

INDEPENDENT AUDITOR'S REPORT

To the Members of

M/s Deccan Finance Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **M/s Deccan Finance Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2023, and the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, and loss and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 financial statements under the provisions of the Companies Act, 2013 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We do not have any key audit matters that needs to be communicated in our report.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, We are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure "A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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2. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in **Annexure "B"**.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company does not have any pending litigations which would impact its standalone financial position.

(ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(iii) There has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Company as per the details below.

Amount of dividend	Due date of transfer	Actual date of transfer
Rs. 1,02,626/-	09-09-2022	09-09-2022

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- (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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (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 or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (d) above, contain any material misstatement.
- (v) The company has neither declared nor paid any interim or final dividend during the year.

For CHANDARANA & SANKLECHA

Chartered Accountants
Firm Regn No : 000557S



BHARAT RAJ SANKLECHA

Proprietor

Membership No : 027539

Place : Chennai

Date : 09th September 2023

UDIN : 23027539BGTQLV1845

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 of our Report of even date to the members of **M/s Deccan Finance Limited** on the accounts of the Company for the year ended 31st March, 2023.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. a. (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipments.

(B) The company has maintained proper records showing full particulars of intangible assets.
- b. The Property, Plant and Equipments of the Company have been physically verified by the management at reasonable intervals and as informed, no material discrepancies were noticed on such verification.
- c. The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee) are held in the name of the company.
- d. The company has not revalued its Property, Plant and Equipments or intangible assets during the year.
- e. No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
2. a. The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
- b. The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
3. (a) The company's principal business is to give loans. Hence, reporting under clause 3 (iii) (a) of the Order is not applicable.

(b) The investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest.

(c) In respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated by the company. The repayments or receipts are regular. Considering that the Company is a Non-Banking Financial Company engaged in the business of granting loans the, instances where there are delays or defaults in repayment of principal and/ or interest and in respect of which the Company has

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recognized necessary provisions in accordance with the principles and the guidelines issued by the Reserve Bank of India ("RBI") for Income Recognition and Asset Classification.

- (d) According to the information and explanations given to us, the total amount which is overdue for 90 days or more in respect of loans and advances in the nature of loans given in course of the business operations of the Company aggregates to Rs.398.05 Lakh as at 31 March, 2023 in respect of 481 number of loans. Further, reasonable steps as per the policies and procedures of the Company have been taken for recovery of such overdue principal and interest amounts.
- (e) The company's principal business is to give loans. Hence, reporting under clause 3 (iii) (e) of the Order is not applicable.
- (f) The company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. No loans were granted to the promoters during the year.
4. The Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities.
5. The provisions of the sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended), are not applicable to the Company, being a Non-Banking Financial Company registered with the Reserve Bank of India. The company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the RBI or any Court or any other Tribunal against the Company in this regard.
6. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 in respect of the activities carried on by the company.
7. (a) The company is regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employee's State Insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.

According to the information and explanation given to us, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employee's State Insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were outstanding, as on the last day of the financial year, for a period of more than six months from the date they became payable.

- (b) There are no dues of Goods and Service Tax, Income Tax, Provident Fund, Employee's State Insurance, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues outstanding on account of any disputes.

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8. There were 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 (43 of 1961).
9. a. The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lenders.
b. The company has not been declared a willful defaulter by any bank or financial institution or other lender.
c. The term loans were applied for the purposes for which the loans were obtained.
d. No funds raised on short term basis have been utilised for long term purposes.
e. The company did not have any subsidiaries, associates or joint ventures during the year. Hence, reporting under clause 3 (ix) (e) and clause 3 (ix) (f) of the Order are not applicable.
10. a. To the best of our knowledge and belief and according to the information and explanation given to us, the company has raised Rs 500 Lakhs by way of non-convertible debentures during the year and same were applied for the purpose for which they were raised.
b. The company has not made any preferential allotment or private placement of shares during the year.
11. a. According to the information and explanations given to us, no material fraud by the company or on the company has been noticed or reported during the year.
b. No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
c. We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
12. The Company is not a Nidhi company. Accordingly, Paragraph 3 (xii) of the Order is not applicable to the Company.
13. According to the information and explanations given to us and based on our examination of the record of the company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. a. The company has an internal audit system commensurate with the size and nature of its business.
b. We have considered the reports of the Internal Auditors for the period under audit in determining the nature, timing and extent of our audit procedures.

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15. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors.
16. a. The Company is required to and has been registered under Section 45-IA of the Reserve Bank of India Act 1934.

b. The company has not conducted any Non-Banking Financial activities or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

c. The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

d. The Group does not have any CIC as part of the Group.
17. The company has incurred cash losses of Rs 70.10 Lakhs in the financial year. The company has not incurred any cash losses in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors of the Company during the year.
19. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.
20. The provisions of second proviso to section 135 (5) and section 135(6) with respect to transferring unspent Corporate Social Responsibility (CSR) amount are not applicable to the company. Hence, reporting under clause (xx)(a) and (xx)(b) are not applicable.

