



Annual Report & Accounts 2023-2024

Peerless Financial Services Limited

BOARD OF DIRECTORS

Shri Deepak Mukerjee	– Independent Director & Chairman
Shri Deepankar Bose	– Independent Director
Shri Asoke Kumar Mukhuty	– Director
Shri Supriyo Sinha	– Director
Shri Abhishek Tantia	– Director

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
E-Mail: pfs@peerlessfinance.in
Website: www.peerlessfinance.in
CIN: U65993WB1988PLC044077

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BOARD'S REPORT

Dear Members,

The Board of Directors present the Thirty-sixth Annual Report and the audited financial statements of the Company for the financial year ended March 31, 2024.

Financial Performance

The Company's financial performance for the year ended March 31, 2024 is summarised below:

(Rupees in Thousand)

PARTICULARS	Year ended 31st March, 2024	Year ended 31st March, 2023
Revenue from Operations	97332.08	1,01,426.70
Other Income	12816.55	8017.60
Gross Revenue	110148.63	1,09,444.30
Profit/loss before Depreciation, Exceptional items and Tax Expense	(123002.83)	43,355.01
Depreciation/ Amortisation/ Impairment (Provision written back)	22766.84	(19,770.86)
Profit/loss before Tax	(100235.99)	23,584.15
Tax Expense (Current & Deferred)	(3093.33)	(1431.57)
Profit /loss for the year (1)	(103329.32)	22,152.58
Other Comprehensive Income (2)	544.25	115.52
Total Comprehensive Income (1+2)	(102785.07)	22,268.10
Balance of profit /loss for earlier years	30004.34	12,186.24
Transfer to Special Reserves	-	(4,450.00)
Balance carried forward	(72780.73)	30,004.34

The state of the Company's Affairs

Your Company is a Non-Deposit taking Non-Banking Financial Company, registered with the Reserve Bank of India ("RBI") and categorised as an Investment and Credit Company ("ICC"), having Asset Size of about Rs. 53.65 crore as on 31st March, 2024. 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 was in the business of lending till 31st October, 2023 and offered various categories of loans, mainly, Business Loan, Loan to Professionals, Loan against Salary, Equipment Finance etc., to its clientele. Thereafter, the Company did not disburse any fresh loan.

On 31st March 2023, the RBI, while granting NBFC-ICC license to the Holding Company, viz. The Peerless General Finance & Investment Co Ltd (PGFI), advised PGFI to divest its stake in its subsidiary, Peerless Financial Services Limited (PFSL), an NBFC-ICC. Consequent upon the said advice of RBI, PGFI appointed Investment Bankers to identify potential buyers for PFSL. However, despite concerted efforts, suitable buyers could not be identified. Consequently, it was decided to sell the entire loan book of PFSL to two different NBFCs, namely Ugro Capital Limited and Antriksh Vyapaar Limited. The said transactions took place on 27th March 2024 and 28th March 2024 respectively. Subsequently, remaining few NPA accounts were written off to clear the loan portfolio in the books of the Company. As on 31st March, 2024 the Company does not have any customer interface nor any borrowing. The Company is in the process of surrendering the Certificate of Registration (CoR) granted by RBI.

The Company disbursed loans of Rs. 1,15,390 Thousand During the FY 2023-24. Gross revenue earned by the Company during the FY 2023-24 was Rs.1,10,148.63 Thousand, an increase of 0.64 % over Rs. 1,09,444.30 Thousand in 2022-23. The rise in gross revenue by Rs. 704.33 Thousand in FY 2023-24 was due to higher revenue earned on increased volume of the loan book.

The Company incurred a Loss of Rs.100235.99 Thousand during the FY 2023-24 compared to Profit before Tax (PBT) of Rs.23,584.15 Thousand and Profit after Tax of Rs. 22,268.10 Thousand earned during the previous financial year 2022-23, mainly due to Rs. 141700 Thousand booked as loss on sale of loan book and Rs. 22700 Thousand worth of loans written off during the FY 2023-24.

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 2023-24 due to loss incurred during the FY 2023-24.

Amounts Transferred to Reserves

Due to loss incurred during the FY 2023-24, no amount has been transferred to Special Reserve created under 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 FY 2023-24.

Variation in Net Worth

The Company's Net Worth as at the close of the financial year ended March 31, 2024 was Rs.5,03,801.15 Thousand, compared to the net worth of Rs. 6,06,586 Thousand as at the close of the previous financial year ended March 31, 2023.

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, 2024 is available on the website of the Company at https://peerlessfinance.in/assets/uploads/Annual_Return_2023_24_Draft.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 did not enter into any material contract/transactions during the FY 2023-24 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-Deposit taking, Investment and Credit Company (NBFC-ND-ICC). The Company has complied with and continues to comply with the provisions of Reserve Bank of India Act, 1934 and applicable rules, circulars, regulations and directions issued by the Reserve Bank of India ("RBI").

The Company has completed the selling of its entire loan book on 28th March, 2024 and informed RBI about the cessation of lending business. The Company is in the process on surrendering the NBFC-ICC Certificate of Registration (CoR) and hence, necessary compliances as a NBFC-loan company have been kept on hold.

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

(i) Conservation of Energy:

The Company, being a financial services provider, requires normal consumption of energy. However, necessary steps 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 is maintained at the optimum ambient temperature resulting into savings of energy.

(ii) Technology Absorption:

The Company, being a NBFC and not being engaged in any industrial or manufacturing activities, 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

Risk management framework, as set up by the Board, continues to monitor the internal and external risks arising out of changes in market scenario, regulatory changes etc. 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. There is continued focus on 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. Process Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board, which also reviews the adequacy and effectiveness of the internal controls in the Company. The Company's internal control system is commensurate with its size and the nature of its business.

Internal Financial Control with reference to Financial Statements

Internal Financial Control on financial reporting system of the Company has been designed to ensure an accurate and fair reflection of financial transactions 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, adequate internal financial control over financial reporting and such controls are operating effectively.

Details of Directors and Key Managerial Personnel Directors :

(i) The changes in the Board of Directors took place during the FY 2023-24 are as follows:

- (a) In accordance with the relevant provisions of the Companies Act, 2013, Mr. Bhargab Lahiri (DIN:00043772), Director, retired by rotation at the 35th Annual General Meeting held on 26th July, 2023. He expressed his unwillingness to be re-appointed.
- (b) Mr. Abhishek Tantia (DIN: 07651661) stepped down from the position of Managing Director & CEO of the Company with effect from 12th April, 2024. He is, however, continuing to be a Non-Executive Non-Independent Director of the Company with effect from that date.
- (c) The second term of 5 years of Mr. Dipankar Chatterji (00031256), Independent Director expired on 5th May, 2024 and he retired from the Office of Independent Director with effect from 5th May, 2024.
- (d) In accordance with the relevant provisions of the Companies Act, 2013, Mr. Asoke Kumar Mukhuty (DIN: 00173745), Director, will retire by rotation at the ensuing Annual General Meeting and, being eligible, he offers himself for re-appointment.

(ii) Independent Directors :

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

Pursuant to Section 149(7) of the Companies Act, 2013, all 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 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 Tantia (DIN: 07651661), Managing Director & CEO, Mr. Partha Bose, Chief Financial Officer, and Biswajit Das, Company Secretary, were the Key Managerial Personnel ("KMP") of the Company during the FY 2023-24.

Mr. Abhishek Tantia (DIN: 07651661) stepped down from the office of Managing Director & CEO w.e.f. 12th April, 2024, though he is continuing as a Non-executive Director of the Company. Hence, he is not a KMP w.e.f. 12th April, 2024.

Apart from the changes mentioned above, no other change of the Directors and 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, performance of the Board Committees and of the individual Directors. The Board of Directors was assisted by the Nomination and Remuneration Committee ("NRC") for carrying out the annual evaluation. The performance evaluation was carried out by seeking inputs from all the Directors and Members of the respective Committees, as the case may be.

The criteria for evaluation of the Board as a whole, inter alia, covered parameters such as the Structure of the Board, Functions of the Board and Meetings of the Board. 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 structure of the committee, mandate and composition, effectiveness

of the committee, meetings and functions of the committee, etc. The feedback of the Independent Directors on their review of the performance of Non-Independent Directors and of 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 were taken into consideration.

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 Diversity of the Board, 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 <https://peerlessfinance.in/Policies-Code-of-Conducts>.

Corporate governance

The Company endeavors to maintain high standards of Corporate Governance by adopting best practices and through transparency in business processes, disclosures and accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors and the society at large.

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 has adopted a Whistleblower Policy and Vigil Mechanism, a Fair Practices Code, a Policy against Sexual Harassment of Women at the Workplace, a Code of Conduct for Independent Directors, all of which have been implemented in the Company as well as posted on the website of the Company.

The Company's shareholders appoint the Board of Directors which directs governance of 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 Corporate Governance practices.

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	8	8	3	0	1,90,000	0	0
2	DIPANKAR CHATTERJI (Retired w.e.f. 06.05.2024)	06/08/2012	Independent Director (upto 05.05.2024)	00031256	8	8	9	0	1,90,000	0	0
3	DEEPANKAR BOSE	16/03/2022	Independent Director	09450920	8	8	4	0	1,70,000	0	0
4	BHARGAB LAHIRI (Retired w.e.f. 26.07.2023)	21/05/2013	Non- Executive Director	00043772	1	1	4	0	20,000	0	200 Equity shares
5	ASOKE KUMAR MUKHUTY	16/02/1994	Non- Executive Director	00173745	8	8	5	0	0	0	1451 Equity shares
6	SUPRIYO SINHA	31/08/2022	Non- Executive Director	07666744	8	8	5	0	0	0	0
7	ABHISHEK TANTIA	02/01/2017	Non- Executive Director (w.e.f. 12.04.2024) MD & CEO - Executive-upto 11.04.2024)	07651661	8	8	0	67,20,841	0	0	10 Equity shares

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	BHARGAB LAHIRI (DIN: 00043772)	Non-Executive Director	Retired	26/07/2023
2	ABHISHEK TANTIA (DIN: 07651661)	Executive Director	Change of Designation to Non-Executive Director	12/04/2024
3	DIPANKAR CHATTERJI (DIN: 00031256)	Independent Director	Retired	06/05/2024

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.

