity Shares of ₹1/- each	176.00	176.00
	<b>176.00</b>	<b>176.00</b>

**a) Reconciliation of Outstanding Shares:**

Particulars	As at 31.03.2022		As at 31.03.2021	
	No of shares	Amount	No of shares	Amount
At the beginning of the year (in Million)	176.00	176.00	176.00	176.00
Add: Issued during the year (in Million)	-	-	-	-
<b>At the end of the year (in Million)</b>	<b>176.00</b>	<b>176.00</b>	<b>176.00</b>	<b>176.00</b>

**b) Terms/ Rights Attached to Equity Shares:**

The company has only one class of equity shares having par value of Re 1 each. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT**

**c) Details of Shareholders Holding more than 5% Shares of the Company:**

Name of the Shareholder	As at 31.03.2022		As at 31.03.2021	
	Number	Percentage	Number	Percentage
Dolat Capital Market Pvt. Ltd.	72,849,770	41.39	72,849,770	41.39
Purvag Commodities and Derivatives Pvt. Ltd.	16,563,124	9.41	16,563,124	9.41
Jigar Commodities and Derivatives Pvt. Ltd.	16,159,218	9.18	16,159,218	9.18

**d) Details of shares held by promoters/promoter group as at 31 March, 2022**

Promoter Name	Number of Shares	% of total shares	% change during the year
Dolat Capital Market Pvt. Ltd.	72,849,770	41.39	-
Purvag Commodities & Derivatives Pvt. Ltd.	16,563,124	9.41	-
Jigar Commodities And Derivatives Pvt Ltd	16,159,218	9.18	-
Shailesh Shah Securities Private Limited	4,650,000	2.64	-
Harendra D. Shah - HUF	3,800,000	2.16	-
Rajul S. Shah	3,230,000	1.84	-
Purvag S. Shah	3,045,488	1.73	-
Nirshilp Commodities And Trading Private Limited	2,664,206	1.51	-
Neha Purvag Shah	1,934,500	1.10	-
Jigar P Shah	1,850,000	1.05	-
Pooja Vaibhav Shah	1,676,500	0.95	-
Dhaval R. Shah	1,220,000	0.69	-
Pooja Jigar Shah	636,253	0.36	-
Nirupama P. Shah	208,000	0.12	-
Harsha H. Shah	165,000	0.09	-
Shilpa R. Shah	152,000	0.09	-
Nirpan Securities Pvt.Ltd.	134,000	0.08	-
Harendra D. Shah	36,000	0.02	-
Amishi H. Shah	20,000	0.01	-
Khyati H. Shah	20,000	0.01	-
Shailesh D. Shah	20,000	0.01	-
Pankaj D. Shah	20,000	0.01	-
Vaibhav Pankaj Shah	20,000	0.01	-
Rajendra D. Shah	20,000	0.01	-
<b>Total</b>	<b>131,094,059</b>	<b>74.49</b>	-

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT**

**Details of shares held by promoters/promoter group as at 31 March, 2021**

Promoter Name	Number of Shares	% of total shares	% change during the year
Dolat Capital Market Pvt. Ltd.	72,849,770	41.39	-
Purvag Commodities & Derivatives Pvt. Ltd.	16,563,124	9.41	-
Jigar Commodities And Derivatives Pvt Ltd	16,159,218	9.18	-
Shailesh Shah Securities Private Limited	4,650,000	2.64	-
Harendra D. Shah - HUF	3,800,000	2.16	-
Rajul S. Shah	3,230,000	1.84	-
Purvag S. Shah	3,045,488	1.73	-
Nirshilp Commodities And Trading Private Limited	2,664,206	1.51	-
Neha Purvag Shah	1,934,500	1.10	-
Jigar P. Shah	1,850,000	1.05	-
Pooja Vaibhav Shah	1,676,500	0.95	-
Dhaval R. Shah	1,220,000	0.69	-
Pooja Jigar Shah	636,253	0.36	-
Nirupama P. Shah	208,000	0.12	-
Harsha H. Shah	165,000	0.09	-
Shilpa R. Shah	152,000	0.09	-
Nirpan Securities Pvt.Ltd.	134,000	0.08	-
Harendra D. Shah	36,000	0.02	-
Amishi H. Shah	20,000	0.01	-
Khyati H. Shah	20,000	0.01	-
Shailesh D. Shah	20,000	0.01	-
Pankaj D. Shah	20,000	0.01	-
Vaibhav Pankaj Shah	20,000	0.01	-
Rajendra D. Shah	20,000	0.01	-
<b>Total</b>	<b>131,094,059</b>	<b>74.49</b>	<b>-</b>

(₹ In Million)

Particulars	31st March, 2022	31st March, 2021
<b>13 OTHER EQUITY</b>		
<b>General Reserve</b>		
As per last balance sheet	108.23	108.23
<b>Retained Earning</b>		
As per last balance sheet	3,352.52	1,911.81
Add: Profit for the year	1,674.23	1,467.11
Less: Dividend	(35.20)	(26.40)
	4,991.55	3,352.52
<b>Other Comprehensive Income (OCI)</b>		
As per last balance sheet	0.35	0.34
Add: Movement in OCI (Net) during the period	0.15	0.01
	0.50	0.35
	<b>5,100.28</b>	<b>3,461.10</b>



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

### Nature and purpose of reserve

**General Reserve:** Under the erstwhile Indian Companies Act, 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10.00% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable reserves for that year. Consequent to introduction of Companies Act, 2013, the requirement of mandatory transfer of a specified percentage of the net profit to general reserve has been withdrawn and the Company can optionally transfer any amount from the surplus of profit or loss to the General reserve.

**Retained Earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

### Items of Other Comprehensive Income

Remeasurements of Net Defined Benefit Plans : Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income.

(₹ In Million)

Particulars	31st March, 2022	31st March, 2021
<b>14 PROVISIONS-NON CURRENT</b>		
Provision for employees benefits (Net of Plan Assets)	0.00	0.11
	<b>0.00</b>	<b>0.11</b>
<b>15 DEFERRED TAX LIABILITIES (NET)</b>		
The movment of defered tax accounts is as follows		
At the start of the year	27.99	(11.01)
Net impact during the year	(22.33)	39.00
At the end of the year	<b>5.66</b>	<b>27.99</b>
<b>16 BORROWINGS</b>		
Unsecured		
Loan from related parties	1,748.56	1,143.21
	<b>1,748.56</b>	<b>1,143.21</b>
<b>17 OTHER FINANCIAL LIABILITIES</b>		
Interest accrued, due but not paid	144.11	0.00
Unpaid Dividend Account	0.35	0.24
Mark to market on unexpired series	32.53	76.76
Premium on unexpired series	299.11	39.31
	<b>476.11</b>	<b>116.30</b>
<b>18 OTHER CURRENT LIABILITIES</b>		
Statutory dues payable	23.82	18.73
Expenses payable	23.50	16.26
	<b>47.32</b>	<b>34.99</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT**

Particulars	(₹ In Million)	
	31st March, 2022	31st March, 2021
<b>19 PROVISIONS- CURRENT</b>		
Provision for employees benefits	0.07	0.04
Provision for CSR Expenses	0.00	0.48
	<b>0.07</b>	<b>0.53</b>
<b>20 CURRENT TAX LIABILITIES (NET)</b>		
Provision for income tax (net)	93.14	15.21
	<b>93.14</b>	<b>15.21</b>
<b>21 REVENUE FROM OPERATIONS:</b>		
(a) Income from Shares & Securities trading	2,824.14	2,534.51
(b) Other Operating Revenue		
Income from Liquid Fund	66.89	82.05
Debts Recovered	0.00	8.00
Dividend received on financial instrument held for trading	37.00	25.59
(c) Brokerage received	0.00	0.00
<b>Revenue From Operations</b>	<b>2,928.04</b>	<b>2,650.15</b>
<b>22 OTHER INCOME:</b>		
<b>a) Interest Income</b>		
- From Bank on Fixed Deposits	293.14	197.43
- Income tax refund	0.00	5.94
- Others	0.00	0.00
	293.14	203.37
<b>b) Other non operating income</b>		
- Other Income	0.00	0.07
<b>Total</b>	<b>293.14</b>	<b>203.44</b>
<b>23 EMPLOYEES BENEFIT EXPENSES</b>		
Salaries, wages and bonus	44.95	31.84
Directors Remunerations	6.00	6.00
Staff welfare expenses	0.25	0.16
Current Service Cost	0.26	0.23
	<b>51.45</b>	<b>38.23</b>
<b>24 FINANCE COST</b>		
Interest Expenses(#)	171.36	217.52
Bank Guarantee Charges	81.14	36.14
	<b>252.50</b>	<b>253.66</b>

(#) Note: Interest expenses includes ₹8.57 million (previous year ₹5.57 million) on account of interest on shortfall in the payment of advance tax.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT**

(₹ In Million)

Particulars	31st March, 2022	31st March, 2021
<b>25 OTHER EXPENSES</b>		
Rent	2.96	1.38
Securities Transaction Tax	333.80	300.79
Co Location Charges	20.85	28.72
Transaction Charges	184.20	126.58
Stamp duty expenses	15.02	27.23
Clearing house expenses	0.98	8.41
Directors' sitting fees	0.40	0.32
Rates and Taxes	13.79	30.39
Payment to Auditor (Refer Details Below)	0.30	0.28
CSR Expenses	23.22	13.98
Miscellaneous Expenses	13.82	7.31
<b>Total</b>	<b>609.34</b>	<b>545.38</b>
<b>PAYMENT TO AUDITOR</b>		
<b>As Auditors:</b>		
- Audit fee	0.16	0.20
- Tax audit fee	0.05	0.04
<b>In Other Capacity:</b>		
- Taxation matters	0.08	0.03
- Other services (certification fees)	0.01	0.01
	0.30	0.28

