



## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF PAUL MERCHANTS FINANCE PRIVATE LIMITED

#### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of **PAUL MERCHANTS FINANCE PRIVATE LIMITED ("the Company")** which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended, and notes to financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity 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 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Results 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 results 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. Our opinion is not modified in respect of this matter.

### **Management's Responsibility for the Financial Results**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) 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 results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results, the Board of Directors are 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 the 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.

### **Auditor's Responsibilities for the Audit of the Financial Results**

Our objectives are to obtain reasonable assurance about whether the financial results 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 results.

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 financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances and for the purpose of expressing an opinion on the effectiveness of the company's internal control. 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 with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the financial results 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 standalone 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 standalone financial statements.

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

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

From the matters communicated with those charged with governance we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when in extremely rare circumstances we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Other Matters**

During the financial year ended on 31<sup>st</sup> March 2023, the company was defrauded by certain customers who had intercepted the communication systems between the company's mobile application and the respective payment gateway. As a result of the same, such customers were able to top up cards and wallets upto approximately Rs. 1.94 crore without actually transferring the said amount to the payment gateway. The company had filed complaint with relevant authorities and was able to recover sum of Rs. 1.85 crores out of the same while balance Rs. 8.54 lakhs has been recognized as exceptional item in the audited profit and loss account for the year.

However, our opinion on the standalone financial statements is not qualified in respect of the above matter.


## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), as amended, 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.

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 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 and proper returns adequate for the purpose of our audit have been received from the branches not visited by us.
- c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015. Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a Director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls 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 Auditors' report in accordance with section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors



during the year is in accordance with the provisions of section 197 read with Schedule V to the Act;

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. With respect to reporting required under clause (g) of Rule 11 of the companies (Audit and Auditors) Amendment Rules, 2021 regarding maintenance of audit trail in accounting software, as per proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 the requirement is mandatory for the company only w.e.f. April 1, 2023 and therefore reporting under this clause is not applicable.
  - v. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the 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;
  - vi. The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds 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;
  - vii. Based on such audit procedures that we have 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 (iv) and (v) above contain any material mis-statement.
  - viii. Based on the representations received by us and audit procedures conducted by us, the company has paid dividend during the year and the same is as per provisions of Section 123 of Companies Act, 2013.



For RAJIV GOEL & ASSOCIATES

CHARTERED ACCOUNTANTS  
Firm Reg. No. - 011106N



(ROHIT GOEL)  
PARTNER  
M. No. 091756

UDIN: 23091756BGZDEA1007

Date: 20<sup>th</sup> May, 2023  
Place: Chandigarh



### **Annexure "A" to the Independent Auditors' Report**

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2023:

- i. (a) (A) According to the explanations and representations made to us by the management, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant and Equipments.  
  
(B) According to the explanations and representations made to us by the management, the Company has maintained proper records showing full particulars of Intangible Assets  
  
(b) The Property Plant and Equipments have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Property Plant and Equipments and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed by the management, as represented to us.  
  
(c) According to information and explanations given to us, the company does not own any immovable properties as such reporting with regards to conveyance deeds is not applicable in its case.  
  
(d) According to information and explanations given to us, the company has not revalued its Property Plant and Equipments or Intangible Assets or both during the year.  
  
(e) According to information and explanations given to us, no proceedings have been initiated or pending against the company for holding any benami property under Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) In respect of its inventories, since the company is a Non-Banking Financial Company, it does not carry any kind of inventory. Hence, this clause is not applicable. Securities in the shape of gold ornaments are held by the company however the same do not form part





of inventories. As per the management, the same have been physically verified on quarterly basis.

(b) That during the year, the company has been sanctioned working capital limits in excess of five crore rupees on basis of security of current assets of the company. The quarterly statements submitted by the company to bank are in agreement with books of accounts of the company.

- iii. As the company is in principal business of extending loans clause 3(iii) of the order is not applicable to the company hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, 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 as applicable.
- v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- vii. (a) According to information and explanations given to us and on the basis of our examination of the books of accounts, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2023 for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanations given to us by the management and those charged with governance, there are no statutory dues which have not been paid on account of a dispute.