Composition:

1. The **Audit Committee** comprises two Independent Directors and one Non-executive Director, namely, Mr. Deepankar Bose (DIN: 09450920), Independent Director, as Chairman, Mr. Deepak Mukerjee (DIN: 00046690), Independent Director and Mr. Asoke Kumar Mukhuty (DIN: 00173745), Non-executive Director, as Members. Mr. Dipankar Chatterji (DIN: 00031256), Independent Director, was the Chairman of the Committee upto 05/05/2024.
2. The **Nomination & Remuneration Committee ("NRC")** comprises Mr. Deepankar Bose (DIN: 09450920), Independent Director, as Chairman, Mr. Deepak Mukerjee (DIN: 00046690), Independent Director, and Mr. Asoke Kumar Mukhuty (DIN: 00173745), Non-Executive Director, as Members. Mr. Dipankar Chatterji (DIN: 00031256), Independent Director, was the Chairman of the Committee upto 05/05/2024.
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), Non-Executive Director, 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), Non-Executive Director, as Members.

(II) The summarized terms of reference of the Board Committees and the details of meetings held by the said Committees during the FY 2023-24 are given below:**1. Audit Committee:**

The terms of reference of the Audit Committee are in conformity with the provisions of Section 177 of the Companies Act, 2013, which include 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 two meetings during the financial year 2023-24 on 22/05/2023 and 07/08/2023 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), [upto 05/05/2024]	28/01/2013	Independent Director, Chairman of Audit Committee (Retired w.e.f. 06/05/2024)	2	2	0
2.	Mr. Deepak Mukerjee (DIN: 00046690)	17/12/2016	Independent Director & Chairman of the Board, Member of Audit Committee	2	2	0
3	Mr. Asoke Kumar Mukhuty (DIN: 00173745)	28/01/2013	Non-Executive Director, Member of Audit Committee	2	2	1451
4	Mr. Deepankar Bose (DIN: 09450920)	15/05/2024	Independent Director, Chairman of Audit Committee w.e.f. 15/05/2024	2	1	0

All the recommendations made by the Audit Committee during the FY 2023-24 were accepted by the Board. The Chairman of Audit Committee was present at the last Annual General Meeting held on 26th July, 2023.

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 one meeting on 22/05/2023 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),	06/05/2014	Independent Director, Chairman of NRC (Retired w.e.f. 06/05/2024)	1	1	0
2.	Mr. Deepak Mukerjee (DIN: 00046690)	17/12/2016	Independent Director & Chairman of the Board, Member of NRC	1	1	0
3	Mr. Asoke Kumar Mukhuty (DIN: 00173745)	06/05/2014	Non-Executive Director, Member of NRC	1	1	1451
4	Mr. Deepankar Bose (DIN: 09450920)	15/05/2024	Independent Director, Chairman of of NRC w.e.f. 15/05/2024	2	0	0

The Chairman of the Committee was present at the last Annual General Meeting 26th July, 2023.

3. Share Transfer & Stakeholders' Relationship Committee

The terms of reference of Share Transfer & Stakeholders' Relationship Committee include 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: 07651661)	31/08/2022	Non-Executive Director, Member of the Committee	0	0	10

The Chairman of the Committee was present at the last Annual General Meeting held on 26th July, 2023.

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 on day-to-day basis, under the powers delegated to it by the Board.

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	0	0	0
2.	Mr. Deepankar Bose (DIN: 09450920)	31/08/2022	Independent Director, Chairman of the Committee	0	0	0
3	Mr. Asoke Kumar Mukhuty (DIN: 00173745)	12/12/2013	Non-Executive Director, Member of the Committee	0	0	1451
4	Mr. Abhishek Tantia (DIN: 07651661),	17/01/2017	Non-Executive Director, Member of the Committee	0	0	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	35th Annual General Meeting	26/07/2023 Kolkata	Reappointment of Mr. Abhishek Tantia (DIN: 07651661) as the Managing Director & Chief Executive Officer of the Company with effect from 2nd January, 2023 for a period of 3 years.
2	Extraordinary General Meeting	13/01/2024 Kolkata	Sale of Loan Assets Portfolio pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 read with rules and regulations made thereunder

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, nor with respect to compliance with accounting and secretarial standards.

Details of penalties and strictures

There was no case of any penalties or stricture imposed 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 :

- (a) the additional provisioning requirements assessed by RBI exceeding 5 percent of the reported profits before tax and impairment loss on financial instruments for the reference period, or
- (b) the additional Gross NPAs identified by RBI exceeding 5 per cent of the reported Gross NPAs for the reference period ended 31/03/2024.

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 34thAGM. 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 remark made by the Statutory Auditors in their Report for the FY 2023-24 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 by any person 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 2023-24.

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, 2024, 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 2023-24 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.

Early Redemption of Non-Convertible Debentures (NCDs)

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 financial year 2021-22. 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 were to mature and redeemed in tranches within a maximum period of six years from the date of being fully-paid. However, due to availability of funds, the company has made early redemption of the said NCDs in five tranches of Rs. 5 crore each on 15th June, 2023, 8th August, 2023, 30th November, 2023, 9th February, 2024 and 20th March, 2024. Thus, the said 2500000 NCDs of Rs. 100/- each have been fully redeemed during the FY 2023-24.

General Disclosures

Your Directors further state and confirm the following in respect of the FY 2023-24:

1. On 28/03/2024, the Company has sold its entire loan portfolio and changed its nature of business from 'Loan Company' to 'Investment Company'. However, it still remains as a NBFC-Investment and Credit Company (NBFC-ICC).
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 did not hold any such position.
6. Apart from making early redemption of 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. ("RPL"), a borrower of the Company, as per the provisions of Insolvency and Bankruptcy Code, 2016. As on 31/03/2024, RPL was 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 : 29 May, 2024

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 arm's 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	The Peerless General Finance & Investment Co. Ltd. (Holding Company)
(b)	Nature of contracts/ arrangements/transactions	Service Received
(c)	Duration of the contracts / arrangements/ transactions	01.04.2023 to 31.03.2024
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Payment of Rent for PFS office premises Rs.32,22,046/- (incl GST)
(e)	Date(s) of approval by the Board/Audit Committee, if any	22/05/2023, 07/08/2023, 18/09/2023, 16/11/2023, 13/01/2024, 22/03/2024 and 29/05/2024.
(f)	Amount paid as advances, if any:	NIL

(ii)

(a)	Name(s) of the related party and nature of relationship	The Peerless General Finance & Investment Co. Ltd. (Holding Company)
(b)	Nature of contracts/ arrangements/transactions	Service received
(c)	Duration of the contracts / arrangements/ transactions	01.04.2023 to 31.03.2024
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Reimbursement of Expenses Rs.3,61,339.50
(e)	Date(s) of approval by the Board/Audit Committee, if any	22/05/2023, 07/08/2023, 18/09/2023, 16/11/2023, 13/01/2024, 22/03/2024 and 29/05/2024.
(f)	Amount paid as advances, if any:	NIL

(iii)

(a)	Name(s) of the related party and nature of relationship	The Peerless General Finance & Investment Co. Ltd. (Holding Company)
(b)	Nature of contracts/ arrangements/transactions	Service received
(c)	Duration of the contracts / arrangements/ transactions	01.04.2023 to 31.03.2024
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Payment of advisory fees Rs.1,88,068/- (incl. GST) including outstanding payment of liability for expenses of Rs.50,541/- (Incl GST)
(e)	Date(s) of approval by the Board/Audit Committee, if any	22/05/2023, 07/08/2023, 18/09/2023, 16/11/2023, 13/01/2024, 22/03/2024 and 29/05/2024.
(f)	Amount paid as advances, if any:	NIL

(iv)

(a)	Name(s) of the related party and nature of relationship	Peerless Securities Ltd. (a subsidiary of the holding company)
(b)	Nature of contracts/ arrangements/transactions	Service received
(c)	Duration of the contracts / arrangements/ transactions	01.04.2023 to 31.03.2024
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Payment of Brokerage for future option trading Rs.50,634/-(incl GST)
(e)	Date(s) of approval by the Board, if any	22/05/2023, 07/08/2023, 18/09/2023, 16/11/2023, 13/01/2024, 22/03/2024 and 29/05/2024.
(f)	Amount paid as advances, if any:	NIL

(v)

(a)	Name(s) of the related party and nature of relationship	Bengal Peerless Housing Development Company Ltd (an Associate Company of the Holding Company)
(b)	Nature of contracts/ arrangements/transactions	Purchase of flat (at arm's length price)
(c)	Duration of the contracts / arrangements/ transactions	01.04.2023 to 31.03.2024
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Instalments paid for acquiring one flat at AVIDIPTA II Housing Complex of Rs. Rs.8,29,900/- including GST.
(e)	Date(s) of approval by the Board, if any	22/05/2023, 07/08/2023, 18/09/2023, 16/11/2023, 13/01/2024, 22/03/2024 and 29/05/2024.
(f)	Amount paid as advances, if any:	NIL

(vi)

(a)	Name(s) of the related party and nature of relationship	Bengal Peerless Housing Development Company Ltd (an Associate Company of the Holding Company)
(b)	Nature of contracts/ arrangements/transactions	Repayment of deposits (at arm's length price)
(c)	Duration of the contracts / arrangements/ transactions	01.04.2023 to 31.03.2024
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Repayment of deposits for one flat at AVIDIPTA II Housing Complex of Rs. Rs.1,58,22,860/-.
(e)	Date(s) of approval by the Board, if any	22/05/2023, 07/08/2023, 18/09/2023, 16/11/2023, 13/01/2024, 22/03/2024 and 29/05/2024.
(f)	Amount paid as advances, if any:	NIL

(vii)

(a)	Name(s) of the related party and nature of relationship	Peerless Hotels Ltd. (A Subsidiary of the Holding Company)
(b)	Nature of contracts/ arrangements/transactions	Service Received (at arm's length price)
(c)	Duration of the contracts / arrangements/ transactions	01.04.2023 to 31.03.2024
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Cost of food and room rent etc. Rs.80,760/- including GST.
(e)	Date(s) of approval by the Board, if any	22/05/2023, 07/08/2023, 18/09/2023, 16/11/2023, 13/01/2024, 22/03/2024 and 29/05/2024.
(f)	Amount paid as advances, if any:	NIL

Kolkata
Date :29th May, 2024

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

For and on behalf of the Board

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, 2024.