**26. A. Category-wise classification of financial instruments**

(₹ In Million)

Particulars	Refer Note	Non-Current		Current	
		As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Financial assets measured at fair value through profit or loss (FVTPL)					
Investments in unquoted equity shares	3	0.00	0.00	-	-
Investments in quoted mutual fund	6	-	-	425.54	20.72
Financial instrument held for trading	10	-	-	7.24	283.35
Financial assets on account of open series	10	-	-	32.53	76.76

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT**

(₹ In Million)

Particulars	Refer Note	Non-Current		Current	
		As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Financial assets measured at amortized cost					
Cash and Cash Equivalent	7	-	-	29.70	21.72
Unpaid dividend account	8	-	-	0.35	0.24
Bank deposits with more than 12 months original maturity	4&10	3,354.00	3,691.00	2,329.50	745.00
Security deposit	11	-	-	9.03	9.00
Loan to staff	9	-	-	0.33	0.48
Interest accrued but not due	10	-	-	72.35	52.97
Balance with clearing house (net)	10	-	-	1,274.68	27.19
Balance with brokers	10	-	-	1.73	0.07

(₹ In Million)

Particulars	Refer Note	Non-Current		Current	
		As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Financial liabilities measured at amortized cost					
Borrowings	16	-	-	1,748.56	1,143.21
Interest accrued, due but not paid	17	-	-	144.11	-
Unpaid dividend account	17	-	-	0.35	0.24
Other current liabilities	18	-	-	47.32	34.99

(₹ In Million)

Particulars	Refer Note	Non-Current		Current	
		As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Financial liabilities measured at fair value					
Mark to market on unexpired series	17	-	-	32.53	76.76
Premium on unexpired series	17	-	-	299.11	39.31

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT****B. Fair Value Measurements**

The following table provides the fair value measurement of the company's assets using the level I input method;

(₹ In Million)

	Refer Note	Fair Value as on 31.03.2022	Fair Value as on 31.03.2021
Financial assets measured at fair value through profit and loss			
Investments in quoted mutual fund	6	425.54	20.72
Investment in financial instrument held for trading	10	7.24	283.35
Financial assets on account of open series	10	32.53	76.76

The company is engaged in the business of trading in shares and securities, for the which level I valuation technique is useful for fair value measurement. The company does not require the hierarchy of level II and level III valuation technique for measurement of financial assets and liabilities.

**C. Financial Risk management- Objectives and policies**

The Company's financial liabilities comprise mainly of borrowings, payable to clearing house and other payables. The Company's financial assets comprise mainly of investments, bank deposits with more than 12 months of maturities, cash and cash equivalents, other balances with bank, balance with clearing house and other receivables.

The Company is exposed to Credit risk and Liquidity risk. The board of directors oversees the management of these financial risks.

**a) Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Any adverse effect on the interest rate on bank deposit will fluctuate the future cash flow on bank deposits.

The company does have fixed interest bearing borrowings from the related parties during the year as and when required for the business purpose. The company is not exposed to significant interest rate risk at the respective reporting dates.

**b) Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The company is not exposed to changes in any foreign currency as the company operates mainly in India.

**c) Other Price Risk**

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. As the company is into the hedging business of trading in equity futures and options, the other price risk arising from financial assets such as trading in equity instruments and underlying commodities is minimal.

**d) Credit Risk**

Credit risk refers to risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, investment in mutual funds, bank deposits with more than 12 months of maturities, other balances with banks, and other receivables.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

The company is member of NSE and is doing trading in equity futures and options on its own account. The settlement of trade is done in a day or two, the credit risk arising from the trade receivable is minimal.

Credit risk arising from investment in mutual funds, derivative financial instruments, bank deposits and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognized financial institutions with high credit ratings assigned by the international credit rating agencies.

### e) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents.

### D. Capital Management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. As at 31st March, 2022, the Company has only one class of equity shares and has no long term debt. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for the re-investment into business based on its long term financial plans.

27. The Group comprises of M/s Dolat Tradecorp, a partnership firm where the company is exercising full control and a profit and loss sharing of 99%.

28. Information for Consolidated Financial Statement pursuant to Schedule III of the Companies Act, 2013

Particulars	Net Assets (Total Assets minus Total Liabilities)		Share in profit or loss		OCI		TCI	
	As % of consolidated net assets	Amount (₹ In Million)	As % of consolidated profit or loss	Amount (₹ In Million)	As % of consolidated OCI	Amount (₹ In Million)	As % of consolidated TCI	Amount (₹ In Million)
Dolat Algotech Ltd.	92.21	4,866.91	83.79	1,402.82	100	0.15	83.79	1402.97
<b>Subsidiary</b>								
<b>Indian</b>								
Dolat Tradecorp	7.84	413.49	16.37	274.15	-	-	16.37	274.75
Less : Minority Interest	(0.08)	(4.43)	(0.16)	(2.74)	-	-	(0.16)	(2.74)
<b>Total</b>	<b>100.00%</b>	<b>5,276.28</b>	<b>100.00%</b>	<b>1674.23</b>	<b>100%</b>	<b>0.15</b>	<b>100%</b>	<b>1674.38</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT**

29. Statement under section 129(3) read with rule 5 of the Companies(Accounts) Rules 2014

**Part A : Subsidiary (M/s Dolat Tradecorp, a Partnership Firm)**

**(₹ In Million)**

The "Financial Year" of the Subsidiary Company	March 31, 2022
Shares of Subsidiary held by Dolat Algotech Ltd. on the above dates	
- Number and face value	N.A.
- Extent of holding	99.00%
Capital	413.49
Reserve & Surplus	-
Total Assets	465.95
Total Liabilities	52.46
Turnover & Other Income	616.06
Profit before Tax	427.12
Provision for Taxation	148.75
Deferred Tax	4.22
Profit/(Loss) after Tax	274.15

30. Contingent liabilities

**(₹ In Million)**

Sr No	Particulars	As at 31.03.2022	As at 31.03.2021
1	Guarantees issued by the Company's bankers on behalf of the Company to National Stock Exchange of India Ltd. for additional base capital.	8,850.00	5,350.00
2	Direct tax matters in dispute under appeal	-	172.34

31. Financial Ratios

Ratio	Numerator	Denominator	2022	2021	% Variance
Current ratio (See note a)	Current Assets	Current Liabilities	1.81	0.98	85.21
Debt- equity ratio	Total Debt	Total Equity	0.33	0.31	5.43
Debt service coverage ratio (See note b)	Earning available for debt service	Debt Service	11.34	7.96	42.47
Return on equity ratio	Profit after tax	Average equity	37.63	50.40	(25.34)
Inventory turnover ratio	(See note c)				
Trade receivables turnover ratio	(See note c)				
Trade Payables turnover ratio	(See note c)				
Net capital turnover ratio	Revenue from operation	Average working capital	3.10	3.33	(7.10)
Net profit ratio	Profit after tax	Revenue from operation	57.27%	55.47%	3.25
Return on capital employed	Earnings before interest and tax	Average capital employed	41.79	62.91	(33.56)
Return on investment (See note d)	Income generated from investments	Average investments	29.98	8.99	233.58

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

- a. During the year, the fixed deposits with banks with original maturity of more than 3 months of ₹ 1,584.50 million have been categorised as current other financial assets
- b. During the year, average rate of interest on borrowed fund from the group companies is 5% (P. Yr 6%) and also companies is well capitalized leading to reduced reliance on borrowed funds.
- c. Since the company is member of National Stock Exchange and doing trades in shares and securities in its own account, inventory turnover ratio, trade receivable turnover ratio and trade payables turnover ratio is not given.
- d. Return on investments in 2021 is lower as average investments includes investments in liquid mutual funds having normally lower return on investments.

### 32. Ageing of trade receivable and trade payable

Trade receivable and trade payable ageing schedule as required as per schedule III to the Companies Act 2013 as amended is not given as the company is the member of National Stock Exchange of India Ltd and trades in shares and securities in its own accounts and have no retails clients. The amount receivable and/ or payable to clearing house on account of any trade is settled under T+1 and T+2 settlement basis and shown under other current financial assets or other current financial liabilities as the case may be.

33. The non-current investment has been valued at cost only. Had the investment been valued at fair value, the amount of gain or loss would not have been material.

### 34. Corporate Social Responsibility (CSR) Expenses

Gross amount required to be spent by the Company during the year ₹ 23.22 Million (Previous Year ₹ 13.98 Million)

Amount spent during the year ending 31st March, 2022

Amount (₹ in million)

Particulars	In cash	Yet to be paid in cash	Total
Construction acquisition of any assets	-	-	-
On purpose of other than above	23.22	-	23.22

Amount spent during the year ending 31st March, 2021

Amount (₹ in million)

Particulars	In cash	Yet to be paid in cash	Total
Construction acquisition of any assets	-	-	-
On purpose of other than above	13.50	0.48	13.98

### 35. Segment Reporting:

The company is engaged primarily in the business of trading in shares and securities and there are no separate reportable segments as per Indian Accounting Standards (Ind AS) - 108 dealing with segment reporting.