- viii. According to information and explanations provided to us, there is no transaction that is not recorded in the books of account which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks or any lender.
- (b) In our opinion and according to the information and explanations given to us, the company has not been declared wilful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, the term loans of the company have been applied for the purpose it was taken for.
- d) In our opinion, funds raised for short term purposes are not being utilized for long term purposes.
- e) According to information provided to us, the company does not has not have any subsidiaries, associates or joint ventures and as such reporting required as per the order regarding receipt from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures is not applicable in the present case.
- f) According to information shared and explanations given to us, the company does not has not have any subsidiaries, associates or joint ventures and as such reporting required as per the order regarding raising of loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate company.
- x. (a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments during the year.
- (b) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.



- xi. (a) Based on audit procedures performed and information and explanations given by management, we report that no fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
- (b) Based upon the audit procedures performed and the information and explanations given by the management, we report that no report u/s 143(12) of Companies Act 2013 has been filed by the auditors.
- (c) We have duly considered whistle blower complaints, if any, received by the company during the year
- xii. The company is not a Nidhi Company and therefore provisions of Para 3(xii) of the order are not applicable to the company.
- xiii. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and according to explanations and information received by us, the company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the internal auditors for the financial year were obtained by us from the management and verified on test check and sample basis as part of our audit procedures. The findings as per such reports were considered by us as part of our audit.
- xv. In our Opinion and according to information and explanations provided to us, the company has not entered into any non-cash transactions as specified in section 192 of the Companies Act 2013 with directors or persons connected with them during the year. Hence reporting requirement under Clause 3 (xv) of the Order are not applicable to the Company.
- xvi. The company is carrying on the business of lending against gold ornaments as well as other loans and for the said purpose company has obtained permission from RBI and is registered under section 45-IA of Reserve Bank of India.



- xvii. Upon examination of the cash flow statement of the company, we have concluded that the company had not incurred any cash losses in the current financial year and in the immediately preceding financial year.
- xviii. There has not been any resignation by statutory auditor during the year.
- xix. 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 as well as our knowledge of the Board of Directors and management plans, no material uncertainty exists as on the date of the audit report that company is incapable 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 or guarantee as to the future viability of the Company and further state that our reporting is based on the facts up to the date of the audit report only and not thereafter.
- xx. As per information shared with us by the management as well as per our audit procedures, the company has duly complied with CSR obligations and there is no unspent CSR amount at the end of the year.
- xxi. The company does not have any subsidiaries/joint ventures/associates and as such reporting as per the order regarding report of auditors of companies included in consolidated financial statements is not applicable in this case.

**For RAJIV GOEL & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Reg. No. - 011106N**



**(ROHIT GOEL)  
PARTNER  
M. No. 091756**

**UDIN:23091756BGZDEA1007**

**Date: 20<sup>th</sup> May, 2023  
Place: Chandigarh**



**"Annexure B" to the Independent Auditor's Report of even date on the Financial Statements of Paul Merchants Finance Private Limited**

**Report on the Internal Financial Controls 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 Paul Merchants Finance Private Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

**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. 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

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the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (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 authorizations 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 March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For RAJIV GOEL & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Reg. No. - 011106N**



