

# ANNUAL REPORT & ACCOUNTS 2022-23

Peerless Financial Services Limited



**BOARD OF DIRECTORS**

Shri Deepak Mukerjee	– Independent Director & Chairman
Shri Dipankar Chatterji	– Independent Director
Shri Deepankar Bose	– Independent Director
Shri Bhargab Lahiri	– Director
Shri Asoke Kumar Mukhuty	– Director
Shri Supriyo Sinha	– Director
Shri Abhishek Tantia	– Managing Director & CEO

**COMPANY SECRETARY**

Shri Biswajit Das

**CHIEF FINANCIAL OFFICER**

Shri Partha Bose

**AUDITORS**

M/s. S. N. Kulkarni & Co.  
Chartered Accountants

**PRINCIPAL BANKER**

HDFC Bank Ltd.

**REGISTRAR AND SHARE TRANSFER AGENT**

C.B. Management Services (P) Ltd.  
P-22 Bondel Road,  
Kolkata- 700019  
Phone : + 91-33- 40116700/6718/6723  
Fax : +91-33-40116739, Email : rta@cbmst.com

**REGISTERED & CORPORATE OFFICE**

Peerless Bhavan,  
3, Esplanade East,  
Kolkata-700 069  
Phone : +91-33-4062 2525/83369 22525  
E-Mail: pfs@peerlessfinance.in  
Website: www.peerlessfinance.in  
CIN: U65993WB1988PLC044077

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### CRITERIA

- ✓ 3 Year Shop Vintage with Trade License
- ✓ Last 2 years IT Returns
- ✓ Annual Sales Above 20 Lacs
- ✓ Net Profit Above 3 Lac
- ✓ Ownership Proof of Shop/ Residence
- ✓ Last 6 Months Banking
- ✓ Proper Shop Set Up
- ✓ Gurrantorship of Family Member
- ✓ For Kolkata Pincodes Only

SBL  833 692 2525  +91-33-4062 2525

Peerless Financial Services Ltd., 'Peerless Bhavan', 3, Esplanade East, Kolkata - 700 069

E-mail: pfs@peerlessfinance.in | CIN: U65993WB1988PLC044077

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(A unit of The Peerless General Finance & Investment Company Limited)

\*T & C Apply

## BOARD'S REPORT

### Dear Members

The Board of Directors present the Company's Thirty-fifth Annual Report and the Company's audited financial statements for the financial year ended March 31, 2023.

### Financial Performance

The Company's financial performance for the year ended March 31, 2023 is summarised below:

(Rupees in Thousand)

PARTICULARS	Year ended 31st March, 2023	Year ended 31st March, 2022
Revenue from Operations	1,01,426.70	56,903.72
Other Income	8017.60	14,727.11
Gross Revenue	1,09,444.30	71,630.83
Profit/loss before Depreciation, Exceptional items and Tax Expense	43,355.01	34,962.03
Depreciation/ Amortisation / Impairment	(19,770.86)	(5,799.53)
Profit/loss before Tax	23,584.15	29,162.50
Tax Expense (Current & Deferred)	(1431.57)	(2042.73)
Profit /loss for the year (1)	22,152.58	27,119.77
Other Comprehensive Income (2)	115.52	5.39
Total Comprehensive Income (1+2)	22,268.10	27,125.16
Balance of profit /loss for earlier years	12,186.24	(4,508.92)
Transfer to Special Reserves	(4,450)	(5,430.00)
Transfer to Debenture Redemption Reserve	-	(5,000.00)
Balance carried forward	30,004.34	12,186.24

### The state of the Company's Affairs

Non-Banking Financial Companies have been an integral component of the Indian lending eco-system apart from banks particularly over the last two decades. Your Company is a Non-Banking Financial Company, Non-Deposit taking and Non-Systemically Important ("NBFC-ND-NSI"), registered with the Reserve Bank of India ("RBI") and categorised as an Investment and Credit Company ("ICC"). The Company has its Registered and Corporate Office in Kolkata. Your Company is a subsidiary company of The Peerless General Finance & Investment Company Limited (CIN: U66010WB1932PLC007490).

The Company provides Term Loans and Credit facilities, both secured and unsecured, to individuals and business entities. The Company offers various categories of loans, mainly, Business Loan, Loan to Professionals, Loan against Salary, Equipment Finance etc., to its clientele.

The Company disbursed loans of Rs. 4,42,802 Thousand During the FY 2022-23. Gross revenue earned by the Company during the FY 2022-23 was Rs.1,09,444.30 Thousand, an increase of 52.79 % over Rs. 71,630.83 Thousand in 2021-22. The rise in gross revenue by Rs. 37813.47 Thousand in FY 2022-23 was due to higher revenue earned on increased volume of the loan book.

The Company earned a Profit before Tax (PBT) of Rs.23,584.15 Thousand and Profit after Tax of Rs. 22,268.10

Thousand during the FY 2022-23, compared to Rs. 29,162.50 Thousand and Rs. 27,125.16 Thousand respectively, during the previous financial year.

The decline in PBT and PAT is primarily due to higher provisioning as per the expected credit loss ("ECL"). The Company has decided to go with a higher provisioning in line with the expected risks associated with the current and future loan book.

The Company has taken steps to make its workplace "green" in order to offer a productive, safe and healthy environment for its employees, customers, agents and contractors towards a more sustainable world for all.

### **Material Changes Affecting the Financial Position of the Company**

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

### **Dividend**

The Directors of the Company do not recommend any dividend for the FY 2022-23 for the purpose of conservation of resources.

### **Amounts Transferred to Reserves**

The Board has decided to transfer an amount of Rs.4,450 Thousand to Special Reserve in terms of Section 45IC of the RBI Act, 1934.

### **Non-Acceptance of Public Deposit**

The Company has neither accepted, held nor renewed any public deposits, as defined under section 45-I(bb) of the Reserve Bank of India Act, 1934 and Section 2(31) of the Companies Act, 2013 read with Rule 2(1)(c) of the Companies (Acceptance of Deposit) Rules, 2014, during the year under review.

### **Variation in Net Worth**

The Company's Net Worth as at the close of the financial year ended March 31, 2023 recorded a rise to Rs.6,06,586 Thousand, compared to the net worth of Rs. 5,84,318 Thousand as at the close of the previous financial year ended March 31, 2022.

### **Annual Return**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return as on March 31, 2023 is available on the website of the Company at [https://www.peerlessfinance.in/assets/uploads/Annual\\_Return\\_2022-23\\_draft\\_upload1.pdf](https://www.peerlessfinance.in/assets/uploads/Annual_Return_2022-23_draft_upload1.pdf).

### **Particulars of Loans, Guarantees and Investments under Section 186**

Your Company is a Non-Banking Financial Company (NBFC) registered with the Reserve Bank of India and categorized as an Investment and Credit Company (NBFC-ICC). Accordingly, the provisions of Section 186 of the Act pertaining to granting of loans to any persons or bodies corporate, giving of guarantees or providing security in connection with loans to any other bodies corporate or persons, and acquiring by way of subscription, purchase or otherwise the securities of any other body corporate, do not apply to the Company.

### **Particulars of Contracts or Arrangements with Related Parties**

The Company has not entered into any material contract/transactions during the FY 2022-23 with Related Parties which are not in its ordinary course of business or not on an arm's length basis, and which require disclosure in this Report in terms of the provisions of Section 188(1) of the Act.

However, for the purpose of good governance practice, the contracts / arrangements / transactions which took place in the ordinary course of business and on arm's length basis with the related parties are disclosed in Form No. AOC-2 and marked as **Annexure 'A'**. Further, details of Related Party Transactions, as required to be disclosed by Indian Accounting Standard 24 on "Related Party Disclosures" specified under Section 133 of The Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015, are given in the Notes to the Financial Statements.

### **Compliance with Non-Banking Financial Companies (Reserve Bank) Directions**

The Company is registered with the RBI as a Non-Banking Financial Company. It is a Non-Systemically Important, Non-Deposit taking, Investment and Credit Company (NBFC-ND-NSI-ICC). The Company has complied with and continues to comply with the provisions of Reserve Bank of India Act, 1934 and all applicable rules, circulars, regulations and directions including, Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015, Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, as updated, prescribed by the Reserve Bank of India ("RBI").

### **Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo**

#### **(i) Conservation of Energy:**

Since the Company is a financial services provider, it requires normal consumption of electricity. Every necessary step to reduce the consumption of energy is taken by the Company. LED lights have been retrofitted in the office premises to conserve electricity. Air Conditioners' temperature are maintained at the optimum ambient temperature resulting into savings of energy.

#### **(ii) Technology Absorption:**

The Company, being a NBFC, is not engaged in any industrial or manufacturing activities. Thus, the Company has no particulars to report regarding technology absorption.

#### **(iii) Foreign Exchange Earnings and Outgo:**

There was no foreign exchange earnings or outgo during the year under review.

### **Details of Subsidiary, Joint Venture or Associates**

No company has become or ceased to be a subsidiary, joint venture or associate of your Company during the year under review.

### **Risk Management**

The Company has built a risk management framework and continues to monitor the internal and external risks arising out of changes in market scenario, regulatory changes etc. The Board of Directors has constituted a Risk Management Committee of the Board, which has the responsibility of monitoring and reviewing risks. The Risk Management Framework enables the management to have a comprehensive view of identified key risk areas based on their probability and impact. These are Credit Risk, Market Risk, Process risk, People risk, Outsourcing risk, Technology risk, Business Continuity, Cyber Security and Reputation Risk. The Company follows various processes for Enterprise Risk Management which include Internal Controls Management which is done on an ongoing basis and Process Audit is also conducted on a periodic basis. In Peerless Finance there is continued focus on increasing operational resilience and mitigation of these risks.

### **Internal Control**

The Company has adopted several policies and procedures to provide reasonable assurance for achieving the objectives of the Company. Such policies and procedures provide direction, increase efficiency and strengthen adherence to policies. The internal control system is supported by proper assessment by the Core Committee and Process Audit of the adequacy and efficacy of the Company's internal controls, including its systems, processes and compliances with regulations and procedures. The Company's internal control system is commensurate with its size and the nature of its business.

### **Internal Financial Control with reference to the Financial Reporting**

Internal Financial Control on financial reporting system of the Company has been designed to ensure an accurate and fair reflection of transactions and dispositions of the assets of the company. It provides 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 authorizations of management and directors of the company. The Process Flows, Risk Control Matrix and Testing Results and Reports ensures adequacy of Internal Financial Control on Financial Reporting. The Company has, in material respect, an adequate internal financial control over financial reporting.

## **Details of Directors and Key Managerial Personnel Directors :**

### **(i) The changes in the Board of Directors took place during the FY 2022-23 are as follows:**

- (a) Mr. Sunil Kanti Roy (DIN :00043966), a Non-executive Director and Promoter of the Company, passed away on 08/05/2022. The Board of Directors place on record their deep appreciation and respect for the invaluable contribution made by the Late Mr. Sunil Kanti Roy during his tenure and association with the Company.
- (b) Mr. K Balasubramanian (DIN:03521793) resigned from the office of Non-Executive Director with effect from 31/08/2022.
- (c) Mr. Supriyo Sinha (DIN: 07666744) was appointed as an Additional Non-executive Director with effect from 31/08/2022. On recommendation of the Nomination & Remuneration Committee, the Board has proposed the appointment of Mr. Supriyo Sinha (DIN: 07666744) as a Non-Executive Director at the ensuing general meeting. In the opinion of the Board, Mr. Supriyo Sinha (DIN: 07666744) is a person of integrity and possesses requisite qualifications, experience, skill and expertise.
- (d) In accordance with the relevant provisions of the Companies Act, 2013, Mr. Bhargab Lahiri (DIN:00043772), Director, will retire by rotation at the ensuing Annual General Meeting. He has expressed his unwillingness to be re-appointed.

### **(ii) Independent Directors :**

During the year under review, Mr. Deepak Mukerjee (DIN: 00046690), Mr. Dipankar Chatterji (DIN: 00031256) and Mr. Deepankar Bose (DIN: 09450920) were the Independent Directors of the Company.

Pursuant to Section 149(7) of the Companies Act, 2013, Mr. Deepak Mukerjee (DIN: 00046690), Mr. Dipankar Chatterji (DIN: 00031256) and Mr. Deepankar Bose (DIN: 09450920), Independent Directors, have submitted to the Company necessary declarations to the effect that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013.

In the opinion of the Board, Independent Directors of the Company possess requisite qualifications, experience (including the proficiency) and expertise and are of the highest standards of integrity. In terms of Section 150 of the Act read with the Companies (Appointment & Qualification of Directors) Rules, 2014, the name of the Independent Directors of the Company have been registered with the data bank of Independent Directors created and maintained by the Indian Institute of Corporate Affairs, Manesar ("IICA").

A meeting of Independent Directors was held on 18/05/2022 during the FY 2022-23. All the Independent Directors of the Company were present at such meeting.

### **(iii) Key Managerial Personnel:**

As per the provisions of Section 203 of the Act, Mr. Abhishek Tania (DIN: 07651661), Mr. Partha Bose, Chief Financial Officer, and Biswajit Das, Company Secretary, were the Key Managerial Personnel ("KMP") of the Company during the FY 2022-23.

Apart from the changes mentioned above, no other change of the Directors and the Key Managerial Personnel took place during the financial year under review.

## **Evaluation of the Board, Committees of the Board, Individual Directors and the Chairman**

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual evaluation of its own performance and of the individual Directors as well as an evaluation of the working of all the Committees of the Board. The Board of Directors was assisted by the Nomination and Remuneration Committee ("NRC"). The performance evaluation was carried out by seeking inputs from all the Directors/Members of the Committees, as the case may be.

The criteria for evaluation of the Board as a whole, inter alia, covered parameters such as Structure of the Board, Meetings of the Board, Functions of the Board and Board & Management. The criteria for evaluation of Individual Directors covered parameters such as knowledge and competency, fulfillment of functions, ability to function as a team, etc. The criteria for evaluation of the Board Committees covered areas related to mandate and composition, effectiveness of the committee, structure of the committee and meetings, etc. The feedback of the Independent Directors on their review of the performance of Non-Independent Directors and the Board as a whole, the performance of the Chairman of the Company and the assessment of the quality, quantity and timeliness of flow of information between the Company, the Management and the Board was taken into consideration by the Board in carrying out the performance evaluation.

## **Nomination and Remuneration Policy of the Company**

Pursuant to the provisions of Section 178 of the Companies Act, 2013 the Board of Directors have adopted a Nomination and Remuneration Policy on Board Diversity, Director Attributes and Remuneration Policy.

Nomination & Remuneration Policy covers appointment / removal and remuneration for directors, key managerial personnel and other employees and lays down criteria for determining qualifications, positive attributes and independence of a director and other matters, as formulated in Section 178 of the Act.

The salient features of the Nomination and Remuneration Policy are given below:

### **Objectives**

- To lay down criteria and terms & conditions with regard to identifying persons qualified to become Directors (Executive and Non-Executive) and to hold Senior Management and Key Managerial positions.
- To determine remuneration based on the Company's size, financial position, trends and practices prevailing in peer companies and in the industry as a whole.
- To provide them rewards linked directly to their efforts, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons commensurate with the requirements of the Company.
- To carry out evaluation of the performance of Directors.

### **Applicability**

The Policy is applicable to:

- Directors (both, Executive and Non-Executive)
- Key Managerial Personnel
- Senior Management Personnel

"Senior Management" for the purpose of this Policy means personnel of the Company who are members of its core management team excluding Board of Directors, comprising all members of management one level below the executive directors, including the functional heads.

### **General**

This Policy is divided in three parts: Part – A covers matters to be dealt with and recommended by the Committee to the Board, Part – B covers nomination, appointment and removal, and Part – C covers remuneration, perquisites etc.

A copy of the Nomination and Remuneration Policy is posted on the website of the Company at <http://www.peerlessfinance.in/nrc-policy.html>.

### **Corporate governance**

The Company endeavours to maintain high standards of Corporate Governance by adopting best practices and through transparency in business processes, disclosures and accountability to its customers and other stakeholders. The Company is constantly striving to adopt better practices to improve its business and affairs.

As part of the Peerless Group, the Company's philosophy on Corporate Governance is founded upon a legacy of fair and transparent governance practices.

The Company's shareholders appoint the Board of Directors, which directs to govern the Company in a fair and transparent manner. The Board has established various Committees to discharge its responsibilities in an effective manner. The Chairman provides overall direction and guidance to the Board. Independent Directors provide their expert knowledge constantly to improve the business operations and functioning of the Company and also to improve the Corporate Governance practices. The overall responsibility of business functions is entrusted with the Managing Director & CEO, who is assisted by a core group of senior level executives.



**Composition of the Board**

Sl. No.	Name of Director (M/s.)	Director since	Capacity (i.e. Executive/ Non- Executive/ Chairman/Promoter nominee/ Independent)	DIN	Number of Board Meetings		No. of other Directorships	Remuneration			No. of shares held in and convertible instruments held in the NBFC
					Held	Attended		Salary and other compensation	Sitting Fee	Commission	
1	DEEPAK MUKERJEE	17/12/2016	Chairman & Independent Director	00046690	5	5	3	0	1,70,000	0	0
2	DIPANKAR CHATTERJI	06/08/2012	Independent Director	00031256	5	5	9	0	1,80,000	0	0
3	DEEPANKAR BOSE	16/03/2022	Independent Director	09450920	5	5	3	0	1,70,000	0	0
4	BHARGAB LAHIRI	21/05/2013	Non- Executive Director	00043772	5	5	4	0	1,50,000	0	200 Equity shares
5	ASOKE KUMAR MUKHUTY	16/02/1994	Non- Executive Director	00173745	5	5	5	0	2,00,000	0	1451 Equity shares
6	SUPRIYO SINHA	31/08/2022	Non- Executive Director	07666744	5	4	4	0	1,00,000	0	0
7	ABHISHEK TANTIA	02/01/2017	MD & CEO (Executive)	07651661	5	5	0	61,53,909	0	0	10 Equity shares
8	LATE SUNIL KANTI ROY (Died on 08/05/2022)	05/04/1988	Non- Executive Director	00046690	5	0	9	0	0	0	33126 Equity shares
9	K. Balasubramanian (Since Resigned w.e.f. 31/08/2022)	05/05/2011	Non- Executive Director	03521793	5	0	0	0	30,000	0	0

**Details of change in composition of the Board during the current and previous financial year.**

Sl. No.	Name of Director (M/s.)	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter/ nominee/ Independent)	Nature of change	Effective date
1	LATE SUNIL KANTI ROY (DIN: 00043966)	Non-Executive Director	Since expired	08/05/2022
2	DEEPANKAR BOSE (DIN: 09450920)	Independent Director	Appointment	16/03/2022
3	SUPRIYO SINHA (DIN: 07666744)	Non-Executive Director	Appointment	31/08/2022
4	K. BALASUBRAMANIAN (DIN: 03521793)	Non-Executive Director	Resigned (Due to his personal reasons)	31/08/2022

There is no relationship amongst the directors inter-se.