# DOLAT ALGOTECH LIMITED (Formerly known as Dolat Investments Limited)

## 37. Basic & Diluted Earnings / (Loss) per shares

Particulars	2021-2022	2020-2021
Net Profit Attributable to equity shareholders (Amount (₹ In million))	1,674.23	1,467.11
Weighted Number of Outstanding equity shares for Basic EPS Face Value Re 1 each	17,60,00,000	17,60,00,000
Weighted Number of equity Outstanding shares for Diluted EPS Face Value Re 1 each	17,60,00,000	17,60,00,000
Basic Earning Per Shares (EPS) (Rs.)	9.51	8.34
Diluted Earning Per Shares (EPS) (Rs.)	9.51	8.34

## 38. Taxation:

- Provision for current tax for the current year has been made, taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.
- In accordance with Ind AS – 12 “Taxes on Income” issued by Ministry of Corporate Affairs, net deferred tax assets on account of timing difference for current year of Rs. 22.38 millions is credited to the Statement of Profit & Loss and net deferred tax liabilities of Rs. 0.05 millions is charged to other comprehensive income
- The major components of deferred tax (liabilities)/assets arising on account of timing difference are as follow:

As at 31<sup>st</sup> March, 2022

(₹ In Million)

Particulars	Balance Sheet	Profit and Loss	OCI	Balance Sheet
	01.04.2021	2021-22	2021-22	31.03.2022
Difference between written down value of fixed assets as per books of accounts and Income Tax Act, 1961	(0.11)	0.17	-	(0.28)
Remeasurement benefit of the defined benefit plans through OCI	0.04	(0.03)	0.05	0.02
Difference in carrying value and tax base of current investments measured at FVTPL	(0.20)	1.68	-	(1.87)
Difference in carrying value and tax base of financial instruments measured at FVTPL	(2.89)	(2.86)	-	(0.03)
Financial liability on open series	(24.83)	(21.34)	-	(3.50)
Deferred tax (expenses) / benefits	-	(22.38)	0.05	-
Net deferred tax assets/(liabilities)	(27.99)	-	-	(5.66)

- As at March 31, 2022, the company has reviewed the future earnings of all the cash generating units in accordance with the Ind AS 36 “Impairment of Assets. As the carrying amount of assets does not exceed the future recoverable amount, consequently, no adjustment to carrying amount of assets is considered necessary by the Management.
- In the Opinion of the Management, the current Assets and Loans and Advances as shown in the books are expected to realize at their Book Values in the normal course of business and adequate provision have been made in respect of all known liabilities.
- Based on the information available with the Company, there are no suppliers who are registered as micro, small or medium enterprises under The Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 2022.

## **DOLAT ALGOTECH LIMITED** (Formerly known as Dolat Investments Limited)

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42. Disclosures of transactions with the struck off companies

The Company did not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

43. No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

(a) Crypto Currency or Virtual Currency

(b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder

(c) Registration of charges or satisfaction with Registrar of Companies

(d) Relating to borrowed funds:

i. Wilful defaulter

ii. Utilisation of borrowed funds & share premium

iii. Borrowings obtained on the basis of security of current assets

iv. Discrepancy in utilisation of borrowings

(e) Borrowings obtained on the basis of security of current assets.

(f) Foreign Currency Exposure

44. Previous year's figures have been regrouped wherever necessary to confirm with this year's classification.

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As per our attached report of even date

**For V. J. Shah & Co.**  
**Firm Registration Number: 109823W**  
**Chartered Accountants**

**Chintan V. Shah**  
Partner  
**Membership No.: 164370**

**Place:** Mumbai  
**Date:** 13<sup>th</sup> May, 2022

**For and on behalf of the Board of Dolat Algotech Limited**  
(Formerly Known as Dolat Investments Limited)

**Pankaj D. Shah**  
Managing Director  
DIN: 00005023

**Vaibhav P. Shah**  
Chief Financial Officer

**Neha P. Shah**  
Director  
DIN: 05262280

**Sandeepkumar G. Bhanushali**  
Company Secretary

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF DOLAT ALGOTECH LIMITED (Formerly Known as Dolat Investments Limited) REPORT ON AUDIT OF STANDALONE FINANCIAL STATEMENTS

#### OPINION

We have audited the accompanying standalone financial statements of **Dolat Algotech Limited ('the company')**, which comprise the balance sheet as at 31 March 2022, and the Statement of Profit and Loss (including 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.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 31st March, 2022 and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

#### BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

##### *Key audit Matter –*

##### *Accounting and Valuation of Bank Deposits*

The Company's investment under Bank Deposits grouped under Other Financial Assets and Cash and Cash Equivalent as on 31/03/2022 amount to ₹5,683.50 millions which comprises 74.84 % of total assets of the Company. Considering the high value of this item of asset it has been considered as a key audit matter.

##### *How our audit addressed the key audit matter*

- We obtained an understanding of the internal controls designed by the management for accounting and valuation and tested the operating effectiveness these controls.
- We undertook substantive audit procedures like inspection, recalculation and reperformance.
- We performed procedures to identify encumbrances on these investments and verified sufficiency and appropriateness of disclosures regarding the same.
- We performed procedures to verify adherence to IND-AS.

## *Key audit Matter – Valuation of Financial Instruments*

The derivative financial assets amount to ₹24.87 millions and derivative financial liabilities amount to ₹323.98 millions. We focused on this because of the number of contracts, their measurement and the complexity related to fair value estimation.

### *How our audit addressed the key audit matter*

- We obtained an understanding of management's process and evaluated design and tested operating effectiveness of controls around existence and measurement of derivative financial instruments.
- Reconciling derivative financial instruments data with data received from independent third parties.
- Considering the appropriateness of disclosures in relation to financial risk management and derivative financial instruments.

## **INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITORS 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 Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS**

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

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has

no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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 controls.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(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 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 ability of the company 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the standalone financial information of business activities within the company to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of the standalone financial statements of such entities.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone 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 standalone 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.

## 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, a statement on the matters specified in the 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 purposes of our audit.
  - b. in our opinion proper books of account as required by law have been kept by the company so far as it appears from our examination of those books;
  - c. the balance sheet, statement of profit and loss including other comprehensive income,

statement of changes in equity and the cash flow statement dealt with by this Report are in agreement with the books of account;

- d. in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.
- e. on the basis of the written representations received from the directors as on 31 March 2022, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 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 and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. the Company does not have any pending litigations which would impact its financial position.
  - ii. the Company did not have any long term contract including derivative contract; as such the question of commenting on any material foreseeable losses thereon does not arise;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (i) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually

or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under IV(i) and IV(ii) above, contain any material misstatement.

v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

With respect to the matter to be included in the Auditor’s Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**UDIN:** 22164370AIYEHS5943      **For V. J. Shah & Co.**  
Chartered Accountants  
Firm Registration No.: 109823W

**Chintan V. Shah**  
Partner  
**Place:** Mumbai      **Membership No.:** 164370  
**Date:** 13<sup>th</sup> May, 2022



## ANNEXURE – A TO THE AUDITORS’ REPORT

**Annexure referred to in Paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirements” of the Independent Auditor’s Report on the Accounts of DOLAT ALGOTECH LIMITED (‘the company’) for the year ended 31st March, 2022.**

- i. In respect of Property, Plant and Equipment:
  - a. The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment on the basis of available information.
  - b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
  - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, no immovable properties are held in the name of the company.
  - d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not revalued its Property, Plant & Equipment during the year.
  - e. According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings are initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not made any inventory therefore reporting under clause (ii) is not applicable.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not made any investment nor granted any loans, secured or unsecured to companies, firms or other parties therefore reporting under clause (iii) is not applicable.
- iv. According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not provided any guarantee or security, not made any investments or given any loans as specified under Sections 185 and 186 of the Act, therefore reporting under clause (iv) is not applicable.
- v. The company has not accepted any deposits or amounts which are deemed to be deposits from the public, therefore reporting under clause (v) is not applicable.
- vi. The Central Government has not prescribed maintenance of cost records under sub section (1) of section 148 of the Companies Act, therefore reporting under clause (vi) is not applicable.
- vii. In respect of statutory dues:
  - a. According to the information & explanation given to us, the company was generally regular in depositing dues in respect of Employees Provident Fund, Employees State Insurance Fund, Income Tax (including TDS), GST and other statutory dues with the appropriate authority during the year.

- b. According to records examined by us and the information and explanation given to us, there are no undisputed amounts due in respect of income tax (including TDS), GST, sales tax, excise duty, Employees Provident Fund, Employees State Insurance Fund and other statutory dues at the end of the year.
- viii. According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- ix. In respect of loans:
- (a) Based on our audit procedures and on the basis of information and explanations given to us, the company has not defaulted in the repayment of loans or other borrowings or in payment of interest thereon to any bank, financial institution and Debentures holders during the year.
  - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
  - (c) In our opinion, and according to the information and explanations given to us, no term loans have been obtained by the company.
  - (d) On an overall examination of the financial statements of the Company, the Company, prima facie, during the year did not use any funds raised on short term basis for long term purposes.
  - (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures and therefore reporting under clause 3(ix)(e) of the order is not applicable.
  - (f) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013, therefore reporting under clause 3(ix)(f) of the order is not applicable.
- x. The company has not raised money by the way of initial public offer or further public offer (including debt instruments), nor has the company made any preferential allotment or private placement of shares therefore reporting under clause (x) of the said order is not applicable.
- xi
- (a) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 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.
  - (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 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.
  - (c) According to the information and explanations given to us, there were no whistle blower complaints received by the Company during the year and up to the date of this report.
- xii According to the information and explanations given to us, the company is not a Nidhi Company, therefore reporting under Clause 3(xii) of the said order is not applicable.