For CHANDARANA & SANKLECHA

Chartered Accountants
Firm Regn No : 000557S



BHARAT RAJ SANKLECHA

Proprietor
Membership No : 027539
Place : Chennai
Date : 09th September 2023
UDIN : 23027539BGTQLV1845



ANNEXURE "B" TO INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **M/s Deccan Finance Limited** on the financial statements for the year ended 31st March, 2023)

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

We have audited the internal financial controls over financial reporting of **M/s Deccan Finance Limited** ("the Company") as of 31st March, 2023 in conjunction with our audit of the financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (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 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 financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For CHANDARANA & SANKLECHA

Chartered Accountants
Firm Regn No : 000557S



BHARAT RAJ SANKLECHA

Proprietor
Membership No : 027539
Place : Chennai
Date : 09th September 2023
UDIN : 23027539BGTQLV1845

DECCAN FINANCE LIMITED
BALANCE SHEET AS ON 31st MARCH, 2023

Particulars	Note	As at 31st March, 2023 Rs in 000	As at 31st March, 2022 Rs in 000
I. ASSETS			
1. Financial Assets	1	51,712	43,317
Cash and Cash Equivalents		-	-
Other Bank Balances	2	7,762	5,098
Receivables	3	7,67,809	4,02,172
Loans	4	122	20,122
Investments	5	8,481	4,633
Other Financial Assets		8,35,886	4,75,342
Total Financial Assets			
2. Non-Financial Assets	6	3,506	480
Deferred Tax Assets (net)	7	6,938	7,592
Property, Plant & Equipment	7A	2,574	2,349
Other Intangible Assets	8	10,090	10,084
Other Non-Financial Assets		23,108	20,505
Total Non-Financial Assets			
TOTAL ASSETS		8,58,994	4,95,847
II. LIABILITY & EQUITY			
3. Financial Liabilities	9		
Payables			
(i) Trade Payables			
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(ii) Other Payables			
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		28,825	6,771
Debt Securities	10	1,65,100	1,45,100
Borrowings	11		
(a) Long-Term Borrowings		2,60,458	55,608
(b) Short-Term Borrowings		1,52,421	59,201
Deposits	12	38,346	51,220
Other Financial Liabilities	13	-	-
Total Financial Liabilities		6,45,150	3,17,900
4. Non-Financial Liabilities	14	9,905	13,579
Provisions	15	5,022	559
Other Non-Financial Liabilities		14,927	14,138
Total Non-Financial Liabilities			
5. Equity	16	55,752	13,938
Equity Share Capital	17	1,43,165	1,49,871
Other Equity		1,98,917	1,63,809
Total Equity			
TOTAL EQUITY AND LIABILITY		8,58,994	4,95,847

In terms of our report attached.

For CHANDARANA & SANKLECHA
Chartered Accountants
Firm Regn No : 00005578

BHARAT RAJ SANKLECHA
Proprietor
Membership No : 027539
Place : Chennai
Date : 09th September 2023



For and on behalf of the Board of Directors

Kailashmull Dugar
Executive Chairman
DIN : 00134419

Sanjay Bhansali
Mg. Director
DIN : 01811994

DECCAN FINANCE LIMITED

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

S.No	Particulars	Note	Year Ended 31st March, 2023	Year Ended 31st March, 2022
			Rs in 000	Rs in 000
I	Incomes			
	Revenue from Operations	18	1,98,173	1,13,891
	Other Income	19	1,484	1,424
	Total Income		1,99,657	1,15,315
II	Expenses:			
	Finance Costs	20	58,815	22,747
	Impairment Loss Allowance	21	9,789	15,131
	Employee Benefits Expense	22	91,302	42,310
	Depreciation and Amortization	7 & 7A	5,301	2,126
	Other Expenses	23	43,857	23,744
	Total Expenses		2,09,064	1,06,058
III	Profit after provision and before tax	I-II	(9,407)	9,257
IV	Tax expense:			
	- Current Tax		-	3,510
	- Current Tax (Prev.Year)		325	-
	- Deferred tax		(3,026)	84
			(2,701)	3,594
V	Profit for the year	III-IV	(6,706)	5,663
VI	Earning per Equity Share:			
	- Basic		(1.20)	4.06
	- Diluted		(3.74)	4.06

In terms of our report attached.