**I) Committees of the Board and their composition**

- (i) In order to perform various functions in a focused manner, the board has constituted the following Board Committees:
1. Audit Committee,
  2. Nomination and Remuneration Committee,
  3. Share Transfer & Stakeholders' Relationship Committee
  4. Credit & Investment Committee.
  5. Securities Allotment Committee

**Composition:**

1. The **Audit Committee** comprises two Independent Directors and one Non-executive Director, namely, Mr. Dipankar Chatterji (DIN: 00031256), Independent Director, as Chairman, Mr. Deepak Mukerjee (DIN: 00046690), Independent Director and Mr. Asoke Kumar Mukhuty (DIN: 00173745), Non-executive Director, as Members.
2. The **Nomination & Remuneration Committee ("NRC")** comprises Mr. Dipankar Chatterji (DIN: 00031256), Independent Director, as Chairman, Mr. Deepak Mukerjee (DIN: 00046690), Independent Director, and Mr. Asoke Kumar Mukhuty (DIN: 00173745), Non-Executive Director, as Members.
3. The **Share Transfer & Stakeholders Relationship Committee** consists of three Non-executive Directors, namely, Mr. Deepankar Bose (DIN: 09450920), Independent Director, as Chairman, and Mr. Asoke Kumar Mukhuty (DIN: 00173745), Non-Executive Director and Mr. Abhishek Tania (DIN: 07651661), Managing Director & CEO, as Members.
4. The **Credit & Investment Committee** comprises Mr. Deepak Mukerjee (DIN: 00046690), Chairman, Mr. Deepankar Bose (DIN: 09450920), Independent Director, Mr. Asoke Kumar Mukhuty (DIN: 00173745), Non-executive Director, and Mr. Abhishek Tania (DIN: 07651661), Managing Director & CEO, as Members.
5. The **Risk Management Committee** comprises Mr. Deepankar Bose (DIN: 09450920), Chairman, Mr. Ashok Kumar Mukhuty (DIN: 00173745), Member, Mr. Supriyo Sinha (DIN: 07666744), Member and Mr. Abhishek Tania (DIN: 07651661), Managing Director & CEO as Permanent Invitee.
6. The **Information Technology ("IT") Strategy Committee** comprises Mr. Dipankar Chatterji (DIN: 00031256), Chairman, Mr. Deepankar Bose (DIN: 09450920), Member, Mr. Supriyo Sinha (DIN: 07666744), Member and Mr. Abhishek Tania (DIN: 07651661), Managing Director & CEO, Member.

**(II) The summarized terms of reference of the Board Committees and the details of meetings held by the said Committees during the FY 2022-23 are given below:**

## 1. Audit Committee:

The terms of reference of the Audit Committee includes detailed review of financial statements prior to consideration by the Board of Directors, approval of annual internal audit plan, review of internal and other audit reports, review of financial reporting system, internal financial control with reference to financial reporting and risk management system. The Audit Committee makes recommendation for appointment of statutory and internal auditors.

The Audit Committee held four meetings during the financial year 2022-23 on 02/06/2022, 31/08/2022, 09/12/2022 and 15/03/2023 with the attendance of the following Members :

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Dipankar Chatterji (DIN: 00031256),	28/01/2013	Independent Director, Chairman of Audit Committee	4	4	0
2.	Mr. Deepak Mukerjee (DIN: 00046690)	17/12/2016	Independent Director & Chairman of the Board, Member of Audit Committee	4	4	0
3	Mr. Asoke Kumar Mukhuty (DIN: 00173745)	28/01/2013	Non-Executive Director, Member of Audit Committee	4	4	1451

All the recommendations made by the Audit Committee during the FY 2022-23 were accepted by the Board.

The Chairman of Audit Committee was present at the last Annual General Meeting held on 31st August, 2022.

## 2. Nomination & Remuneration Committee ("NRC")

The Terms of Reference of the Nomination & Remuneration Committee, inter alia, include the following:

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- To specify the manner by which effective evaluation of performance of the Board, its committees and individual Directors will be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency, and review its implementation and compliance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board Nomination & Remuneration policy relating to the remuneration for the Directors, key managerial personnel and other employees.
- To oversee the framing, review and implementation of Compensation Policy of the company duly approved by the board, ensuring that all statutory mandates and the rules and directions issued in this regard are fully complied with.
- To work in close coordination with Risk Management Committee (RMC) of the company to achieve effective alignment between compensation and risks.
- To ensure that compensation levels are compatible with the need to retain earnings of the company and the need to maintain adequate capital based on Internal Capital Adequacy Assessment Process (ICAAP).
- To comply with 'fit and proper' status of proposed/existing directors and ensure that there is no conflict of interest in appointment of directors on the Board of the company, KMPs and senior management.
- To take such other actions as the NRC may deem fit for the betterment of employees or as may be recommended / mandated by the regulatory authorities from time to time.

The NRC held three meetings on 02/06/2022, 31/08/2022 and 09/12/2022 during the FY 2022-23 with the attendance of the following Members :

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Dipankar Chatterji (DIN : 00031256),	06/05/2014	Independent Director, Chairman of NRC	3	3	0
2.	Mr. Deepak Mukerjee (DIN: 00046690)	17/12/2016	Independent Director & Chairman of the Board, Member of NRC	3	3	0
3	Mr. Asoke Kumar Mukhuty (DIN: 00173745)	06/05/2014	Non-Executive Director, Member of NRC	3	3	1451

The Chairman of the Committee was present at the last Annual General Meeting 31st August, 2022.

### 3. Share Transfer & Stakeholders' Relationship Committee

The terms of reference of Share Transfer & Stakeholders' Relationship Committee includes considering the grievances, if any, of the shareholders of the Company. The scope of work of the Committee also covers consideration, approval and registration of share transmission and issue of duplicate or renewed share certificates.

There was no occasion to hold any meeting by the Committee during the FY 2022-23.

Details of members of the Committee are given below:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Deepankar Bose (DIN: 09450920)	15/03/2023	Independent Director, Chairman of the Committee	0	0	0
2.	Mr. Asoke Kumar Mukhuty (DIN: 00173745)	06/05/2014	Non-Executive Director, Member of the Committee	0	0	1451
3	Mr. Abhishek Tantia (DIN: 00173745)	31/08/2022	Managing Director & CEO, Member of the Committee	0	0	10
4	Mr. Bhargab Lahiri (DIN: 00043772) (Ceased to be a Member w.e.f. 01/04/2023)	06/05/2014	Non-Executive Director (Ceased to be a Member of the Committee w.e.f. 15/03/2023)	0	0	200
5	Mr. K. Balasubramanian (DIN: 03521793) (Resigned w.e.f. 31/08/2022)	06/05/2014	Non-Executive Director (Resigned w.e.f. 31/08/2022)	0	0	0

The Chairman of the Committee was present at the last Annual General Meeting held on 31st August, 2022.

#### 4. Credit & Investment Committee

The Credit & Investment Committee (CIC) sanctions credit facilities to customers, and also approves proposals for investment/disinvestment of the Company's surplus funds in different investment instruments/ avenues under the powers delegated to it by the Board.

Apart from sanctioning credit proposals beyond a certain limit and the proposals for investment and disinvestment of funds on day-to-day basis, the CIC held two meetings on 20/09/2022 and 29/03/2023 during the FY 2022-23.

Details of members of the Committee are given below:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Deepak Mukerjee (DIN: 00046690)	01/04/2023	Independent Director & Chairman of the Board, Member of NRC	2	2	0
2.	Mr. Deepankar Bose (DIN: 09450920)	31/08/2022	Independent Director, Chairman of the Committee	2	2	0
3	Mr. Asoke Kumar Mukhuty (DIN: 00173745)	12/12/2013	Non-Executive Director, Member of the Committee	2	2	1451
4	Mr. Abhishek Tantia (DIN: 07651661),	17/01/2017	Managing Director & CEO, Member of the Committee	2	2	10
5	Mr. Bhargab Lahiri (DIN: 00043772) (Ceased to be a Member w.e.f. 01/04/2023)	12/12/2013	Non-Executive Director Ceased to be a Member (w.e.f. 01/04/2023)	2	2	200
6	Mr. K. Balasubramanian (DIN: 03521793) (Resigned w.e.f. 31/08/2022)	12/12/2013	(Resigned w.e.f. 31/08/2022)	0	0	0

#### 5. Risk Management Committee

The terms of reference of Risk Management Committee (RMC), is given below:

1. To Evaluate all the risks associated with business of the Company including liquidity risks.
2. To approve and periodically review the risk management policies of the Company.
3. To review significant reports from regulatory agencies relating to risk management.
4. Review the Company's risk appetite statement on an annual basis.

The RMC held one meeting on 08/12/2022 in the FY 2022-23.

**Details of members of the Committee are given below:**

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Deepankar Bose (DIN: 09450920)	31/08/2022	Independent Director, Chairman of the Committee	1	1	0
2.	Mr. Bhargab Lahiri (DIN: 00043772)	31/08/2022	Non-Executive Director	1	1	200
3.	Mr. Asoke Kumar Mukhuty (DIN: 00173745)	31/08/2022	Non-Executive Director	1	1	1451
4.	Mr. Supriyo Sinha (DIN: 07666744)	31/08/2022	Non-Executive Director	1	1	0
5.	Mr. Abhishek Tantia (DIN: 00173745)	31/08/2022	Managing Director & CEO, Permanent Invitee to the Committee	1	1	10

**6. Information Technology (“IT”) Strategy Committee**

The terms of reference of Information Technology (“IT”) Strategy Committee (ITSC), is given below:

1. Approving Information Technology strategy and policy documents in terms of RBI Directions and ensuring that the management has put an effective strategic planning process in place.
2. Ascertaining that management has adopted the policies and practices that ensure that the IT policies are implemented.
3. Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable and proper balance of IT investments for sustaining NBFC’s growth and becoming aware about exposure towards IT risks controls.
4. Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources.
5. Ensure proper oversight of data and cyber security.

The Committee held one meeting on 08/12/2022 during the FY 2022-23.

Details of members of the Committee are given below:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Dipankar Chatterji (DIN: 00031256),	31/08/2022	Independent Director, Chairman of NRC	1	1	0
2.	Mr. Deepankar Bose (DIN: 09450920)	31/08/2022	Independent Director, Chairman of the Committee	1	1	0
3.	Mr. Supriyo Sinha (DIN: 07666744)	31/08/2022	Non-Executive Director	1	1	0
4.	Mr. Abhishek Tantia (DIN: 07651661)	31/08/2022	Managing Director & CEO, Permanent Invitee to the Committee	1	1	10

### General Body Meetings

Give details of the date, place and special resolutions passed at the General Body Meetings.

Sl. No.	Type of Meeting (Annual/ Extra- Ordinary)	Date and Place	Special resolutions passed
1	Annual General Meeting	31/08/2022 Kolkata	1. Re-appointment of Mr. Deepak Mukerjee (DIN : 00046690) as an Independent Director.
			2. Increasing the Borrowing Powers under Section 180(1)(c) of the Companies Act, 2013 up to Rs.100 Crore.
			3. Creation of charges, mortgages, hypothecation on the immovable and movable properties of the Company under Section 180(1)(a) of the Companies Act, 2013.

### Details of non-compliance with requirements of Companies Act, 2013

There was no case of any default in compliance with the requirements of Companies Act, 2013, including with respect to compliance with accounting and secretarial standards.

### Details of penalties and strictures

There was no case of any penalties or stricture imposed on it by the Reserve Bank or any other statutory authority.

### Breach of covenant

There was no instance of breach of covenant of loan availed or debt securities issued.

### Divergence in Asset Classification and Provisioning

There was no case of divergence in Asset Classification and Provisioning with respect to :

- the additional provisioning requirements assessed by RBI exceeds 5 percent of the reported profits before tax and impairment loss on financial instruments for the reference period, or
- the additional Gross NPAs identified by RBI exceeds 5 per cent of the reported Gross NPAs for the reference period ended 31/03/2023.

### Statutory Auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013, Companies (Audit & Auditors) Rules, 2014 read with the RBI Direction No. RBI/2021-22/25 Ref.No.DoS.CO. ARG/ SEC.01/ 08.91.001/ 2021-22 dated April 27, 2021, M/s. S.N. Kulkarni & Co., Chartered Accountants (Firm Regn. No.: 105441W), Statutory Auditors, were appointed at the 34th Annual General Meeting of the Company held on 31/08/2022, for a period of three consecutive years from the conclusion of the 34th AGM. Their term will expire at the conclusion of the ensuing 37th AGM to be held in this calendar year 2025.

### Explanation to Auditors' Observations

There is no qualification, reservation or adverse remarks made by the Statutory Auditors in their Report for the FY 2022-23 that needs to be explained or responded to.

### Particulars of Employees

Disclosure pursuant to Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is made in **Annexure 'B'** to the Board's Report.

**Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013**

Pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has put in place a Policy for Prevention of Sexual Harassment of Women at workplace. An Internal Complaints Committee has also been set up by the Board to redress complaints, if any.

No complaint on sexual harassment has been made during the year under review.

Necessary awareness programmes are held to spread awareness among the employees periodically.

**Fraud Reporting**

Pursuant to the provisions of Section 134(3) (ca) of the Companies (Amendment) Act, 2015, no fraud was reported by the Auditors under sub-section (12) of Section 143 of the Companies Act, 2013 read with Rule 13 of the Companies (Audit and Auditors) Rules, 2014.

**Accounting Standard Followed**

The Annual Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind-AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended, read with Section 133 of the Companies Act, 2013. The Company also follows RBI Directions. The Financial Statements have been prepared under the historical cost convention on accrual basis except for certain financial instruments, which are measured at fair values in accordance with the provisions of the Act and the rules made thereunder. Accounting policies adopted in the preparation of the Financial Statements have been consistently followed in the FY 2022-23.

**Directors' Responsibility Statement**

The Directors have devised Proper systems and procedures for the business and affairs of the Company and a number of policies have been implemented to safeguard the ability of the Company to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholders' value.

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and belief and according to the information and explanations obtained, hereby confirm that -

- a) in the preparation of the annual accounts for the financial year ended March 31, 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2022-23 and of the profit & loss of the Company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis; and
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws that such systems were adequate and operating effectively.

**Secretarial Standards**

Your Company has complied with all the applicable Secretarial Standards issued by The Institute of Company Secretaries of India and as specified in section 118(10) of the Companies Act, 2013.

**Significant / material Orders passed by the Regulators**

No significant material order was passed by the Regulators or Courts or Tribunals during the year under review, impacting the going concern status of your Company and its operations in future.



**Whistle Blower Policy & Vigil Mechanism**

The Whistleblower Policy has been framed with a view to provide a mechanism for all the stakeholders to approach the Chairman of the Audit Committee, as and when a misconduct is found in relation to the Company. This policy has been made to encourage the employees, customers, suppliers and other stakeholders to raise concerns or make disclosures, when they become aware of any actual or potential violation of any Code, policies or law that is not reflective of the values and principles of the Organization. The said policy has been posted on the website of the Company.

**Issue of Non-Convertible Debentures (NCD)**

The Company had issued 2500000 8.5% unlisted unsecured unrated Partly-paid Non-Convertible Debentures of Rs.100/- each to its holding company, viz., The Peerless General Finance & Investment co. Ltd. during the previous financial year. The 2nd, 3rd, 4th and 5th call of Rs.5 crore each were made on 2nd May, 1st June, 1st July and 1st August, 2022 respectively. The said NCDs will be matured and redeemed in tranches within a maximum period of six years from the date of being fully-paid. The said calls were made and call moneys were received on due dates.

**General Disclosures**

Your Directors further state and confirm the following in respect of the FY 2022-23:

1. During the year under review there was no change in the nature of business of the Company.
2. The provisions of the Companies Act, 2013 for providing details about CSR Policy and implementation and initiative taken thereon do not apply to the Company.
3. Your Company did not issue equity shares with differential rights as to dividend, voting or otherwise.
4. Your Company did not issue any shares (including ESOP and sweat equity shares) to employees of the Company under any scheme.
5. Disclosure regarding receiving of any remuneration or commission by the Managing Director from its holding/subsidiary company is not required, since Managing Director & CEO of the Company does not hold any such position.
6. Apart from making calls on Non-Convertible Debentures, as stated above, there was no other corporate action, such as buy- back of securities, payment of dividend declared, mergers and de-mergers, delisting, split and issue of any other securities etc. announced by the Company during the year under review, failure to implement which is required to be disclosed.
7. Since the Company is a Non-Banking Financial Company, the maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 is not required by the Company; accordingly, such accounts and records are not made and maintained by the Company.
8. No application has been filed for corporate insolvency resolution process against your Company by any financial creditor or operational creditor or your Company under Insolvency Bankruptcy Code, 2016 before the National Company Law Tribunal (NCLT).

The Company made an application before the NCLT, Mumbai against Rasoya Proteins Ltd., a borrower of the Company, as per the provisions of Insolvency and Bankruptcy Code, 2016. As on 31/03/2023, the Company is in the process of liquidation.

9. There was no instance of one-time settlement with any Bank or Financial Institution.

10. The Company has not taken any loan from any Bank or Financial Institution, hence, the requirement for 'Disclosure' about the difference between the amounts of the valuation executed at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof does not apply to the Company.

**Acknowledgment**

Your Directors like to place on record their gratitude to the RBI, Registrar of Companies, Ministry of Corporate Affairs, and other Government and Regulatory agencies for the valuable guidance and support received from them. They convey their appreciation to The Peerless General Finance & Investment Company Ltd., the holding company, customers, bankers, lenders, vendors and all other business associates for the continuous support given by them to the Company. The Directors also place on record their appreciation of the commitment, commendable efforts, team work and professionalism of all the employees of the Company.

Kolkata

Date : 22 May, 2023

Registered office :

"PEERLESS BHAVAN"

3, Esplanade East

Kolkata - 700 069

For and on behalf of the Board

Deepak Mukerjee

Chairman

(DIN : 00046690)

**ANNEXURE “A ”**

**Form No. AOC-2**

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

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

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

(a)	Name(s) of the related party and nature of relationship	NIL
(b)	Nature of contracts/arrangements/ transactions	N.A.
(c)	Duration of the contracts / arrangements/ transactions	N.A.
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	N.A.
(e)	Justification for entering into such contracts or arrangements or transactions	N.A.
(f)	Date(s) of approval by the Board	N.A.
(g)	Amount paid as advances, if any	N.A.
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	N.A.