	Name	Age (Years)	Designation	Gross Remune- ration (Rs.)	Nature of Employ- ment	Qualification	Experience (Years)	Date of Commence ment of Employment	Last Employment /Post held
	1	2	3	4	5	6	7	8	9
A Top ten Employees in terms of remuneration									
1.	Abhishek Tania	42	MD & CEO	68,59,048/-	Contractual	ACA, MBA	17	02/01/2017	Peerless Securities Ltd. / Chief Financial Officer
2.	Biswajit Das	55	Company Secretary & Chief Compliance Officer	18,71,131/-	Non-contractual	B.Com (Hons), ACS.	29	18/06/2015	The Peerless General Finance & Investment Co. Ltd./ Manager
3.	Partha Bose	58	Chief Financial Officer	8,89,909/-	Non-contractual	B.Sc, ICWA	30	29/09/1994	NIL
4.	Saptarshi Roy Bardhan	58	Deputy General Manager-Operations	13,78,748/-	Non-contractual	B.Com. (Hons), MBA (Finance)	31	20/12/2017	BMA Wealth Creators Ltd./ VP
5.	Siddhartha Gupta	43	Chief Manager-IT & Admin	7,40,632/-	Non-contractual	B.Com. (Hons),MCA	20	27/07/2020	AUM Capital Market Pvt. Ltd/ IT-Senior Manager
6.	Avijit Nag	51	Chief Manager-Finance and Customer Services	6,76,760/-	Non-contractual	B.Com.(Hons), Diploma in Computer Application	26	16/12/2015	P N Memorial Neuro Center & Research Institute Ltd./ Senior Officer-Admin
7.	Shambhu Nath Pandey	45	Cluster Head-Business Loan	8,71,606/-	Non-contractual	B.SC (Hons), MBA (IRM)	18	07/02/2022	HDB Financial Services Limited/ Branch In-charge
8.	Rajat Kanti Bhanja Choudhury	49	Chief Manager-Operations	5,93,800/-	Non-contractual	B.Com. (Hons) , MBA	20	12/06/2015	TATA Asset Management Ltd/ regional Co-ordinator (Operation)
9.	Atanu Basak (Upto 09.08.2023)	34	Chief Manager – Loan to Professionals (East)	4,86,856/-	Non-contractual	B. Com (Hons)	12	12/06/2019	Bajaj Finserv / Area Manager – Professional Loan, Direct
10.	Brijesh Goyal (Upto 31.05.2023)	37	Deputy General Manager-Credit	2,90,620/- -	Non-contractual	B.Com (Hons), ACA, ICWA, CAIIB	13	07/05/2018	Allahabad Bank/ Sr. Manager

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 : 29th May, 2024
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 2024, 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 Ind AS financial statements, including a summary of material 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, 2024, its loss 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 Board's Report, (including annexures thereto), but does not include the Ind AS financial statements and our auditor's report thereon. The Board's 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, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in 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 38 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 except for the requirements of Audit Trail as stated in 6(i) (vi) below
 - 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, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, 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) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.
 - h) 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.
 - i) 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 35(a) 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 its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(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 its 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. Based on our examinations, which included test checks, except for the instance mentioned below, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

The feature of recording audit trail (edit log) facility was not enabled at the application and database layer of the accounting software used for maintaining the books of accounts.

Further, for the Loan Management software where audit trail (edit log) facility was enabled and operated throughout the year, we did not come across any instance of the audit trail features being tempered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 01, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024

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

G.V.Samant
(Partner)

Membership No. 14802

UDIN : 24014802BKIBGR6983

Date : 29th May 2024
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 to 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 2024 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 crores, in aggregate, at any 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) (A), (B) 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) As there were no loans and advances in the nature of loans, outstanding as at 31 March 2024, hence reporting under clause (iii)(c) of the Order is not applicable.
- d) As there were no loans and advances in the nature of loans, outstanding as at 31 March 2024, hence reporting under clause (iii)(d) of the Order is not applicable.
- 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 2024 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 and other material statutory dues have not been deposited with the appropriate authorities on account of dispute at 31st March 2024 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	16,487.71	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.
- (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 (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 incurred cash losses during the financial year Rs. 88,737.35 thousands covered by our audit and in the immediately preceding financial year, the company has not incurred any losses.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year. Hence, the provisions of clause 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 : 24014802BKIBGR6983

Date : 29th May 2024
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(iii)(f)] under Report on Other Legal and Regulatory Requirements of our report of even date

Report on the Internal Financial Controls with reference to Ind AS financial statements 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, 2024 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, 2024, 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 : 24014802BKIBGR6983

Date : 29th May 2024
Place : Mumbai

BALANCE SHEET AS ON 31ST MARCH, 2024

(Amount in Rs. thousand)

Particulars	Note No.	As on 31st March, 2024	As on 31st March, 2023
ASSETS			
(I) Financial Assets			
(a) Cash and Cash Equivalent	5	73,130.17	6,878.66
(b) Bank Balance other than included in (a) above	6	—	10,000.00
(c) Receivables			
Trade Receivables	7	—	44.35
(d) Loans	8	—	7,10,574.61
(e) Investments	9	4,06,678.10	86,115.92
(f) Other Financial assets	10	909.06	631.14
		4,80,717.33	8,14,244.68
(II) Non Financial Assets			
(a) Current Tax Assets (Net)	11	21,606.66	19,287.99
(b) Deferred Tax Assets (Net)	12	1,275.07	4,532.47
(c) Property, Plant and Equipment	13	12,124.55	14,496.98
(d) Right of use asset	14	11,441.26	14,192.83
(e) Intangible Assets under development	15	7,545.70	7,545.70
(f) Other Intangible Assets	16	347.03	669.20
(g) Other Non Financial Assets	17	1,417.54	16,209.06
		55,757.81	76,934.23
Total Assets		5,36,475.14	8,91,178.91
LIABILITIES AND EQUITY			
LIABILITIES			
(I) Financial Liabilities			
(a) Payables			
(I) Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises		65.91	—
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	18	101.63	161.51
(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	18,090.04	15,301.98
(b) Debt Securities	20	—	2,50,000.00
(c) Other Financial Liabilities	21	12,626.69	14,793.70
		30,884.27	2,80,257.19
(II) Non Financial Liabilities			
(a) Provisions	22	1,016.98	2,232.99
(b) Other Non Financial Liabilities	23	772.74	2,102.51
		1,789.72	4,335.50
(III) Equity			
(a) Equity Share Capital	24	3,72,579.08	3,72,579.08
(b) Other Equity	25	1,31,222.07	2,34,007.14
		5,03,801.15	6,06,586.22
Total Liabilities and Equity		5,36,475.14	8,91,178.91

The Notes to Account forms integral part of Financial Statements

1 to 65

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: 29th May, 2024

On behalf of the Board of Directors

Deepak Mukerjee
Chairman
DIN-00046690
Place: Kolkata
Date: 29th May, 2024

Biswajit Das
Company Secretary

Abhishek Tantia
Director
DIN-07651661
Place: Kolkata
Date: 29th May, 2024

Partha Bose
Chief Financial Officer

Deepankar Bose
Director
DIN-09450920
Place: Kolkata
Date: 29th May 2024

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024

(Amount in Rs. thousand)

Particulars	Note No.	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Revenue from Operations			
(i) Interest Income	26	91,454.58	89,703.28
(ii) Dividend Income	27	4.50	0.87
(iii) Fees, Charges and Commission Income	28	7,017.61	10,258.53
(iv) Net gain on fair value changes	29	(1,144.61)	1,464.02
(I) Total Revenue from Operations		97,332.08	1,01,426.70
(II) Other Income	30	12,816.55	8,017.60
(III) Total Income (I + II)		1,10,148.63	1,09,444.30
Expenses			
(i) Finance Cost	31	14,132.87	18,905.01
(ii) Employee Benefits Expenses	32	30,127.74	32,463.59
(iii) Impairment on Financial Instrument		(28,196.62)	14,802.29
(iv) Depreciation, amortization and impairment	33	5,429.78	4,968.57
(v) Other Expenses	34	1,88,890.85	14,720.68
(IV) Total Expenses		2,10,384.62	85,860.15
(V) Profit / (Loss) before tax (III - IV)		(1,00,235.99)	23,584.15
(VI) Tax Expenses			
(i) Current Tax	44	—	1,244.00
(ii) Deferred Tax- Charges / (Credit)		3,074.35	187.57
(iii) Tax of earlier years		18.98	—
		3,093.33	1,431.57
(VII) Profit/(Loss) for the period (V - VI)		(1,03,329.32)	22,152.58
(VIII) Other Comprehensive Income			
(i) Remeasurement of define benefit Liability- Gain/(Loss)	44	727.30	154.37
(ii) Income Tax relating to define benefit obligation		(183.05)	(38.85)
Other Comprehensive Income (i - ii)		544.25	115.52
(IX) Total Comprehensive Income for the period (VII + VIII)		(1,02,785.07)	22,268.10
(X) Earnings per equity share			
– Basic (Rs.)	40	(2.77)	0.59
– Diluted (Rs.)		(2.77)	0.59

The Notes to Account forms integral part of Financial Statements 1 to 65

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: 29th May, 2024

On behalf of the Board of Directors

Deepak Mukerjee
Chairman
DIN-00046690
Place: Kolkata
Date: 29th May, 2024

Biswajit Das
Company Secretary

Abhishek Tantia
Director
DIN-07651661
Place: Kolkata
Date: 29th May, 2024

Partha Bose
Chief Financial Officer

Deepankar Bose
Director
DIN-09450920
Place: Kolkata
Date: 29th May 2024

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024**(i) Equity Share Capital****Balance as at March 31, 2024****(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, 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

(ii) Other Equity**As at March 31, 2024****(Amount in Rs thousand)**

Particulars	Revenue & Surplus						
	Capital Redemption Reserve	Securities Premium	Special Reserve (in terms of Section 45IC of Reserve Bank of India Act, 1934) *	Retained Earning	General Reserve	Debenture Redemption Reserve	Total
Balance as at March 31, 2023	8.00	1,68,380.85	30,613.95	30,004.34		5,000.00	2,34,007.14
Profit/(Loss) for the year	-	-	-	(1,03,329.32)		-	(1,03,329.32)
Remeasurement gain/(loss) on defined benefit plan including deferred tax thereon	-	-	-	544.25		-	544.25
Transfer to General Reserve					5,000.00	(5,000.00)	-
Balance as at March 31, 2024	8.00	1,68,380.85	30,613.95	(72,780.73)	5,000.00	-	1,31,222.07

* During the year, Company has not created special reserve under section 45IC of reserve Bank of India Act, 1934 due to losses incurred in the year. (Refer note 25.3)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024

As at March 31, 2023

(Amount in Rs thousand)

Particulars	Revenue & Surplus						
	Capital Redemption Reserve	Securities Premium	Special Reserve (in terms of Section 45IC of Reserve Bank of India Act, 1934)	Retained Earning	General Reserve	Debenture Redemption Reserve	Total
Balance as at March 31, 2022	8.00	1,68,380.85	26,163.95	12,186.24	-	5,000.00	2,11,739.04
Profit/(Loss) 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)	-	-	-
Balance as at March 31, 2023	8.00	1,68,380.85	30,613.95	30,004.34	-	5,000.00	2,34,007.14