For CHANDARANA & SANKLECHA

Chartered Accountants

Firm Regn No : 0000557S

BHARAT RAJ SANKLECHA

Proprietor

Membership No : 027539

Place : Chennai

Date : 09th September 2023



For and on behalf of the Board of Directors

Kailashmull Dugar
Kailashmull Dugar
Executive Chairman
DIN : 00134419

Sanjay Bhansali
Sanjay Bhansali
Mg. Director
DIN : 01811994

DECCAN FINANCE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023

Particulars	As at 31st March 2023		As at 31st March 2022	
	Rs in 000	Rs in 000	Rs in 000	Rs in 000
<u>(A) CASH FLOW FROM OPERATING ACTIVITIES</u>				
Profit before tax		(9,407)		9,257
Add :				
Depreciation	5,301		2,126	
Interest Payments	58,816		22,747	
Asset Discarded	-		-	
Provision for non performing assets	(2,904)		6,144	
		61,213		31,017
		51,806		40,274
Less:				
Profit on sale of Shares	-		765	
Profit on sale of Asset	370		18	
Profit on sale of Mutual Fund	37		-	
Dividend received	3		1	
		410		784
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		51,396		39,490
(Increase)/Decrease in Loans	(3,65,636)		(97,230)	
(Increase)/Decrease in Other Current Assets	(4,666)		(2,343)	
(Increase)/Decrease in Non Current Assets	(6)		(306)	
Increase/(Decrease) in Current liabilities	28,262		6,113	
		(3,42,046)		(93,766)
		(2,90,650)		(54,276)
Less : Income Tax paid	(4,433)		(945)	
Less : Interest Paid	(59,070)		(22,811)	
		(63,503)		(23,756)
NET CASH GENERATED FROM OPERATIONS		(3,54,153)		(78,032)
<u>(B) CASH FLOW FROM INVESTING ACTIVITIES</u>				
Purchase of Fixed Assets (Net of sales)	(4,501)		(8,243)	
Sale/(Purchase) of Investments (Net)	20,036		(18,803)	
Dividend received	3		1	
		15,538		(27,045)
<u>(C) CASH FLOW FROM FINANCING ACTIVITIES</u>				
Increase/ (Decrease) in Bank Borrowings	89,339		18,106	
Proceeds from issue of Shares	41,814		-	
Increase/ (Decrease) in Secured Loans	2,28,731		86,145	
Increase/ (Decrease) in Unsecured Loans	(12,874)		32,756	
		3,47,010		1,37,007
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		8,395		31,930
CASH & CASH EQUIVALENTS AT THE BEGINING OF THE YEAR		43,317		11,387
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR		51,712		43,317

As per our report of even date attached.

For CHANDARANA & SANKLECHA
Chartered Accountants
Firm Regn No : 000557S

BHARAT RAJ SANKLECHA
Proprietor
Membership No : 027539

Place : Chennai
Date : 09th September 2023



For and on behalf of the Board of Directors

Kailashmull Dugar
Kailashmull Dugar
Executive Chairman
DIN : 00134419

Sanjay Bhansali
Sanjay Bhansali
Mg. Director
DIN : 01811994

M/s DECCAN FINANCE LIMITED

Notes on Financial Statements for the year ended 31st March, 2023

Note 1 Cash & Cash Equivalents

Particulars		As at 31st March, 2023	As at 31st March, 2022
		Rs in 000	Rs in 000
(i) Cash on Hand (A)		540	957
(ii) Balance with Scheduled Banks			
- in Current Accounts		32,224	22,165
- in Dividend Accounts		84	195
(B)		32,848	22,360
(iii) In Fixed Deposits (Maturing within 3 Months) (C)		18,864	20,000
Total (A+B+C)		51,712	43,317

Note 2 Trade Receivable

Particulars		As at 31st March, 2023	As at 31st March, 2022
		Rs in 000	Rs in 000
(a) Trade Receivables			
- Secured, considered good		-	-
- Unsecured, considered good		-	-
- Unsecured, considered doubtful		-	-
(b) Other Receivables			
- Advances		4,246	4,246
- Income Tax & TDS		1,846	-
- Goods & Service Tax		1,253	182
- Advance to Staffs		417	670
		7,762	5,098
Total		7,762	5,098

Trade receivable 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	
(i) Undisputed Trade receivables - considered good	-	-	-	-	-	-
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed	-	-	-	-	-	-
Disputed	-	-	-	-	-	-
Trade	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

Note 3 Loans

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Rs in 000	Rs in 000
(i) Loans (A) :		
a) Loans	8,77,302	4,89,341
b) Others - Reposed Stocks	2,261	2,261
c) MRR on Direct Assignments	22,861	-
	9,02,424	4,91,602
Less : Advance Interest	1,34,615	89,430
Total	7,67,809	4,02,172

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Rs in 000	Rs in 000
(i) Loans (B) :		
a) Secured, Considered Good	9,00,163	4,89,341
b) Unsecured, Considered Good	-	-
c) Reposed Stocks	2,261	2,261
	9,02,424	4,91,602
Less : Advance Interest	1,34,615	89,430
Total	7,67,809	4,02,172

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Rs in 000	Rs in 000
(i) Loans (C) :		
a) Public Sectors	-	-
b) Others	7,67,809	4,02,172
Total	7,67,809	4,02,172

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Rs in 000	Rs in 000
(i) Loans (D) :		
a) Within India	7,67,809	4,02,172
b) Outside India	-	-
Total	7,67,809	4,02,172

Restructure Cases (Rs in 000)

S.No	Description	Individual Borrowers		Small Business
		Personal Loans	Business Loans	
(A)	No. of requests received for invoking resolution process under Part A	-	235	-
(B)	Number of accounts where resolution plan has been implemented under this window	-	235	-
(C)	Exposure to accounts mentioned at (B) before implementation of the plan	-	22,881	-
(D)	Of (C), aggregate amount of debt that was converted into other securities	-	-	-
(E)	Additional funding sanctioned, if any, including between invocation of the plan and implementation	-	-	-
(F)	Increase in provisions on account of the implementation of the resolution plan	-	(5,086)	-