## **DOLAT ALGOTECH LIMITED** (Formerly known as Dolat Investments Limited)

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- xiii In our opinion and according to the information and explanations given to us, the Company complies with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.  
(b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- xv In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transaction with directors or persons connected with such directors and hence provisions of section 192 of Companies Act, 2013.
- xvi According to the information and explanations given to us, and based on our examination of the records of the company, the company is a member of the National Stock Exchange and hence it is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- xvii The company has not incurred any cash losses in the current financial period and in the immediately preceding financial year.
- xviii There has been no resignation of statutory auditor of the Company during the period.
- xix On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not 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.
- xx The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of Sub-section (6) of Section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

**UDIN:** 22164370AIYEHS5943

**For V. J. Shah & Co.**  
Chartered Accountants  
Firm Registration No.: 109823W

**Place:** Mumbai  
**Date:** 13<sup>th</sup> May, 2022

**Chintan V. Shah**  
Partner  
Membership No.: 164370

## **ANNEXURE – B TO THE AUDITORS’ REPORT**

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

#### **OPINION**

We have audited the internal financial controls over financial reporting of Dolat Algotech 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.

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.

#### **MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

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

#### **AUDITORS’ RESPONSIBILITY**

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

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

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

## **MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b) 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
- c) 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.

**UDIN:** 22164370AIYEHS5943

**For V. J. Shah & Co.**  
Chartered Accountants  
Firm Registration No.: 109823W

**Place:** Mumbai  
**Date:** 13<sup>th</sup> May, 2022

**Chintan V. Shah**  
Partner  
Membership No.: 164370

# DOLAT ALGOTECH LIMITED (Formerly known as Dolat Investments Limited)

## STANDALONE BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2022

(₹ In Million)

	Notes	31st March, 2022	31st March, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	12.79	5.43
Financial assets			
Investments	3	409.37	249.96
Other Financial Assets	4	3,354.00	3,691.00
Other non current assets	5	0.00	0.02
<b>Total Non Current Assets</b>		<b>3,776.15</b>	<b>3,946.41</b>
<b>Current assets</b>			
Financial assets			
Cash and Cash Equivalent	6	28.80	21.61
Other Bank Balance	7	0.35	0.24
Loans	8	0.33	0.48
Other financial assets	9	3,709.03	961.28
Other current assets	10	80.00	40.61
<b>Total Current Assets</b>		<b>3,818.52</b>	<b>1,024.22</b>
<b>Total Assets</b>		<b>7,594.67</b>	<b>4,970.63</b>
<b>EQUITY AND LIABILITY</b>			
<b>Equity</b>			
Equity Share Capital	11	176.00	176.00
Other Equity	12	5,100.28	3,461.10
<b>Total Equity</b>		<b>5,276.28</b>	<b>3,637.10</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Provisions	13	0.00	0.11
Deferred tax liabilities (Net)	14	1.11	27.66
<b>Total Non Current Liabilities</b>		<b>1.11</b>	<b>27.77</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	15	1,748.56	1,143.21
Other Financial Liabilities	16	468.44	116.06
Other Current Liabilities	17	47.25	34.89
Provisions	18	0.07	0.53
Current Tax Liabilities (Net)	19	52.96	11.08
Total Current Liabilities		2,317.28	1,305.77
<b>Total Liabilities</b>		<b>2,318.39</b>	<b>1,333.53</b>
<b>Total Equity and Liabilities</b>		<b>7,594.67</b>	<b>4,970.63</b>
Significant Accounting Policies	1		
<b>Notes are an integral part of the Financial Statements.</b>			

As per our attached report of even date  
**For V. J. Shah & Co.**  
**Firm Registration Number: 109823W**  
**Chartered Accountants**

**Chintan V. Shah**  
Partner  
**Membership No.: 164370**  
**Place:** Mumbai  
**Date:** 13<sup>th</sup> May, 2022

**For and on behalf of the Board of Dolat Algotech Limited**  
(Formerly known as Dolat Investments Limited)

**Pankaj D. Shah**  
Managing Director  
DIN: 00005023  
**Vaibhav P. Shah**  
Chief Financial Officer

**Neha P. Shah**  
Director  
DIN: 05262280  
**Sandeepkumar G. Bhanushali**  
Company Secretary

# DOLAT ALGOTECH LIMITED (Formerly known as Dolat Investments Limited)

## STATEMENT OF STANDALONE PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

		(₹ In Million)	
	Notes	31st March, 2022	31st March, 2021
Revenue from Operations	20	2,317.64	1,982.86
Other Income	21	574.60	494.15
<b>Total Income</b>		<b>2,892.24</b>	<b>2,477.01</b>
<b>Expenses:</b>			
Employee Benefit Expenses	22	51.45	38.23
Finance Costs	23	247.42	253.12
Depreciation and Amortization Expenses	2	3.44	2.88
Other Expenses	24	441.19	326.31
<b>Total Expenses (II)</b>		<b>743.51</b>	<b>620.54</b>
Profit before tax		2,148.73	1,856.46
Tax Expense:			
Current Tax		497.00	361.80
Deferred Tax		(26.60)	27.67
Tax adjustments of earlier years		4.10	(0.12)
Total Tax Expense		474.51	389.35
<b>Profit After Tax</b>		<b>1,674.23</b>	<b>1,467.11</b>
<b>Other Comprehensive Income (OCI)</b>			
Items that will not be reclassified to profit or loss			
Remeasurement benefit of defined benefit plans		0.21	0.01
Income tax expense on remeasurement benefit of defined benefit plans		(0.05)	(0.00)
<b>Total of other comprehensive Income</b>		<b>0.15</b>	<b>0.01</b>
<b>Total Comprehensive Income for the period</b>		<b>1,674.38</b>	<b>1,467.12</b>
Earnings per equity share			
(1) Basic		9.51	8.34
(2) Diluted		9.51	8.34
<b>Significant Accounting Policies</b>	1		
<b>Notes are an integral part of the Financial Statements.</b>			

As per our attached report of even date  
**For V. J. Shah & Co.**  
**Firm Registration Number: 109823W**  
**Chartered Accountants**

**Chintan V. Shah**  
Partner  
**Membership No.: 164370**  
**Place:** Mumbai  
**Date:** 13<sup>th</sup> May, 2022

**For and on behalf of the Board of Dolat Algotech Limited**  
(Formerly known as Dolat Investments Limited)

**Pankaj D. Shah**  
Managing Director  
DIN: 00005023  
**Vaibhav P. Shah**  
Chief Financial Officer

**Neha P. Shah**  
Director  
DIN: 05262280  
**Sandeepkumar G. Bhanushali**  
Company Secretary

# DOLAT ALGOTECH LIMITED (Formerly known as Dolat Investments Limited)

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

### A. Equity Share Capital

(₹ In Million)

	As at 31st March, 2022	As at 31st March, 2021
Balance at the beginning of the reporting year	176.00	176.00
Change in Equity Share Capital during the year	0.00	0.00
Balance at the end of the reporting year	176.00	176.00

### B. Other Equity

(₹ In Million)

	General Reserve	Retained Earning	Other Comprehensive Income	Total
<b>As on 31st March 2021</b>				
Balance at the beginning of the reporting period i.e 1st April, 2020	108.23	1,911.81	0.34	2,020.38
Total Comprehensive Income for the year	-	1,467.11	0.01	1,467.12
Dividends	-	26.40	-	26.40
<b>Balance at the end of the reporting period i.e 31st March, 2021</b>	<b>108.23</b>	<b>3,352.52</b>	<b>0.35</b>	<b>3,461.10</b>

(₹ In Million)

	General Reserve	Retained Earning	Other Comprehensive Income	Total
<b>As on 31st March 2022</b>				
Balance at the beginning of the reporting period i.e 1st April, 2021	108.23	3,352.52	0.35	3,461.10
Total Comprehensive Income for the year	-	1,674.23	0.15	1,674.38
Dividends	-	35.20	-	35.20
<b>Balance at the end of the reporting period i.e 31st March, 2022</b>	<b>108.23</b>	<b>4,991.55</b>	<b>0.50</b>	<b>5,100.28</b>

As per our attached report of even date

**For V. J. Shah & Co.**

**Firm Registration Number: 109823W**  
**Chartered Accountants**

**Chintan V. Shah**

Partner

**Membership No.: 164370**

**Place:** Mumbai

**Date:** 13<sup>th</sup> May, 2022

**For and on behalf of the Board of Dolat Algotech Limited**

(Formerly known as Dolat Investments Limited)