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

**(i)**

(a)	Name(s) of the related party and nature of relationship	<b>The Peerless General Finance &amp; Investment Co. Ltd. (Holding Company)</b>
(b)	Nature of contracts/ arrangements/transactions	Service Received
(c)	Duration of the contracts / arrangements/ transactions	01.04.2022 to 31.03.2023
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Payment of Rent for PFS office premises Rs.30,48,601/- (incl GST)
(e)	Date(s) of approval by the Board/Audit Committee, if any	
(f)	Amount paid as advances, if any:	NIL

**(ii)**

(a)	Name(s) of the related party and nature of relationship	<b>The Peerless General Finance &amp; Investment Co. Ltd. (Holding Company)</b>
(b)	Nature of contracts/ arrangements/transactions	Service received
(c)	Duration of the contracts / arrangements/ transactions	01.04.2022 to 31.03.2023
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Reimbursement of Expenses Rs.1,40,025/- (incl. GST) and outstanding for liability for expenses of Rs.679/- ( Incl GST)
(e)	Date(s) of approval by the Board/Audit Committee, if any	
(f)	Amount paid as advances, if any:	NIL

**(iii)**

(a)	Name(s) of the related party and nature of relationship	<b>Peerless Securities Ltd. (a subsidiary of the holding company)</b>
(b)	Nature of contracts/ arrangements/transactions	Service received
(c)	Duration of the contracts / arrangements/ transactions	01.04.2022 to 31.03.2023
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Payment of Demat Maintenance Charges Rs. 4,722/- (incl.GST)
(e)	Date(s) of approval by the Board/Audit Committee, if any	
(f)	Amount paid as advances, if any:	NIL

**(iv)**

(a)	Name(s) of the related party and nature of relationship	<b>Bengal Peerless Housing Development Company Ltd (an Associate Company of the Holding Company)</b>
(b)	Nature of contracts/ arrangements/transactions	Purchase of flat (at arm's length price)
(c)	Duration of the contracts / arrangements/ transactions	01.04.2022 to 31.03.2023
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Instalments paid for acquiring two flats at AVIDIPTA II Housing Complex of Rs. Rs.16,59,805/- including GST.
(e)	Date(s) of approval by the Board, if any	
(f)	Amount paid as advances, if any:	NIL

**(v)**

(a)	Name(s) of the related party and nature of relationship	<b>Peerless Hotels Ltd. (a subsidiary of the holding company)</b>
(b)	Nature of contracts/ arrangements/transactions	Service Received (at arm's length price)
(c)	Duration of the contracts / arrangements/ transactions	01.04.2022 to 31.03.2023
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Expenses incurred for staff welfare Rs.1,08,162/- including GST.
(e)	Date(s) of approval by the Board, if any	
(f)	Amount paid as advances, if any:	NIL

Kolkata  
Date :22 May, 2023

For and on behalf of the Board

Registered office :  
"PEERLESS BHAVAN"  
3, Esplanade East  
Kolkata - 700 069

Deepak Mukerjee  
(DIN : 00046690)  
Chairman

**ANNEXURE “B”**

**ANNEXURE TO THE DIRECTORS’ REPORT**

**Particulars of Employees pursuant to the provisions of Section 134 of the Companies Act, 2013 read with sub-rule (2) of rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors’ Report for the year ended 31st March, 2023.**

	Name	Age (Years)	Designation	Gross Remuneration (Rs.)	Nature of Employment	Qualification	Experience (Years)	Date of Commencement of Employment	Last Employment /Post held
	1	2	3	4	5	6	7	8	9
<b>A Top ten Employees in terms of remuneration</b>									
1	Abhishek Tantia	41	MD & CEO	63,08,578/-	Contractual	ACA, MBA	16	02/01/2017	Peerless Securities Ltd. / Chief Financial Officer
2	Biswajit Das	54	Company Secretary & Chief Compliance Officer	17,00,338/-	Non-contractual	B.Com (Hons), ACS.	28	18/06/2015	The Peerless General Finance & Investment Co. Ltd./ Manager
3	Partha Bose	57	Chief Financial Officer	8,38,855/-	Non-contractual	B.Sc, ICWA	29	29/09/1994	NIL
4	Brijesh Goyal	36	Deputy General Manager- Credit	17,44,942/-	Non-contractual	B.Com (Hons), ACA, ICWA,CAIIB	12	07/05/2018	Allahabad Bank / Sr. Manager
5	Saptarshi Roy Bardhan	57	Deputy General Manager- Operations	12,76,015/-	Non-contractual	B.Com. (Hons), MBA (Finance)	30	20/12/2017	BMA Wealth Creators Ltd./ VP
6	Atanu Basak	33	Chief Manager – Loan to Professionals (East)	12,83,354/-	Non-contractual	B.Com.(Hons),	11	12/06/2019	Bajaj Finserv / Area Manager – Professional Loan, Direct
7	Siddhartha Gupta	42	Chief Manager – IT & Admin	6,72,589/-	Non-contractual	B. Com (Hons) MCA	19	27/07/2020	AUM Capital Market Pvt. Ltd/ IT- Senior Manager
8	Avijit Nag	50	Chief Manager-Finance and Customer Services	6,14,522/-	Non-contractual	B.Com.(Hons), Diploma in Computer Application	25	16/12/2015	P N Memorial Neuro Center & Research Institute Ltd./ Senior Officer-Admin
9	Shambhu Nath Pandey	44	Cluster Head- Business Loan	8,00,400/-	Non-contractual	B.SC (Hons), MBA (IRM)	17	07/02/2022	HDB Financial Services Limited/ Branch In-charge
10	Somraj Saha (Upto 31.10.2022)	33	Chief Manager- Equipment Finance & Business Loan	5,83,361/-	Non-contractual	B.Com. MBA	8	01/07/2019	SREI Equipment Finance Ltd. / Assistant Manager-Healthcare

**B. Employed throughout the financial year and in receipt of remuneration aggregating Rs.1,02,00,000/- or more per annum**

**None**

**C. Employed for a part of the financial year and in receipt of remuneration aggregating Rs. 8,50,000/- or more per month**

**None**

Notes: 1. Gross remuneration comprises salary and allowances, company's contribution to Provident Fund, Monetary value of perquisites etc. The employees are also entitled to Gratuity in accordance with the rules of the Company.

2. The nature of employment is contractual in case of Managing Director & CEO. In respect of all the other employees, the nature of employment is non-contractual, terminable by notice of either side and liable to transfer to any division/holding/associate companies.

3. None of the employees together with their relatives hold shares of 2% or more of the paid-up share capital of the Company.

For and on behalf of the Board

Deepak Mukerjee  
Chairman

(DIN : 00046690)

Kolkata

Date : 22 May, 2023

Registered office :

"PEERLESS BHAVAN"

3, Esplanade East

Kolkata - 700 069

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PEERLESS FINANCIAL SERVICES LIMITED**

### **Report on the Audit of Ind AS Financial Statements**

#### **1. Opinion**

We have audited the accompanying Ind AS financial statements of Peerless Financial Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income) the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the financial statements, including 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 Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **2. Basis for Opinion**

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing, as prescribed under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS 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 together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Companies Act, 2013 ("the Act") and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

#### **3. Information other than Ind AS financial statements and Auditor's report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the Ind AS financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Ind AS financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

#### **4. Responsibilities of the Management and Those charged with governance for the Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair

view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, Board of Directors 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **5. Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Standards on auditing 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 Ind AS financial statements.

As part of an audit in accordance with Standards on auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- i) Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii) Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under the section 143(3)(i) of the Companies Act, 2013 ("the Act"), we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to Ind AS financial statements in place and the operating effectiveness of such controls.
- iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv) 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 Ind AS 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.
- v) Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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.

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

- i) As required by the Companies (Auditor's report) Order, 2016 ("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 paragraphs 3 and 4 of the Order.
- ii) The Company is considered not systemically important Non-deposit taking Non-banking Financial Company as explained in note 39 of the financial statement and therefore the relevant provisions are considered as not applicable to the company.
- iii) As required by section 143 (3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, Statement of Profit and Loss including the Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e) On the basis of written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, 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 with reference to Ind AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on the financial position in its Ind AS financial statements – Refer Note 36 to the Ind AS financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- iv. (a) The Management has represented that, to the best of it's 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(s) or entity(ies), including foreign entities ("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;
- (b) The Management has represented that, to the best of it's knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("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; and
- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement
- v. The company has neither declared nor paid dividend during the year in accordance with the section 123 of the Act.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For S. N. Kulkarni & Co.  
Chartered Accountants  
Firm Reg. No. 105441W

G.V.Samant  
(Partner)

Membership No. 14802

UDIN: 23014802BGZSFQ8669

Date : May 22<sup>nd</sup>, 2023  
Place : Mumbai

## **Annexure A to the Independent Auditor's Report of even date on the Ind AS financial statements of Peerless Financial Services Limited**

### **Referred to in paragraph [6 (i)] under Report on Other Legal and Regulatory Requirements of our report of even date**

According to the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief we state that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right of Use Assets.
- (b) According to information and explanations given to us, Property, Plant and Equipment of the Company are being physically verified according to a phased programme of verification so as to verify all assets within a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its Property, Plant and Equipment. As informed, during the year no material discrepancies to the extent reconciled with the records available in this respect were noticed on such verifications.
- (c) According to information and explanations given to us and on the basis of our examination of the record of the Company, there are no immovable properties held by the Company. Accordingly provision of clause 3(i)(c) of the order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, Clause 3(i)(d), of the Order is not applicable to the Company.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The Company is engaged primarily in lending activities and consequently does not hold any physical inventories. Accordingly, Clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate, at points of time during the year, from banks or other financial institutions on the basis of security of loans (assets). Accordingly, Clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) As explained in note 1 to the financial statements, the Company is a non deposit-taking non-banking financial company ("NBFC") registered with the Reserve Bank of India ("RBI") and as a part of its business activities is engaged in the business of lending across various types of customers which include retail and SMEs.

During the year, in the ordinary course of its business, the Company has made investment in, granted loans and advances in the nature of loans, secured and unsecured, to companies, firms, limited liability partnerships and other parties. With respect to such loans and advances:

- a) The principal business of the Company is to give loans and hence reporting under clause (iii)(a) of the Order is not applicable;
- b) In our opinion, having regard to the nature of the Company's business terms and condition of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the Company's interest;
- c) in respect of loans and advances in the nature of loans (together referred to as "loan assets"), the schedule of repayment of principal and payment of interest has been stipulated. Note 3 to the financial statements explains the Company's accounting policy relating to impairment of financial assets which include loans assets. In accordance with that policy, loan assets with balances as at 31 March 2023, aggregating Rs.31,508.89 thousand were categorised as credit impaired ("Stage 3") and Rs. 39,362.80 thousand were categorised as those where the credit risk has increased significantly since initial recognition ("Stage 2"). In all other cases,

the repayment of principal and interest is regular as at 31 March 2023. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemised list of loan assets where delinquencies in the repayment of principal and interest have been identified.

- d) The total amount overdue for more than ninety days, in respect of loans and advances in the nature of loans, as at 31 March 2023 is Rs.8,009.31 thousand. Reasonable steps are been taken by the Company for recovery of the principal and interest.
- e) The principal business of the Company is to give loans and hence reporting under clause (iii)(e) of the Order is not applicable.
- f) The Company has not granted any loans or advances in the nature of loans that were either repayable on demand or without specifying any terms or period of repayment.
- (iv) The Company has not advanced loans or made investments in or provided guaranty or security to parties covered by section 185 of the Act and the provisions of Section 186 of the Act are not applicable to the Company. Hence reporting under clause 3 (iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) According to information and explanations given to us the Central Government has not prescribed maintenance of the cost records under section 148 (1) of the Companies Act, 2013. Hence reporting under clause 3 (vi) of the Order is not applicable.
- (vii) (a) According to information and explanations given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident fund, Employee's State Insurance, Income-tax, Sales tax, Service tax / Goods and Service tax, duty of Customs, Value Added Tax, Cess and other material statutory dues applicable to it as per the available records as far as ascertained by us on our verification.

According to information and explanations given to us there were no undisputed amount payable in respect of outstanding statutory dues as aforesaid as at 31st March 2023 for a period more than six months from the date they become payable.

- (b) According to information and explanations given to us, dues in respect of Sales tax, Income tax, Custom duty, Wealth Tax, Service Tax / Goods and Service tax, Excise duty, Value Added Tax and Cess that have not been deposited with the appropriate authorities on account of any dispute is as under:

Name of the statute	Nature of the dues	Amount (Rs In thousand)	Period to which the amount relates	Forum Where dispute is pending
Income Tax Act, 1961	Income Tax	12,380.29	A.Y.2017-18	Commissioner (Appeals)

- (viii) 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) (a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, term loans availed by the Company during the year, were applied by the Company for the purposes for which the loans were obtained..
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long term purposes by the Company.

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- (e) On an overall examination of the financial statements of the Company, 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.
  - (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies. Accordingly, Clause 3 (ix)(f) of the Order is not applicable.
  - (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
  - (b) The Company has not made preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year under review and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
  - (xi) (a) To the best of our knowledge, no material fraud on the Company and no fraud by the Company has been noticed or reported during the year.
  - (b) No report under sub-section 143 (12) of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report by the statutory auditors.
  - (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.
  - (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
  - (xiii) According to the information and explanations given by the management, and based on our verification of records of the Company and on the basis of review and approvals by the Board and Audit Committee, the transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the Ind AS financial statements, as required by the applicable accounting standards.
  - (xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business. The company needs to enhance the coverage / scope of the internal audit in certain areas.
  - (b) We have taken into consideration, the reports of the Internal Auditors received by the company during the year and provided to us while determining the nature, timing and extent of audit procedures
  - (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them as referred to in section 192 of the Act. Accordingly, Clause 3 (xv) of the order is not applicable.
  - (xvi) (a) According to the information and explanations given to us, the Company is required to be Registered under section 45-IA of the Reserve Bank of India Act, 1934 and the said registration has been obtained.
  - (b) The Company has conducted the Non-Banking Financial activities with a valid Certificate of Registration (CoR) from the Reserve Bank of India (RBI) as per the Reserve Bank of India Act, 1934. The Company has not conducted any Housing Finance activities and is not required to obtain CoR for such activities from the RBI.
  - (c) The Company is not a Core Investment Company (CIC) and hence reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
  - (d) The Group (as defined under Master Direction DNBR.PD.008/03.10.119/2016-17 - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016) has no CIC as part of the group.
  - (xvii) The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
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- (xviii) There has been no resignation of the statutory auditors of the Company during the year. Hence, the provisions of clause 3(xviii) of the Order are not applicable
- (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, 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 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. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) According to the information and explanation given by the company, the Company is not required to spend amount towards Corporate Social Responsibility (CSR). Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For S. N. Kulkarni & Co.  
Chartered Accountants  
Firm Reg. No. 105441W

G.V.Samant  
(Partner)

Membership No. 14802

UDIN : 23014802BGZSFQ8669

Date : May 22<sup>nd</sup>, 2023  
Place : Mumbai

**Annexure B to the Independent Auditor's Report of even date on the Ind AS financial statements of Peerless Financial Services Limited**

**Referred to in paragraph [6(ii)(f)] under Report on Other Legal and Regulatory Requirements of our report of even date**

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

1. We have audited the internal financial controls with reference to Ind AS financial statements of Peerless Financial Services Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date

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

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Ind AS financial statements 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 (the "Guidance Note") 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**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls 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 with reference to Ind AS financial statements 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 with reference to Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Ind AS financial statements include obtaining an understanding of internal financial controls with reference to Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 with reference to Ind AS financial statements.

**Meaning of Internal Financial Controls with reference to Ind AS financial statements**

4. A company's internal financial control with reference to Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Ind AS financial statements 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 Ind AS 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 Ind AS financial statements.

#### **Inherent Limitations of Internal Financial Controls with reference to Ind AS financial statements**

5. Because of the inherent limitations of internal financial controls with reference to Ind AS financial statements, 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 with reference to Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

6. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S. N. Kulkarni & Co.  
Chartered Accountants  
Firm Reg. No. 105441W

G.V.Samant  
(Partner)

Membership No. 14802

UDIN : 23014802BGZSFQ8669

Date : May 22<sup>nd</sup>, 2023  
Place : Mumbai



## BALANCE SHEET AS ON 31ST MARCH, 2023

(Amount in Rs. thousand)

Particulars	Note No.	As on 31st March, 2023	As on 31st March, 2022
<b>ASSETS</b>			
<b>(I) Financial Assets</b>			
(a) Cash and Cash Equivalent	5	6,878.66	55,255.59
(b) Bank Balance other than included in (a) above	6	10,000.00	—
(c) Receivables			
Trade Receivables	7	44.35	14.04
(d) Loans	8	7,10,574.61	5,37,352.36
(e) Investments	9	86,115.92	2,410.08
(f) Other Financial assets	10	631.14	643.30
		<u>8,14,244.68</u>	<u>5,95,675.37</u>
<b>(II) Non Financial Assets</b>			
(a) Current Tax Assets (Net)	11	19,287.99	18,901.56
(b) Deferred Tax Assets (Net)	12	4,532.47	4,758.90
(c) Property, Plant and Equipment	13	14,496.98	14,005.36
(d) Right of use asset	14	14,192.83	8,135.02
(e) Intangible Assets under development	15	7,545.70	7,336.30
(f) Other Intangible Assets	16	669.20	315.50
(g) Other Non Financial Assets	17	16,209.06	28,328.14
		<u>76,934.23</u>	<u>81,780.78</u>
<b>Total Assets</b>		<b><u>8,91,178.91</u></b>	<b><u>6,77,456.15</u></b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>(I) Financial Liabilities</b>			
(a) Payables			
(I) Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises		—	—
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	18	161.51	332.76
(II) Other Payables			
(i) Total outstanding dues of micro enterprises and small enterprises		—	—
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	19	15,301.98	1,327.59
(b) Debt Securities	20	2,50,000.00	50,000.00
(c) Borrowings (other than Debt Securities)	21	—	30,000.00
(d) Other Financial Liabilities	22	14,793.70	8,403.16
		<u>2,80,257.19</u>	<u>90,063.51</u>
<b>(II) Non Financial Liabilities</b>			
(a) Provisions	23	2,232.99	2,210.35
(b) Other Non Financial Liabilities	24	2,102.51	864.17
		<u>4,335.50</u>	<u>3,074.52</u>
<b>(III) Equity</b>			
(a) Equity Share Capital	25	3,72,579.08	3,72,579.08
(b) Other Equity	26	2,34,007.14	2,11,739.04
		<u>6,06,586.22</u>	<u>5,84,318.12</u>
<b>Total Liabilities and Equity</b>		<b><u>8,91,178.91</u></b>	<b><u>6,77,456.15</u></b>

The Notes to Account forms integral part of Financial Statements

1 to 66

As per our report of even date

S.N.Kulkarni & Co.  
Chartered Accountants  
Firm Reg. No. 105441W

G.V.Samant  
(Partner)  
Membership No. 14802

Place : Mumbai  
Date: May 22, 2023

On behalf of the Board of Directors

Deepak Mukerjee  
Chairman  
DIN-00046690  
Place: Kolkata  
Date: May 22, 2023

Biswajit Das  
Company Secretary

Abhishek Tantia  
Managing Director  
& CEO  
DIN-07651661  
Place: Kolkata  
Date: May 22, 2023

Partha Bose  
Chief Financial Officer

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023**

(Amount in Rs. thousand)

Particulars	Note No.	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
<b>Revenue from Operations</b>			
(i) Interest Income	27	89,703.28	53,033.93
(ii) Dividend Income	28	0.87	0.70
(iii) Fees, Charges and Commission Income	29	10,258.53	6,876.42
(iv) Net gain on fair value changes	30	1,464.02	(3,007.33)
<b>(I) Total Revenue from Operations</b>		<b>1,01,426.70</b>	<b>56,903.72</b>
<b>(II) Other Income</b>	<b>31</b>	<b>8,017.60</b>	<b>14,727.11</b>
<b>(III) Total Income (I + II)</b>		<b>1,09,444.30</b>	<b>71,630.83</b>
<b>Expenses</b>			
(i) Finance Cost	32	18,905.01	445.70
(ii) Employee Benefits Expenses	33	32,463.59	23,810.72
(iii) Impairment on Financial Instrument		14,802.29	3,118.39
(iv) Depreciation, amortization and impairment	34	4,968.57	2,681.14
(v) Other Expenses	35	14,720.68	12,412.38
<b>(IV) Total Expenses</b>		<b>85,860.15</b>	<b>42,468.33</b>
<b>(V) Profit / (Loss) before tax (III - IV)</b>		<b>23,584.15</b>	<b>29,162.50</b>
<b>(VI) Tax Expenses</b>			
(i) Current Tax	44	1,244.00	3,950.00
(ii) Deferred Tax- Charges / (Credit)	12.1	187.57	(1,907.27)
		<b>1,431.57</b>	<b>2,042.73</b>
<b>(VII) Profit/(Loss) for the period (V - VI)</b>		<b>22,152.58</b>	<b>27,119.77</b>
<b>(VIII) Other Comprehensive Income</b>			
(i) Remeasurement of define benefit Liability- Gain/(Loss)	45	154.37	7.20
(ii) Income Tax relating to define benefit obligation	12.1	(38.85)	(1.81)
<b>Other Comprehensive Income (i - ii)</b>		<b>115.52</b>	<b>5.39</b>
<b>(IX) Total Comprehensive Income for the period (VII + VIII)</b>		<b>22,268.10</b>	<b>27,125.16</b>
<b>(X) Earnings per equity share</b>			
– Basic (Rs.)	41	0.59	0.73
– Diluted (Rs.)		0.59	0.73