The Notes to Account forms integral part of Financial Statements 1 to 65

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: 29th May, 2024

On behalf of the Board of Directors

Deepak Mukerjee
Chairman
DIN-00046690
Place: Kolkata
Date: 29th May, 2024

Biswajit Das
Company Secretary

Abhishek Tantia
Director
DIN-07651661
Place: Kolkata
Date: 29th May, 2024

Partha Bose
Chief Financial Officer

Deepankar Bose
Director
DIN-09450920
Place: Kolkata
Date: 29th May 2024

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2024

(Amount in Rs thousand)

	For the Year ended March 31, 2024	For the Year ended March 31, 2023
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before Tax as per Profit and Loss account	(1,00,235.99)	23,584.15
Add : Depreciation and amortisation expenses	5,429.78	4,968.57
Bad debt written off-Loans	34,265.49	199.42
Loss on sale of Loans	1,41,685.66	—
Impairment allowances for doubtful loans	(28,196.62)	14,802.29
Finance cost on borrowings	12,924.66	17,952.74
	65,872.97	61,507.17
Less: Dividend Income from Investments	4.50	0.87
Net gain/(loss) on sale of Current Investments	6,647.21	4,941.18
Net gain/(loss) on Fair Valuation of current investments	(1,144.61)	1,464.02
Provisions/Liabilities no longer required written back —	—	—
Operating Profit before Working Capital changes	60,365.87	55,101.10
(Increase)/Decrease in loans and advances and other assets	5,78,105.34	(1,76,123.02)
Increase/(Decrease) in Trade Payable	6.03	(171.25)
Increase/(Decrease) Liabilities/ Provisions	(1,924.73)	21,780.28
Cash generated/(used in) from Operations	6,36,552.51	(99,412.91)
Less:Direct Taxes paid (Net)	2,337.65	1,630.47
Net cash flow generated from/(used) in Operating activities	6,34,214.86	(1,01,043.38)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale or (Purchase) of Property, Plant and Equipment, Intangible Assets and movements in Capital work in progress	5,518.99	(12,081.12)
Purchase or sale of Investment	(3,20,562.18)	(87,300.57)
Sale of fixed deposit	10,000.00	—
Dividend received	4.50	0.87
Net Cash flow (used) in Investing activities	(3,05,038.69)	(99,380.81)

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2024

(Amount in Rs thousand)

	For the Year ended March 31, 2024	For the Year ended March 31, 2023
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/(Repayments) from short term borrowings (net)	(2,50,000.00)	1,70,000.00
Interest and other borrowing cost paid	(12,924.66)	(17,952.74)
Net cash flow from Financing activities	(2,62,924.66)	1,52,047.26
Cash and Cash equivalents (A+B+C)	66,251.51	(48,376.94)
Cash and Cash equivalents as at beginning of the year	6,878.66	55,255.59
Cash and Cash equivalents as at end of the year	73,130.17	6,878.66

The Notes to Account forms integral part of Financial Statements 1 to 65

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:

Particulars	As on 31st March, 2024	As on 31st March, 2023
Cash on hand	3.62	29.41
Balances with banks:		
In current accounts	73,126.55	6,849.25
Fixed Deposit	—	—
	73,130.17	6,878.66

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: 29th May, 2024

On behalf of the Board of Directors

Deepak Mukerjee
Chairman
DIN-00046690
Place: Kolkata
Date: 29th May, 2024

Biswajit Das
Company Secretary

Abhishek Tantia
Director
DIN-07651661
Place: Kolkata
Date: 29th May, 2024

Partha Bose
Chief Financial Officer

Deepankar Bose
Director
DIN-09450920
Place: Kolkata
Date: 29th May 2024

Notes to the financial statements for the year ended 31st March 2024

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

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 2024

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
Buildings	
Non-Factory Building	60 Years
Computer equipment	
Data Processing Equipment	3 Years
Furniture and fixtures, Electrical Machinery	10 Years
Office equipment	5 Years
Vehicles	
Motor Car	8 Years

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

Notes to the financial statements for the year ended 31st March 2024

3.4 Intangible Assets

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

Notes to the financial statements for the year ended 31st March 2024

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.

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.

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 2024

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.

Notes to the financial statements for the year ended 31st March 2024

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.

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.

Notes to the financial statements for the year ended 31st March 2024

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 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

Recent Pronouncement:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company. Amendments notified by MCA on 31st March 2023, not having any material effect on the company's financial statements, except for disclosure of Material Accounting Policies instead of Significant Accounting Policies in the Financial Statements

Notes To Financial Statements For The Year Ended 31st March, 2024

5 CASH AND CASH EQUIVALENTS

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2024	As at March 31, 2023
Cash on hand		3.62	29.41
Balances with banks: In current accounts		73,126.55	6,849.25
TOTAL		73,130.17	6,878.66

6 Bank Balance other than included in (a) above

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2024	As at March 31, 2023
Term Deposit with maturity less than 12 months		—	10,000.00
TOTAL		—	10,000.00

7 TRADE RECEIVABLES

(Amount in Rs thousand)

Particulars	Refer Note No	As on March 31, 2024	As on March 31, 2023
Trade Receivables	7.1	—	44.35
TOTAL		—	44.35

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	
As at March 31, 2024						
Undisputed Trade receivables – considered good	—	—	—	—	—	—
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	—	—	—	—	—	—
Total	—	—	—	—	—	—

Notes To Financial Statements For The Year Ended 31st March, 2024

(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	
As at March 31, 2023						
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	—	—	—	—	—	—
Total	44.35	—	—	—	—	44.35

8 LOANS

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2024	As at March 31, 2023
Measured at amortised cost:			
A. Loans and Advances	8.1& 8.2		
Business Loan *		—	2,67,617.28
Loan against Mortgage of Properties & Pledge of shares		—	9,100.00
Loan against charge of Machines & equipments		—	1,49,322.56
loan against Insurance		—	182.33
Vehicle Loan		—	—
Loan against Salary **		—	16,559.38
Loan to Professionals		—	1,32,183.45
Loan against Overdraft Facility		—	1,63,806.21
		—	7,38,771.21
Less: Impairment allowances ***		—	28,196.60
TOTAL (Net)		—	7,10,574.61
B.			
i) Secured by Tangible Assets		—	3,04,142.84
ii) Secured by Intangible Assets		—	—
iii) Covered by Bank/Government Guarantees		—	—
iv) Unsecured		—	4,34,628.37
		—	7,38,771.21
Less: Impairment allowances		—	28,196.60
TOTAL (Net)		—	7,10,574.61

Notes To Financial Statements For The Year Ended 31st March, 2024

C.

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2024	As at March 31, 2023
(i) A. Loans in India			
a) Public Sector		—	—
b) Others		—	7,38,771.21
Subtotal (Gross)		—	7,38,771.21
Less: Impairment Allowances		—	28,196.60
Subtotal (Net) (A)		—	7,10,574.61
B. Loans Outside India			
a) Public Sector		—	—
b) Others		—	—
Subtotal (Gross)		—	—
Less: Impairment Allowances		—	—
Subtotal (Net) (B)		—	—
Total Net (A+B)		—	7,10,574.61

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

** Represents outstanding balance of loans given to related party against salary as on March 31, 2024 Rs. Nil (as on March 31, 2023:Rs. 433.29)

*** Represents impairment allowance on loans given to related party as on March 31, 2024 Rs. Nil (as on March 31, 2023 :Rs.1.08 thousand)

8.1.Sale of Loan Portfolio

Pursuant to section 180(1)(a) of the Companies Act, 2013 and any rule and regulations made thereunder and subject to approval of the members at general meeting by way of special resolution, consent of the Board of Directors of the Company, the Company has entered into an agreement to sale of Loan Porfolio outstanding as on 29th February 2024. Loan book having DPD upto 90 days (Principal+ interest+ other charges) were sold to Ugro Capital Limited and Loan book having DPD above 90 days (only Principal Balance) were sold to Antriksh Vyapaar Limited. The Details of the same are given below:

Name of Buyer	No of Borrower	DPD	Loan book on 29th February 2024	Loss on sale of loan (Refer Note 34)	Net Consideration
Ugro Capital Limited	957	upto 90 days	4,20,299.98	63,045.00	3,57,254.98
Antriksh Vyapaar Limited	250	more than 90 days	1,46,442.65	78,640.66	67,801.99
Total	1207		5,66,742.63	1,41,685.66	4,25,056.97

8.2 Written off Loans Portfolio

During the year, Company has written off Loan portfolio amounting to Rs.24,110.59 thousands which were over due more than 90 days and were not sold to any of the parties mentioned above. Amount written off includes outstanding principal amounting to Rs. 22,771.01 thousands and interest outstanding amounting to Rs.1,339.58 thousands. This amount shown as bad debt written off under other expenses in note 34.

8.3 Written of Interest Receivable

The Management has also written of interest receivable on Loan account amounting Rs.10,154.90 thousands which is due for more than 90 days which has not been sold to Antriksh Vyapaar Limited. This amount shown as bad debt written off under other expenses in note 34.

Notes To Financial Statements For The Year Ended 31st March, 2024

9 INVESTMENT (Amount in Rs thousand)

Particulars	Refer Note No	As on 31st March, 2024		As on 31st March, 2023	
		Number/Unit	Amount	Number/Unit	Amount
Investments in Mutual Funds - Unquoted					
Measured at fair value through profit and loss					
(a) AXIS ultra Short Term Fund		40,34,318.16	57,291.36	24,63,026.61	32,494.71
(b) Baroda BNP Paribas ultra Short Term Fund		40,679.78	57,915.63	15,325.68	20,289.82
(c) ICICI Prudential UltraShort Term Fund		18,37,157.27	50,028.55	5,04,681.50	12,769.10
(d) Aditya Birla Sun Life Savings Fund- Direct Growth		1,51,551.02	76,714.95	32,646.85	15,352.47
(e) Trust MF Liquid Fund		4,539.56	5,313.94	4,774.20	5,209.82
(f) Invesco India Ultra short term Fund		19,105.61	50,027.03	—	—
(g) Kotak Savings Fund		12,22,902.19	50,028.93	—	—
(h) Mirae Asset Ultra Short Duration Fund		7,766.93	9,331.27	—	—
(i) PGIM Ultra Short Duration fund		15,39,374.56	50,026.44	—	—
		88,57,395.08	4,06,678.10	30,20,454.84	86,115.92

AGGREGATE AMOUNT OF INVESTMENTS (Amount in Rs thousand)

Particulars	As on March 31, 2024	As on March 31, 2023
Aggregate Book Value of Quoted Investments	—	—
Aggregate Market Value of Quoted Investments	—	—
Aggregate Book Value of Unquoted Investments	4,06,678.10	86,115.92
Aggregate amount of impairment in value of investments	—	—