**(ROHIT GOEL)  
PARTNER  
M. No. 091756**

**UDIN: 23091756BQZDEA1007**

**Date: 20<sup>th</sup> May 2023  
Place: Chandigarh**

Rs. In Lakhs

Particulars	Note	Current Year as on 31st March 2023	Previous Year as on 31st Mar 22
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and Cash Equivalents	1	806.45	943.58
Bank Balance Other than (a) above	1	285.62	62.77
Derivative Financial Instruments		-	-
Receivables		-	-
(I) Trade Receivables		-	-
(II) Other Receivables		-	-
Loans	2	70,740.03	47,752.84
Investments		-	-
Other Financial assets (to be specified)	2A	13.04	13.66
<b>Non - Financial Assets</b>			
Inventories			
Current Tax Assets	3	1,014.98	812.98
Deffered Tax Asset( Net)	4	25.15	37.54
Investment Property		-	-
Biological Assets Other than bearer plants		-	-
Property, Plant and Equipment	5	859.76	490.72
Other Intangible Assets	5	83.93	21.17
Capital Work in Progress	5A	14.91	9.56
Intangible Assets Under Development	5A	69.70	25.44
Other Non Financial Assets	6	706.94	973.37
<b>TOTAL ASSETS</b>		<b>74,620.52</b>	<b>51,143.64</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>Financial Liabilities</b>			
Derivative Financial Instruments			
Payables			
(I) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises			
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises			
(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	7	636.93	447.78
Debt Securities			
Borrowing (other than Debt Securities)	8	53,141.16	31,631.04
Deposits			
Subordinate Liabilities			
Other Financial Liabilities			
<b>Non Financial Liabilities</b>			
Current Tax Liabilities (Net)	9	639.49	698.29
Other Provisions	9	260.46	184.81
Other Non Financial Liabilities	9A	4.30	2.46
<b>EQUITY</b>			
a) Equity Share Capital	10	3,101.72	3,101.72
b) Other Equity	11	16,836.46	15,077.55
<b>TOTAL LIABILITIES &amp; EQUITY</b>		<b>74,620.52</b>	<b>51,143.64</b>

SAT PAUL SINGH  
(Chairman and Managing Director)  
DIN - 0001499  
#749, Sector 8,  
Chandigarh

SHABU GEEVARNESE CHERIAN  
(Whole Time Director)  
DIN 07319125  
Puthenpalambil, Karipuram,  
Makkiodu P.O., Kerala

AARTI MARKAN  
CFD  
Membership no 502300  
# 350,Sec 38A, Chandigarh

GOURAV RAPOOR  
Company Secretary  
Membership no FCS 12118  
#58, Ground Floor, SBP Gardenia,  
Sector 126, Mohali 140307