**Pankaj D. Shah**

Managing Director

DIN: 00005023

**Vaibhav P. Shah**

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**Neha P. Shah**

Director

DIN: 05262280

**Sandeepkumar G. Bhanushali**

Company Secretary



# DOLAT ALGOTECH LIMITED (Formerly known as Dolat Investments Limited)

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

	(₹ In Million)	
	For the year ended 31-03-2022	For the year ended 31-03-2021
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit Before Tax	2,148.73	1,856.46
<b>Adjustment for :</b>		
Depreciation	3.44	2.88
Employee benefit	0.26	0.23
Interest on term deposits	(287.48)	(180.32)
Interest expenses	3.76	5.35
CSR Expenses	(0.50)	0.48
Interest from Partnership Firm	(15.71)	(18.78)
Share of Profit from Partnership Firm	(271.41)	(289.03)
Net gain arising on financial assets measured at fair value through profit or loss	0.00	4.46
Operating Profit before Working Capital Changes and Provisions	1,581.09	1,381.73
<b>Adjustment for Changes in Working Capital :</b>		
Other Current Liabilities	12.36	9.12
Loans and other assets	(1,001.66)	(444.41)
Liabilities and Provisions	957.74	1,033.65
Cash Generated/(used) in operations	1,549.53	1,980.09
Direct Taxes Paid (Net)	(462.91)	(349.14)
<b>Net Cash from Operating Activities</b>	<b>1,086.61</b>	<b>1,630.95</b>
<b>(B) CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Purchase of Property, Plant and Equipment	(10.80)	(4.57)
Purchase of term deposits	(1,448.50)	(3,870.00)
Interest on term deposits	287.48	180.32
Investment in Partnership Firm (Net)	(159.41)	18.49
Interest from Partnership Firm	15.71	18.78
Share of Profit from Partnership Firm	271.41	289.03
<b>Net Cash from Investing activities</b>	<b>(1,044.11)</b>	<b>(3,367.94)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend paid	-	-
	(35.20)	(26.40)
	(35.20)	(26.40)
<b>Net Inc./(Dec.) in Cash &amp; Cash equivalents [A+B+C]</b>	<b>7.31</b>	<b>(1,763.39)</b>
<b>Cash &amp; Cash Equivalents- Opening Balance</b>	<b>21.84</b>	<b>1,785.23</b>
<b>Cash &amp; Cash Equivalents- Closing Balance</b>	<b>29.15</b>	<b>21.84</b>
<b>Cash and cash equivalents comprise of:</b>		
Balances with Banks :		
In Current accounts	28.16	20.97
Cash in hand	0.64	0.64
Unclaimed dividend accounts*	0.35	0.24
Investments in liquid Mutual Fund	0.00	0.00
	29.15	21.84

\* Unclaimed dividend accounts which are not available for use by the Company.

As per our attached report of even date

**For V. J. Shah & Co.**

**Firm Registration Number: 109823W**

**Chartered Accountants**

**Chintan V. Shah**

Partner

**Membership No.: 164370**

**Place: Mumbai**

**Date: 13<sup>th</sup> May, 2022**

**For and on behalf of the Board of Dolat Algotech Limited**

(Formerly known as Dolat Investments Limited)

**Pankaj D. Shah**

Managing Director

DIN: 00005023

**Vaibhav P. Shah**

Chief Financial Officer

**Neha P. Shah**

Director

DIN: 05262280

**Sandeepkumar G. Bhanushali**

Company Secretary

## Company Background

Dolat Algotech Ltd. (the company) is a public company domiciled in India and is incorporated under the provisions of the Companies Act, 1956. The registered office of the company is located at Unit No PO6-02A - PO6-02D, Tower A, WTC, Block 51, Zone-5, Road 5E, Gift City, Gandhinagar, Gujarat 382355. Its shares are listed on Bombay Stock Exchange Ltd. The company is a trading cum clearing member of National Stock Exchange of India Ltd. and carries on the business of securities broking and securities trading.

### 1. Significant Accounting Policies and Key Accounting Estimates and Judgments

#### Significant Accounting Policies

#### 1.1 Basis of preparation of financial statements

The financial statements of the company have been prepared in accordance with Indian Accounting Standard ('Ind AS') notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standard) Rules, 2015.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

#### 1.2 Current / Non-Current Classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. the asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- ii. the asset is intended for sale or consumption;
- iii. the asset/liability is held primarily for the purpose of trading;
- iv. the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- vi. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories and their realization in cash and cash equivalents.

#### 1.3 Summary of Significant Accounting Policies

##### a) Property, Plant and Equipment

###### Measurement at recognition:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses if any.

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

The cost of an item of property, plant and equipment comprises of its purchase price including non refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

## Depreciation

Depreciation on item of property, plant and equipment is provided on written down value method based on useful life of the assets as prescribed in Schedule II to the Companies Act; 2013. Depreciation on addition to property, plant and equipment is provided on pro-rata basis from the date the asset is put to use. Depreciation on sale/deduction from the property, plant and equipment is provided for upto the date of sale/deduction as the case may be. The depreciation is provided as per the useful life of items of property, plant and equipment as prescribed in Schedule II to the Companies Act, 2013. The useful life of items of property, plant and equipment is mentioned below;

	Years
Furniture and Fixtures	10
Electric Installation	10
Vehicles	8
Office Equipments	5
Computers	3
Computer Servers	6

## Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

### **b) Impairment of Assets:**

At each balance sheet date, the Company reviews the carrying value of tangible assets for any possible impairment. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price or estimated future cash flows.

### **c) Revenue Recognition:**

- 1) Income from Shares & Securities trading is recognized as income or loss on the date of actual trade and is shown net of brokerage expenses.
- 2) Income in respect of derivative contracts are accounted in respect of expired contracts.
- 3) In respect of option contracts open as on balance sheet date, the net premium paid or received is carried forward to the balance sheet as financial assets or financial liabilities. The unrealized gain or loss measured on fair valuation is shown as financial assets or financial liabilities as per IND AS 109 Financial Instruments.
- 4) In respect of futures contracts open as on balance sheet date, the net mark to market paid or received is carried forward to the balance sheet as financial assets or financial liabilities. The unrealized gain or loss measured on fair valuation is shown as financial assets or financial liabilities as per IND AS 109 Financial Instruments.

- 5) The dividend income is accounted for when the right to receive the payment is established whereas, interest income and other income is accounted on accrual basis.

## d) 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

#### Initial recognition and measurement:

The Company recognizes a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

However, trade receivables that do not contain a significant financing component are measured at transaction price.

#### Subsequent measurement:

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

- i. The Company's business model for managing the financial asset and
- ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

- i. Financial assets measured at amortized cost
- ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)
- iii. Financial assets measured at fair value through profit or loss (FVTPL)

#### **i. Financial assets measured at amortized cost:**

A financial asset is measured at the amortized cost if both the following conditions are met:

- a) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method.

Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset. The same is included under other income in the Statement of Profit and Loss.

The amortized cost of a financial asset is also adjusted for loss allowance, if any.

**ii. Financial assets measured at FVTOCI:**

A financial asset is measured at FVTOCI if both of the following conditions are met:

- a) The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**iii. Financial assets measured at FVTPL:**

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the Company. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

**Derecognition:**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's Balance Sheet) when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On derecognition of a financial asset, (except as mentioned in ii above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

## **Financial Liabilities**

### Initial recognition and measurement:

The Company recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial liabilities are recognized initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

### Subsequent measurement:

All financial liabilities of the Company are subsequently measured at amortized cost using the effective interest method.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

### Derecognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

## **e) Fair Value**

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. 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
- In absence of principal market, in the most advantageous market for the asset or liability

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

## **f) Investments in subsidiary**

The company has elected to recognize its investment in subsidiary at cost in accordance with the option available in Ind AS 27 – ‘Separate Financial Statements’. The details of such investment are given in Note 3. The impairment policy on such investment is explained in note 1.3(b) above

## **g) Income Taxes**

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

### Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from ‘profit before tax’ as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

### Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

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

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/ expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

## **h) Provisions and contingencies**

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

## **i) Cash and Cash Equivalents**

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

## **j) Employees Benefits**

### **Short Term Employee Benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.



## **Post-Employment Benefits:**

### I. Defined Benefit plans:

#### i. Provident Fund scheme:

Retirement benefit in the form of provident fund is defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to provident fund scheme as an expense, when an employee renders the related services.

#### ii. Gratuity scheme:

The Company operates a defined benefit gratuity plan for employees. The Company contributes to Life Insurance Corporation of India (a fund), towards meeting the Gratuity obligation.

## **Recognition and measurement of Defined Benefit plans:**

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary.

## **Other Long Term Employee Benefits:**

As per company's policy, no encashment of leave to any employee is allowed.

## **k) Lease Accounting**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

In respect of assets taken on operating lease, lease rentals are recognized as an expense in the Statement of Profit and Loss on straight line basis over the lease term unless

- 1) another systematic basis is more representative of the time pattern in which the benefit is derived from the leased asset; or
- 2) the payments to the lessor are structured to increase in the line with expected general inflation to compensate for the lessor's expected inflationary cost increases

## **l) Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

## **m) Events after Reporting Date**

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

## **1.4 Key accounting estimates and judgments**

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure 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.