Notes To Financial Statements For The Year Ended 31st March, 2024

10 OTHER FINANCIAL ASSETS

(Amount in Rs thousand)

Particulars	Refer Note No	As at March 31, 2024	As at March 31, 2023
Interest on term deposit		—	9.59
Security Deposits		477.00	495.65
Other Advances *		432.06	125.90
TOTAL		909.06	631.14

*Includes advance to Related Party Rs. 415 in thousands (Previous year Nil)

11 CURRENT TAX ASSETS (NET)

(Amount in Rs thousand)

Particulars	Refer Note No	As at March 31, 2024	As at March 31, 2023
Advance Tax including Tax deducted at Source (Net of Provisions)		21,606.66	19,287.99
TOTAL		21,606.66	19,287.99

12 DEFERRED TAX ASSETS (NET)

(Amount in Rs thousand)

Particulars	Refer Note No	As at March 31, 2024	As at March 31, 2023
Deferred Tax Assets	12.1	2,294.07	5,349.09
Deferred Tax (Liabilities)	12.1	(1,019.00)	(816.62)
TOTAL		1,275.07	4,532.47

Notes To Financial Statements For The Year Ended 31st March, 2024

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, 2023	(Charge)/ Credit in Profit and Loss	(Charge)/ Credit in other Comprehensive Income	Closing Balance March 31, 2024
Deferred Tax Liabilities				
Provision for employee benefit	(89.39)	94.94	(183.05)	(177.50)
Others	(726.87)	(114.63)	—	(841.50)
Total Deferred Tax Liabilities	(816.26)	(19.69)	(183.05)	(1,019.00)
Deferred Tax Assets				
Timing Difference between Written Down Value of Fixed Assets as per books of accounts and Income Tax Act, 1961	819.78	61.06	—	880.84
Fair value of Investment	(0.37)	288.45	—	288.08
Allowance for ECL	3,688.30	(3,688.30)	—	—
Provisions for employee Benefits	38.38	90.17	—	128.55
Others	802.64	193.96	—	996.60
Total Deferred Tax Assets	5,348.73	(3,054.66)	—	2,294.07
Deferred Tax Assets/liabilities (Net)	4,532.47	(3,074.35)	(183.05)	1,275.07

(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
Deferred Tax Liabilities				
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)
Deferred Tax Liabilities	(377.60)	(400.17)	(38.85)	(816.63)
Deferred Tax Assets				
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
Total Deferred Tax Assets	5,136.50	212.60	—	5,349.10
Deferred Tax Assets (Net)	4,758.90	(187.57)	(38.85)	4,532.47

Notes To Financial Statements For The Year Ended 31st March, 2024

13. PROPERTY, PLANT AND EQUIPMENT

As at 31 March, 2024

Particulars	Improvement to Leasehold Building	Data Processing Equipments	Motor Car	Electrical Machinery	Furniture and Fixtures	Office Equipment	Total
(Amount in Rs thousand)							
GROSSBLOCK							
As at April 1, 2023	11,160.01	2,791.03	644.96	1,702.61	4,071.07	677.55	21,047.21
Addition	—	—	—	—	—	—	—
Disposal/Adjustments	—	—	—	(26.00)	—	—	(26.00)
As at March 31, 2024	11,160.01	2,791.03	644.96	1,676.61	4,071.07	677.55	21,021.21
ACCUMULATED DEPRECIATION							
As at April 1, 2023	1513.11	1,611.61	644.95	807.72	1,731.67	241.15	6,550.21
Depreciation for the year	995.07	549.72	—	196.37	495.75	119.13	2,356.04
Disposal	—	—	—	(9.59)	—	—	(9.59)
As at March 31, 2024	2,508.18	2,161.33	644.95	994.50	2,227.42	360.28	8,896.66
Net Block as at March 31, 2024	8,651.83	629.70	0.01	682.10	1,843.65	317.26	12,124.55

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)							
GROSSBLOCK							
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	—	—	—	—	—	—	—
As at March 31, 2023	11,160.01	2,791.03	644.96	1,702.61	4,071.07	677.55	21,047.20
ACCUMULATED DEPRECIATION							
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	—	—	—	—	—	—	—
As at March 31, 2023	1,513.11	1,611.61	644.95	807.72	1,731.67	241.15	6,550.21
Net Block as at March 31, 2023	9,646.90	1,179.42	0.01	894.89	2,339.39	436.40	14,496.98

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, 2024

14 RIGHT OF USE OF ASSET

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2024	As at March 31, 2023
Gross Block			
Opening balance		19,594.46	11,299.81
Additions during the year		—	8,294.66
Disposals/ adjustments/ transfer		—	—
Closing Balance		19,594.46	19,594.46
Less: Accumulated amortisation and impairment			
Opening balance		5,401.63	3,164.79
Additions during the year		2,751.57	2,236.85
Disposal / adjustment / transfer		—	—
Closing Balance		8,153.20	5,401.63
Net Block		11,441.26	14,192.83

15 INTANGIBLE ASSETS UNDER DEVELOPMENT

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2024	As at March 31, 2023
Amount Brought forward		7,545.70	7,336.30
Addition during the year:		—	209.40
Less: Capitalised during the year		—	—
Less: Written off During the year		—	—
Total Capital Work In Progress		7,545.70	7,545.70

Intangible assets under development ageing schedule:

As at March 31, 2024

(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	7,032.80	7,545.70
Projects temporarily suspended	—	—	—	—	—
	—	209.40	303.50	7,032.80	7,545.70

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	—	—	—	—	—
	209.40	303.50	3,134.20	3,898.60	7,545.70

Notes To Financial Statements For The Year Ended 31st March, 2024

16 OTHER INTANGIBLE ASSETS

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2024	As at March 31, 2023
Software			
Gross Block			
Opening balance		1,462.46	798.20
Additions during the year		—	664.26
Disposals/ adjustments/ transfer		—	—
Closing Balance		1,462.46	1,462.46
Less: Accumulated amortisation and impairment			
Opening balance		793.26	482.70
Additions during the year		322.17	310.57
Depreciation adjustment		—	—
Disposal / adjustment / transfer		—	—
Closing Balance		1,115.43	793.26
Net Block		347.03	669.20

17 OTHER NON FINANCIAL ASSETS

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2024	As at March 31, 2023
Advances to related parties			
Capital advance against flat- to Bengal Peerless			
Housing Development Company Limited for acquiring flat		—	14,992.96
Prepaid Expense		440.54	623.80
Input Tax Credit Receivable		17.64	—
Gratuity Fund Receivable	41(b)(iv)	959.36	592.30
TOTAL		1,417.54	16,209.06

18 TRADE PAYABLES

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2024	As at March 31, 2023
For goods and services			
- Dues of Micro and Small Enterprises		65.91	10.80
- Others	18.1	101.63	150.71
TOTAL		167.54	161.51

Notes To Financial Statements For The Year Ended 31st March, 2024

18.1 Trade Paybles Ageing schedule

As at March 31, 2024

(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	10.80	—	—	—	65.91
(ii) Others	101.63	—	—	—	101.63
(iii) Disputed dues-MSME	—	—	—	—	—
(iv) Disputed dues - Others	—	—	—	—	—
	167.54	—	—	—	167.54

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	10.80	—	—	—	10.80
(ii) Others	150.71	—	—	—	150.71
(iii) Disputed dues-MSME	—	—	—	—	—
(iv) Disputed dues - Others	—	—	—	—	—
	161.51	—	—	—	161.51

18.2 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. 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	As at March 31, 2024	As at March 31, 2023
A) i) Principal amount remaining unpaid to supplier under the MSMED Act 2006	65.91	10.80
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, 2024

19 OTHER PAYABLES

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2024	As at March 31, 2023
For others:			
- Dues of Micro and Small Enterprises		—	—
- Others	19.1	18,090.04	15,301.98
TOTAL		18,090.04	15,301.98

19.1 Includes amount payable to MD & CEO on account of reimbursement of expenses of Rs 280.26 thousand (PY Rs.519.31 thousand) and Interest payable on NCD issued to related party of Rs Nil (PY Rs.12,805.89 thousand)

20 Debt Securities

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2024	As at March 31, 2023
Unsecured at Amortized Cost			
8.5% Non convertible Debenture (from related party)		—	2,50,000.00
Debt Securities in India		—	2,50,000.00
Debt Securities outside India		—	—
Total		—	2,50,000.00

Note: There is no debt securities measured 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, 2024	As at March 31, 2023
Maturing within 1 year	—	—
Maturing within 1 year to 3 years	—	—
Maturing within 3 year to 5 years	—	2,50,000.00
Total	—	2,50,000.00

21 OTHER FINANCIAL LIABILITIES

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2024	As at March 31, 2023
Financial Lease Liability	39.1	12,626.69	14,762.03
Advance from Customer		—	31.67
TOTAL		12,626.69	14,793.70

Notes To Financial Statements For The Year Ended 31st March, 2024

22 PROVISIONS

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits	41 b(viii)		
-On account of Leave		547.45	1,252.68
-On account of Sick leave		469.53	980.31
TOTAL		1,016.98	2,232.99

23 OTHER NON FINANCIAL LIABILITIES

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2024	As at March 31, 2023
Statutory Dues		740.54	2,070.31
Bonus payable		32.20	32.20
TOTAL		772.74	2,102.51

24 EQUITY SHARE CAPITAL

(Amount in Rs thousand)

Particulars	Ref. Note No.	As at March 31, 2024	As at March 31, 2023
Authorised Shares			
Equity Shares of Rs. 10/- each 10,50,00,000 (March 31, 2024: 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, 2024: 5,000) preference shares		500.00	500.00
		1,050,500.00	1,050,500.00
Issued, Subscribed & Fully Paid Up Shares			
Equity Shares of Rs. 10/- each 3,72,57,908 (March 31, 2024: 3,72,57,908) equity shares		372,579.08	372,579.08
		372,579.08	372,579.08

Notes To Financial Statements For The Year Ended 31st March, 2024

24.1 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.