Auditor's Report

As per our separate reports  
of even date attached

For Rajiv Goel & Associates  
Chartered Accountants  
FRN - 011106H

CA. Rohit Goel  
Partner

M. No. 091756  
S.C.O. 823-824, SECTOR -22A,  
Chandigarh  
UDIN: 23091756BGZDEA1007

Place: Chandigarh

Date: 20/05/2023



**PAUL MERCHANTS FINANCE PRIVATE LIMITED**  
Audited Profit and Loss Statement for the year ended on 31st March 2023

CIN-U65921CH2010PTC032462

Rs. In Lakhs

Particulars	Note No.	Figures for the current reporting period 31.03.2023	Figures for the previous reporting period 31.03.2022
<b>Revenue from Operations</b>			
(i) Interest Income	12	10,588.48	7,985.55
(ii) Dividend Income		-	-
(iii) Rental Income		-	-
(iv) Fees and commission Income	13	457.20	451.10
<b>Total Revenue from operations</b>		<b>11,045.68</b>	<b>8,436.64</b>
Other Income	14	51.94	41.78
<b>Total Income (I-II)</b>		<b>11,097.62</b>	<b>8,478.43</b>
<b>Expenses:</b>			
(i) Finance Costs	15	3,843.35	2,581.13
(ii) Employee Benefits Expenses	16	2,373.60	1,561.93
(iii) Depreciation, amortization and impairment	5	221.36	141.81
(iv) Others expenses	17	2,055.51	1,388.56
(v) CSR Expense	18	51.62	38.63
<b>Total Expenses (IV)</b>		<b>8,545.44</b>	<b>5,712.06</b>
<b>Profit before exceptional &amp; extraordinary items &amp; tax (IV-V)</b>		<b>2,552.18</b>	<b>2,766.37</b>
Exceptional Items	19	8.54	-
<b>Profit before tax (V-VI)</b>		<b>2,543.64</b>	<b>2,766.37</b>
<b>Tax Expense:</b>			
(1) Current tax		639.49	698.29
(2) Prior period taxes		(1.32)	(4.36)
(3) Deferred tax		11.03	(25.21)
<b>Profit/(Loss) for the period from continuing operations (VII-VIII)</b>		<b>1,894.45</b>	<b>2,097.64</b>
Profit/(Loss) for the period from discontinued operations		-	-
Tax Expense of Discontinuing operations		-	-
Profit/(Loss) for the period from discontinued operations after tax (X-XI)		-	-
<b>Profit (Loss) for the year (IX + XII)</b>		<b>1,894.45</b>	<b>2,097.64</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
A(i) Items that will not be reclassified to profit or loss-Remeasurement Gain(Loss) on defined employee benefit plans		5.39	(1.50)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(1.36)	0.38
B(i) Items that will be reclassified to profit or loss		-	-
ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (XIII+XIV)</b>		<b>1,898.48</b>	<b>2,096.52</b>
<b>Earnings per equity share (for contiuing operations):</b>			
(1) Basic( Rs.)		6.11	6.76
(2) Diluted( Rs.)		6.11	6.76
<b>Earnings per equity share (for discontinued operations)</b>			
(1) Basic( Rs.)		-	-
(2) Diluted( Rs.)		-	-
<b>Earnings per equity share (for continuing and discontinued operations)</b>			
(1) Basic( Rs.)		6.11	6.76
(2) Diluted( Rs.)		6.11	6.76

SAT PAUL BERNARD  
(Chairman & Managing Director)  
DIN - 00077999  
#749, Sector 8,  
Chandigarh

*Aarti Markan*  
AARTI MARKAN  
CFO  
Membership no 502300

# 350, Sec 38A, Chandigarh

Place: Chandigarh

Date: 20/05/2023

SHABU GEEVARAJESE CHERIAN  
(Whole Time Director)  
DIN 073 9125  
Puthenparambali, Karipuram,  
Mukkoondi P.O., Kerala

*Govrav Kapoor*  
GOBRAV KAPOOR  
Company Secretary  
Membership no FCS 12118

#5B, Ground Floor, SBP Gardenia,  
Sector 126, Mohali 140307

**Auditor's Report**

As per our separate reports  
of even date attached

For Rajiv Goel & Associates  
Chartered Accountants  
FRN - 011106N

*Rajiv Goel*  
CA. Rohit Goel  
Partner  
M. No. 091756

S.C.O.823-824, SECTOR -22A,  
Chandigarh

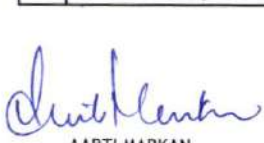
UIN: 23091756BGZ DEA1007



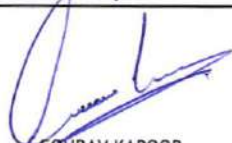
**PAUL MERCHANTS FINANCE PRIVATE LIMITED**  
**CASH FLOW STATEMENT AS ON 31st March, 2023**

Amount (Rs. In lakhs)

PARTICULARS	CURRENT YEAR 31-03-2023	PREVIOUS YEAR 31.03.2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before Tax and Extraordinary items	2,549.04	2,764.87
Adjustment for:		
Depreciation	221.36	141.81
Profit before working Capital Changes	2,770.39	2,906.67
Adjustment for :		
Net changes in operating Assets & Liabilities		
Short Term Loans & Advances	-22,987.19	-10,244.08
Other Current Assets	59.69	-632.12
Trade Payables	189.15	103.94
Other Current Liabilities	-56.96	87.71
Short Term Provisions	75.66	83.67
Cash generated from operations	-22,719.65	-10,600.89
Income Taxes Paid	-638.16	-693.93
Cash generated from operation before extraordinary items	-20,587.42	-8,388.15
Dividend Received		
Net Cash flow from operating activities	-20,587.42	-8,388.15
<b>B. CASH FLOW FROM LENDING AND INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	-697.41	-294.51
Increase/Decrease in Non Current Investments		
Net cash used in lending and investing activities	-697.41	-294.51
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase in Capital		
Borrowings (Net of Repayments)		
Long Term Borrowings	9,567.50	-15.88
Short Term Borrowings	11,942.61	9,347.58
Dividend Paid	-139.58	-139.58
	21,370.54	9,192.12
Net cash flow after financing activities	85.71	509.47
Cash and Cash equivalent at the beginning of the year	1,006.35	496.88
Cash and Cash equivalents at the end of the year	1,092.07	1,006.35