The Notes to Account forms integral part of Financial Statements 1 to 66

As per our report of even date

S.N.Kulkarni & Co.  
Chartered Accountants  
Firm Reg. No. 105441W

G.V.Samant  
(Partner)  
Membership No. 14802  
Place : Mumbai  
Date: May 22, 2023

On behalf of the Board of Directors

Deepak Mukerjee  
Chairman  
DIN-00046690  
Place: Kolkata  
Date: May 22, 2023

Biswajit Das  
Company Secretary

Abhishek Tantia  
Managing Director  
& CEO  
DIN-07651661  
Place: Kolkata  
Date: May 22, 2023

Partha Bose  
Chief Financial Officer

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023

### (i) Equity Share Capital

#### Balance as at March 31, 2023

(Amount in Rs thousand)

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
372,579.08	—	372,579.08	—	372,579.08

#### Balance as at March 31, 2022

(Amount in Rs thousand)

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
372,579.08	—	372,579.08	—	372,579.08

### (ii) Other Equity

#### As at March 31, 2023

(Amount in Rs thousand)

Particulars	Revenue & Surplus					Total
	Capital Redemption Reserve	Securities Premium	Account Special Reserve (in terms of Section 45IC of Reserve Bank of India Act, 1934)	Retained Earning	Debenture Redemption Reserve	
<b>Balance as at March 31, 2022</b>	<b>8.00</b>	<b>1,68,380.85</b>	<b>26,163.95</b>	<b>12,186.24</b>	<b>5,000.00</b>	<b>2,11,739.04</b>
Profit for the year	—	—	—	22,152.58	—	22,152.58
Remeasurement gain/(loss) on defined benefit plan including deferred tax thereon	—	—	—	115.52	—	115.52
Transfer to Debenture Redemption Reserve	—	—	—	—	—	—
Transferred from Retained earnings to Special Reserve	—	—	4,450.00	(4,450.00)	—	—
<b>Balance as at March 31, 2023</b>	<b>8.00</b>	<b>1,68,380.85</b>	<b>30,613.95</b>	<b>30,004.34</b>	<b>5,000.00</b>	<b>2,34,007.14</b>

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023****As at March 31, 2021****(Amount in Rs thousand)**

Particulars	Revenue & Surplus					
	Capital Redemption Reserve	Securities Premium	Account Special Reserve (in terms of Section 451C of Reserve Bank of India Act, 1934)	Retained Earning	Debenture Redemption Reserve	Total
<b>Balance as at March 31, 2021</b>	<b>8.00</b>	<b>1,68,380.85</b>	<b>20,733.95</b>	<b>(4,508.92)</b>	<b>—</b>	<b>1,84,613.88</b>
Profit for the year	—	—	—	27,119.77	—	27,119.77
Remeasurement gain/(loss) on defined benefit plan including deferred tax thereon	—	—	—	5.39	—	5.39
Transfer to Debenture Redemption Reserve	—	—	—	(5,000.00)	5,000.00	—
Transferred from Retained earnings to Special Reserve	—	—	5,430.00	(5,430.00)	—	—
<b>Balance as at March 31, 2022</b>	<b>8.00</b>	<b>1,68,380.85</b>	<b>26,163.95</b>	<b>12,186.24</b>	<b>5,000.00</b>	<b>2,11,739.04</b>

The Notes to Account forms integral part of Financial Statements 1 to 66

As per our report of even date

S.N.Kulkarni & Co.  
Chartered Accountants  
Firm Reg. No. 105441W

G.V.Samant  
(Partner)  
Membership No. 14802

Place : Mumbai  
Date: May 22, 2023

On behalf of the Board of Directors

Deepak Mukerjee  
Chairman  
DIN-00046690  
Place: Kolkata  
Date: May 22, 2023

Biswajit Das  
Company Secretary

Abhishek Tantia  
Managing Director  
& CEO  
DIN-07651661  
Place: Kolkata  
Date: May 22, 2023

Partha Bose  
Chief Financial Officer

## STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2023

	(Amount in Rs thousand)	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before Tax</b>	23,584.15	29,162.50
Add : Depreciation and amortisation expenses	4,968.57	2,681.14
Impairment allowances for doubtful loans	14,802.29	3,118.39
Finance cost on borrowings	17,952.74	171.92
	<b>61,307.75</b>	<b>35,133.95</b>
Less: Dividend Income from Investments	0.87	0.70
Net gain/(loss) on sale of Current Investments	4,941.18	7,398.53
Net gain/(loss) on Fair Valuation of current investments	1,464.02	(3,007.33)
Provisions / Liabilities no longer required written back	—	113.69
	<b>54,901.68</b>	<b>30,628.36</b>
<b>Operating Profit before Working Capital changes</b>		
(Increase)/ Decrease in loans and advances and other assets	(1,75,923.60)	(2,30,852.77)
Increase/ (Decrease) in Trade Payable	(171.25)	(737.00)
Increase/ (Decrease) Liabilities/ Provisions	21,780.28	5,528.20
	<b>(99,412.91)</b>	<b>(1,95,433.21)</b>
<b>Cash generated / (used in ) from Operations</b>		
Less:Direct Taxes paid (Net)	1,630.47	4,180.84
	<b>(1,01,043.38)</b>	<b>(1,99,614.05)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment, Intangible Assets and movements in Capital work in progress	(12,081.12)	(11,188.44)
Net purchase of Investments	(92,241.74)	1,58,993.44
Profit on Sale of Current Investments	4,941.18	7,398.53
Dividend received	0.87	0.70
	<b>(99,380.81)</b>	<b>1,55,204.23</b>

**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2023****(Amount in Rs thousand)**

	<b>For the Year ended March 31, 2023</b>	<b>For the Year ended March 31, 2022</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/(Repayments) from short term borrowings (net)	1,70,000.00	80,000.00
Interest and other borrowing cost paid	(17,952.74)	(171.92)
<b>Net cash flow from Financing activities</b>	<b>1,52,047.26</b>	<b>79,828.08</b>
<b>Cash and Cash equivalents (A+B+C)</b>	<b>(48,376.94)</b>	<b>35,418.26</b>
Cash and Cash equivalents as at beginning of the year	55,255.59	19,837.33
<b>Cash and Cash equivalents as at end of the year</b>	<b>6,878.66</b>	<b>55,255.59</b>

The Notes to Account forms integral part of Financial Statements 1 to 66

Note :

- The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows' as notified under Companies Act, 2013.
- Cash and cash equivalents as at the Balance Sheet date consists of:

<b>Particulars</b>	<b>As on 31st March, 2023</b>	<b>As on 31st March, 2022</b>
Cash on hand	29.41	19.06
Balances with banks:		
In current accounts	6,849.25	55,236.53
Fixed Deposit	—	—
	<b>6,878.66</b>	<b>55,255.59</b>

As per our report of even date

S.N.Kulkarni & Co.  
Chartered Accountants  
Firm Reg. No. 105441W

G.V.Samant  
(Partner)  
Membership No. 14802

Place : Mumbai  
Date: May 22, 2023

On behalf of the Board of Directors

Deepak Mukerjee  
Chairman  
DIN-00046690  
Place: Kolkata  
Date: May 22, 2023

Biswajit Das  
Company Secretary

Abhishek Tantia  
Managing Director  
& CEO  
DIN-07651661  
Place: Kolkata  
Date: May 22, 2023

Partha Bose  
Chief Financial Officer

## Notes to the financial statements for the year ended 31st March 2023

### 1 Corporate Information

Peerless Financial Services Limited ('the company') is a public company in India having its corporate office in Kolkata in the State of West Bengal and registered office at Peerless Bhavan (3, Esplanade East, Kolkata - 700069) and is registered with Reserve Bank of India as a Non-Banking Financial Company (NBFC) with Registration No. B.05.05418.

### 2 Statement of Compliance and Recent Pronouncements

#### Basis of Preparation

The Financial Statements have been prepared under the historical cost convention on accrual basis excepting certain financial instruments which are measured in terms of relevant Ind AS at fair value/ amortized costs at the end of each reporting period.

Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.

The operating cycle been assumed to have duration of 12 months. All Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in Ind AS 1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal thousands except otherwise stated.

#### Significant Accounting Policies

#### 3.1 Use of Estimates

Estimates and assumptions used in the preparation of the financial statements and disclosures are based upon Management's evaluation of the relevant facts and circumstances as of the date of the financial statements, which may differ from the actual results at a subsequent date.

#### Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability.

Level 3: Inputs for the asset or liability which are not based on observable market data (unobservable inputs).

The company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements who regularly review significant unobservable inputs, valuation adjustments and fair value hierarchy under which the valuation should be classified.

#### 3.2 Investment Property

Properties held to earn rentals and/or capital appreciation are classified as investment property and measured and reported at cost, including transaction costs.

Depreciation is recognised using straight line method so as to write off the cost of the investment property less their expected residual values over their useful lives specified in Schedule II to the Companies Act, 2013 or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined.

## Notes to the financial statements for the year ended 31st March 2023

Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/ residual value is accounted on prospective basis.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of property is recognised in the Statement of Profit and Loss in the same period.

### 3.3 Property Plant and Equipment (PPE)

Property, Plant and Equipment are stated at cost of acquisition, construction and subsequent improvements thereto less accumulated depreciation and impairment losses, if any. For this purpose cost include deemed cost on the date of transition and comprises purchase price of assets or its construction cost including duties and taxes, inward freight and other expenses incidental to acquisition or installation and adjustment for exchange differences wherever applicable and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended for its use.

Parts of an item of PPE having different useful lives and material value and subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the income statement when incurred.

Capital Work-in-progress includes preoperative and development expenses, equipments to be installed, construction and erection materials, advances etc. Such items are classified to the appropriate categories of PPE when completed and ready for intended use.

#### Depreciation and Amortization

Depreciation on PPE except as stated below, is provided as per Schedule II of the Companies Act, 2013 on straight line method in respect of Plant and Equipments and Office Equipments at all location of the Company.

Depreciation on Property, Plant and Equipments commences when the assets are ready for their intended use. Based on above, the useful lives as estimated for other assets considered for depreciation are as follows:

Category	Useful life
<b>Buildings</b>	
Non-Factory Building	60 Years
<b>Computer equipment</b>	
Data Processing Equipment	3 Years
Furniture and fixtures, Electrical Machinery	10 Years
Office equipment	5 Years
<b>Vehicles</b>	
Motor Car	8 Years

Depreciation methods, useful lives, residual values are reviewed and adjusted as appropriate, at each reporting date.

### 3.4 Intangible Assets

Intangible assets are stated at cost comprising of purchase price inclusive of duties and taxes less accumulated



## Notes to the financial statements for the year ended 31st March 2023

amount of amortization and impairment losses. Such assets, are amortised over the useful life using straight line method and assessed for impairment whenever there is an indication of the same.

Amortisation / impairment methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

### 3.5 Derecognition of Tangible and Intangible assets

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

### 3.6 Leases

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

Finance leases are capitalized at the inception of the lease at lower of its fair value and the present value of the minimum lease payments and a liability is recognised for an equivalent amount. Any initial direct costs of the lessee are added to the amount recognised as an asset. Each lease payments are apportioned between finance charge and reduction of the lease liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the outstanding amount of the liabilities.

Payments made under operating leases are recognised as expenses on a straight-line basis over the term of the lease unless the lease arrangements are structured to increase in line with expected general inflation or another systematic basis which is more representative of the time pattern of the benefits availed. Contingent rentals, if any, arising under operating leases are recognised as an expense in the period in which they are incurred.

### 3.7 Impairment of Tangible and Intangible Assets

Tangible and Intangible assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets' fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

### 3.8 Financial Assets and Financial Liabilities

Financial Assets and Financial Liabilities (financial instruments) are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial Liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within operating cycle of the company or otherwise these are classified as non-current.

## Notes to the financial statements for the year ended 31st March 2023

The classification of financial instruments whether to be measured at Amortized Cost, at Fair Value through Profit and Loss (FVTPL) or at Fair Value through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

### (i) Cash and cash equivalents

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

### (ii) Financial Assets and Financial Liabilities measured at amortised cost

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and 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 are measured at amortized cost.

The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.

The effective interest rate is the rate that discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

### (iii) Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and 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. Subsequent to initial recognition, they are measured at fair value and changes therein are recognised directly in other comprehensive income.

(iv) For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

### (v) Financial Assets or Liabilities at Fair value through profit or loss

Financial Instruments which does not meet the criteria of amortised cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

### (vi) Impairment of financial assets

A financial asset is assessed for impairment at each balance sheet date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

The company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

## Notes to the financial statements for the year ended 31st March 2023

### (vii) Derecognition of financial instruments

The Company derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

On derecognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

### 3.9 Equity Share Capital

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

### 3.10 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

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

Contingent assets are not recognised but disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

### 3.11 Employee Benefits

Employee benefits are accrued in the year in which services are rendered by the employees. Short term employee benefits are recognized as an expense in the statement of profit and loss for the year in which the related service is rendered.

Contribution to defined contribution plans such as Provident Fund etc, are recognised as and when incurred.

Contribution to defined benefit plans consisting of contribution to gratuity are determined at close of the year at present value of the amount payable using actuarial valuation techniques. Actuarial gain and losses arising from experience adjustments and changes in actuarial assumptions are recognized immediately in the Balance Sheet with a corresponding debit or credit to Retained Earnings through Other Comprehensive Income ("OCI") in the period in which they occur.

Other long term employee benefits consisting of Leave Encashment are determined at close of the year at present value of the amount payable using actuarial valuation techniques. The changes in the amount payable including actuarial gain/loss are recognised in the Statement of profit and loss.

## Notes to the financial statements for the year ended 31st March 2023

### 3.12 Revenue

#### Interest and Dividend

- The Company follows the accrual method of accounting for recognition of Income excepting in cases of uncertainties of collections, which are recognized on receipt basis.
  - Interest Income from financing by way of loan is recognised in terms of the respective agreements with the borrowers using effective interest rate method.
  - Dividend from Investments is accounted for when right to receive the same is established.
- In accordance with the guidelines issued by the Reserve Bank of India (RBI), incomes against non-performing assets are recognised on receipt basis.

### 3.13 Borrowing Costs

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property Plant Equipment (PPE) which are capitalized to the cost of the related assets. A qualifying PPE is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

### 3.14 Taxes on Income

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

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. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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

Deferred tax assets include Minimum Alternative Tax (MAT) measured in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability and such benefit can be measured reliably and it is probable that the future economic benefit associated with same will be realized.

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 all or part of the deferred tax asset to be utilized.

### 3.15 Earnings Per Share

Basic earnings per share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

## Notes to the financial statements for the year ended 31st March 2023

### 4 Critical accounting judgments, assumptions and key sources of estimation and uncertainty

The preparation of the financial statements in conformity with the measurement principle of Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the financial statements have been disclosed below. The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

#### 4.1 Depreciation / amortization and impairment on property, plant and equipment / intangible assets.

Property, plant and equipment and intangible assets are depreciated/ amortized on straight-line basis over the estimated useful lives (or lease term if shorter) in accordance with Schedule II of the Companies Act, 2013, taking into account the estimated residual value, wherever applicable.

The company reviews its carrying value of its Tangible and Intangible Assets whenever there is objective evidence that the assets are impaired. In such situation Assets' recoverable amount is estimated which is higher of asset's or cash generating units (CGU) fair value less cost of disposal and its value in use. In assessing value in use the estimated future cash flows are discounted using pre-tax discount rate which reflect the current assessment of time value of money. In determining fair value less cost of disposal, recent market realisations are considered or otherwise in absence of such transactions appropriate valuations are adopted. The Company reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation / amortization and amount of impairment expense to be recorded during any reporting period. This reassessment may result in change estimated in future periods.

#### 4.2 Arrangements containing leases and classification of leases

The Company enters into service / hiring arrangements for various assets / services. The determination of lease and classification of the service / hiring arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

#### 4.3 Impairment loss allowances of loans and advances

Classification of loans and advances are made as per the guidelines prescribed by RBI. Provision against performing (standard) and non-performing assets are made as required in terms of prudential norms prescribed by RBI. Further, assets which are considered non recoverable are fully provided for / written off.

#### 4.4 Income taxes

Significant judgment is required in determination of taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes.

#### 4.5 Defined benefit obligation (DBO)

Critical estimate of the DBO involves a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate, anticipation of future salary increases etc. as estimated by Independent Actuary appointed for this purpose by the Management. Variation in these assumptions may significantly impact the DBO amount

## Notes to the financial statements for the year ended 31st March 2023

and the annual defined benefit expenses.

### 4.6 Provisions and Contingencies

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim/litigations/ against the Company as it is not possible to predict the outcome of pending matters with accuracy.

The carrying amounts of provisions and liabilities and estimation for contingencies are reviewed regularly and revised to take account of changing facts and circumstances.

### 4.7 Recent accounting developments:- Ind AS amendments which will be effective from 1st April 2023:

#### Recent Pronouncement:

On 31st March 2023, Ministry of Corporate Affairs notified amendments to certain Ind AS. These amendments will be effective from April 1, 2023 and will not have material impact on Company's financial statements for the financial year 2022-23. The following is a summary of the amendments:

In Ind AS 101: - Relating to the exceptions to retrospective application of Ind AS on first time adoption

In Ind AS 102: - Relating to the fair value of the equity instruments not being possible to be estimated reliably

In Ind AS 103: - Relating to the date on which the transferee obtains control of the transferor.

In Ind AS 107: - Relating to disclosure of material accounting policy information about the measurement basis (or bases) for financial instruments used in preparing the financial statements.

In Ind AS 109: - Relating to a combination of entities or businesses under common control as described in Appendix C.

In Ind AS 115: - Relating to certain corrections.

In Ind AS 1: - Relating to the following:

Reference to the definition of 'Accounting Policies' contained in Ind AS 8

Requirement regarding disclosure of material accounting policy information instead of disclosures about significant accounting policies

Clarification about when an accounting policy information would be regarded as material

The judgements, apart from those involving estimations that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

In Ind AS 8: - Relating to change in the definition of accounting estimates and further clarifications relating to the same.

In Ind AS 12: - Relating to exception to the recognition of deferred tax liability/ asset arising from a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss); and at the time of the transaction, does not give rise to equal taxable and deductible temporary differences.

In Ind AS 34: - Relating to disclosure of material accounting policy information in interim financial statements.