### **Critical accounting estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

#### **a. Income taxes**

The Company's tax jurisdiction is India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

#### **b. Defined Benefit Obligation**

The costs of providing post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT**

**2. Property, plant and equipment**

Particular	Gross carrying value					Depreciation/Amortization			Net carrying value (₹ In Million)
	As at 01.04.2021	Additions	Adjustment/ deductions	As at 31.03.2022	As at 01.04.2021	For the Year	Adjustment/ deductions	As at 31.03.2022	
Furniture & Fixture	0.91	0.00	0.00	0.91	0.87	0.00	0.00	0.87	0.05
Elec. Installation	0.15	0.00	0.00	0.15	0.14	0.00	0.00	0.14	0.01
Motor Vehicles	0.53	0.00	0.00	0.53	0.51	0.00	0.00	0.51	0.03
Computers	1.41	0.00	0.00	1.41	0.90	0.31	0.00	1.21	0.19
Computer Server	7.10	10.80	0.00	17.89	2.35	3.13	0.00	5.48	12.41
Office Equipments	2.00	0.00	0.00	2.00	1.90	0.00	0.00	1.90	0.10
<b>Total</b>	<b>12.10</b>	<b>10.80</b>	<b>0.00</b>	<b>22.89</b>	<b>6.66</b>	<b>3.44</b>	<b>0.00</b>	<b>10.11</b>	<b>12.79</b>

Particular	Gross carrying value					Depreciation/Amortization			Net carrying value
	As at 01.04.2020	Additions	Adjustment/ deductions	As at 31.03.2021	As at 01.04.2020	For the Year	Adjustment/ deductions	As at 31.03.2021	
Furniture & Fixture	0.91	0.00	0.00	0.91	0.87	0.00	0.00	0.87	0.05
Elec. Installation	0.15	0.00	0.00	0.15	0.14	0.00	0.00	0.14	0.01
Motor Vehicles	0.53	0.00	0.00	0.53	0.51	0.00	0.00	0.51	0.03
Computers	1.23	0.18	0.00	1.41	0.34	0.56	0.00	0.90	0.51
Computer Server	2.70	4.39	0.00	7.10	0.03	2.32	0.00	2.35	4.75
Office Equipments	2.00	0.00	0.00	2.00	1.90	0.00	0.00	1.90	0.10
<b>Total</b>	<b>7.53</b>	<b>4.57</b>	<b>0.00</b>	<b>12.10</b>	<b>3.78</b>	<b>2.88</b>	<b>0.00</b>	<b>6.66</b>	<b>5.43</b>

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT**

(₹ In Million)

Particulars	31st March, 2022	31st March, 2021
<b>3 NON-CURRENT INVESTMENT</b>		
<b>Investment measured at cost In equity shares-others</b>		
Unquoted fully paid up		
700 Equity Shares with face value of Re. 1/- each fully paid up of Nirshilp Commodities & Trading Pvt. Ltd.	0.00	0.00
<b>(Investment carried at FVTPL)</b>		
<b>Investment in Partnership Firm (Subsidiary)</b>		
Dolat TradeCorp	409.36	249.96
	409.37	249.96
<b>4 OTHER FINANCIAL ASSETS</b>		
Bank deposits with more than 12 months of original maturity (#)	3,354.00	3,691.00
	3,354.00	3,691.00
# The FDRs are pledged with banks and National Stock Exchange for margin purposes		-
<b>5 OTHER NON-CURRENT ASSETS</b>		
Deposits	0.00	0.02
	0.00	0.02
<b>6 CASH AND CASH EQUIVALENTS:</b>		
Cash on Hand	0.64	0.64
Balance with banks	28.16	20.97
	28.80	21.61
<b>7 OTHER BANK BALANCES</b>		
On Unpaid Dividend Accounts	0.35	0.24
	0.35	0.24
<b>8 LOANS</b>		
(Unsecured and Considered Good)		
Loan to staff	0.33	0.48
	0.33	0.48

# DOLAT ALGOTECH LIMITED (Formerly known as Dolat Investments Limited)

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT

(₹ In Million)

Particulars	31st March, 2022	31st March, 2021
<b>9 OTHER FINANCIAL ASSETS</b>		
Bank deposits with more than 12 months of original maturity (#)	2,329.50	544.00
Interest accrued but not due	72.35	29.57
Financial Instruments held for trading - FVTPL	6.58	282.82
Balance with clearing house (net)	1,274.68	27.19
Financial assets on open series	24.87	76.51
Income tax refundable	1.05	1.19
	<b>3,709.03</b>	<b>961.28</b>
# The FDRs are pledged with banks and National Stock Exchange for margin purposes		
<b>10 OTHER CURRENT ASSETS</b>		
Security deposits	9.03	9.00
Other receivables	70.97	31.61
	<b>80.00</b>	<b>40.61</b>
<b>11 EQUITY SHARE CAPITAL</b>		
<b>Authorized Share Capital</b>		
18,10,00,000 Equity Shares Of ₹1/- Each	181.00	181.00
<b>Issued, Subscribed and Paid-Up :</b>		
17,60,00,000 Equity Shares of ₹1/- each	176.00	176.00
	<b>176.00</b>	<b>176.00</b>

### a) Reconciliation of Outstanding Shares:

Particulars	As at 31.03.2022		As at 31.03.2021	
	No of shares	Amount	No of shares	Amount
At the beginning of the year (in Million)	176.00	176.00	176.00	176.00
Add: Issued during the year (in Million)	-	-	-	-
<b>At the end of the year (in Million)</b>	<b>176.00</b>	<b>176.00</b>	<b>176.00</b>	<b>176.00</b>

### b) Terms/ Rights Attached to Equity Shares:

The company has only one class of equity shares having par value of Re 1 each. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### c) Details of Shareholders Holding more than 5% Shares of the Company:

Name of the Shareholder	As at 31.03.2022		As at 31.03.2021	
	Number	Percentage	Number	Percentage
Dolat Capital Market Pvt. Ltd.	72,849,770	41.39	72,849,770	41.39
Purvag Commodities & Derivatives.Pvt. Ltd	16,563,124	9.41	16,563,124	9.41
Jigar Commodities & Derivatives Pvt. Ltd	16,159,218	9.18	16,159,218	9.18

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT

### d) Details of shares held by promoters/promoter group as at 31 March, 2022

Promoter Name	Number of Shares	% of total shares	% change during the year
Dolat Capital Market Pvt. Ltd.	72,849,770	41.39	-
Purvag Commodities & Derivatives Pvt. Ltd.	16,563,124	9.41	-
Jigar Commodities And Derivatives Pvt Ltd	16,159,218	9.18	-
Shailesh Shah Securities Private Limited	4,650,000	2.64	-
Harendra D. Shah - HUF	3,800,000	2.16	-
Rajul S. Shah	3,230,000	1.84	-
Purvag S. Shah	3,045,488	1.73	-
Nirshilp Commodities And Trading Private Limited	2,664,206	1.51	-
Neha Purvag Shah	1,934,500	1.10	-
Jigar P Shah	1,850,000	1.05	-
Pooja Vaibhav Shah	1,676,500	0.95	-
Dhaval R. Shah	1,220,000	0.69	-
Pooja Jigar Shah	636,253	0.36	-
Nirupama P. Shah	208,000	0.12	-
Harsha H. Shah	165,000	0.09	-
Shilpa R. Shah	152,000	0.09	-
Nirpan Securities Pvt.Ltd.	134,000	0.08	-
Harendra D. Shah	36,000	0.02	-
Amishi H. Shah	20,000	0.01	-
Khyati H. Shah	20,000	0.01	-
Shailesh D. Shah	20,000	0.01	-
Pankaj D. Shah	20,000	0.01	-
Vaibhav Pankaj Shah	20,000	0.01	-
Rajendra D. Shah	20,000	0.01	-
<b>Total</b>	<b>131,094,059</b>	<b>74.49</b>	-

### Details of shares held by promoters/promoter group as at 31 March, 2021

Promoter Name	Number of Shares	% of total shares	% change during the year
Dolat Capital Market Pvt. Ltd.	72,849,770	41.39	-
Purvag Commodities & Derivatives Pvt. Ltd.	16,563,124	9.41	-
Jigar Commodities And Derivatives Pvt Ltd	16,159,218	9.18	-
Shailesh Shah Securities Private Limited	4,650,000	2.64	-
Harendra D. Shah - HUF	3,800,000	2.16	-
Rajul S. Shah	3,230,000	1.84	-
Purvag S. Shah	3,045,488	1.73	-
Nirshilp Commodities And Trading Private Limited	2,664,206	1.51	-
Neha Purvag Shah	1,934,500	1.10	-
Jigar P. Shah	1,850,000	1.05	-
Pooja Vaibhav Shah	1,676,500	0.95	-
Dhaval R. Shah	1,220,000	0.69	-
Pooja Jigar Shah	636,253	0.36	-

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT**

**Details of shares held by promoters/promoter group as at 31 March, 2021**

Promoter Name	Number of Shares	% of total shares	% change during the year
Nirupama P. Shah	208,000	0.12	-
Harsha H. Shah	165,000	0.09	-
Shilpa R. Shah	152,000	0.09	-
Nirpan Securities Pvt.Ltd.	134,000	0.08	-
Harendra D. Shah	36,000	0.02	-
Amishi H. Shah	20,000	0.01	-
Khyati H. Shah	20,000	0.01	-
Shailesh D. Shah	20,000	0.01	-
Pankaj D. Shah	20,000	0.01	-
Vaibhav Pankaj Shah	20,000	0.01	-
Rajendra D. Shah	20,000	0.01	-
<b>Total</b>	<b>131,094,059</b>	<b>74.49</b>	<b>-</b>

(₹ In Million)

Particulars	31st March, 2022	31st March, 2021
<b>12 OTHER EQUITY</b>		
<b>General Reserve</b>		
As per last balance sheet	108.23	108.23
<b>Retained Earning</b>		
As per last balance sheet	3,352.52	1,911.81
Add: Profit for the year	1,674.23	1,467.11
Less: Dividend	(35.20)	(26.40)
	4,991.55	3,352.52
<b>Other Comprehensive Income (OCI)</b>		
As per last balance sheet	0.35	0.34
Add: Movement in OCI (Net) during the period	0.15	0.01
	0.50	0.35
	<b>5,100.28</b>	<b>3,461.10</b>

**Nature and purpose of reserve**

**General Reserve:** Under the erstwhile Indian Companies Act, 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10.00% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable reserves for that year. Consequent to introduction of Companies Act, 2013, the requirement of mandatory transfer of a specified percentage of the net profit to general reserve has been withdrawn and the Company can optionally transfer any amount from the surplus of profit or loss to the General reserve.