AARTI MARKAN  
CFO  
Membership no 502300  
# 350, Sec 38A, Chandigarh



GOURAV KAPOOR  
Company Secretary  
Membership no FCS 12118  
#58, Ground Floor,  
SBP Gardenia, Sec 126, Mohali



SAT PAUL BANSAL  
(Chairman & Managing Director)  
DIN - 00077499  
#749, Sector 8,  
Chandigarh



SHAMBU GEEVARGHESE CHERIAN  
(Whole Time Director)  
DIN 07319125  
Puthenparambil, Karipuram,  
Mukkoodu P.O., Kerala

**AUDITOR'S CERTIFICATE**

We have examined the Cash flow Statement of Paul Merchants Finance Private Limited for the year ended 31st March 2023. The Statement is in agreement with the corresponding Profit and Loss account and Balance Sheet of the Company covered by our report of even date to the members of the Company.

Place: Chandigarh  
Date: 20/05/2023



CA. Rohit Goel  
Partner  
M. No. 091756  
S.C.O.823-824, SECTOR -22A,  
Chandigarh  
UDIN: 23091756B9ZDEA1007

PAUL MERCHANTS FINANCE PRIVATE LIMITED  
STATEMENT OF CHANGES IN EQUITY  
CIN-U65921CH2010PTC032462

A Equity Share Capital

Changes in equity share capital for the year ended 31 March, 2023

Particulars	Amount (Rs. In Lakhs)
Balance at the beginning of the reporting period	3,101.72
Changes in equity share capital due to prior period errors	0.00
Restated balance at the beginning of the current reporting period	0.00
Changes in equity share capital during the year	0.00
Balance at the end of the reporting period	3,101.72

Changes in equity share capital for the year ended 31st March, 2022

Particulars	Amount (Rs. In Lakhs)
Balance at the beginning of the reporting period	3,101.72
Changes in equity share capital due to prior period errors	0.00
Restated balance at the beginning of the current reporting period	0.00
Changes in equity share capital during the year	0.00
Balance at the end of the reporting period	3,101.72

B Other Equity

Changes in other equity for the year ended 31 March, 2023

Particulars	Reserves and Surplus					Total
	Security premium Account	General Reserve	Statutory reserve	Remeasurement of Net defined benefit Asset/Liability (net of tax)	Impairment Reserve	
Balance at the beginning of the current reporting period	9,135.11	4,615.82	1,271.71	-	54.90	15,077.55
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance at the beginning of current reporting period	-	-	-	-	-	-
Dividends	-	(139.58)	-	-	-	(139.58)
Total comprehensive income for the current year	-	1,506.25	378.89	-	9.31	1,894.45
Security premium during the year	-	-	-	-	-	-
Remeasurements of net defined benefit plans	-	3.23	0.81	-	-	4.04
Balance as on 31-03-2023	9,135.11	5,985.73	1,651.41	-	64.21	16,836.46

Changes in other equity for the year ended 31st March, 2022

Particulars	Reserves and Surplus					Total
	Security premium Account	General Reserve	Statutory reserve	Remeasurement of Net defined benefit Asset/Liability (net of tax)	Impairment Reserve	
Balance as on 01.04.2021	9,135.11	3,115.29	852.41	-	-	13,102.81
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance at the beginning of current reporting period	-	-	-	-	-	-
Dividend Paid	-	(139.58)	-	-	-	(139.58)
Total comprehensive income for the current year	-	1,641.01	419.53	-	54.90	2,115.44
Security premium during the year	-	-	-	-	-	-
Remeasurements of net defined benefit plans	-	(0.90)	(0.22)	-	-	(1.12)
Balance as on 31.03.2022	9,135.11	4,615.82	1,271.71	-	54.90	15,077.55