M/s DECCAN FINANCE LIMITED

Notes on Financial Statements for the year ended 31st March, 2023

Note 4 Investments

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Rs in 000	Rs in 000
(i) Investment in Equity Shares (Quoted)	82	82
(ii) Investment in Mutual Fund (Quoted)	-	20,000
(iii) Investment in Government Securities	40	40
Total	122	20,122

Particulars		Quantity		At Cost (in INR)	
	Face Value	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
		In Nos	In Nos	Rs in 000	Rs in 000
(A) Investment in equity instruments (fully paid up)					
<u>Quoted (Non-Trade)</u>					
ICICI Limited.	2	500	500	5	5
Nazara Tech Limited	10	140	70	77	77
		640	570	82	82
(B) Investment in Govt. Securities (Fully paid up)					
<u>Non-Trade</u>					
National Savings Certificates	-			40	40
				40	40
(C) Investment in Mutual Fund					
SBI Mutual Fund				-	20,000
				-	20,000
				122	20,122
Aggregate amount of quoted investments				82	20,082
Aggregate market value of quoted investments				511	20,444

Note 5 Other Financial Assets

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Rs in 000	Rs in 000
(i) Interest Accrued but not due	-	-
(ii) Others	8,481	4,633
Total	8,481	4,633

Note 6 Deferred Tax Asset (Net)

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Rs in 000	Rs in 000
Opening : Deferred Tax Asset	480	564
Deferred Tax Liability	-	-
	480	564
Add : Current Year Deferred Tax	3,026	(84)
Total	3,506	480

M/s DECCAN FINANCE LIMITED
Notes on Financial Statements for the year ended 31st March, 2023
For the year 2022-2023

Rs in 000

Note 7 Property, Plant & Equipments									
Gross carrying value					Accumulated Depreciation			Net carrying value	
	As on 01.04.2022	Additions	Deletions	As on 31.03.2023	As on 01.04.2022	For the year	On Deletions	As on 31.03.2023	As on 31.03.2022
Land & Buildings	917	-	-	917	-	-	-	-	917
Plant & Equipments	2,875	36	-	2,911	2,113	287	-	2,400	762
Furniture & Fixtures	2,889	378	-	3,267	305	705	-	1,010	2,584
Vehicles	4,595	1,138	754	4,979	3,046	628	564	3,110	1,549
Computer & Accessories	4,438	985	-	5,423	2,658	1,381	-	4,039	1,780
Total	15,714	2,537	754	17,497	8,122	3,001	564	10,559	7,592

Note 7A Other Intangible Assets									
Gross carrying value					Accumulated Depreciation			Net carrying value	
	As on 01.04.2022	Additions	Deletions	As on 31.03.2023	As on 01.04.2022	For the year	On Deletions	As on 31.03.2023	As on 31.03.2022
Software	2,909	2,525	-	5,434	560	2,300	-	2,860	2,349
Total	2,909	2,525	-	5,434	560	2,300	-	2,860	2,349

Rs in 000

Note 7 Property, Plant & Equipments									
Gross carrying value					Accumulated Depreciation			Net carrying value	
	As on 01.04.2021	Additions	Deletions	As on 31.03.2022	As on 01.04.2021	For the year	On Deletions	As on 31.03.2022	As on 31.03.2021
Land & Buildings	917	-	-	917	-	-	-	-	917
Plant & Equipments	2,103	772	-	2,875	1,731	382	-	2,113	372
Furniture & Fixtures	215	2,674	-	2,889	168	137	-	305	47
Vehicles	5,164	90	659	4,595	3,050	258	262	3,046	2,114
Computer & Accessories	2,225	2,213	-	4,438	1,869	789	-	2,658	356
Total	10,624	5,749	659	15,714	6,818	1,566	262	8,122	3,806

Note 7A Other Intangible Assets									
Gross carrying value					Accumulated Depreciation			Net carrying value	
	As on 01.04.2021	Additions	Deletions	As on 31.03.2022	As on 01.04.2021	For the year	On Deletions	As on 31.03.2022	As on 31.03.2021
Software	-	2,909	-	2,909	-	560	-	560	-
Total	-	2,909	-	2,909	-	560	-	560	-

Rs in 000

M/s DECCAN FINANCE LIMITED
Notes on Financial Statements for the year ended 31st March, 2023
Note 8 Other Non-Financial Asset

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Rs in 000	Rs in 000
(i) Rental Deposits	2,398	1,948
(ii) Telephone Deposits	33	33
(iii) Fixed Deposits (maturing after 3 months)	7,659	8,103
Total	10,090	10,084

Note 9 Payables

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Rs in 000	Rs in 000
(i) Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
(ii) Other Payables		
(a) Unmatured Interest on Securitized Assets Portfolio	-	-
(b) Statutory Payables	3,255	1,962
(c) Insurance, Commitment & Contingent Deposits	494	689
(d) Commission Payable	-	-
(e) Interest Accrued but not due		
- Directors & Relatives	97	261
- Public	-	-
- Non-Convertible Debentures	13	-
- Inter Corporat Deposit	624	624
(f) Other Payables		
- Unclaimed Dividend & Buy Back of Shares	164	267
- Other current liabilities	24,178	2,968
	28,825	6,771
Total	28,825	6,771

*Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

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) Trade payables					
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of micro enterprises and small enterprises - Disputed	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises - Disputed	-	-	-	-	-
(ii) Other payables					
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	-	-	-	-	-

Note 10 Debts		
Particulars	As at 31st March, 2023	As at 31st March, 2022
	Rs in 000	Rs in 000
(i) 11 % Secured, Redeemable Non Convertible Debentures (Long Term) NCD3-36 (Secured by hypothecation of assets)	-	30,000
(ii) 10.5 % Secured, Redeemable Non Convertible Debentures (Long Term) NCD4-36 (Secured by hypothecation of assets-Maturing on 09.03.2024)	40,500	40,500
(iii) 11 % Secured, Redeemable Non Convertible Debentures (Long Term) NCD5-36 (Secured by hypothecation of assets-Maturing on 11.03.2025)	74,600	74,600
(iv) 11.5 % Secured, Redeemable Non Convertible Debentures (Long Term) NCD6-36 (Secured by hypothecation of assets-Maturing on 12.03.2026)	50,000	-
Total	1,65,100	1,45,100

Note 11 Borrowings (Other Than Debt)

(A) Long Term Borrowings

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Rs in 000	Rs in 000
Secured		
A. From Banks		
(i) From AU Small Finance Banks (Secured by Assets covered by ypothecation Loans)	2,917	-
(ii) From ICICI Banks (Secured by Vehicle)	25	312
(iii) From State Bank of India (Secured by Vehicle)	440	-
(iv) From State Bank of India (Secured by Assets covered by Hypothecation Loans)	7,051	14,744
(v) From State Bank of India (Secured by Assets covered by Hypothecation Loans)	41,538	-
(vi) From Indian Overseas Bank (Secured by Assets covered by Hypothecation Loans)	30,568	-
B. From NBFCs		
(i) Sundaram Finance Limited (Secured by Hypothecation Loans)	2,821	-
(ii) From Sriram Transport Finance Company Ltd (Secured by Hypothecation Loans)	1,33,897	13,636
(iii) IKF Finance Limited (Secured by Hypothecation Loans)	31,143	25,143
(iv) Rar Fincare Limited (Secured by Hypothecation Loans)	706	1,773
(v) Real Touch Finance Limited (Secured by Hypothecation Loans)	5,572	-
(vi) UC Inclusive Credit Private Limited (Secured by Hypothecation Loans)	3,780	-
Total	2,60,458	55,608

(B) Short Term Borrowings		
Particulars	As at 31st March, 2023	As at 31st March, 2022
	Rs in 000	Rs in 000
Secured		
A. From Banks		
(i) From State Bank of India (Secured by Assets covered by Hypothecation Loans)	7,692	18,565
(ii) From AU Small Finance Banks (Secured by Assets covered by Hypothecation Loans)	5,000	-
(iii) From ICICI Banks (Secured by Vehicle)	287	265
(iv) From State Bank of India (Secured by Vehicle)	281	-
(v) From State Bank of India (Secured by Assets covered by Hypothecation Loans)	18,462	-
(vi) From Indian Overseas Bank (Secured by Assets covered by Hypothecation Loans)	16,656	-
(vii) From State Bank of India (Secured by Assets covered by Hypothecation Loans)	-	7,692
B. From NBFCs		
(i) Sundaram Finance Limited (Secured by Hypothecation Loans)	10,333	3,494
(ii) From Sriram Transport Finance Company Ltd (Secured by Hypothecation Loans)	45,433	13,090
(iii) IKF Finance Limited (Secured by Assets covered by Hypothecation Loans)	24,000	13,714
(iv) Rar Fincare Limited (Secured by Assets covered by Hypothecation Loans)	4,073	2,381
(v) Real Touch Finance Limited (Secured by Hypothecation Loans)	9,972	-
(vi) UC Inclusive Credit Private Limited (Secured by Hypothecation Loans)	10,232	-
Total	1,52,421	59,201

M/s DECCAN FINANCE LIMITED

Notes on Financial Statements for the year ended 31st March, 2023

Note 12 Deposits

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Rs in 000	Rs in 000
A. Long Term Deposits		
(a) From Public	-	-
(b) From Banks	-	-
(c) From Others		
(i) Directors (Maturing between 1 to 3 years)	-	44
(ii) Relatives of Directors (Maturing between 1 to 3 years)	1,155	220
	1,155	264
B. Short Term Deposits		
(a) From Public	-	-
(b) From Banks	-	-
(c) From Others		
(i) Directors	16,894	28,500
(ii) Relatives of Directors	197	456
(iii) Inter Corporate Deposit	20,100	22,000
	37,191	50,956
Total	38,346	51,220

Note 13 Other Financial Liabilities

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Rs in 000	Rs in 000
Other Liabilities	-	-
Total	-	-

Note 14 Provisions

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Rs in 000	Rs in 000
(i) Provision for Taxation	-	2,262
(ii) Provision for Standard Assets	2,815	1,541
(iii) Provision for Non-Performing Assets	4,167	8,344
(iv) Provision for Gratuity	2,923	1,432
Total	9,905	13,579