24.2 Reconciliation of the number of equity shares outstanding : (Amount in Rs thousand)

Particulars	As at March 31, 2024	As at March 31, 2023
Number of shares at the beginning	37257908	37257908
Add: Additions during the year	—	—
Number of shares at the end	37257908	37257908

24.3 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%

(d) Disclosure of shareholding of promoters is as follows: (Amount in Rs thousand)

Particulars	As at March 31, 2024		As at March 31, 2023		% of change during the year
Promoter Name	No. of shares	% Total shares	No. of shares	% Total shares	
THE PEERLESS GENERAL FINANCE & INVESTMENT COMPANY LTD	344,89,401	92.57%	344,89,401	92.57%	—
SUNIL KANTIROY	—	0.00%	33,126	0.09%	-0.09%
SHIKHARROY	83,125	0.22%	62,500	0.17%	0.06%
JAYANTAROY	1,37,501	0.37%	1,25,000	0.34%	0.03%
DEBASREEROY	50,000	0.13%	50,000	0.13%	—
	347,60,027	93.30%	347,60,027	93.30%	—

Notes To Financial Statements For The Year Ended 31st March, 2024

25 OTHER EQUITY

(Amount in Rs thousand)

Particulars	Ref Note No.	As at March 31, 2024	As at March 31, 2023
Capital Redemption Reserve	25.1	8.00	8.00
Securities Premium	25.2	1,68,380.85	1,68,380.85
Special Reserve (in terms of Section 45IC of Reserve Bank of India Act, 1934) *	25.3	30,613.95	30,613.95
Retained Earning	25.4	(72,780.73)	30,004.34
Debenture Redemption Reserve	25.5	—	5,000.00
General Rserve		5,000.00	—
TOTAL		1,31,222.07	2,34,007.14

25.1 Capital Redemption Reserve

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

25.2 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.

25.3 Special Reserve

Special Reserve is not created in terms of section 45IC of Reserve Bank of India Act, 1934 during the year, due to losses of current year.

25.4 Retained Earnings

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

25.5 Debenture Redemption Reserve

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

26 INTEREST INCOME

(Amount in Rs thousand)

Particulars	Ref Note No.	For the Year ended March 31, 2024	For the Year ended March 31, 2023
On Financial instruments measured at Amortised Cost			
Interest on Loans and Advances *		90,762.70	89,521.09
Interest on term deposit		691.88	182.19
TOTAL		91,454.58	89,703.28

* Includes amount interest income of related party Rs. 36.63 thousand for the year ending 31st March 2024 (March 31, 2023 : Rs. 696.68 thousand)

Notes To Financial Statements For The Year Ended 31st March, 2024

27 DIVIDEND INCOME

(Amount in Rs thousand)

Particulars	Ref Note No.	Year ended March 31, 2024	Year ended March 31, 2023
On Shares		4.50	0.87
TOTAL		4.50	0.87

28 FEES, CHARGES AND COMMISSION INCOME

(Amount in Rs thousand)

Particulars	Ref Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Upfront Fees and other charges		7,006.93	10,162.39
Commission Income		10.68	96.14
TOTAL		7,017.61	10,258.53

29 NET GAIN/(LOSS) ON FAIR VALUE CHANGES

(Amount in Rs thousand)

Particulars	Ref Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Net gain/(Loss) on fair value changes of Financial Assets		(1,144.61)	1,464.02
TOTAL		(1,144.61)	1,464.02

30 OTHER INCOME

(Amount in Rs thousand)

Particulars	Ref Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Profit on sale of Equity Shares		—	18.24
Profit on sale of Right on Property		6,015.17	1,925.00
Net Gain on Sale of Mutual Fund		6,647.21	4,941.18
Miscellaneous Income		154.17	1,133.18
TOTAL		12,816.55	8,017.60

31 Finance Cost

(Amount in Rs thousand)

Particulars	Ref Note No.	Year ended March 31, 2024	Year ended March 31, 2023
On Lease Rent	39.1	1,208.21	952.27
On Borrowings		12,924.66	17,952.74
TOTAL		14,132.87	18,905.01

Notes To Financial Statements For The Year Ended 31st March, 2024

32 EMPLOYEE BENEFITS EXPENSES

(Amount in Rs thousand)

Particulars	Ref Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, Wages and Bonus, etc.	32.1	27,166.24	29,899.59
Contribution to Provident Fund and Administrative Charges and ESI contribution	41	1,892.69	1,991.06
Staff Welfare expenses		1,068.81	572.94
TOTAL		30,127.74	32,463.59

32.1 Includes Salary to Managing Director Rs. 6720.84 thousand (Previous Year Rs. 5,554.35 thousand).

33 DEPRECIATION, AMORTIZATION AND IMPAIRMENT

(Amount in Rs thousand)

Particulars	Ref Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of Property, Plant and Equipment	13	2,356.04	2,421.15
Depreciation of Right of Use Asset (Leasehold Premises)	14	2,751.57	2,236.85
Amortisation of Other Intangible Asset	16	322.17	310.57
TOTAL		5,429.78	4,968.57

34 OTHER EXPENSES

(Amount in Rs thousand)

Particulars	Ref Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Rent	39.2	23.00	139.50
Repairs & maintenance		986.82	1,055.55
Rates and Taxes		1,065.79	1,030.30
Auditors Remuneration			
Audit Fees		225.00	225.00
Tax Audit Fees		40.00	40.00
Certificate		60.00	60.00
Legal and Professional Fees		2,907.83	2,943.46
Filing Fees		4.20	9.60
Travelling Expenses		2,349.66	1,930.72
Advertisement and Business Promotion		570.35	1,434.44
Support service		300.00	300.00
Directors' Sitting Fees		570.00	1,000.00
Bad debt Written off	8.2 & 8.3	34,265.49	199.42
Insurance Expense		27.65	20.14
Loss on sale of Loans	8.1	1,41,685.66	—
Miscellaneous Expenditure		3,809.40	4,332.55
TOTAL		1,88,890.85	14,720.68

Notes To Financial Statements For The Year Ended 31st March, 2024

35 Contingent Liabilities and Commitments:

(to the extent not provided for)

(a) Contingent Liabilities:

In respect of Income tax matters pending for appeal for Assessment year 2017-18 as on 31st March 2024: Rs 16,487.71 thousands (as on 31 st March 2023: 12,380.29 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, 2024	Year ended March 31, 2023
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

36 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.

37 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

38 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.

39 Leases

39.1 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, 2024	For the Year ended March 31, 2023
i) Depreciation charge for Right-of -Use assets for Leasehold premises	14	2,751.57	2,236.85
ii) Interest expense on lease liabilities	31	1,208.21	952.27
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	11,441.26	14,192.83
iv) Lease liability	21	12,626.69	14,762.03

Notes To Financial Statements For The Year Ended 31st March, 2024

39.2 Maturity analysis - Contractual undiscounted Cash flow as at 31 March 2024

(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		3377.95	3343.55
Payable later than 1 year but not later than 5 year		7943.47	9987.98
Above 5 years		5894.52	5,707.32
Total minimum lease payment		17,215.94	19,038.85

Lease rental recognised in the Statement of
Profit and Loss (Note 34)

23.00 139.50

40 Calculation of Earning Per Share is as follows:

(Amount in Rs thousand)

Particulars	Ref Note No.	For the Year ended March 31, 2024	For the Year ended March 31, 2022
a) Net profit for basic and diluted earnings per share as per Statement of Profit and Loss		(1,03,329.32)	22,152.58
Net profit for basic and diluted earnings per share		(1,03,329.32)	22,152.58
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
Number of equity shares considered in calculating basic and diluted EPS		37,257,908	37,257,908
c) Earnings per share (EPS) of Equity Share of Rs. 10 each:			
i) Basic (Rs.)		(2.77)	0.59
ii) Diluted (Rs.)		(2.77)	0.59

41 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, 2024	Year ended March 31, 2023
Employer's Contribution to Provident Fund	32	977.72	990.99
Employer's Contribution to ESI	32	156.57	179.90
Contribution to Employees' Deposit Linked Insurance Scheme(EDLI)	32	43.22	46.44
Employer's Contribution to Pension Fund	32	715.18	773.73
Total		1,892.69	1,991.06

Notes To Financial Statements For The Year Ended 31st March, 2024

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	
		2023-24	2022-23
i)	Change in the fair value of the defined benefit obligation:		
	Liability at the beginning of the year	2,650.00	2,224.56
	Interest Cost	168.54	155.11
	Current Service Cost	505.21	408.40
	Actuarial (gain) / loss on obligations	(673.01)	(138.07)
	Benefits paid	(413.51)	—
	Liability at the end of the year	2,237.24	2,650.00
ii)	Changes in the Fair Value of Plan Asset	2023-24	2022-23
	Fair value of Plan Assets at the beginning of the year	3,242.30	2,607.58
	Expected Return on Plan Assets	—	—
	Contributions by the Company	594.84	429.26
	Interest on Plan Assets	212.67	189.17
	Benefits paid	(413.51)	—
	Actuarial gain / (loss) on Plan Assets	54.29	16.30
	Fair value of Plan Assets at the end of the year	3,690.59	3,242.30
iii)	Actual return on Plan Asset	2023-24	2022-23
	Actuarial gain / (loss) on Plan Assets	54.29	16.30
	Actual Return on Plan Assets	54.29	16.30
iv)	Amount Recognized in Balance Sheet	2023-24	2022-23
	Liability at the end of the year	2,237.24	2,650.00
	Amount not recognised due to asset limit	494.00	—
	Fair value of Plan Assets at the end of the year	3,690.59	3,242.30
		(959.36)	(592.30)

Notes To Financial Statements For The Year Ended 31st March, 2024

(Amount in Rs thousand) Gratuity

v)	Components of Defined Benefit Cost	2023-24	2022-23
	Current Service Cost	505.21	408.40
	Interest Cost	(44.13)	(34.05)
	Net Actuarial (gain) / loss on remeasurement recognised in OCI	(727.30)	(154.37)
	Total Defined Benefit Cost recognised in Profit and Loss and OCI	(266.21)	219.98

vi)	Balance Sheet Reconciliation	2023-24	2022-23
	Opening Net Liability	(592.30)	(383.01)
	Expenses as above	(266.21)	219.98
	Amount not recognised due to asset limit	494.00	—
	Employers Contribution	(594.84)	(429.26)
	Amount Recognized in Balance Sheet	(959.36)	(592.30)

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, 2024	As at March 31, 2023
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%
Total		100%	100%

viii) 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, 2024 is given below:

(Amount in Rs thousand)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Privileged Leave	547.45	1,252.68
Sick Leave	469.53	980.31
Principal Actuarial assumptions as at the Balance Sheet date		
Discount Rate	7.20%	7.45%
Salary Growth Rate	8.00%	8.00%

Notes To Financial Statements For The Year Ended 31st March, 2024

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)	(727.30)
For the year ended March 31, 2024	(727.30)
Remeasurement - Actuarial loss/(gain)	(154.37)
For the year ended March 31, 2023	(154.37)

Sensitivity analysis:

(Amount in Rs thousand)

Particulars	Change in Assumption	Effect in Gratuity Obligation
For the year ended 31st March, 2024		
Discount Rate	+0.50%	2,187.70
	-0.50%	2,289.78
Salary Growth Rate	+0.50%	2,256.45
	-0.50%	2,217.31
For the year ended 31st March, 2023		
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