## Notes To Financial Statements For The Year Ended 31st March, 2023

### 5 CASH AND CASH EQUIVALENTS

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2023	As at March 31, 2022
Cash on hand		29.41	19.06
Balances with banks: In current accounts		6,849.25	55,236.53
<b>TOTAL</b>		<b>6,878.66</b>	<b>55,255.59</b>

### 6 Bank Balance other than included in (a) above

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2023	As at March 31, 2022
Term Deposit with maturity less than 12 months		10,000.00	—
<b>TOTAL</b>		<b>10,000.00</b>	<b>—</b>

### 7 TRADE RECEIVABLES

(Amount in Rs thousand)

Particulars	Refer Note No	As on March 31, 2023	As on March 31, 2022
Trade Receivables	7.1	44.35	14.04
<b>TOTAL</b>		<b>44.35</b>	<b>14.04</b>

#### 7.1 Trade Receivables Ageing schedule

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2023</b>						
Undisputed Trade receivables – considered good	44.35	—	—	—	—	44.35
Undisputed Trade Receivables – which have significant increase in credit risk	—	—	—	—	—	—
Undisputed Trade Receivables – Credit Impaired	—	—	—	—	—	—
Disputed Trade Receivables considered good	—	—	—	—	—	—
Disputed Trade Receivables – which have significant increase in credit risk	—	—	—	—	—	—
Disputed Trade Receivables – Credit Impaired	—	—	—	—	—	—
<b>Total</b>	<b>44.35</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>44.35</b>

## Notes To Financial Statements For The Year Ended 31st March, 2023

(Amount in Rs thousand)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2022</b>						
Undisputed Trade receivables – considered good	14.04	—	—	—	—	14.04
Undisputed Trade Receivables – which have significant increase in credit risk	—	—	—	—	—	—
Undisputed Trade Receivables – Credit Impaired	—	—	—	—	—	—
Disputed Trade Receivables considered good	—	—	—	—	—	—
Disputed Trade Receivables – which have significant increase in credit risk	—	—	—	—	—	—
Disputed Trade Receivables – Credit Impaired	—	—	—	—	—	—
<b>Total</b>	<b>14.04</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>14.04</b>

### 8 LOANS

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2023	As at March 31, 2022
Measured at amortised cost:			
<b>A. Loans and Advances</b>			
Business Loan *		2,67,617.28	1,21,754.84
Loan against Mortgage of Properties & Pledge of shares		9,100.00	10,004.90
Loan against charge of Machines & equipments		1,49,322.56	1,80,922.12
loan against Insurance		182.33	417.40
Vehicle Loan		—	99.79
Loan against Salary **		16,559.38	18,575.74
Loan to Professionals		1,32,183.45	1,19,028.71
Loan against Overdraft Facility		1,63,806.21	99,943.17
		<b>7,38,771.21</b>	<b>5,50,746.67</b>
Less: Impairment allowances ***		28,196.60	13,394.31
<b>TOTAL (Net)</b>		<b>7,10,574.61</b>	<b>5,37,352.36</b>
<b>B.</b>			
i) Secured by Tangible Assets		3,04,142.84	2,65,655.66
ii) Secured by Intangible Assets		—	—
iii) Covered by Bank/Government Guarantees		—	—
iv) Unsecured		4,34,628.37	2,85,091.01
		<b>7,38,771.21</b>	<b>5,50,746.67</b>
Less: Impairment allowances		28,196.60	13,394.31
<b>TOTAL (Net)</b>		<b>7,10,574.61</b>	<b>5,37,352.36</b>



## Notes To Financial Statements For The Year Ended 31st March, 2023

C.

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2023	As at March 31, 2022
(i) A. Loans in India			
a) Public Sector		—	—
b) Others		7,38,771.21	5,50,746.67
Subtotal (Gross)		7,38,771.21	5,50,746.67
Less: Impairment Allowances		28,196.60	13,394.31
<b>Subtotal (Net) (A)</b>		<b>7,10,574.60</b>	<b>5,37,352.36</b>
B. Loans Outside India			
a) Public Sector		—	—
b) Others		—	—
<b>Subtotal (Gross)</b>		—	—
Less: Impairment Allowances		—	—
<b>Subtotal (Net) (B)</b>		—	—
<b>Total Net (A+B)</b>		<b>7,10,574.60</b>	<b>5,37,352.36</b>

Note: There is no loan asset measured at FVOCI or FVTPL or designated at FVTPL.

- \* Represents outstanding balance of loans given to related party (unsecured loan) as on March 31, 2023 Rs.Nil (as on March 31, 2022:Rs. 13099.37 thousand)
- \*\* Represents outstanding balance of loans given to related party against salary as on March 31, 2023 Rs.433.29 thousand (as on March 31, 2022:Rs.352.40 thousand)
- \*\*\* Represents impairment allowance on loans given to related party as on March 31, 2023 Rs. 1.08 thousand (as on March 31, 2022 :Rs.289.52 thousand)

## Notes To Financial Statements For The Year Ended 31st March, 2023

### 9 INVESTMENT (Amount in Rs thousand)

Particulars	Refer Note No	As on 31st March, 2023		As on 31st March, 2022	
		Number/Unit	Amount	Number/Unit	Amount
<b>Investments in Mutual Funds - Unquoted</b>					
<b>Measured at fair value through profit and loss</b>					
(a) Franklin India ultra Short Bond Fund - Direct Plan - Growth		—	—	70,288.07	2,360.72
(b) AXIS ultra Short Term Fund		24,63,026.61	32,494.71	—	—
(c) Baroda ultra Short Term Fund		15,325.68	20,289.82	—	—
(d) ICICI Prudential UltraShort Term Fund		5,04,681.50	12,769.10	—	—
(e) Aditya Birla Sun Life Savings Fund- direct Growth		32,646.85	15,352.47	—	—
(f) Trust MF Liquid Fund		4,774.20	5,209.82	—	—
		<b>30,20,454.84</b>	<b>86,115.92</b>	<b>70,288.07</b>	<b>2,360.72</b>
<b>Investments in Equity Shares - Quoted</b>					
<b>Measured at fair value through profit and loss</b>					
Investment in Equity Share- HDFC Asset Management Company Ltd (Book Value Rs. 25.30 thousand)		—	—	23.00	49.36
		<b>30,20,454.84</b>	<b>86,115.92</b>	<b>70,311.07</b>	<b>2,410.08</b>

### (Amount in Rs thousand)

Particulars	As on March 31, 2023	As on March 31, 2022
Aggregate Book Value of Quoted Investments	—	25.30
Aggregate Market Value of Quoted Investments	—	49.36
Aggregate Book Value of Unquoted Investments	86,115.92	2,360.72
Aggregate amount of impairment in value of investments	—	—

## Notes To Financial Statements For The Year Ended 31st March, 2023

### 10 OTHER FINANCIAL ASSETS

(Amount in Rs thousand)

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Interest on term deposit		9.59	—
Security Deposits		495.65	306.65
Other Advances		125.90	336.65
<b>TOTAL</b>		<b>631.14</b>	<b>643.30</b>

### 11 CURRENT TAX ASSETS (NET)

(Amount in Rs thousand)

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Advance Tax including Tax deducted at Source (Net of Provisions)		19,287.99	18,901.56
<b>TOTAL</b>		<b>19,287.99</b>	<b>18,901.56</b>

### 12 DEFERRED TAX ASSETS (NET)

(Amount in Rs thousand)

Particulars	Refer Note No	As at March 31, 2023	As at March 31, 2022
Deferred Tax Assets	12.1	5,349.09	5,136.50
Deferred Tax (Liabilities)	12.1	(816.62)	(377.60)
<b>TOTAL</b>		<b>4,532.47</b>	<b>4,758.90</b>

12.1 The following is the components of Deferred Tax Liabilities and Deferred Tax Assets presented in the Balance Sheet:

(Amount in Rs thousand)

Particulars	Opening Balance April 1, 2022	(Charge) /Credit in Profit and Loss	(Charge)/ Credit in other Comprehensive Income	Closing Balance March 31, 2023
<b>Deferred Tax Liabilities</b>				
Fair value of Investment	—	(0.37)	—	(0.37)
Provision for employee benefit	—	(50.53)	(38.85)	(89.39)
Others	(377.60)	(349.27)	—	(726.87)
<b>Total Deferred Tax Liabilities</b>	<b>(377.60)</b>	<b>(400.17)</b>	<b>(38.85)</b>	<b>(816.62)</b>
Timing Difference between Written Down Value of Fixed Assets as per books of accounts and Income Tax Act, 1961	862.89	(43.11)	—	819.78
Provisions for employee Benefits	492.27	(453.89)	—	38.38
Allowance for ECL	3,371.09	317.21	—	3,688.30
Others	410.25	392.39	—	802.64
<b>Total Deferred Tax Assets</b>	<b>5,136.50</b>	<b>212.60</b>	<b>—</b>	<b>5,349.09</b>
<b>Deferred Tax Assets (Net)</b>	<b>4,758.90</b>	<b>(187.57)</b>	<b>(38.85)</b>	<b>4,532.47</b>

## Notes To Financial Statements For The Year Ended 31st March, 2023

(Amount in Rs thousand)

Particulars	Opening Balance April 1, 2021	(Charge)/ Credit in Profit and Loss	(Charge)/ Credit in other Comprehensive Income	Closing Balance March 31, 2022
<b>Deferred Tax Liabilities</b>				
Others	—	(377.60)	—	(377.60)
<b>Total Deferred Tax Liabilities</b>	—	<b>(377.60)</b>	—	<b>(377.60)</b>
<b>Deferred Tax Assets</b>				
Timing Difference between Written Down Value of Fixed Assets as per books of accounts and Income Tax Act, 1961	190.47	672.42	—	862.89
Provisions for employee Benefits	(406.13)	900.21	(1.81)	492.27
Allowance for ECL	2,484.67	886.42	—	3,371.09
Others	584.44	(174.19)	—	410.25
<b>Total Deferred Tax Assets</b>	<b>2,853.44</b>	<b>2,284.87</b>	<b>(1.81)</b>	<b>5,136.50</b>
<b>Deferred Tax Assets (Net)</b>	<b>2,853.44</b>	<b>1,907.27</b>	<b>(1.81)</b>	<b>4,758.90</b>

## Notes To Financial Statements For The Year Ended 31st March, 2023

### 13. PROPERTY, PLANT AND EQUIPMENT

As at 31 March, 2023

Particulars	Improvement to Leasehold Building	Data Processing Equipments	Motor Car	Electrical Machinery	Furniture and Fixtures	Office Equipment	Total
(Amount in Rs thousand)							
<b>GROSSBLOCK</b>							
As at April 1, 2022	10,178.41	1,612.50	644.96	1,612.55	3,748.40	337.61	18,134.41
Addition	981.60	1,178.53	—	90.06	322.67	339.94	2,912.79
Disposal/Adjustments	—	—	—	—	—	—	—
<b>As at March 31, 2023</b>	<b>11,160.01</b>	<b>2,791.03</b>	<b>644.96</b>	<b>1,702.60</b>	<b>4,071.06</b>	<b>677.53</b>	<b>21,047.20</b>
<b>ACCUMULATED DEPRECIATION</b>							
As at April 1, 2022	487.83	1,056.00	644.96	612.31	1,187.05	140.92	4,129.06
Depreciation for the year	1,025.27	555.61	—	195.41	544.62	100.23	2,421.15
Disposal	—	—	—	—	—	—	—
<b>As at March 31, 2023</b>	<b>1,513.11</b>	<b>1,611.61</b>	<b>644.95</b>	<b>807.72</b>	<b>1,731.67</b>	<b>241.15</b>	<b>6,550.21</b>
<b>Net Block as at March 31, 2023</b>	<b>9,646.90</b>	<b>1,179.42</b>	<b>0.01</b>	<b>894.88</b>	<b>2,339.39</b>	<b>436.38</b>	<b>14,496.98</b>

As at 31 March, 2022

Particulars	Improvement to Leasehold Building	Data Processing Equipments	Motor Car	Electrical Machinery	Furniture and Fixtures	Office Equipment	Total
(Amount in Rs thousand)							
<b>GROSSBLOCK</b>							
As at April 1, 2021	433.92	1,279.66	644.96	1,057.55	2,265.83	244.71	5,926.64
Addition	9744.49	332.84	—	555.00	1,482.57	92.90	12,207.80
Disposal/Adjustments	—	—	—	—	—	—	—
<b>As at March 31, 2022</b>	<b>10,178.41</b>	<b>1,612.50</b>	<b>644.96</b>	<b>1,612.55</b>	<b>3,748.40</b>	<b>337.61</b>	<b>18,134.44</b>
<b>ACCUMULATED DEPRECIATION</b>							
As at April 1, 2021	289.91	670.95	511.05	455.90	828.08	91.71	2,847.60
Depreciation for the year	197.92	385.05	133.91	156.41	358.97	49.21	1,281.47
Disposal	—	—	—	—	—	—	—
<b>As at March 31, 2022</b>	<b>487.83</b>	<b>1,056.00</b>	<b>644.96</b>	<b>612.31</b>	<b>1,187.05</b>	<b>140.92</b>	<b>4,129.07</b>
<b>Net Block as at March 31, 2022</b>	<b>9,690.58</b>	<b>556.50</b>	<b>0.00</b>	<b>1,000.24</b>	<b>2,561.35</b>	<b>196.69</b>	<b>14,005.36</b>

The Company has not revalued its property plant and Equipments during the current year and previous year.

## Notes To Financial Statements For The Year Ended 31st March, 2023

### 14 RIGHT OF USE ASSET

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2023	As at March 31, 2022
<b>Gross Block</b>			
Opening balance		11,299.81	3,619.43
Additions during the year		8,294.66	7,680.38
Disposals/ adjustments / transfer		—	—
<b>Closing Balance</b>		<b>19,594.46</b>	<b>11,299.81</b>
<b>Less: Accumulated amortisation and impairment</b>			
Opening balance		3,164.79	1,974.24
Additions during the year		2,236.85	1,190.55
Disposal / adjustment / transfer		—	—
<b>Closing Balance</b>		<b>5,401.63</b>	<b>3,164.79</b>
<b>Net Block</b>		<b>14,192.83</b>	<b>8,135.02</b>

### 15 INTANGIBLE ASSETS UNDER DEVELOPMENT

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2023	As at March 31, 2022
Amount Brought forward		7,336.30	7,032.80
Addition during the year:		209.40	303.50
Less: Capitalised during the year		—	—
Less: Written off During the year		—	—
<b>Total Capital Work In Progress</b>		<b>7,545.70</b>	<b>7,336.30</b>

#### Intangible assets under development aging schedule:

As at March 31, 2023

(Amount in Rs thousand)

Particulars	Amount in CWIP for a period of				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	209.40	303.50	3,134.20	3,898.60	7,545.70
Projects temporarily suspended	—	—	—	—	—
	<b>209.40</b>	<b>303.50</b>	<b>3,134.20</b>	<b>3,898.60</b>	<b>7,545.70</b>

As at March 31, 2022

(Amount in Rs thousand)

Particulars	Amount in CWIP for a period of				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	303.50	3134.20	3858.60	40.00	7,336.30
Projects temporarily suspended	—	—	—	—	—
	<b>303.50</b>	<b>3134.20</b>	<b>3858.60</b>	<b>40.00</b>	<b>7,336.30</b>

## Notes To Financial Statements For The Year Ended 31st March, 2023

### 16 OTHER INTANGIBLE ASSETS

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2023	As at March 31, 2022
<b>Software</b>			
<b>Gross Block</b>			
Opening balance		798.20	707.93
Additions during the year		664.26	90.27
Disposals/ adjustments / transfer		—	—
<b>Closing Balance</b>		<b>1,462.46</b>	<b>798.20</b>
<b>Less: Accumulated amortisation and impairment</b>			
Opening balance		482.70	273.58
Additions during the year		310.57	209.12
Depreciation adjustment		—	—
Disposal / adjustment / transfer		—	—
Closing Balance		793.26	482.70
<b>Net Block</b>		<b>669.20</b>	<b>315.50</b>

### 17 OTHER NON FINANCIAL ASSETS

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2023	As at March 31, 2022
Advances to related parties			
Capital advance against flat- to Bengal Peerless			
Housing Development Company Limited for acquiring flat		14,992.96	26,643.19
Prepaid Expense		623.80	775.93
Input Tax Credit Receivable		—	526.01
Gratuity Fund Receivable	42(b)(vi)	592.30	383.01
<b>TOTAL</b>		<b>16,209.06</b>	<b>28,328.14</b>

### 18 TRADE PAYABLES

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2023	As at March 31, 2022
For goods and services			
- Dues of Micro and Small Enterprises		—	—
- Others	18.1	161.51	332.76
<b>TOTAL</b>		<b>161.51</b>	<b>332.76</b>

## Notes To Financial Statements For The Year Ended 31st March, 2023

### 18.1 Trade Payables Ageing schedule

As at March 31, 2023

(Amount in Rs thousand)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	—	—	—	—	—
(ii) Others	161.51	—	—	—	161.51
(iii) Disputed dues-MSME	—	—	—	—	—
(iv) Disputed dues - Others	—	—	—	—	—
	<b>161.51</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>161.51</b>

As at March 31, 2022

(Amount in Rs thousand)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	—	—	—	—	—
(ii) Others	332.76	—	—	—	332.76
(iii) Disputed dues-MSME	—	—	—	—	—
(iv) Disputed dues - Others	—	—	—	—	—
	<b>332.76</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>332.76</b>

18.2 The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act).

Disclosure of sundry creditors is based on the information available with the Company regarding the status of the suppliers as defined under the “Micro, Small and Medium Enterprises Development Act, 2006” (the Act). Based on the information available with the Company, the suppliers/service providers covered under the Act are NIL. There are no delays in payment made to such suppliers and there is no overdue amount outstanding as at the Balance sheet date. Relevant disclosures as required under the Act are as follows:

(Amount in Rs thousand)

Particulars	31-March-23	31-March-22
A) i) Principal amount remaining unpaid to supplier under the MSMED Act 2006	Nil	Nil
ii) Interest on a) (i) above	Nil	Nil
B) i) Amount of Principal paid beyond the appointed Date	Nil	Nil
ii) Amount of interest paid beyond the appointed date (as per Section 16 of the said Act)	Nil	Nil
C) Amount of Interest due and payable for the year of delay in making payment.	Nil	Nil
D) Amount of Interest accrued and due	Nil	Nil
E) Amount of further interest remaining due and payable Even in succeeding years	Nil	Nil



## Notes To Financial Statements For The Year Ended 31st March, 2023

### 19 OTHER PAYABLES

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2023	As at March 31, 2022
For others:			
- Dues of Micro and Small Enterprises		—	—
- Others	19.1	15,301.98	1,327.59
<b>TOTAL</b>		<b>15,301.98</b>	<b>1,327.59</b>

19.1 Includes amount payable to MD& CEO on account of reimbursement of expenses of Rs 519.31 thousand ( PY Rs.140.59 thousand) and Interest payable on NCD issued to related party of Rs 12,805.89 thousand ( PY Rs.73.36) and Inter corporatae deposit accepted from related party of Rs Nil ( PY Rs. 81.37 thousand)

### 20 Debt Securities

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2023	As at March 31, 2022
<b>Unsecured at Amortized Cost</b>			
8.5% Non convertible Debenture ( from related party)		2,50,000.00	50,000.00
Debt Securities in India		2,50,000.00	50,000.00
Debt Securities outside India		—	—
<b>Total</b>		<b>2,50,000.00</b>	<b>50,000.00</b>

Note: There is no debt securities at FVTPL or designated at FVTPL.

There are no redeemed bonds/debentures which the company has power to reissue.

#### Details of Non convertible debentures (Unsecured) :

(Amount in Rs thousand)

Particulars	As at March 31, 2023	As at March 31, 2022
Maturing within 1 year	—	—
Maturing within 1 year to 3 years	—	—
Maturing within 3 year to 5 years	2,50,000.00	50,000.00
<b>Total</b>	<b>2,50,000.00</b>	<b>50,000.00</b>

### 21 Borrowings (other than Debt Securities)

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2023	As at March 31, 2022
Loans from related Parties			
Others (Unsecured)			
10% Inter Corporate Deposit		—	30,000.00
Debt Securities in India		—	30,000.00
Debt Securities outside India		—	—
<b>Total</b>		<b>—</b>	<b>30,000.00</b>

Note: There is no debt securities at FVTPL or designated at FVTPL.