Note 15 Other Non-Financial Liabilities

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Rs in 000	Rs in 000
Salary Payable	673	114
Creditor For Expenses	4,349	445
Total	5,022	559

M/s DECCAN FINANCE LIMITED

Notes on Financial Statements for the year ended 31st March, 2023

Note 16 Equity Share Capital

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Rs in 000	Rs in 000
AUTHORISED CAPITAL		
90,00,000 Equity Shares of Rs. 10/- each (Previous Year 50,00,000 Equity Shares of Rs. 10/- each)	90,000	50,000
	90,000	50,000
ISSUED CAPITAL		
55,75,220 Equity Shares of Rs. 10/- each (Previous Year 13,93,805 Equity Shares of Rs. 10/- each)	55,752	13,938
	55,752	13,938
SUBSCRIBED & PAID UP CAPITAL		
55,75,220 Equity Shares of Rs. 10/- each fully paid up (Previous Year 13,93,805 Equity Shares of Rs.10/- each)	55,752	13,938
Total	55,752	13,938

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March, 2023	As at 31st March, 2022
	In 000	In 000
Equity Shares at the beginning of the year	1,393.81	1,393.81
Add : Fresh Issue	4,181.42	-
Equity shares at the end of the year	5,575.23	1,393.81

(ii) Details of Shareholding 5% or more shares	No of shares as on 31.03.2023	% of Shares as at 31.03.2023	No of shares as on 31.03.2022	% of Shares as at 31.03.2022
	In 000		In 000	
Hemant Dugar (HUF)	-	0.00%	184.00	13.20%
Hemant Dugar	571.38	10.25%	45.38	40.99%
Vimala Bhansali	201.83	3.62%	201.83	14.48%
Kailashmull Dugar	800.00	14.35%	19.10	1.37%
Aditya Bhansali	429.31	7.70%	129.31	9.28%
Gyan Chand Jain	600.00	10.76%	100.00	7.17%
Prakashmull Kailashmull	317.87	5.70%	17.87	1.28%
Sanjay Bhansali	595.89	10.69%	1.77	0.13%
Pooja Dugar	298.80	5.36%	58.80	4.22%
Nishka Dugar	429.40	7.70%	104.40	7.49%

(iii) Details of Promoters Shareholding	No of shares as on 31.03.2023	No of shares as on 31.03.2022	% of Shares as at 31.03.2023	% change during the year
	In 000	In 000		
Aditya Bhansali	429.31	129.31	7.70%	232.01%
Hemant Dugar	571.38	45.38	10.25%	1159.08%
Hemant Dugar (Huf)	-	184.00	0.00%	-100.00%
Sanjay Bhansali	595.89	1.77	10.69%	33565.82%
Mamta	-	10.31	0.00%	-100.00%
Meena Raja	-	12.34	0.00%	-100.00%
Pavitra Dugar	138.40	26.90	2.48%	414.50%
Pooja Dugar	298.80	58.80	5.36%	408.16%
Nishka Dugar	429.40	-	0.00%	100.00%
Prakashmull Kailashmull	317.87	17.87	5.70%	1679.26%
Rajkumari S	-	11.66	0.00%	-100.00%
Ramana K V	26.00	-	0.47%	100.00%
Sumith Jain S	-	12.67	0.00%	-100.00%
Vasanth Kumari T	1.00	10.46	0.02%	-90.44%
Vimala Bhansali	201.83	201.83	3.62%	0.00%
Kailash Mull Dugar	800.00	19.10	14.35%	4088.48%
Dileep Bhandari	0.20	0.20	0.00%	0.00%

Notes on Financial Statements for the year ended 31st March, 2023

Note 17 Other Equity

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Rs in 000	Rs in 000
(i) Capital Reserve	10	10
	10	10
(ii) Statutory Reserve :		
Balance brought forward from previous year	34,650	33,517
Add : Transfer from Profit & Loss Account	-	1,133
	34,650	34,650
(iii) General Reserve		
Balance brought forward from previous year	65,454	62,454
Add : Transfer from Profit & Loss Account	-	3,000
	65,454	65,454
(iv) Capital Redemption Reserve	1,062	1,062
	1,062	1,062
(v) Profit & Loss Account		
Balance brought forward from previous year	48,695	47,165
Add: Profit for the year	(6,706)	5,663
Less: Appropriations		
- Transferred to Statutory Reserve	-	1,133
- Transferred to General Reserve	-	3,000
- Proposed Dividend	-	-
- Tax on Dividend	-	-
	41,989	48,695
Total	1,43,165	1,49,871

M/s DECCAN FINANCE LIMITED**Notes on Financial Statements for the year ended 31st March, 2023****Note 18 Revenue from Operations**

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
	Rs in 000	Rs in 000
(a) Income From Financing Activities:		
- Interest on Loans	1,50,227	1,05,630
- Income from Direct Assignments	19,273	-
(b) Documentation Charges & Other Receipts	26,639	7,931
(c) Commission Receipts	2,034	330
Total	1,98,173	1,13,891