**Retained Earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

**Items of Other Comprehensive Income**

Remeasurements of Net Defined Benefit Plans : Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income.

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT**

(₹ In Million)

Particulars	31st March, 2022	31st March, 2021
<b>13 PROVISIONS-NON CURRENT</b>		
Provision for employees benefits (Net of Plan Assets)	0.00	0.11
	<b>0.00</b>	<b>0.11</b>
<b>14 DEFERRED TAX LIABILITIES (NET)</b>		
The movement of deferred tax accounts is as follows		
At the start of the year	27.66	(0.02)
Net impact during the year	(26.55)	27.68
	<b>1.11</b>	<b>27.66</b>
<b>15 BORROWINGS</b>		
Loan from related parties	1,748.56	1,143.21
	<b>1,748.56</b>	<b>1,143.21</b>
<b>16 OTHER FINANCIAL LIABILITIES</b>		
Interest accrued, due but not paid	144.11	0.00
Unpaid Dividend Account	0.35	0.24
Mark to market on unexpired series	24.87	76.51
Premium on unexpired series	299.11	39.31
	<b>468.44</b>	<b>116.06</b>
<b>17 OTHER CURRENT LIABILITIES</b>		
Statutory dues payable	23.81	18.73
Expenses payable	23.43	16.17
	<b>47.25</b>	<b>34.89</b>
<b>18 PROVISIONS- CURRENT</b>		
Provision for employees benefits	0.07	0.04
Provision for CSR Expenses	0.00	0.48
	<b>0.07</b>	<b>0.53</b>
<b>19 CURRENT TAX LIABILITIES (NET)</b>		
Provision for tax (net)	52.96	11.08
	<b>52.96</b>	<b>11.08</b>



# DOLAT ALGOTECH LIMITED (Formerly known as Dolat Investments Limited)

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT

(₹ In Million)

Particulars	31st March, 2022	31st March, 2021
<b>20 REVENUE FROM OPERATIONS:</b>		
(a) Income from Shares & Securities trading	2,225.06	1,875.26
(b) Other Operating Revenue		
Income from Liquid Fund	55.57	74.01
Debts Recovered	0.00	8.00
Dividend received on financial instrument held for trading	37.00	25.59
(c) Brokerage received	0.00	0.00
<b>Revenue From Operations</b>	<b>2,317.64</b>	<b>1,982.86</b>
<b>21 OTHER INCOME:</b>		
<b>a) Interest Income:</b>		
- From Bank on Fixed Deposits	287.48	180.32
- Interest from Partnership Firm	15.71	18.78
- Income tax refund	0.00	5.94
- Others	0.00	0.00
	303.19	205.05
<b>b) Other non operating income</b>		
- Share of profit from partnership firm	271.41	289.03
- Other Income	0.00	0.07
<b>Total</b>	<b>574.60</b>	<b>494.15</b>
<b>22 EMPLOYEES BENEFIT EXPENSES</b>		
Salaries, wages and bonus	44.95	31.84
Directors Remunerations	6.00	6.00
Staff welfare expenses	0.25	0.16
Current Service Cost	0.26	0.23
	<b>51.45</b>	<b>38.23</b>
<b>23 FINANCE COST</b>		
Interest Expenses (#)	166.27	216.98
Bank Guarantee Charges	81.14	36.14
	<b>247.42</b>	<b>253.12</b>

(#) Note: Interest expenses includes Rs.3.69 million (previous year Rs.5.30 million) on account of interest on shortfall in the payment of advance tax.

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT**

Particulars	(₹ In Million)	
	31st March, 2022	31st March, 2021
<b>24 OTHER EXPENSES</b>		
Rent	2.63	1.19
Securities Transaction Tax	180.41	118.98
Co Location Charges	20.85	28.72
Transaction Charges	184.20	126.58
Clearing house expenses	0.98	8.41
Directors' sitting fees	0.40	0.32
Payment to Auditor (Refer Details Below)	0.17	0.21
CSR Expenses	23.22	13.98
Miscellaneous Expenses	28.34	27.92
<b>Total</b>	<b>441.19</b>	<b>326.31</b>
<b>PAYMENT TO AUDITOR</b>		
<b>As Auditors:</b>		
- Audit fee	0.16	0.20
- Tax audit fee	0.00	0.00
<b>In Other Capacity:</b>		
- Taxation matters	0.00	0.00
- Other services (certification fees)	0.01	0.01
	0.17	0.21

**25. A. Category-wise classification of financial instruments** (₹ In Million)

Particulars	Refer Note	Non-Current		Current	
		As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Financial assets measured at fair value through profit or loss (FVTPL)					
Investment in unquoted equity shares	3	0.00	0.00	-	-
Investment in Partnership firm (Subsidiary)	3	409.36	249.96	-	-
Financial instrument held for trading	9	-	-	6.58	282.82
Financial assets on account of open series	9	-	-	24.87	76.51

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT**

(₹ In Million)

Particulars	Refer Note	Non-Current		Current	
		As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Financial assets measured at amortized cost					
Non Current Deposits	5	-	0.02	-	-
Cash and Cash Equivalent	6	-	-	28.80	21.61
Unpaid dividend account	7	-	-	0.35	0.24
Bank deposits with more than 12 months of original maturity	4 & 9	3,354.00	3,691.00	2,329.50	544.00
Security Deposits	10	-	-	9.03	9.00
Loan to staff	8	-	-	0.33	0.48
Interest accrued but not due	9	-	-	72.35	29.57
Balance with clearing house	9	-	-	1,274.68	27.19

(₹ In Million)

Particulars	Refer Note	Non-Current		Current	
		As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Financial liabilities measured at amortized cost					
Borrowings	15	-	-	1,748.56	1,143.21
Interest accrued, due but not paid	16	-	-	144.11	-
Unpaid dividend account	16	-	-	0.35	0.24
Other current liabilities	17	-	-	47.25	34.89

(₹ In Million)

Particulars	Refer Note	Non-Current		Current	
		As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Financial liabilities measured at fair value					
Mark to market on unexpired series	16	-	-	24.87	76.51
Premium on unexpired series	16	-	-	299.11	39.31

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT****B. Fair Value Measurements**

The following table provides the fair value measurement of the company's assets using the level I input method;

(₹ In Million)

Particulars	Refer Note	Fair Value as on 31.03.2022	Fair Value as on 31.03.2021
Financial assets measured at fair value through profit and loss			
Investment in financial instrument held for trading	9	6.58	282.82
Financial assets on account of open series	9	24.87	76.51

The company is engaged in the business of trading in shares and securities, for the which level I valuation technique is useful for fair value measurement. The company does not require the hierarchy of level II and level III valuation technique for measurement of financial assets and liabilities.

**C. Financial Risk management- Objectives and policies**

The Company's financial liabilities comprise mainly of borrowings, payable to clearing house and other payables. The Company's financial assets comprise mainly of investments, bank deposits with more than 12 months of maturities, cash and cash equivalents, other balances with bank, balance with clearing house and other receivables.

The Company is exposed to Credit risk and Liquidity risk. The board of directors oversees the management of these financial risks.

**a) Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Any adverse effect on the interest rate on bank deposit will fluctuate the future cash flow on bank deposits.

The company does have fixed interest bearing borrowings from the related parties during the year as and when required for the business purpose. The company is not exposed to significant interest rate risk at the respective reporting dates.

**b) Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The company is not exposed to changes in any foreign currency as the company operates mainly in India.

**c) Other Price Risk**

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. As the company is into the hedging business of trading in equity futures and options, the other price risk arising from financial assets such as trading in equity instruments and underlying commodities is minimal.

**d) Credit Risk**

Credit risk refers to risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as investment in mutual funds, bank deposits with more than 12 months of maturities, other balances with banks, and other receivables.

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT**

The company is member of NSE and is doing trading in equity futures and options on its own account. The settlement of trade is done in a day or two, the credit risk arising from the trade receivable is minimal.

Credit risk arising from investment in mutual funds, derivative financial instruments, bank deposits and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the international credit rating agencies.

**e) Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents.

**D. Capital Management**

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. As at 31st March, 2022, the Company has only one class of equity shares and has no long term debt. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for the re-investment into business based on its long term financial plans.