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 2024 to 31 Mar 2025	861.25
01 Apr 2025 to 31 Mar 2026	437.62
01 Apr 2026 to 31 Mar 2027	116.04
01 Apr 2027 to 31 Mar 2028	121.48
01 Apr 2028 Onwards	1,898.85

Notes to the financial statements for the year ended 31st March 2024

42. 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)

Notes To Financial Statements For The Year Ended 31st March, 2024

I) Related Party Transactions

(Amount in Rs thousand)

Nature of Transaction	Name of the Party	Category	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Income				
a) Interest on Loan	Kaizen Hotels & Resorts Ltd Mr. Biswajit Das	Category II Category III	- 36.63	663.58 33.10
Expenses				
b) Finance cost	The Peerless General Finance & Investment Company Ltd Bichitra Holdings Pvt Ltd	Category I Category II	12,924.66 -	17,780.14 172.60
c) Demat Charges	Peerless Securities Limited	Category II	-	4.00
d) Rent (excluding Service Tax/ GST)	The Peerless General Finance & Investment Company Ltd	Category I	2,730.55	2,583.56
e) Reimbursement of expenses	The Peerless General Finance & Investment Company Ltd	Category I	465.60	118.67
f) Staff welfare	Peerless Hotels Ltd.	Category II	80.76	108.16
g) Remuneration	Mr. Abhishek Tanti Mr. Partha Bose Mr. Biswajit Das	Category III Category III Category III	6,720.84 928.20 1,911.30	5,554.35 781.75 1,581.36
h) Director Sitting Fees	Mr. Deepak Mukerjee Mr. Dipankar Chatterji Mr. Deepankar Bose Mr. Supriyo Sinha Mr. K Balasubramanian Mr. Ashok Kumar Mkhuty Mr. Bhargab Lahiri	Category III Category III Category III Category III Category III Category III Category III	190.00 190.00 170.00 - - - 20.00	170.00 180.00 170.00 100.00 30.00 200.00 150.00
i) Brokerage	Peerless Securities Limited	Category II	42.91	-
j) Loan disbursed during the year	Mr. Biswajit Das	Category III	325.00	80.00
k) Amount received as repayment of loan	Kaizen Hotels & Resorts Limited Mr. Biswajit Das	Category II Category III	- 758.29	13,000.00 -
l) Impairment Allowance (ECL) on loans	Mr. Biswajit Das	Category III	-	0.20
m) Advances given for acquiring flat	Bengal Peerless Housing Development Company Limited	Category II	829.90	1,659.81
n) Borrowings	The Peerless General Finance & Investment Company Ltd	Category I	-	20,000.00
o) Repayment of Deposits	Bengal Peerless Housing Development Company Limited	Category I	15,822.86	13,310.03
p) Repayment of Borrowings	The Peerless General Finance & Investment Company Ltd	Category I	2,50,000.00	20,000.00
q) Advance given	Mr. Biswajit Das	Category III	415.00	

Notes To Financial Statements For The Year Ended 31st March, 2024

II) OUTSTANDING BALANCES: (Amount in Rs thousand)

Nature of Transaction	Name of the Party	Category	For the Year ended March 31, 2024	For the Year ended March 31, 2023
a) Loan Given	Mr. Biswajit Das	Category III	-	433.29
b) Advance for acquiring flat	Bengal Peerless Housing Development Company Limited	Category II	-	14,992.96
c) Payable of Expenses	Mr. Abhishek Tantia	Category III	280.26	519.31
d) Interest Payable	The Peerless General Finance & Investment Company Ltd	Category I	-	12,805.89
e) Non Convertible Debentures	The Peerless General Finance & Investment Company Ltd	Category I	-	2,50,000.00
g) Impairment Allowance (ECL) on loan given	Mr. Biswajit Das	Category III	-	1.08
h) Advance	Mr. Biswajit Das	Category III	415.00	-

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 2024

43 Tax Expenses- Current Tax

(Amount in Rs thousand)

Particulars	Ref Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Provision for Current Tax		—	1,244.00
		—	1,244.00

43.1 Components of Tax Expense:

(Amount in Rs thousand)

Particulars	Ref Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Current tax			
In respect of the current year		—	1,244.00
Total Current tax expense recognised in the current year		—	1,244.00
Deferred tax			
In respect of the current year		3,074.35	187.57
Total Deferred tax expense recognised in the current year		3,074.35	187.57
Total Tax expense recognised in the current year		3,074.35	1,431.57

43.2 Income tax recognised in other comprehensive income

(Amount in Rs thousand)

Particulars	Ref Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Deferred tax			
Arising on income and expenses recognised in other comprehensive income:			
Remeasurement of defined benefit obligation		(183.05)	(38.85)
Total income tax recognised in other comprehensive income		(183.05)	(38.85)
Bifurcation of the income tax recognised in other comprehensive income into:-			
Items that will not be reclassified to profit or loss		(183.05)	(38.85)
Items that may be reclassified to profit or loss		—	—

44 Components of Other Comprehensive Income

(Amount in Rs thousand)

Particulars	Ref Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Items that will not be reclassified to Statement of Profit and Loss			
Remeasurement of defined benefit plans	41	727.30	154.37
		727.30	154.37

Notes To Financial Statements For The Year Ended 31st March, 2024

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, 2024	Year ended March 31, 2023
(a) Profit Before tax		(1,00,235.99)	23,584.15
(b) Applicable Income tax rate		25.17%	25.17%
(c) Computed expected tax expense		(25,227.39)	5,935.66
(i) Tax on Capital Gain		-	1,244.00
(ii) Tax on Expenses not deductible		-	5,354.89
(iii) Tax effect on expenses allowed and income come under other head		-	(3,297.01)
(iv) Tax on income exempt from tax		-	(0.22)
(v) Impact on unabsorbed Losses		-	(7,993.32)
d) Total effect of tax adjustment (i) to (v)		-	(4,691.66)
Tax expenses recognised during the year (e)= (c)+(d)		-	1,244.00
Effective tax rate (f) =(e)/(a)		-	5.27%

45. 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	As on 31st March, 2024		As on 31st March, 2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Financial Assets measured at Amortised Cost				
Cash and cash equivalents	73,130.17	73,130.17	6,878.66	6,878.66
Loans	-	-	7,10,574.61	7,10,574.61
Trade Receivables	-	-	44.35	44.35
Other Financial Assets	909.06	909.06	631.14	631.14
Financial Assets measured at Fair Value through Profit and Loss Account				
Investment in Mutual Funds	4,06,678.10	4,06,678.10	86,115.92	86,115.92
Financial Liabilities				
Financial Liabilities measured at Amortised Cost				
Trade Payables	101.63	101.63	161.51	161.51
Other Payables	18,090.04	18,090.04	15,301.98	15,301.98
Debt Securities	-	-	2,50,000.00	2,50,000.00
Other Financial Liabilities	12,626.69	12,626.69	14,793.70	14,793.70

Notes To Financial Statements For The Year Ended 31st March, 2024

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, 2024

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 2024	Fair value measurements at reporting date using		
		Level 1	Level 2	Level 3
Financial Assets				
Cash and cash equivalents	73,130.17	-	73,130.17	-
Other Financial Assets	909.06	-	909.06	-
Investment in Mutual Funds/ Equity (Current)	4,06,678.10	-	4,06,678.10	-
Financial Liabilities				
Trade Payables	101.63	-	101.63	-
Other Payables	18,090.04	-	18,090.04	-
Other Financial Liabilities	12,626.69	-	12,626.69	-

Particulars	As at March 31 2023	Fair value measurements at reporting date using		
		Level 1	Level 2	Level 3
Financial Assets				
Cash and cash equivalents	6,878.66	-	6,878.66	-
Loans	7,10,574.61	-	-	7,10,574.61
Trade Receivables	44.35	-	44.35	-
Other Financial Assets	631.14	-	631.14	-
Investment in Mutual Funds/ Equity (Current)	86,115.92	-	86,115.92	-
Financial Liabilities				
Trade Payables	161.51	-	161.51	-
Other Payables	15,301.98	-	15,301.98	-
Debt Securities	2,50,000.00	-	2,50,000.00	-
Borrowings (other than Debt Securities)	14,793.70	-	14,793.70	-
Other Financial Liabilities -	-	-	-	-

During the year ended March 31, 2024 and March 31, 2023, 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, 2024

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 repactive 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. Nil as at 31 March 2024 (P.Y. 28,196.60 thousand).

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, 2024

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, 2024

(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	—	—	—	—	—	—
Other Liabilities	—	—	—	—	—	—
Lease Liabilities	17,215.94	3,377.95	7,943.47	5,894.52	—	17,215.94
Trade and other payables	18,191.67	18,191.67	—	—	—	18,191.67

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
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

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.

46. 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, 2024	March 31, 2023
Loans and borrowings	—	2,50,000.00
Other Payable	18,090.04	12,805.89
Less: Cash and cash equivalents	73,130.17	6,878.66
Net debt	-55,040.12	2,55,927.23
Equity	5,03,801.15	6,06,586.22
Capital and net debt	4,48,761.03	8,62,513.45
Gearing ratio	-12.26%	29.67%

Notes To Financial Statements For The Year Ended 31st March, 2024

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

Year ended 31 March 2024

(Amount in Rs thousand)

Particulars	1 April 2023	Cash flows (net)	Exchange difference	Amortization of loan origination costs	31 March 2024
Debt Securities	2,50,000.00	(2,50,000.00)	—	—	—
Total	2,50,000.00	(2,50,000.00)	—	—	—

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	50,000.00	2,00,000.00	—	—	2,50,000.00
Borrowings (Other than debt securities)	30,000.00	(30,000.00)	—	—	—
Total	80,000.00	1,70,000.00	—	—	2,50,000.00

48. 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.

49. Wilful Defaulter

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

50. During the financial year ended 31 March 2024 and 31 March 2023, 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

51. 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.

52. 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.

53. 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.

54. 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, 2024

- (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.

55. 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).

56. Details of Crypto Currency or Virtual Currency

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

57. 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.

58. 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.

59. Ratios	FY 2023-24	FY 2022-23
(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

60. 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.