## Notes To Financial Statements For The Year Ended 31st March, 2023

The Borrowings has not been guaranteed by directors or others. Also the Company has not defaulted in repayment of Principal and Interest.

(Amount in Rs thousand)

Particulars	As at March 31, 2023	As at March 31, 2022
Maturing within 1 year	—	30,000.00
Maturing within 1 year to 3 years	—	—
Maturing within 3 year to 5 years	—	—
<b>Total</b>	<b>—</b>	<b>30,000.00</b>

### 22 OTHER FINANCIAL LIABILITIES

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2023	As at March 31, 2022
Financial Lease Liability	40.1	14,762.03	8,403.16
Advance from Customer		31.67	—
<b>TOTAL</b>		<b>14,793.70</b>	<b>8,403.16</b>

### 23 PROVISIONS

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2023	As at March 31, 2022
Provision for Employee Benefits	44b(VII)		
-On account of Leave		1,252.68	1,382.52
-On account of Sick leave		980.31	827.83
<b>TOTAL</b>		<b>2,232.99</b>	<b>2,210.35</b>

### 24 OTHER NON FINANCIAL LIABILITIES

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2023	As at March 31, 2022
Statutory Dues		2,070.31	831.97
Bonus payable		32.20	32.20
<b>TOTAL</b>		<b>2,102.51</b>	<b>864.17</b>

## Notes To Financial Statements For The Year Ended 31st March, 2023

### 25 EQUITY SHARE CAPITAL

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2023	As at March 31, 2022
<b>Authorised Shares</b>			
Equity Shares of Rs. 10/- each 10,50,00,000 (March 31, 2022: 10,50,00,000) equity shares		1,050,000.00	1,050,000.00
10% Redeemable Preference Shares of Rs.100/- each 5,000 (March 31, 2022: 5,000) preference shares		500.00	500.00
		<b>1,050,500.00</b>	<b>1,050,500.00</b>
<b>Issued, Subscribed &amp; Fully Paid Up Shares</b>			
Equity Shares of Rs. 10/- each 3,72,57,908 (March 31, 2021: 3,72,57,908 ) equity shares		372,579.08	372,579.08
		<b>372,579.08</b>	<b>372,579.08</b>

25.1 The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity is entitled to one vote per share. The Company may declare and pay dividends. The dividend, if any proposed by the Board of Directors of the Company is subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all Preferential amounts in proportion to the number of equity shares held by them.

25.2 Reconciliation of the number of equity shares outstanding :

(Amount in Rs thousand)

Particulars	As at March 31, 2023	As at March 31, 2022
Number of shares at the beginning	37257908	37257908
Add: Additions during the year	—	—
Number of shares at the end	37257908	37257908

25.3 Details in respect of shares in the company held up by each shareholder holding more than 5% shares:

Name of the Shareholders	Number of Shares Held	Number of Shares Held
The Peerless General Finance & Investment Company Limited		
– No of shares held:	34,489,401	34,489,401
– Percentage of shares held:	92.57%	92.57%

## Notes To Financial Statements For The Year Ended 31st March, 2023

(d) Disclosure of shareholding of promoters is as follows:

(Amount in Rs thousand)

Particulars	As at March 31, 2023		As at March 31, 2022		% of change during the year
Promoter Name	No. of shares	% Total shares	No. of shares	% Total shares	
THE PEERLESS GENERAL FINANCE & INVESTMENT COMPANY LTD	34,489,401	92.57%	34,489,401	92.57%	—
SUNIL KANTIROY	33,126	0.09%	33,126	0.09%	—
SHIKHARROY	62,500	0.17%	62,500	0.17%	—
JAYANTARROY	125,000	0.34%	125,000	0.34%	—
DEBASREEROY	50,000	0.13%	50,000	0.13%	—
	34,760,027	93.30%	34,760,027	93.30%	—

## 26 OTHER EQUITY

(Amount in Rs thousand)

Particulars		As at March 31, 2023	As at March 31, 2022
Capital Redemption Reserve	26.1	8.00	8.00
Securities Premium	26.2	1,68,380.85	1,68,380.85
Special Reserve (in terms of Section 45IC of Reserve Bank of India Act, 1934)	26.3	30,613.95	26,163.95
Retained Earning	26.4	30,004.34	12,186.24
Debenture Redemption Reserve	26.5	5,000.00	5,000.00
<b>TOTAL</b>		<b>2,34,007.14</b>	<b>2,11,739.04</b>

### 26.1 Capital Redemption Reserve

Capital Redemption Reserve represents the amount of reserve created for Redemption of Redeemable Preference shares.

### 26.2 Securities Premium Account

Securities Premium Reserve represents the amount received in excess of par value of securities and is available for utilisation as specified under Section 52 of Companies Act, 2013.

### 26.3 Special Reserve

Special Reserve is created in terms of of section 45IC of Reserve Bank of India Act, 1934, which is 20% of profit of the year.

### 26.4 Retained Earnings

Retained earnings represents the undistributed profit/ amount of accumulated earnings of the company.

### 26.5 Debenture Redemption Reserve

Debenture Redemption Reserve represents the amount of reserve created for Redemption of Non convertible Debentures.

## 27 INTEREST INCOME

(Amount in Rs thousand)

Particulars	Ref Note No.	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Interest on:			
Loans and Advances*		89,521.09	53,033.93
Fixed Deposit		182.19	—
<b>TOTAL</b>		<b>89,703.28</b>	<b>53,033.93</b>

\* Includes amount interest income of realated party Rs. 696.68 thousand for the year ending 31st March 2023 (March 31, 2022 : Rs. 2,230.44 thousand)

## Notes To Financial Statements For The Year Ended 31st March, 2023

### 28 DIVIDEND INCOME

(Amount in Rs thousand)

Particulars	Ref Note No.	Year ended March 31, 2023	Year ended March 31, 2022
On Shares		0.87	0.70
<b>TOTAL</b>		<b>0.87</b>	<b>0.70</b>

### 29 FEES, CHARGES AND COMMISSION INCOME

(Amount in Rs thousand)

Particulars	Ref Note No.	Year ended March 31, 2023	Year ended March 31, 2022
Upfront Fees and other charges		10,162.39	6,768.32
Commission Income		96.14	108.10
<b>TOTAL</b>		<b>10,258.53</b>	<b>6,876.42</b>

### 30 NET GAIN ON FAIR VALUE CHANGES

(Amount in Rs thousand)

Particulars	Ref Note No.	Year ended March 31, 2023	Year ended March 31, 2022
Net gain/(Loss) on fair value changes of Financial Assets		1,464.02	(3,007.33)
<b>TOTAL</b>		<b>1,464.02</b>	<b>(3,007.33)</b>

### 31 OTHER INCOME

(Amount in Rs thousand)

Particulars	Ref Note No.	Year ended March 31, 2023	Year ended March 31, 2022
Profit on sale of Equity Shares		18.24	—
Profit on sale of Right on Property		1,925.00	—
Net Gain on Sale of Mutual Fund		4,941.18	7,398.53
Profit on sale of Asset held for sale		—	6,806.49
Provisions no longer required		—	113.69
Miscellaneous Income		1,133.18	408.40
<b>TOTAL</b>		<b>8,017.60</b>	<b>14,727.11</b>

### 32 Finance Cost

(Amount in Rs thousand)

Particulars	Ref Note No.	Year ended March 31, 2023	Year ended March 31, 2022
On Lease Rent	40.1	952.27	273.78
On Borrowings		17,952.74	171.92
<b>TOTAL</b>		<b>18,905.01</b>	<b>445.70</b>

## Notes To Financial Statements For The Year Ended 31st March, 2023

### 33 EMPLOYEE BENEFITS EXPENSES

(Amount in Rs thousand)

Particulars	Ref Note No.	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, Wages and Bonus, etc.	33.1	29,899.59	21,925.17
Contribution to Provident Fund and Administrative Charges and ESI contribution	44	1,991.06	1,300.35
Staff Welfare expenses		572.94	585.20
<b>TOTAL</b>		<b>32,463.59</b>	<b>23,810.72</b>

33.1 Includes Salary to Managing Director Rs. 5,554.35 thousand (Previous Year Rs. 4734 thousand).

### 34 DEPRECIATION, AMORTIZATION AND IMPAIRMENT

(Amount in Rs thousand)

Particulars	Ref Note No.	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation of Property, Plant and Equipment	13	2,421.15	1,281.47
Depreciation of Right of Use Asset (Leasehold Premises)	14	2,236.85	1,190.55
Ammortisation of Other Intangible Asset	16	310.57	209.12
<b>TOTAL</b>		<b>4,968.57</b>	<b>2,681.14</b>

### 35 OTHER EXPENSES

(Amount in Rs thousand)

Particulars	Ref Note No.	Year ended March 31, 2023	Year ended March 31, 2022
Rent	40.2	139.50	107.99
Repairs & maintenance		1,055.55	949.87
Rates and Taxes		1,030.30	908.63
<b>Auditors Remuneration</b>			
Audit Fees		225.00	125.00
Tax Audit Fees		40.00	10.00
Certificate		60.00	45.00
Legal and Professional Fees		2,943.46	4,473.25
Filing Fees		9.60	4.20
Travelling Expenses		1,930.72	808.07
Advertisement and Business Promotion		1,434.44	901.37
Support service		300.00	—
Directors' Sitting Fees		1,000.00	670.00
Bad debt Written off		199.42	—
Insurance Expense		20.14	24.97
Miscellaneous Expenditure		4,332.55	3,384.03
<b>TOTAL</b>		<b>14,720.68</b>	<b>12,412.38</b>

## Notes To Financial Statements For The Year Ended 31st March, 2023

### 36 Contingent Liabilities and Commitments:

(to the extent not provided for)

#### (a) Contingent Liabilities:

In respect of Income tax matters pending for appeal for the assessment year 2016-17 as on 31st March 2023:Rs. Nil thousand (as on 31st March 2022: 397.30 thousand) and for Assessment year 2017-18 as on 31st March 2023: Rs.12,380.29 thousand (as on 31 st March 2022: Rs 13,736 thousand)

In the opinion of the Management the above demands are not tenable and future cash outflows in respect of the same are determinable on the outcome of decisions pending with relevant Authorities.

#### (b) Commitments:

(Amount in Rs thousand)

Particulars	Ref Note No.	Year ended March 31, 2023	Year ended March 31, 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance made there against) (inclusive of GST).		2,368.02	8,392.45

**37** Reserve Bank of India (RBI) vide its letter dated 05.12.2011 has granted the approval to carry on the business of a loan company. Investments, other assets and liabilities or proceeds thereof are therefore intended to be utilized for the said business activity.

**38** In view of the above, the Company operates in a single primary business and secondary geographical segment and hence, disclosure requirements of IND AS 108 on Operating Segments are not applicable to the Company

**39** The Company as per the professional advice received on application of RBI Circular No. DNBR (PD) CC.No.002/03.10.001/2014-15 dated November 10, 2014 (the Circular) and notifications issued by RBI on 27.03.2015 and 10.04.2015 for implementation thereof, has been classified as Non-Systemically Important Company. Various provisions and directions have accordingly been complied with and reported upon from time to time. In terms of the said advice, the Circular read with notifications as above dealing with aggregation of the assets of all the NBFC of the Group for the purpose of classification has not yet been made effective and as such is not applicable to the Company.

### 40 Leases

40.1 Following table summarizes other disclosures including the note references for the expense, asset and liability heads under which certain expenses, assets and liability items are grouped in the financial statements :

(Amount in Rs thousand)

Particulars	Refer Note	For the Year ended March 31, 2023	For the Year ended March 31, 2022
i) Depreciation charge for Right-of -Use assets for Leasehold premises	14	2,236.85	1,190.55
ii) Interest expense on lease liabilities	32	952.27	273.78
iii) Carrying amount of right-of-use assets at the end of the reporting period by class of underlying asset-			
- Property taken on lease for Office premises	14	14,192.83	8,135.02
iv) Lease liability	22	14,762.03	8,403.16

## Notes To Financial Statements For The Year Ended 31st March, 2023

### 40.2 Maturity analysis - Contractual undiscounted Cash flow as at 31 March 2023

(Amount in Rs thousand)

Particulars	Ref Note No.	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Payable within 1 year		3343.55	1759.06
Payable later than 1 year but not later than 5 year		9987.98	4177.00
Above 5 years		5707.32	7,171.12
<b>Total minimum lease payment</b>		<b>19,038.85</b>	<b>13,107.18</b>

Lease rental recognised in the Statement of Profit and Loss (Note 35)

139.50

107.99

### 41 Calculation of Earning Per Share is as follows:

(Amount in Rs thousand)

Particulars	Ref Note No.	For the Year ended March 31, 2023	For the Year ended March 31, 2022
a) Net profit for basic and diluted earnings per share as per Statement of Profit and Loss		22,152.58	27,119.77
<b>Net profit for basic and diluted earnings per share</b>		<b>22,152.58</b>	<b>27,119.77</b>
b) Weighted average number of equity shares for calculation of basic and diluted earnings per share (Face value Rs. 10/- per share) Number of equity shares outstanding as on 31st March		37,257,908	37,257,908
<b>Number of equity shares considered in calculating basic and diluted EPS</b>		<b>37,257,908</b>	<b>37,257,908</b>
c) Earnings per share (EPS) of Equity Share of Rs. 10 each:			
i) Basic (Rs.)		0.59	0.73
ii) Diluted (Rs.)		0.59	0.73

### 42 Post Retirement Employee Benefits

The disclosures required under Indian Accounting Standard 19 on "Employee Benefits" are given below:

#### a) Defined Contribution Plans

Contribution to Defined Contribution Plan, recognized for the year are as under :

(Amount in Rs thousand)

Particulars	Ref Note No.	Year ended March 31, 2023	Year ended March 31, 2022
Employer's Contribution to Provident Fund	33	990.99	743.39
Employer's Contribution to ESI	33	179.90	91.60
Contribution to Employees' Deposit Linked Insurance Scheme (EDLI)	33	46.44	26.35
Employer's Contribution to Pension Fund	33	773.73	439.01
<b>Total</b>		<b>1,991.06</b>	<b>1,300.35</b>



## Notes To Financial Statements For The Year Ended 31st March, 2023

### b) Defined Benefit Plans

The employees' gratuity scheme is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Based on actuarial valuation report of the actuary, disclosures with respect to gratuity liability ascertained based on actuarial valuation carried out at the end of the year are as follows:

		(Amount in Rs thousand)	
		Gratuity	
		2022-23	2021-22
i)	<b>Change in the fair value of the defined benefit obligation:</b>		
	Liability at the beginning of the year	2,224.56	1,705.89
	Interest Cost	155.11	116.47
	Current Service Cost	408.40	408.35
	Actuarial (gain) / loss on obligations	(138.07)	(6.15)
	Benefits paid	—	—
	<b>Liability at the end of the year</b>	<b>2,650.00</b>	<b>2,224.56</b>
ii)	<b>Changes in the Fair Value of Plan Asset</b>	<b>2022-23</b>	<b>2021-22</b>
	Fair value of Plan Assets at the beginning of the year	2,607.58	1,841.68
	Expected Return on Plan Assets	—	—
	Contributions by the Company	429.26	632.11
	Interest on Plan Assets	189.17	132.74
	Benefits paid	—	—
	Actuarial gain / (loss) on Plan Assets	16.30	1.05
	<b>Fair value of Plan Assets at the end of the year</b>	<b>3,242.30</b>	<b>2,607.58</b>
iii)	<b>Actual return on Plan Asset</b>	<b>2022-23</b>	<b>2021-22</b>
	Actuarial gain / (loss) on Plan Assets	16.30	1.05
	<b>Actual Return on Plan Assets</b>	<b>16.30</b>	<b>1.05</b>
iv)	<b>Amount Recognized in Balance Sheet</b>	<b>2022-23</b>	<b>2021-22</b>
	Liability at the end of the year	2,650.00	2,224.56
	Fair value of Plan Assets at the end of the year	3,242.30	2,607.58
		<b>(592.30)</b>	<b>(383.01)</b>

## Notes To Financial Statements For The Year Ended 31st March, 2023

(Amount in Rs thousand)

### Gratuity

		2022-23	2021-22
v)	<b>Components of Defined Benefit Cost</b>		
	Current Service Cost	408.40	408.35
	Interest Cost	(34.05)	(16.27)
	Net Actuarial (gain) / loss on remeasurement recognised in OCI	(154.37)	(7.20)
	<b>Total Defined Benefit Cost recognised in Profit and Loss and OCI</b>	<b>219.98</b>	<b>384.88</b>
vi)	<b>Balance Sheet Reconciliation</b>		
	Opening Net Liability	(383.01)	(135.78)
	Expenses as above	219.98	384.88
	Employers Contribution	(429.26)	(632.11)
	<b>Amount Recognized in Balance Sheet</b>	<b>(592.30)</b>	<b>(383.01)</b>

vii) **Percentage allocation of plan assets in respect of fund managed by insurer/trust is as follows:**

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2023	As at March 31, 2022
Central Government Securities		0%	0%
State Government Securities		0%	0%
High quality Corporate bonds		0%	0%
Equity Shares of listed companies		0%	0%
Property		0%	0%
Special Deposit Scheme		0%	0%
Policy of Insurance		100%	100%
Bank Balance		0%	0%
Other Investments		0%	0%
<b>Total</b>		<b>100%</b>	<b>100%</b>

### Compensated Absences

The obligation for compensated absences is recognized in the same manner as gratuity except remeasurement benefit which is treated as part of OCI. The actuarial liability of Compensated Absences (unfunded) of accumulated privileged and sick leaves of the employees of the Company as at March 31, 2023 is given below:

(Amount in Rs thousand)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Privileged Leave	1,252.68	1,382.52
Sick Leave	980.31	827.83
<b>Principal Actuarial assumptions as at the Balance Sheet date</b>		
Discount Rate	7.05%	7.05%
Salary Growth Rate	8.00%	8.00%

## Notes To Financial Statements For The Year Ended 31st March, 2023

### Notes:

Assumptions relating to future salary increases, attrition, interest rate for discount & overall expected rate of return on Assets have been considered based on relevant economic factors such as inflation, market growth & other factors applicable to the period over which the obligation is expected to be settled.