Note 19 Other Income

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
	Rs in 000	Rs in 000
(i) Bad debts recovered	168	210
(ii) Interest Receipts		
- Interest on Bank Deposits	901	420
- Interest on Salary Advance	5	6
(iii) Profit on Sale of Shares	-	765
(iv) Profit on Sale of Mutual Fund	37	-
(v) Profit on Sale of Asset	370	18
(vi) Dividend Receipts	3	1
(vii) Miscellaneous Income	-	4
Total	1,484	1,424

Note 20 Finance Costs

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
	Rs in 000	Rs in 000
(i) Interest - Banks	7,250	1,970
- Deposits	6,966	2,408
- Corporate Bodies	26,780	4,571
- Others	-	1,345
(ii) Interest on Non-Convertible Debentures	15,743	11,397
(iii) Brokerage on Deposits	-	594
(iv) Processing Fees	2,076	462
Total	58,815	22,747

Note 21 Provisions For NPA & Standard Assets

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
	Rs in 000	Rs in 000
(i) Provision on Standard Assets	1,274	831
(ii) Provision on Non performing Assets	910	(1,915)
(iii) Provision on Repossessed Stock	-	(77)
(iv) Provision on Shares	-	(70)
(v) Provision on Restructure	(5,086)	7,374
(vi) Rebates, Claims and Written off	12,691	8,988
Total	9,789	15,131

Notes on Financial Statements for the year ended 31st March, 2023

Note 22 Employee Benefits Expense

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
	Rs in 000	Rs in 000
(i) Salaries & Bonus	61,633	27,449
(ii) Director's Remuneration	21,120	11,100
(iii) Contribution to Provident Fund & ESI	4,515	2,012
(iv) Staff Welfare	1,111	312
(v) Gratuity Expenses	2,923	1,437
Total	91,302	42,310

Note 23 Other Expenses

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
	Rs in 000	Rs in 000
Advertisement Expenses	42	20
Audit Fees	634	333
Bank Charges	315	162
Brokerage & Commission	19,787	4,171
Business Promotion Expenses	1,189	233
Business Support Cost	3,009	-
CIBIL Charges	2,311	-
Computer Maintenance	429	388
Consultation Fees	1,147	7,171
Conveyance Charges	342	168
Director's Sitting Fees	16	80
Donations	-	50
Electricity Charges	669	396
Filing Fees	317	175
General Expenses	742	334
Insurance Charges	942	954
Internal Audit Fees	763	520
Legal Fees & Expenses	1,089	281
Membership & Subscription	83	177
Miscellaneous Expenses	197	146
Office Repairs & Maintenance	753	672
Postage And Telegram	277	92
Printing And Stationery	1,112	801
Professional Charges	1,265	1,242
Rates & Taxes	30	679
Rent	3,714	2,343
Seizing Expenses	15	402
Telephone Charges	357	159
Travelling Expenses	1,978	961
Vehicle Repairs & Maintenance	333	634
Total	43,857	23,744

Note 24 Additional Notes for the year ended 31st March 2023

(All amounts are in (Rs'000) unless otherwise stated)

1 Significant accounting policies

(i) Basis of Accounting

The financial statements have been prepared to comply, in all material respects, with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis.

(ii) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(iii) Property, plant and equipments

Property, plant and equipments are stated at cost less accumulated depreciation. Cost comprises of purchase price and other attributable costs, if any, in bringing the assets to its working condition for its intended use.

(iv) Depreciation

Depreciation is provided for on Written Down Value method in the manner prescribed under Schedule II of the Companies Act, 2013. In respect of addition of assets, depreciation has been provided on Pro-rata basis.

(v) Revenue recognition

(i) The company accounts for all incomes and expenditures on accrual basis except otherwise stated.

(ii) The company has followed the Prudential norms prescribed by the Reserve Bank of India for Non-Banking Financial Companies.

(iii) Interest on overdue loans are accounted for on receipt basis.

(vi) Investments

Long term investments are stated at cost unless there is a permanent reduction in the value of the investments.

(vii) Employee Benefits

Regular contributions are being made towards the Provident fund and the same has been charged to revenue. The company has provided for employees gratuity, pension or any other benefits of similar nature on estimated basis.

(viii) Taxation

Provision for taxation comprises of the current tax provision, and the net change in the deferred tax asset or liability during the year. Provision for deferred tax is made on the timing differences arising between the taxable income and accounting income computed using the tax rates and laws that has been enacted or substantively enacted as of the balance sheet date.

(ix) Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(x) **Contingent Liabilities and Contingent Assets**

Contingent liabilities and contingent assets are not recognized in the financial statements.

(xi) **Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Earnings per share, both basic and diluted, are calculated in accordance with the Accounting Standard - 20 issued by the Institute of Chartered Accountants of India.

PARTICULARS	Year ended March 31, 2023	Year ended March 31, 2022
	In 000	In 000
(a) Profit after taxation	(6,706)	5,663
(b) Number of Equity Shares	5,575.22	1,393.81
(c) Weighted number of Equity Shares	1,794.76	1,393.81
(d) Earnings per Share - Basic (In Rs.)	(1.20)	4.06
(d) Earnings per Share - Diluted (In Rs.)	(3.74)	4.06

(xii) **Segment Reporting**

The company operates in a single segment i.e. financing activities and hence does not call for segmentwise disclosure of assets, liabilities, revenues or expenses as prescribed under Accounting Standard 17 on "Segment Reporting", issued by the Institute of Chartered Accountants of India.