- 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)**

Notes To Financial Statements For The Year Ended 31st March, 2024

For the year ended 31 March 2024

(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	2,060.34	—	1,499.33	561.02	—
Corporate persons	—	—	—	—	—
Of which, MSMEs	3,651.66	—	1,980.46	1,671.20	—
Others	1,153.67	—	—	1,153.67	—
Total	6,865.67	—	3,479.78	3,385.88	—

* represents the closing balance of loan accounts as at 31 March 2024

Note1: During the year, Company has entered into an agreement to sale of Loan Portfolio to Ugro Capital Limited and Antriksh Vyapaar Limited, hence amount recovered shown in above table is includes amount received from Ugro Capital Limited and Antriksh Vyapaar Limited. (Refer note 8.1)

No. of accounts restructured	Amount (Rs in thousands)
0	—

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 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
Total	10,629.41	3,442.10	—	1,604.41	5,582.91

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)

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

Notes To Financial Statements For The Year Ended 31st March, 2024

61 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 2024:

* As mentioned in note no 8 the total loan portfolio as on 29th February 2024 has been sold off by entering into the contractual agreement with the various parties. The balance which is remaining after the sale of portfolio were written off by the Company. As result, there were no loan balance outstanding as on 31st March 2024. Hence, disclosure required as per above mentioned circular is not given.

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	—	—	—	—	—
Subtotal for doubtful		10,464.16	5,264.16	5,200.00	5,914.16	(650.00)
Loss		0.00	0.00	—	0.00	—
Subtotal for NPA		31,508.88	20,839.38	10,669.50	8,018.63	12,820.75
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	—	—	—	—	—
Total		—	—	—	—	—
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
Total		7,38,771.21	28,196.59	7,10,574.62	10,538.29	17,658.30

* 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

62 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, 2024

A) Exposure

(i) Exposure to real estate sector

(Amount in Rs thousand)

Category		2023-24	2022-23
i)	Direct exposure		
	a) Residential Mortgages – 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) Commercial Real Estate – 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.	—	—
	c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures – i. Residential ii. Commercial Real Estate		
ii)	Indirect Exposure Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	—	—
	Total Exposure to Real Estate Sector	—	—

(ii) Exposure to Capital Market

(Amount in Rs thousand)

Category		2023-24	2022-23
(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	—	—
	Total Exposure to capital market		

Notes To Financial Statements For The Year Ended 31st March, 2024

(iii) Sectoral exposure

(Amount in Rs thousand)

Sectors	2023-24			2022-23		
	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%
2.2. Medium	-	-	-	15,685.80	-	-
2.3. Large	-	-	-	-	-	-
2.4. Others	-	-	-	1,100.89	-	-
Total of Industry (2)	-	-	-	4,10,945.42	7,336.85	1.79%
3. Services						
3.1. Transport Operators	-	-	-	-	-	-
3.2. Computer Software	-	-	-	-	-	-
3.3. Tourism, Hotels and Restaurants	-	-	-	6,127.36	-	-
3.4. Shipping	-	-	-	-	-	-
3.5. Aviation	-	-	-	-	-	-
3.6. Professional Services	-	-	-	2,95,856.71	7,196.12	2.38%
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	-	-	-	-	-	-
Total of Services (3)	-	-	-	3,01,984.07	7,196.12	2.38%

Notes To Financial Statements For The Year Ended 31st March, 2024

(iii) Sectoral exposure

(Amount in Rs thousand)

Sectors Particulars	2023-24			2022-23		
	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
4. Personal Loans						
4.1. Consumer Durables	-	-	-	-	-	-
4.2. Housing (Including Priority Sector Housing)	-	-	-	-	-	-
4.3. Advances against Fixed Deposits (Including FCNR (B), NRENR Deposits etc.)	-	-	-	-	-	-
4.4. Advances to Individuals against share, bonds, etc.	-	-	-	-	-	-
4.5. Credit Card Outstanding	-	-	-	-	-	-
4.6. Education	-	-	-	-	-	-
4.7. Vehicle Loans	-	-	-	-	-	-
4.8. Loans against gold jewellery	-	-	-	-	-	-
4.9. Other Personal Loans	-	-	-	16,559.39	2,406.42	14.37%
4.10. Others	-	-	-	182.33	-	-
Total of Personal Loans (4)	-	-	-	16,741.72	2,406.42	14.37%
5. Loan against Property	-	-	-	9,100.00	3,900.00	42.86%
Total (1+2+3+4+5)	-	-	-	7,38,771.21	20,839.39	2.82%

(iv) Intra-group exposures

(Amount in Rs thousand)

Particulars	2023-24	2022-23
i) Total amount of intra-group exposures	-	-
ii) Total amount of top 20 intra-group exposures	-	-
iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	-	-

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

Notes To Financial Statements For The Year Ended 31st March, 2024

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 (continued)

B) Related Party Disclosure

2023-24

Nature of transaction	(Amount in Rs thousand)						
	Holding Company	Subsidiary	Associate/Joint Ventures	Key Managerial Personnel (KMP)	Relative of KMP	Subsidiary of Holding Company	Investor exercising significant influence
A) Balances #							
1) Borrowings (Maximum outstanding)	-	-	-	-	-	-	-
2) Deposits	-	-	-	-	-	-	-
3) Placement of Deposits#	-	-	-	-	-	-	-
4) Advances	-	-	-	415.00	-	-	-
(Maximum outstanding)	-	-	-	415.00	-	-	415.00
5) Loan Given (Maximum outstanding)	-	-	-	-	-	-	-
6) Investments	-	-	-	-	-	-	-
7) Others	-	-	-	-	-	-	-
i) Payable of Expenses (Maximum outstanding)	-	-	-	280.26	-	-	-
ii) Impairment on Loan (Maximum outstanding)	-	-	-	280.26	-	-	-
8) Purchase of fixed/other assets	-	-	-	-	-	-	-
9) Sale of fixed/other assets	-	-	-	-	-	-	-
B) Transactions *							
1) Interest Paid	12,924.66	-	-	-	-	-	12,924.66
2) Interest Received	-	-	-	36.63	-	-	36.63
3) Others							
i) Rent Paid	2,730.55	-	-	-	-	-	2,730.55
ii) Director Sitting fees	-	-	-	570.00	-	-	570.00
iii) Remuneration	-	-	-	9,560.34	-	-	9,560.34
iv) Other expenses	465.60	-	123.67	-	-	-	589.27
v) Loan disbursed	-	-	-	325.00	-	-	325.00
vi) Advance Given	-	-	-	415.00	-	-	415.00
vii) Amount received as repayment of loan	-	-	-	758.29	-	-	758.29
viii) Impairment Allowance (ECL) on loans	-	-	-	-	-	-	-
ix) Advances given for acquiring flat	-	-	829.90	-	-	-	829.90
x) Borrowing repaid	2,50,000.00	-	-	-	-	-	-
xi) Repayment of deposit	-	-	15,822.86	-	-	-	15,822.86

The outstanding at the year end and the maximum during the year.

* Transactions during the year.

Notes To Financial Statements For The Year Ended 31st March, 2024

2022-23

(Amount in Rs thousand)

Nature of transaction	Holding Company	Subsidiary	Associate/Joint Ventures	Key Managerial Personnel (KMP)	Relative of KMP	Subsidiary of Holding Company	Investor exercising significant influence	Total
A) Balances #								
1) Borrowings (Maximum outstanding)	2,62,805.89	-	-	-	-	-	-	2,62,805.89
2) Deposits	2,62,805.89	-	-	-	-	-	-	-
3) Placement of Deposits#	-	-	-	-	-	-	-	-
4) Advances	-	-	-	-	-	-	-	-
(Maximum outstanding)	-	-	14,992.96	-	-	-	-	14,992.96
5) Loan Given	-	-	14,992.96	-	-	-	-	-
(Maximum outstanding)	-	-	-	433.29	-	-	-	433.29
6) Investments	-	-	-	433.29	-	-	-	-
7) Others	-	-	-	-	-	-	-	-
i) Payable of Expenses (Maximum outstanding)	-	-	-	519.31	-	-	-	519.31
ii) Impairment on Loan (Maximum outstanding)	-	-	-	519.31	-	-	-	-
8) Purchase of fixed/other assets	-	-	-	1.08	-	-	-	1.08
9) Sale of fixed/other assets	-	-	-	1.08	-	-	-	-
B) Transactions *								
1) Interest Paid	17,780.14	-	172.60	-	-	-	-	17,952.74
2) Interest Received	-	-	663.58	33.10	-	-	-	696.67
3) Others								
i) Rent Paid	2,583.56	-	-	-	-	-	-	2,583.56
ii) Director Sitting fees	-	-	-	1,000.00	-	-	-	1,000.00
iii) Remuneration	-	-	-	7,917.46	-	-	-	7,917.46
iv) Other expenses	118.67	-	112.16	-	-	-	-	230.83
v) Loan disbursed	-	-	-	80.00	-	-	-	80.00
vi) Amount received as repayment of loan	-	-	13,000.00	-	-	-	-	13,000.00
vii) Impairment Allowance (ECL) on loans	-	-	-	0.20	-	-	-	0.20
viii) Advances given for acquiring flat	-	-	1,659.81	-	-	-	-	1,659.81
ix) Borrowing	20,000.00	-	-	-	-	-	-	20,000.00
x) Repayment of deposit	-	-	13,310.03	-	-	-	-	13,310.03

The outstanding at the year end and the maximum during the year.

* Transactions during the year.

Notes To Financial Statements For The Year Ended 31st March, 2024

64 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	2023-24	2022-23
	Complaints received by the NBFC from its customers		
1	Number of complaints pending at beginning of the year	1.00	—
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	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, 2024

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
2023-24					
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	-	-	-	-	-
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

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 2024

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

Signature to Notes to Accounts

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

G.V.Samant
(Partner)
Membership No. 14802
Place : Mumbai
Date: 29th May, 2024

On behalf of the Board of Directors

Deepak Mukerjee
Chairman
DIN-00046690
Place: Kolkata
Date: 29th May, 2024

Biswajit Das
Company Secretary

Abhishek Tantia
Director
DIN-07651661
Place: Kolkata
Date: 29th May, 2024

Partha Bose
Chief Financial Officer

Deepankar Bose
Director
DIN-09450920
Place: Kolkata
Date: 29th May 2024

Annex 1

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

(Rs. in Lakhs)

	Particulars		
	Liabilities side :		
(1)	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid :	Amount outstanding	Amount overdue
	(a) Debenture: Secured	—	—
	: Unsecured	—	—
	(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		
(2)	Break-up of (1) (f) above / outstanding public deposit inclusive of interest accrued thereon but not paid:		
(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		
	Assets side :	Amount outstanding	
(3)	Break-up of Loans and Advances including bills receivable [other than those included in (4) below]:		
	(a) Secured		—
	(b) Unsecured		—

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

(7)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) Please see note 3 below		
	Category	Amount net of provisions	
		Market value/ Break up or Fair Value or NAV	Book value Net of Provisions
	1. Related Parties**		
	(a) Subsidiaries	—	—
	(b) Companies in the same group	—	—
	(c) Other related parties	—	—
	2. Other than related parties	4066.78	4059.48
	Total	4066.78	4059.48

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

(8) Other Information

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

- 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.