### Recognised in Other Comprehensive Income

(Amount in Rs thousand)

Particulars	Gratuity
Remeasurement - Actuarial loss/(gain)	(154.37)
For the year ended March 31, 2023	(154.37)
Remeasurement - Actuarial loss/(gain)	(7.20)
For the year ended March 31, 2022	(7.20)

### Sensitivity analysis:

(Amount in Rs thousand)

Particulars	Change in Assumption	Effect in Gratuity Obligation
<b>For the year ended 31st March, 2023</b>		
Discount Rate	+0.50%	2,548.27
	-0.50%	2,759.52
Salary Growth Rate	+0.50%	2,717.41
	-0.50%	2,585.98
<b>For the year ended 31st March, 2022</b>		
Discount Rate	+0.50%	2,134.38
	-0.50%	2,321.65
Salary Growth Rate	+0.50%	2,284.40
	-0.50%	2,167.86

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit

### Estimate of expected benefit payments (In absolute terms i.e. undiscounted)

(Amount in Rs thousand)

Particulars	Gratuity
01 Apr 2023 to 31 Mar 2024	775.39
01 Apr 2024 to 31 Mar 2025	76.49
01 Apr 2025 to 31 Mar 2026	342.34
01 Apr 2026 to 31 Mar 2027	84.37
01 Apr 2027 to 31 Mar 2028	93.70
01 Apr 2028 Onwards	4,335.59

## Notes to the financial statements for the year ended 31st March 2023

### 43. Related party disclosure as identified by the management in accordance with the Indian Accounting Standard (Ind AS) 24 on Related Party Disclosures are as follows:

A) Names of related parties and description of relationship	Category	Particulars
1) Holding Company	Category I	The Peerless General Finance & Investment Company Limited
2) Associates, Group Enterprises and Companies under common control	Category II	Peerless Hospitex Hospital & Research Center Limited Peerless Financial Products Distribution Ltd. Peerless Securities Limited Peerless Commodities Limited Bengal Peerless Housing Development Company Limited Kaizen Hotels & Resorts Limited Peerless Hotels Ltd. Kaizen Leisure & Holidays Ltd. Bichitra Holdings Pvt Ltd.
3) Key Management Personnel (KMP) and their close member	Category III	Mr. Abhishek Tantia-Managing Director and Chief Executive Officer Mr. Partha Bose – Chief Financial Officer Mr. Biswajit Das – Company Secretary & Chief Compliance Officer Mr. Deepak Mukerjee (Independent Director) Mr. Dipankar Chatterji (Independent Director) Mr. Deepankar Bose (Independent Director) Mr. Supriyo Sinha(Non- executive Director) Mr. K Balasubramanian (Non executive Director) Mr. Ashok Kumar Mkhuty (Director) Mr. Bhargab Lahiri (Non executive Director) Mr. S. K. Roy (Non executive Director and Promotor till 08th May 2022)

## Notes To Financial Statements For The Year Ended 31st March, 2023

### B) Related Party Transactions

(Amount in Rs thousand)

Nature of Transaction	Name of the Party	Category	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>Income</b>				
a) Interest on Loan	Kaizen Hotels & Resorts Ltd Mrs. Gunjan and Mr. Arnab Mukhuty Mr. Arnab Mukhuty Mr. Biswajit Das	Category II Category III Category III Category III	663.58 — — 33.10	2,172.33 1.58 48.36 8.17
<b>Expenses</b>				
b) Finance cost	The Peerless General Finance & Investment Company Ltd Bichitra Holdings Pvt Ltd Peerless Securities Limited	Category I Category II Category II	17,780.14 172.60 4.00	81.51 90.41 4.72
c) Demat Charges	The Peerless General Finance & Investment Company Ltd	Category I	2,583.56	1,728.31
d) Rent (excluding Service Tax/ GST)	The Peerless General Finance & Investment Company Ltd	Category I	118.67	203.52
e) Reimbursement of expenses	Peerless Hotels Ltd. Peerless Hospitex Hospital & Research Center Limited	Category II Category II	108.16 —	9.45 63.19
f) Staff welfare	Mr. Abhishek Tantia Mr. Partha Bose Mr. Biswajit Das	Category III Category III Category III	5,554.35 781.75 1,581.36	4,734.00 712.80 1,457.70
g) Remuneration	Mr. Deepak Mukerjee Mr. Dipankar Chatterji Mr. Deepankar Bose Mr. Supriyo Sinha Mr. K Balasubramanian Mr. Ashok Kumar Mukhuty Mr. Bhargab Lahiri Mr. S. K. Roy	Category III Category III Category III Category III Category III Category III Category III Category III	170.00 180.00 170.00 100.00 30.00 200.00 150.00 —	130.00 130.00 20.00 — 110.00 150.00 110.00 20.00
<b>Loans and Advances</b>				
a) Loan disbursed during the year	Mr. Arnab Mukhuty Mr. Biswajit Das	Category III Category III	— 80.00	800.00 350.00
b) Amount received as repayment of loan	Kaizen Hotels & Resorts Limited Mrs. Gunjan and Mr. Arnab Mukhuty Mr. Arnab Mukhuty	Category II Category III Category III	13,000.00 — —	16,000.00 68.17 800.00
c) Impairment Allowance (ECL) on loans	Kaizen Hotels & Resorts Limited Mr. Biswajit Das	Category II Category III	— 0.20	(583.63) 0.88
d) Advances given for acquiring flat	Bengal Peerless Housing Development Company Limited	Category II	1,659.81	3,324.29
e) Borrowings	The Peerless General Finance & Investment Company Ltd	Category I	20,000.00	50,000.00
f) Repayment of Deposits	Bengal Peerless Housing Development Company Limited	Category I	13,310.03	—

## Notes To Financial Statements For The Year Ended 31st March, 2023

### C) OUTSTANDING BALANCES: (Amount in Rs thousand)

Nature of Transaction	Name of the Party	Category	For the Year ended March 31, 2023	For the Year ended March 31, 2022
a) Loan Given	Kaizen Hotels & Resorts Limited Mr. Biswajit Das	Category II Category III	— 433.29	13,099.37 352.40
b) Advance for acquiring flat	Bengal Peerless Housing Development Company Limited	Category II	14,992.96	26,643.19
c) Payable of Expenses	Mr. Abhishek Tantia	Category III	519.31	140.59
d) Interest Payable	The Peerless General Finance & Investment Company Ltd Bichitra Holdings Pvt Ltd	Category I Category II	12,805.89 —	73.36 81.37
e) Non Convertible Debentures	The Peerless General Finance & Investment Company Ltd	Category I	2,50,000.00	50,000.00
f) Inter Corporate Deposits	Bichitra Holdings Pvt Ltd	Category II	—	30,000.00
g) Impairment Allowance (ECL) on loan given	Kaizen Hotels & Resorts Limited Mr. Biswajit Das	Category II Category III	— 1.08	288.64 0.88

#### Note:

- Remuneration to the Key Management Personnel does not include the provisions made for Gratuity Benefits, as they are determined on an Actuarial basis for the Company as a whole.
- The above related party information is as identified by the management and relied upon by the auditor.

## Notes to the financial statements for the year ended 31st March 2023

### 44 Tax Expenses- Current Tax

(Amount in Rs thousand)

Particulars	Ref Note No.	Year ended March 31, 2023	Year ended March 31, 2022
Provision for Current Tax		1,244.00	3,950.00
		<b>1,244.00</b>	<b>3,950.00</b>

#### 44.1 Components of Tax Expense:

(Amount in Rs thousand)

Particulars	Ref Note No.	Year ended March 31, 2023	Year ended March 31, 2022
<b>Current tax</b>			
In respect of the current year		1,244.00	3,950.00
<b>Total Current tax expense recognised in the current year</b>		<b>1,244.00</b>	<b>3,950.00</b>
<b>Deferred tax</b>			
In respect of the current year		187.57	(1,907.27)
<b>Total Deferred tax expense recognised in the current year</b>		<b>187.57</b>	<b>(1,907.27)</b>
<b>Total Tax expense recognised in the current year</b>		<b>1,431.57</b>	<b>2,042.73</b>

#### 44.2 Income tax recognised in other comprehensive income

(Amount in Rs thousand)

Particulars	Ref Note No.	Year ended March 31, 2023	Year ended March 31, 2022
<b>Deferred tax</b>			
Arising on income and expenses recognised in other comprehensive income:			
Remeasurement of defined benefit obligation		(38.85)	(1.81)
<b>Total income tax recognised in other comprehensive income</b>		<b>(38.85)</b>	<b>(1.81)</b>
Bifurcation of the income tax recognised in other comprehensive income into:-			
Items that will not be reclassified to profit or loss		(38.85)	(1.81)
Items that may be reclassified to profit or loss		—	—

### 45 Components of Other Comprehensive Income

(Amount in Rs thousand)

Particulars	Ref Note No.	Year ended March 31, 2023	Year ended March 31, 2022
Items that will not be reclassified to Statement of Profit and Loss			
Remeasurement of defined benefit plans	42	154.37	7.20
		<b>154.37</b>	<b>7.20</b>

## Notes To Financial Statements For The Year Ended 31st March, 2023

### Reconciliation of effective tax rate

The table below explains the differences between the expected tax expenses, at the Indian statutory tax rate of 25.17% (P.Y.25.17%) payable by corporate entities in India on taxable profit under tax laws in India,

Particulars	Ref Note No.	Year ended March 31, 2023	Year ended March 31, 2022
(a) Profit Before tax		23,584.15	29,162.50
(b) Applicable Income tax rate		25.17%	25.17%
(c) Computed expected tax expense		5,935.66	7,339.62
(i) Tax on Capital Gain		1,244.00	3,950.00
(ii) Tax on Expenses not deductible		5,354.89	1,851.32
(iii) Tax effect on expenses allowed and income come under other head		(3,297.01)	(3,874.99)
(iv) Tax on income exempt from tax		(0.22)	(0.70)
(v) Impact on unabsorbed Losses		(7,993.32)	(5,315.24)
d) Total effect of tax adjustment (i) to (v)		(4,691.66)	(3,389.62)
Tax expenses reconglised during the year (e) = (c) + (d)		1,244.00	3,950.00
Effective tax rate (f) = (e)/(a)		5.27%	13.54%

### 46. FINANCIAL INSTRUMENTS

The accounting classification of each category of financial instrument, their carrying amount and fair value are as follows:-

(Amount in Rs thousand)

Particulars	Ason 31st March, 2023		Ason 31st March, 2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets</b>				
<b>Financial Assets measured at Amortised Cost</b>				
Cash and cash equivalents	6,878.66	6,878.66	55,255.59	55,255.59
Loans	7,10,574.60	7,10,574.60	5,37,352.36	5,37,352.36
Trade Receivables	44.35	44.35	14.04	14.04
Other Financial Assets	631.14	631.14	643.30	643.30
<b>Financial Assets measured at Fair Value through Profit and Loss Account</b>				
Investment in Mutual Funds	86,115.92	86,115.92	2,410.08	2,410.08
<b>Financial Liabilities</b>				
<b>Financial Liabilities measured at Amortised Cost</b>				
Trade Payables	161.51	161.51	332.76	332.76
Other Payables	15,301.98	15,301.98	1,327.59	1,327.59
Debt Securities	2,50,000.00	2,50,000.00	50,000.00	50,000.00
Borrowings (other than Debt Securities)	—	—	30,000.00	30,000.00
Other Financial Liabilities	14,793.70	14,793.70	8,403.16	8,403.16



## Notes To Financial Statements For The Year Ended 31st March, 2023

### Fair Valuation Techniques

The fair values of the financial assets and liabilities are included at the amount 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 following methods and assumptions were used to estimate the fair values:

The fair value of cash and cash equivalents, loans, trade payables, trade receivables, financial liabilities and assets approximate their carrying amount largely due to the short-term nature of these instruments. The management considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/amortised cost in the financial statements approximate their fair values.

Investments traded in active market are determined by reference to the quotes from the Stock exchanges as at the reporting date. Investments in liquid and short-term mutual funds are measured using quoted market prices at the reporting date multiplied by the quantity held. Quoted Investments for which quotations are not available have been included in the market value at the face value/paid up value, whichever is lower. Unquoted investments in mutual funds have been valued based on the historical net asset value as per the latest audited financial statements.

### Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:-

- i) **Level 1 :-** Quoted prices / published NAV (unadjusted) in active markets for identical assets or liabilities. It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value (NAV) is published by mutual fund operators at the balance sheet date.
- ii) **Level 2 :-** Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the Company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.
- iii) **Level 3 :-** Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

## Notes To Financial Statements For The Year Ended 31st March, 2023

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at balance sheet date:

(Amount in Rs thousand)

Particulars	As at March 31	Fair value measurements at reporting date using		
		Level 1	Level 2	Level 3
<b>Financial Assets</b>				
Cash and cash equivalents	6,878.66 (55,255.59)	— —	6,878.66 (55,255.59)	— —
Loans	7,10,574.60 (5,37,352.36)	— —	— —	7,10,574.60 (5,37,352.36)
Trade Receivables	44.35	—	44.35	—
	(14.04)	—	(14.04)	—
Other Financial Assets	631.14 (643.30)	— —	631.14 (643.30)	— —
Investment in Mutual Funds/ Equity (Current)	86,115.92 (2,410.08)	— —	86,115.92 (2,410.08)	— —
<b>Financial Liabilities</b>				
Trade Payables	161.51 (332.76)	— —	161.51 (332.76)	— —
Other Payables	15,301.98 (1,327.59)	— —	15,301.98 (1,327.59)	— —
Debt Securities	2,50,000.00 (50,000.00)	— —	2,50,000.00 (50,000.00)	— —
Borrowings (other than Debt Securities)	— (30,000.00)	— —	— (30,000.00)	— —
Other Financial Liabilities	14,793.70 (8,403.16)	— —	14,793.70 (8,403.16)	— —

(\*) Figures in round brackets ( ) indicate figures as at March 31, 2022

During the year ended March 31, 2023 and March 31, 2022, there were no transfers between Level 1, Level 2 and Level 3.

### The Inputs used in fair valuation measurement are as follows:

Fair valuation of Financial assets and liabilities not within the operating cycle of the company is amortised based on the Effective Interest Rate.

Fair valuation of Mutual Funds is based on the net present value at current yield to maturity from rates available from FIMMDA.

### FINANCIAL RISK FACTORS

The Company's activities are exposed to variety of financial risks. The key financial risks includes market risk, credit risk and

## Notes To Financial Statements For The Year Ended 31st March, 2023

liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors reviews and approves policies for managing these risks. The risks are governed by appropriate policies and procedures and accordingly financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

### MARKET RISK

Market risk is the risk or uncertainty arising from possible market fluctuations resulting in variation in the fair value of future cash flows of a financial instrument. The major components of Market risks are currency risk, interest rate risk and other price risk. Financial instruments affected by market risk includes investments and trade and other payables.

#### Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company doesn't have exposure to the risk of changes in foreign exchange rates and hence is not subjected to such risk.

#### Interest rate risk

The company uses borrowings to manage the liquidity & fund requirements of its day-to-day operations. During the financial year, the company has issued the Non convertible debentures and has taken the inter corporate deposits bearing the fixed rate of interest. Hence, the company doesn't have exposure in market risk relating to change in interest rate.

#### Other price risk

The company's current investments which are fair valued through profit and loss are not material. Accordingly, other price risk of the financial instrument to which the company is exposed is not expected to be material.

### CREDIT RISK

Credit risk is the risk that the company will incur a loss because its customers fail to discharge their contractual obligations. The company has a comprehensive framework for monitoring credit quality of its retail and other loans primarily based on Days past due monitoring at period end. Repayment by borrowers are tracked regularly and required steps for recovery are taken through follow ups and legal recourse.

#### Impairment loss

The company establishes an allowances for impairment that represents its estimate of incurred losses in respect of doubtful loans. The company reviews the credit quality of loans based on the ageing of the loan period end.

#### Inputs considered in the ECL model

The company applies the simplified approach to providing for expected credit losses prescribed by INDAS 109. The company has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the respective business.

The company categorizes loan assets into stages primarily based on the Days past due status.

Stage 1 : 0-60 days

Stage 2 : 60 to 180 days

Stage 3 : More than 180 days

The company has made accumulated provision as per ECL method (as shown in Financials) of Rs. 28,196.60 (Rs in thousand) as at 31 March 2023.

#### Financial assets that are neither past due nor impaired

Cash and cash equivalents, investment and deposits with banks are neither past due nor impaired. Cash and cash equivalents with banks are held with reputed and credit worthy banking institutions.

## Notes To Financial Statements For The Year Ended 31st March, 2023

### LIQUIDITY RISK

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's objective is to maintain optimum level of liquidity to meet its cash and collateral requirements at all times. The company's assets represented by financial instruments comprising of receivables are largely by borrowed funds funded against borrowed funds. The company relies on borrowings and internal accruals to meet its fund requirement. The current committed line of credit are sufficient to meet its short to medium term fund requirement.

### Maturity Analysis of Financial Liabilities

As at March 31, 2023

(Amount in Rs thousand)

Particulars	Carrying Amount	Less than 1 Year	1 to 3 Year	3 years to 5 years	5 years and above	Total
Debt Securities	2,50,000.00	—	—	2,50,000.00	—	2,50,000.00
Borrowings (other than Debt Securities)	—	—	—	—	—	—
Other Liabilities	31.67	31.67	—	—	—	31.67
Lease Liabilities	19,038.85	3,343.55	9,987.98	5,707.32	—	19,038.85
Trade and other payables	15,463.49	15,463.49	—	—	—	15,463.49

As at March 31, 2022

(Amount in Rs thousand)

Particulars	Carrying Amount	Less than 1 Year	1 to 3 Year	3 years to 5 years	5 years and above	Total
Debt Securities	50,000.00	—	—	50,000.00	—	50,000.00
Borrowings (other than Debt Securities)	30,000.00	30,000.00	—	—	—	30,000.00
Other Liabilities	—	—	—	—	—	—
Lease Liabilities	13,107.18	1,759.06	4,177.00	7,171.12	—	13,107.18
Trade and other payables	1,660.34	1,660.34	—	—	—	1,660.34

The company has current financial assets which will be realised in ordinary course of business. The Company ensures that it has sufficient cash on demand to meet expected operational expenses.

The company relies on operating cash flows to meet its need for funds.

### 47. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholder value. The Company's objective when managing capital is to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stake holders. The Company is focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without where the risk profile of the Company.

(Amount in Rs thousand)

Particulars	March 31, 2023	March 31, 2022
Loans and borrowings	2,50,000.00	80,000.00
Other Payable	12,805.89	73.36
Less: Cash and cash equivalents	6,878.66	55,255.59
<b>Net debt</b>	<b>2,55,927.23</b>	<b>24,817.77</b>
Equity	6,06,586.22	5,84,318.12
<b>Capital and net debt</b>	<b>8,62,513.45</b>	<b>6,09,135.89</b>
Gearing ratio	29.67%	4.07%

## Notes To Financial Statements For The Year Ended 31st March, 2023

### 48. Reconciliation of movement of liabilities to cash flows arising from financing activities

Year ended 31 March 2023

(Amount in Rs thousand)

Particulars	1 April 2022	Cash flows (net)	Exchange difference	Amortization of loan origination costs	31 March 2023
Debt Securities Borrowings	50,000.00	2,00,000.00	—	—	2,50,000.00
(Other than debt securities)	30,000.00	(30,000.00)	—	—	—
<b>Total</b>	<b>80,000.00</b>	<b>1,70,000.00</b>	<b>—</b>	<b>—</b>	<b>2,50,000.00</b>

Year ended 31 March 2022

(Amount in Rs thousand)

Particulars	1 April 2021	Cash flows (net)	Exchange difference	Amortization of loan origination costs	31 March 2022
Debt Securities Borrowings	—	50,000.00	—	—	50,000.00
(Other than debt securities)	—	30,000.00	—	—	30,000.00
<b>Total</b>	<b>—</b>	<b>80,000.00</b>	<b>—</b>	<b>—</b>	<b>80,000.00</b>

### 49. Details of Benami Property held

There is no Benami Property held or there are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

### 50. Wilful Defaulter

Company has not been declared as wilful defaulter by any bank or financial Institution or other lender.

**51.** During the financial year ended 31 March 2023 and 31 March 2022, the company has not granted any loans or advances in the nature of loans to promoters, directors, KMP's and the related parties (as defined under companies Act 2013), either severally or Jointly with any person (a) repayable on demand or (b) without specifying any terms or period of Repayment

### 52. Registration of charges or satisfaction with Registrar of Companies (ROC)

There is no charges or satisfaction in relation to any debt/borrowings yet to be registered with ROC beyond the statutory period.