(xiii) **Disclosure requirement regarding Micro, Small & Medium Scale Enterprises**

The company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence, disclosure, if any, relating to amount unpaid at the year end together with interest paid/ payable as required under the said Act have not been given.

PARTICULARS	Year ended 31st March, 2023	Year ended 31st March, 2022
2 Auditor's Remuneration	Rs in 000	Rs in 000
For Statutory Audit	400	150
For Income Tax Audit	90	70
For GST Audit	20	55
For Certification Charges	124	58
	634	333
3 Deferred Tax Assets		
On Depreciation	782	480
On Carry Forwarded Losses	2,724	-
	3,506	480

4 **Direct Bilateral Assignments**

The company has transferred certain loans by way of direct bilateral assignment, as a source of finance. As per the terms of these deals, since substantial risk and rewards related to the assets were transferred to the buyers, these assets have been de-recognised from the company's balance sheet.

The table below summarises the carrying amount of the de-recognised loans and the gain/(loss) on de-recognition are as follows :

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
	Rs in 000	Rs in 000
Carrying amount of De-recognised loans	2,04,024	-
Carrying amount of Retained Assets	22,861	-
Gain on sale of de-recognised loans	19,273	-

The company has recognised upfront profit of Rs 192.73 Lakhs in the financial statements.

5 Related Party Disclosure

A. Key Managerial Personnel

Name	Relationship
Kailashmull Dugar	Executive Chairman
Sanjay Bhansali	Managing Director
K.V Ramana Shetty	Director
P.S Balasubramaniam	Director
Hemant Dugar	Director
Abhay S Mehta	Director
Murali Ramaswami	Director
Rajesh Balakrishna Rao	Director
Biswadev Banerjee Indradev	Whole Time Director

B. Relatives of Key Management personnels

Aditya Bhansali	Manju Dugar	Pooja Dugar
Aashna Jhaver	Meenal Bhandari	Rohil Bhandari
Akshay A Mehta	Neel Dugar	Shantha Devi.K
Amitha Bhansali	Nikhil Bhansali	Shreya
Teesha Jhaver	Niyati A Mehta	Endless Stationery Pvt Ltd
G.K.S Technology Park Pvt. Limited	Nishka Dugar	Smita Dugar
Hema Chordia	Preeta Sales Corporation	Vimala Bhansali
Naresh M Mehta	Raksha N Mehta	Asha R Mehta
The Pen World	Vinayak Shetty	Vinita Bhansali
Himal Sighvi	Preeta Jhaver	Frapus Systems Pvt Ltd
Linayah	Nikita Dugar	

C. Details of transactions with related parties

Description	Remuneration & Sitting Fees	Interest	Other Expenses	Deposits, including accrued interest, as on 31st March 2023	NCD, Loan, ICD
	Rs in 000	Rs in 000	Rs in 000	Rs in 000	Rs in 000
Directors	21,136 (11,180)	4,029 (996)	- (1,100)	16,909 (28,631)	2,500 (1,750)
Relatives of directors	684 (672)	2,626 (1,737)	97 (2,256)	12,059 (1,474)	11,700 (18,550)

Description	Accounts Receivable	Accounts Payable	Interest Income
	Rs in 000	Rs in 000	Rs in 000
Directors	- (0.00)	75 (0.00)	- (0.00)
Relatives of directors	14 (0.00)	- (0.00)	- (0.00)

* Figures in bracket represents for previous year.

6 The balances of debtors and creditors are subject to confirmation.

7 Analytical Ratios as per Ministry of Corporate Affairs ("MCA") notification dated 24th March 2021:

Particulars	Numerator	Denominator	As at 31st March, 2023	As at 31st March, 2022	Variance (%) *
Capital to risk-weighted assets ratio (CRAR)	Total capital funds	Total risk weighted assets	24.42%	36.26%	-32.65%
Tier I CRAR	Capital funds - Tier I	Total risk weighted assets	24.07%	35.92%	-32.98%
Tier II CRAR	Capital funds - Tier II	Total risk weighted assets	0.35%	0.34%	2.20%
Liquidity Coverage Ratio	Total HQLA	Total net cash outflow	1.79	6.59	-72.78%

* The Non-Banking sector is performing well post covid scenario. Therefore, the company has borrowed additional funds by way of debentures and started lending at a premium rate. However, due to higher operational costs, the company has incurred loss during the year. The year end expense provisions are also higher in comparison to the previous year. This has resulted in the variation in the afore-said ratios.

8 Previous year figures have been regrouped/re-arranged wherever necessary.

In terms of our report attached.

For and on behalf of the Board of Directors.

For CHANDARANA & SANKLECHA

Chartered Accountants
Firm Regn No : 00005578

BHARAT RAJ SANKLECHA
Proprietor
Membership No : 027539

Place : Chennai
Date : 09th September 2023



Kailashmull Dugar
Executive Chairman
DIN : 00134419

Sanjay Bhansali
Managing Director
DIN : 01811994