**26. Financial Ratios**

<b>Ratio</b>	<b>Numerator</b>	<b>Denominator</b>	<b>2022</b>	<b>2021</b>	<b>% Variance</b>
Current ratio (see Note a)	Current Assets	Current Liabilities	1.65	0.78	110.08
Debt- equity ratio	Total Debt	Total Equity	0.33	0.31	5.43
Debt service coverage ratio (see Note b)	Earning available for debt service	Debt Service	11.32	7.95	42.50
Return on equity ratio	Profit after tax	Average equity	37.57	50.30	(25.31)
Inventory turnover ratio	(See Note c)				
Trade receivables turnover ratio	(See Note c)				
Trade Payables turnover ratio	(See Note c)				
Net capital turnover ratio	Revenue from operation	Average working capital	3.80	3.10	22.43
Net profit ratio	Profit after tax	Revenue from operation	72.24%	73.99%	(2.37)
Return on capital employed	Earnings before interest and tax	Average capital employed	39.16	58.47	(33.03)
Return on investment (See Note d)	Income generated from investments	Average investments	103.95	33.31 (See Note e)	212.11

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT

- a. During the year, the fixed deposits with banks with original maturity of more than 3 months of ₹ 1785.5 million have been categorised as current other financial assets
- b. During the year, average rate of interest on borrowed fund from the group companies is 5% (P. Yr 6%) and also companies is well capitalized leading to reduced reliance on borrowed funds.
- c. Since the company is member of National Stock Exchange and doing trades in shares and securities in its own account, inventory turnover ratio, trade receivable turnover ratio and trade payables turnover ratio is not given.
- d. Average investments includes investments in subsidiary partnership firm M/s Dolat Tradecorp carrying trading in shares and securities with a profit and loss sharing of 99%.
- e. Return on investments in 2021 is lower as average investments includes investments in liquid mutual funds having normally lower return on investments.

### 27. Ageing of trade receivable and trade payable

Trade receivable and trade payable ageing schedule as required as per schedule III to the Companies Act 2013 as amended is not given as the company is the member of National Stock Exchange of India Ltd and trades in shares and securities in its own accounts and have no retails clients. The amount receivable and/ or payable to clearing house on account of any trade is settled under T+1 and T+2 settlement basis and shown under other current financial assets or other current financial liabilities as the case may be.

### 28. Contingent liabilities

(₹ in Million)

Sr No	Particulars	As at 31.03.2022	As at 31.03.2021
1	Guarantees issued by the Company's bankers on behalf of the Company to National Stock Exchange of India Ltd. for additional base capital.	8,850.00	5,530.0
2	Direct tax matters in dispute under appeal	Nil	172.34

29. The non current investment has been valued at cost only. Had the investment been valued at fair value, the amount of gain or loss would not have been material.

### 30. Corporate Social Responsibility (CSR)

Gross amount required to be spent by the Company during the year ₹ 23.22 Million  
(Previous Year ₹ 13.98 Million)

Amount spent during the year ending 31st March, 2022

(₹ in Million)

Particulars	In cash	Yet to be paid in cash	Total
Construction acquisition of any assets	-	-	-
On purpose of other than above	23.22	-	23.22

Amount spent during the year ending 31st March, 2021

(₹ in Million)

Particulars	In cash	Yet to be paid in cash	Total
Construction acquisition of any assets	-	-	-
On purpose of other than above	13.50	0.48	13.98



# DOLAT ALGOTECH LIMITED (Formerly known as Dolat Investments Limited)

(₹ in Million)

Sr. No.	Nature of transactions	Key Mgt. Personnel	Relative of Key Mgt. Personnel	Subsidiary	Where person mentioned in a or b exercise significant influence
9	Share of Profit	- (-)	- (-)	273.39 (281.81)	- (-)
10	Other outstanding balance as on balance sheet date				
	- Borrowings	- (-)	- (-)	- (-)	1,748.56 (1,143.20)
	- Interest accrued due but not paid	- (-)	- (-)	- (-)	144.11 (-)

- Figure in bracket relates to Previous Year.

## 33. Basic & Diluted Earnings / (Loss) per shares

Particulars	2021-2022	2020-2021
Net Profit Attributable to equity shareholders (Amount (₹ in million))	1,674.23	1,467.11
Weighted Number of Outstanding equity shares for Basic EPS Face Value Re 1 each	17,60,00,000	17,60,00,000
Weighted Number of equity Outstanding shares for Diluted EPS Face Value Re 1 each	17,60,00,000	17,60,00,000
Basic Earning Per Shares (EPS) (Rs.)	9.52	8.34
Diluted Earning Per Shares (EPS) (Rs.)	9.52	8.34

## 34. Taxation:

- Provision for current tax for the current year has been made, taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.
- In accordance with Ind AS – 12 “Taxes on Income” issued by Ministry of Corporate Affairs, net deferred tax assets on account of timing difference for current year of ₹ 26.60 million is credited to the Statement of Profit & Loss and net deferred tax liabilities of ₹ 0.05 million is charged to other comprehensive income.
- The major components of deferred tax (liabilities)/assets arising on account of timing difference are as follow:

As at 31<sup>st</sup> March, 2022

(₹ In Million)

Particulars	Balance Sheet	Profit and Loss	OCI	Balance Sheet
	01.04.2021	2021-22	2021-22	31.03.2022
Difference between written down value of fixed assets as per books of accounts and Income Tax Act, 1961	(0.11)	0.17	-	(0.28)
Difference in carrying value and tax base of financial instruments held for trading	(2.84)	(2.81)	-	(0.03)
Remeasurement benefit of the defined benefit plans through OCI	0.04	(0.03)	0.05	0.02
Financial liability/(assets) on open series	(24.75)	(23.93)	-	(0.82)
Deferred tax (expenses) / benefits	-	(26.60)	0.05	-
Net deferred tax assets/(liabilities)	(27.66)	-	-	(1.11)



## **DOLAT ALGOTECH LIMITED** (Formerly known as Dolat Investments Limited)

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35. As at March 31, 2022, the company has reviewed the future earnings of all the cash generating units in accordance with the Ind AS 36 "Impairment of Assets. As the carrying amount of assets does not exceed the future recoverable amount, consequently, no adjustment to carrying amount of assets is considered necessary by the Management.
36. In the Opinion of the Management, the current Assets and Loans and Advances as shown in the books are expected to realize at their Book Values in the normal course of business and adequate provision have been made in respect of all known liabilities.
37. Based on the information available with the Company, there are no suppliers who are registered as micro, small or medium enterprises under The Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 2022.
38. **Disclosures of transactions with the struck off companies**  
The Company did not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.
39. No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:
- (a) Crypto Currency or Virtual Currency
  - (b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
  - (c) Registration of charges or satisfaction with Registrar of Companies
  - (d) Relating to borrowed funds:
    - i. Wilful defaulter
    - ii. Utilisation of borrowed funds & share premium
    - iii. Borrowings obtained on the basis of security of current assets
    - iv. Discrepancy in utilisation of borrowings
  - (e) Borrowings obtained on the basis of security of current assets.
  - (f) Foreign Currency Exposure
40. Previous year's figures have been regrouped wherever necessary to confirm with this year's classification.
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As per our attached report of even date

**For V. J. Shah & Co.**  
**Firm Registration Number: 109823W**  
**Chartered Accountants**

**Chintan V. Shah**  
Partner  
**Membership No.: 164370**

**Place:** Mumbai  
**Date:** 13<sup>th</sup> May, 2022

**For and on behalf of the Board of Dolat Algotech Limited**  
(Formerly known as Dolat Investments Limited)

**Pankaj D. Shah**  
Managing Director  
DIN: 00005023

**Vaibhav P. Shah**  
Chief Financial Officer

**Neha P. Shah**  
Director  
DIN: 05262280

**Sandeepkumar G. Bhanushali**  
Company Secretary

## Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

### Statement containing salient features of the financial statement of subsidiaries/ associate companies/joint ventures

#### Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in INR Million)

Sr. No.	Particulars	Details
1.	Name of the subsidiary	M/s. Dolat Tradecorp (Partnership Firm)
2.	Date of becoming Subsidiary	25.06.2019
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31.03.2022
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Indian Rupee as the subsidiary is an Indian Company.
5.	Share capital	413.49
6.	Reserves & surplus	-
7.	Total assets	465.95
8.	Total Liabilities	52.46
9.	Investments	425.54
10.	Turnover	616.06
11.	Profit before taxation	427.12
12.	Provision for taxation	148.75
13.	Profit after taxation	274.15
14.	Proposed Dividend	NIL
15.	% of shareholding	99.00%

**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations: NIL
- Names of subsidiaries which have been liquidated or sold during the year: NIL

#### Part "B": Associates and Joint Ventures

### Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures	NA
1. Latest audited Balance Sheet Date	NA
2. Shares of Associate/Joint Ventures held by the company on the year end	NA
i. No of Shares	NA
ii. Amount of Investment in Associates/Joint Venture	NA
iii. Extent of Holding (in %)	NA
3. Description of how there is significant influence	NA
4. Reason why the associate/joint venture is not consolidated	NA
5. Net worth attributable to shareholding as per latest audited Balance Sheet	NA
6. Profit/Loss for the year	NA
i. Considered in Consolidation	NA
ii. Not Considered in Consolidation	NA

- Names of associates or joint ventures which are yet to commence operations.: **Not Applicable**
- Names of associates or joint ventures which have been liquidated or sold during the year.: **Not Applicable.**



**To,**



If undelivered, Please return to:

**DOLAT ALGOTECH LIMITED**

(Formerly Known as Dolat Investments Ltd.)

301-308, 3rd Floor, Bhagwati House, Plot A/19,

Veera Desai Road, Andheri (West), Mumbai - 400 058.

**Tel.:** 91-22-2673 2602, 6570 4167 / 4171 **Fax:** 91-22-2673 2642