### 53. Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

### 54. Compliance with approved Scheme(s) of Arrangements

No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

### 55. Utilisation of Borrowed funds and share premium:

A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

## Notes To Financial Statements For The Year Ended 31st March, 2023

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall -
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

### 56. Undisclosed income

There are no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

### 57. Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

### 58. Corporate Social Responsibility (CSR)

According to provisions of Section 135 (1) of the Companies Act, 2013, Corporate Social Responsibility provision is not applicable to the company.

### 59. Relationship with Struck off Companies

Company has not made any transactions with the companies struck off under section 248 of companies Act, 2013 or Section 560 of Companies Act, 1956.

60. Ratios	FY 2022-23	FY 2021-22
(a) Capital to risk-weighted assets ratio (CRAR)	NA	NA
(b) Tier I CRAR	NA	NA
(c) Tier II CRAR	NA	NA
(d) Liquidity Coverage Ratio	NA	NA

### 61. Disclosure as required under Guidelines on Resolution framework for Covid-19 -related stress issued by RBI

During the year, to relieve COVID-19 pandemic related stress, the Company has invoked resolution plans for eligible borrowers based on the parameters laid down in accordance with the resolution policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI on Resolution Framework 2.0 dated 5 May 2021.

## Notes To Financial Statements For The Year Ended 31st March, 2023

**i) Disclosure on Resolution Framework 2.0 implemented in terms of RBI circular no. RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated 5 May 2021 (Resolution of Covid-19 related stress of Individuals and Small Businesses)**

**For the year ended 31 March 2023**

**(Amount in Rs thousand)**

Type of Borrower	(A)	(B)	(C)	(D)	(E )
	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year *
Personal Loans	4,630.96	1,545.06	—	870.65	2,215.26
Corporate persons	—	—	—	—	—
Of which, MSMEs	4,418.76	1,897.04	—	471.03	2,050.69
Others	1,579.69	—	—	262.73	1,316.96
<b>Total</b>	<b>10,629.42</b>	<b>3,442.09</b>	<b>—</b>	<b>1,604.41</b>	<b>5,582.92</b>

\* represents the closing balance of loan accounts as at 31 March 2023

No. of accounts restructured	Amount (Rs in thousands)
3	3,947.73

**ii) Disclosure on Resolution framework 2.0 implemented in terms of RBI circular no. RBI/2021-22/32 DOR.STR.REC.11/21.04.048/2021-22 dated 5 May 2021 (Resolution of covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs))**

**For the year ended 31 March 2022**

**(Amount in Rs thousand)**

Type of Borrower	(A)	(B)	(C)	(D)	(E )
	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year *
Personal Loans	5,001.91	165.15	—	916.57	3,920.19
Corporate persons	—	—	—	—	—
Of which, MSMEs	2,034.37	—	—	37.50	1,996.87
Others	—	—	—	—	—
<b>Total</b>	<b>7,036.28</b>	<b>165.15</b>	<b>—</b>	<b>954.07</b>	<b>5,917.06</b>

\* represents the closing balance of loan accounts as at 31 March 2022

No. of accounts restructured	Amount (Rs in thousands)
3	4,870.98

## Notes To Financial Statements For The Year Ended 31st March, 2023

62 Disclosure as required under RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 on Implementation of Indian Accounting Standards

### A comparison between provisions required under IRACP and impairment allowances made under Ind As 109

For the year ended March 2023:

(Amount in Rs thousand)

Asset Classification as per RBI Norms	Asset Classification as per IND AS Norms 109	Gross Carrying amount as per IND AS *	Loss Allowances (Provisions) As required under IND AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between IND AS 109 Provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3) - (4)	(6)	(7) = (4) - (6)
Performing Assets- Loans						
Standard	Stage 1	6,67,899.53	3,440.02	6,64,459.50	2,133.25	1,306.77
	Stage 2	39,362.80	3,917.19	35,445.61	386.41	3,530.78
		7,07,262.33	7,357.21	6,99,905.12	2,519.66	4,837.55
Substandard	Stage 3	21,044.72	15,575.22	5,469.50	2,104.47	13,470.75
Doubtful - up to 1 year	Stage 3	804.78	804.78	—	804.78	—
1 to 3 years	Stage 3	9,659.38	4,459.38	5,200.00	5,109.38	(650.00)
More than 3 years	Stage 3	—	—	—	—	—
<b>Subtotal for doubtful</b>		10,464.16	5,264.16	5,200.00	5,914.16	(650.00)
Loss		0.00	0.00	—	0.00	—
<b>Subtotal for NPA</b>		<b>31,508.88</b>	<b>20,839.38</b>	<b>10,669.50</b>	<b>8,018.63</b>	<b>12,820.75</b>
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	—	—	—	—	—
<b>Total</b>		—	—	—	—	—
Stage 1		6,67,899.53	3,440.02	6,64,459.50	2,133.25	1,306.77
Stage 2		39,362.80	3,917.19	35,445.61	386.41	3,530.78
Stage 3		31,508.88	20,839.38	10,669.50	8,018.63	12,820.75
<b>Total</b>		<b>7,38,771.21</b>	<b>28,196.59</b>	<b>7,10,574.62</b>	<b>10,538.29</b>	<b>17,658.30</b>

\* Gross carrying amount as per Ind As 109 consist of Loans and advances Rs. 7,26,720.46 thousands and interest receivable Rs.12,050.75 thousand



## Notes To Financial Statements For The Year Ended 31st March, 2023

For the year ended March 2022:

(Amount in Rs thousand)

Asset Classification as per RBI Norms	Asset Classification as per IND AS Norms 109	Gross Carrying amount as per IND AS *	Loss Allowances (Provisions) As required under IND AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between IND AS 109 Provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3)-(4)	(6)	(7) = (4)-(6)
<b>Performing Assets- Loans</b>						
Standard	Stage 1	5,30,918.62	5,199.25	5,25,719.37	2,357.43	2,841.82
	Stage 2	6,861.10	686.11	6,174.99	49.71	636.40
		5,37,779.72	5,885.36	5,31,894.36	2,407.14	3,478.22
Substandard	Stage 3	2,966.95	2,406.95	560.00	593.39	1,813.56
Doubtful - up to 1 year	Stage 3	—	—	—	—	—
1 to 3 years	Stage 3	10,000.00	5,000.00	5,000.00	5,000.00	—
More than 3 years	Stage 3			—	—	—
<b>Subtotal for doubtful</b>		<b>10,000.00</b>	<b>5,000.00</b>	<b>5,000.00</b>	<b>5,000.00</b>	<b>—</b>
Loss		—	—	—	—	—
<b>Subtotal for NPA</b>		<b>12,966.95</b>	<b>7,406.96</b>	<b>5,560.00</b>	<b>5,593.39</b>	<b>1,813.56</b>
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	—	102	(102)	—	102
<b>Total</b>		<b>—</b>	<b>102</b>	<b>(102)</b>	<b>—</b>	<b>102</b>
Stage 1		5,30,918.62	5,301.25	5,25,617.37	2,357.43	2,943.82
Stage 2		6,861.10	686.11	6,174.99	49.71	636.40
Stage 3		12,966.95	7,406.96	5,560.00	5,593.39	1,813.56
<b>Total</b>		<b>5,50,746.67</b>	<b>13,394.32</b>	<b>5,37,352.36</b>	<b>8,000.53</b>	<b>5,393.78</b>

\* Gross carrying amount as per Ind As 109 consist of Loans and advances Rs.544654.03 thousands and interest receivable Rs. 6092.64 thousand

**63** Disclosure of details as required by Notification No. RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23- Disclosures in Financial Statements- Notes to Accounts of NBFCs dated April 19, 2022

## Notes To Financial Statements For The Year Ended 31st March, 2023

### A) Exposure

#### (i) Exposure to real estate sector

(Amount in Rs thousand)

Category		2022-23	2021-22
i)	<b>Direct exposure</b>		
	<b>a) Residential Mortgages –</b> Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.	—	—
	<b>b) Commercial Real Estate –</b> Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.	—	—
	<b>c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures –</b> i. Residential ii. Commercial Real Estate		
ii)	<b>Indirect Exposure</b> Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	—	—
	<b>Total Exposure to Real Estate Sector</b>	—	—

#### (ii) Exposure to Capital Market

(Amount in Rs thousand)

Category		2022-23	2021-22
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt	-	-
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds		
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	-	-
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances		
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
(vii)	Bridge loans to companies against expected equity flows / issues	-	-
(viii)	Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
(ix)	Financing to stockbrokers for margin trading	-	-
(x)	All exposures to Alternative Investment Funds:	-	-
	(i) Category I	-	-
	(ii) Category II	-	-
	(iii) Category III	-	-
<b>Total Exposure to capital market</b>			

## Notes To Financial Statements For The Year Ended 31st March, 2023

(iii) Sectoral exposure		(Amount in Rs thousand)					
Sectors		2022-23			2021-22		
Particulars		Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1) Agriculture and Allied Activities		—	—	—	—	—	—
2) Industry							
2.1. Micro and Small		3,94,158.73	7,336.85	1.79%	2,93,459.45	379.12	0.13%
2.2. Medium		15,685.80	-	-	5,020.55	-	0.00%
2.3. Large		-	-	-			
2.4. Others		1,100.89	-	-			0.00%
<b>Total of Industry (2)</b>		<b>4,10,945.42</b>	<b>7,336.85</b>	<b>1.79%</b>	<b>2,98,480.00</b>	<b>379.12</b>	<b>0.13%</b>
<b>3. Services</b>							
3.1. Transport Operators		-	-	-	-	-	-
3.2. Computer Software		-	-	-	-	-	-
3.3. Tourism, Hotels and Restaurants		6,127.36	-	-	4,196.96	-	-
3.4. Shipping		-	-	-	-	-	-
3.5. Aviation		-	-	-	-	-	-
3.6. Professional Services		2,95,856.71	7,196.12	2.38%	2,18,971.88	531.96	0.24%
3.7. Trade		-	-	-	-	-	-
3.7.1. Wholesale Trade (other than food procurement)		-	-	-	-	-	-
3.7.2. Retail Trade		-	-	-	-	-	-
3.8. Commercial Real Estate		-	-	-	-	-	-
3.9. Non-Banking Financial Companies (NBFCs) of which,		-	-	-	-	-	-
3.9.1. Housing Finance Companies (HFCs)		-	-	-	-	-	-
3.9.2. Public Financial Institutions (PFIs)		-	-	-	-	-	-
3.10. Other Services		-	-	-	-	-	-
<b>Total of Services (3)</b>		<b>3,01,984.07</b>	<b>7,196.12</b>	<b>2.38%</b>	<b>2,23,168.84</b>	<b>531.96</b>	<b>0.24%</b>

## Notes To Financial Statements For The Year Ended 31st March, 2023

### (iii) Sectoral exposure

Sectors	(Amount in Rs thousand)				
	2022-23		2021-22		
Particulars	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs Percentage of Gross NPAs to total exposure in that sector
<b>4. Personal Loans</b>					
4.1. Consumer Durables	-	-	-	-	-
4.2. Housing (Including Priority Sector Housing)	-	-	-	-	-
4.3. Advances against Fixed Deposits (Including FCNR (B), NRRR Deposits etc.)	-	-	-	-	-
4.4. Advances to Individuals against share, bonds, etc.	-	-	-	-	-
4.5. Credit Card Outstanding	-	-	-	-	-
4.6. Education	-	-	-	-	-
4.7. Vehicle Loans	-	-	-	99.79	-
4.8. Loans against gold jewellery	-	-	-	-	-
4.9. Other Personal Loans	16,559.39	2,406.42	14.37%	18,705.96	1,495.87
4.10. Others	182.33	-	-	292.08	-
<b>Total of Personal Loans (4)</b>	<b>16,741.72</b>	<b>2,406.42</b>	<b>14.37%</b>	<b>19,097.84</b>	<b>1,495.87</b>
					<b>7.83%</b>
<b>5. Loan against Property</b>	<b>9,100.00</b>	<b>3,900.00</b>	<b>42.86%</b>	<b>10,000.00</b>	<b>3,000.00</b>
					<b>30.00%</b>
<b>Total (1+2+3+4+5)</b>	<b>7,38,771.21</b>	<b>20,839.39</b>	<b>2.82%</b>	<b>5,50,746.67</b>	<b>5,406.95</b>
					<b>0.98%</b>

### (iv) Intra-group exposures

Particulars	(Amount in Rs thousand)		
	2022-23	2021-22	2021-22
i) Total amount of intra-group exposures	—	—	13,099.37
ii) Total amount of top 20 intra-group exposures	—	—	13,099.37
iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	—	—	2.38%

(v) There were no unhedged foreign currency transactions during current year.

\* Transactions during the year.



## Notes To Financial Statements For The Year Ended 31st March, 2023

**65** Disclosure of details as required by Notification No. RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 - Disclosures in Financial Statements- Notes to Accounts of NBFCs dated April 19, 2022 (continued)

### C) Disclosure of complaints

#### 1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr. No	Particulars	2022-23	2021-22
	Complaints received by the NBFC from its customers		
1	Number of complaints pending at beginning of the year	—	—
2	Number of complaints received during the year	1.00	—
3	Number of complaints disposed during the year	—	—
3.1	Of which, number of complaints rejected by the NBFC	—	—
4	Number of complaints pending at the end of the year Maintainable complaints received by the NBFC from Office of Ombudsman	1.00	—
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman	—	—
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	—	—
5.2	Of 5, number of complaints resolved through conciliation/ mediation/advisories issued by Office of Ombudsman	—	—
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	—	—
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	—	—

## Notes To Financial Statements For The Year Ended 31st March, 2023

2) Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
2022-23					
Credit Cards	-	-	-	-	-
Difficulty in operation of accounts	-	-	-	-	-
Mis-selling	-	-	-	-	-
Recovery Agents/ Direct Sales Agents	-	-	-	-	-
Loans and advances	-	-	-	-	-
Others	-	1.00	-	1.00	1.00
Total	-	1.00	-	1.00	1.00
2021-22					
Credit Cards	-	-	-	-	-
Difficulty in operation of accounts	-	-	-	-	-
Mis-selling	-	-	-	-	-
Recovery Agents/ Direct Sales Agents	-	-	-	-	-
Loans and advances	-	-	-	-	-
Others	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

D) There is no breach of covenant of loan availed or debt securities issued.

E) There is no divergence in asset classification and provisioning.



## Notes to the financial statements for the year ended 31st March 2023

66 Figures relating to previous years have been regrouped / rearranged, wherever necessary.

### Singature to Notes to Accounts

S.N.Kulkarni & Co.  
Chartered Accountants  
Firm Reg. No. 105441W

G.V.Samant  
(Partner)  
Membership No. 14802  
Place : Mumbai  
Date: May 22, 2023

### On behalf of the Board of Directors

Deepak Mukerjee  
Chairman  
DIN-00046690  
Place: Kolkata  
Date: May 22, 2023

Abhishek Tantia  
Managing Director  
& CEO  
DIN-07651661  
Place: Kolkata  
Date: May 22, 2023

Biswajit Das  
Company Secretary

Partha Bose  
Chief Financial Officer

**Annex 1****Schedule to the Balance Sheet of a non-deposit taking non-banking financial company**

(Rs. in Lakhs)

	Particulars		
	<b>Liabilities side :</b>		
<b>(1)</b>	<b>Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid :</b>	<b>Amount outstanding</b>	<b>Amount overdue</b>
	(a) Debenture: Secured	—	—
	: Unsecured	2,628.06	—
	(other than falling due within the meaning of public deposits*)		
	(b) Deferred Credits	—	—
	(c) Term Loans	—	—
	(d) Inter-corporate loans and borrowing	—	—
	(e) Commercial Paper	—	—
	(f) Other Loans (Specific nature)	—	—
	* Please see Note 1 below		
<b>(2)</b>	<b>Break-up of (1) (f) above / outstanding public deposit inclusive of interest accrued thereon but not paid:</b>		
(a)	In the form of unsecured debentures	—	—
(b)	In the form of partly secured debentures i.e debentures where there is shortfall in the value of security	—	—
(c)	Other public deposits	—	—
	* please see Note 1 below		
	<b>Assets side :</b>	<b>Amount outstanding</b>	
<b>(3)</b>	<b>Break-up of Loans and Advances including bills receivable [other than those included in (4) below]:</b>		
	(a) Secured		2 827.50
	(b) Unsecured		4 278.25

<b>(4)</b>	<b>Break-up of Leased Assets and stock on hire and other Assets counting towards AFC activities</b>	
	(i) Lease assets including lease rentals under sundry debtors : (a) Financial lease (b) Operating lease (ii) Stock on hire including the hire charges under sundry debtors : (a) Assets on hire (b) Repossessed Assets (iii) Other loans counting towards AFC activities (a) Loans where assets have been repossessed (b) Loans other than (a) above	141.93 — — — — —
<b>(5)</b>	<b>Break-up of Investments</b>	
	<b>Current Investments</b>	
	<b>1. Quoted :</b>	
	(i) Shares : (a) Equity (b) Preference	— —
	(ii) Debentures and Bonds	—
	(iii) Units of Mutual Funds	—
	(iv) Government Securities	—
	(v) Others (please specify)	—
	<b>2. Unquoted :</b>	
	(i) Shares : (a) Equity (b) Preference	— —
	(ii) Debentures and Bonds	—
	(iii) Units of Mutual Funds	861.16
	(iv) Government Securities	—
	(v) Others (please specify)	—
	<b>Long Term Investments</b>	
	<b>1. Quoted :</b>	
	(i) Shares : (a) Equity (b) Preference	— —
	(ii) Debentures and Bonds	—
	(iii) Units of Mutual Funds	—
	(iv) Government Securities	—
	(v) Others (please specify)	—
	<b>2. Unquoted :</b>	
	(i) Shares : (a) Equity (b) Preference	— —
	(ii) Debentures and Bonds	—
	(iii) Units of Mutual Funds	—
	(iv) Government Securities	—
	(v) Others (please specify)	—

<b>(6)</b>	<b>Borrower group-wise classification of assets financed as in (2) and (3) above :</b> Please see note 2 below		
	Category	Amount net of provisions	
		<b>Secured</b>	<b>Unsecured</b>
	<b>1. Related Parties**</b>		
	(a) Subsidiaries	—	—
	(b) Companies in the same group	—	—
	(c) Others related parties	—	433.29
	<b>2. Other than related parties</b>	2,827.50	3,844.96
	<b>Total</b>	<b>2,827.50</b>	<b>4,278.25</b>

<b>(7)</b>	<b>Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)</b> Please see note 3 below		
	Category	Amount net of provisions	
		Market value/ Break up or Fair Value or NAV	Book value Net of Provisions
	<b>1. Related Parties**</b>		
	(a) Subsidiaries	—	—
	(b) Companies in the same group	—	—
	(c) Other related parties	—	—
	<b>2. Other than related parties</b>	861.16	861.16
	<b>Total</b>	<b>861.16</b>	<b>861.16</b>




\*\* As per Accounting Standard of ICAI (please see Note 3)

#### **(8) Other Information**

	Particulars	Amount
	<b>Gross Non-Performing Assets</b>	—
(i)	(a) Related Parties	—
	(b) Other than related parties	315.09
	<b>Net Non-Performing Assets</b>	—
(ii)	(a) Related Parties	—
	(b) Other than related parties	106.70
(iii)	<b>Assets acquired in satisfaction of debt</b>	—

- Notes:**
- As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
  - Provisioning norms shall be applicable as prescribed in Non- Systemically important Non Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 or sytemically Important Non Banking Financial ( Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 whichever is applicable.
  - All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and breakup/fair value/ NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.



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