For and on behalf of the Board of Directors

SAT PAUL BANERJEE  
(Chairman & Managing Director)  
DIN - 0001499  
#749, Sector 8,  
Chandigarh

GOURAV KAPOOR  
Company Secretary  
Membership no FCS 12118

#58, Ground Floor, SBP Gardenia,  
Sector 126, Mohali 140307

Place: Chandigarh  
Date: 20/05/2023

SHAJIBU GEEVARGHISE CHERIAN  
(Whole Time Director)  
DIN 07319825  
Puthenparambil, Karipuram,  
Mukkoodu P.O., Kerala

KARTI MARKAN  
CFO  
Membership no 502300  
# 350, Sec 38A, Chandigarh

Auditor's Report  
As per our separate reports of even  
date attached

For Rajiv Goel & Associates  
Chartered Accountants  
FRN - 011106N

CA. Rohit Goel  
Partner  
M. No. 091756  
S.C.O. 823-824,  
SECTOR -22A,  
Chandigarh  
UDIN: 23091756B6ZDEA1007



## NOTES ON FINANCIAL STATEMENTS

### Note 1: CASH & BANK BALANCE

Particulars	As on 31st Mar 2023	As on 31st Mar 2022
	Amount (Rs.in Lakhs)	Amount (Rs.in Lakhs)
<b>A. Cash and cash equivalents</b>		
Balance with banks in Current Accounts	434.91	704.20
Cash in Hand	371.54	239.38
Total (1)	<b>806.45</b>	<b>943.58</b>
<b>B. Other Balances with Banks</b>		
i) In Term Deposit Accounts with > 3 month and <12 months maturity	285.62	62.77
Total (2)	285.62	62.77
<b>Total (1+2)</b>	<b>1,092.07</b>	<b>1,006.35</b>



## Note 2 : LOANS

Rs. In Lakhs

Particulars	As at 31st Mar 2023				Total
	Amortised Cost	At Fair Value			
		Through Other Comprehensive Income	Through Profit or Loss	Designated at fair value through profit or loss	
<b>(A)</b>					
i) Gold Loan	69,799.58	-	-	-	69,799.58
ii) Other Loan	940.45	-	-	-	940.45
<b>Total (A) - Gross*</b>	<b>70,740.03</b>	-	-	-	<b>70,740.03</b>
<b>(B)</b>					
<b>I) Secured by tangible assets/Guarantee</b>					
i) Gold Loan	69,799.58	-	-	-	69,799.58
ii) Other Loan	107.63	-	-	-	107.63
ii) Loan to Related Party secured by Guarantee	800.00	-	-	-	800.00
<b>Total (I) - Gross</b>	<b>70,707.21</b>	-	-	-	<b>70,707.21</b>
<b>II) Covered by Bank / Government Guarantees</b>	-	-	-	-	-
<b>III) Unsecured</b>					
i) Other Loan	32.82	-	-	-	32.82
<b>Total (III) - Gross</b>	<b>32.82</b>	-	-	-	<b>32.82</b>
<b>Total (B) (I+II+III) - Net</b>	<b>70,740.03</b>	-	-	-	<b>70,740.03</b>
<b>(C) (I) Loans in India</b>					
i) Public Sector					
ii) Others	70,740.03	-	-	-	70,740.03
<b>(C) (II) Loans outside India</b>	-	-	-	-	-
<b>Total (C) - Gross</b>	<b>70,740.03</b>	-	-	-	<b>70,740.03</b>

\* Impairment Loss allowance in respect of all outstanding loans has been disclosed separately in Note No. 9



## Note 2 : LOANS

Rs. In Lakhs

Particulars	As at 31 March 2022				Total
	Amortised Cost	At Fair Value			
		Through Other Comprehensive Income	Through Profit or Loss	Designated at fair value through profit or loss	
<b>(A)</b>					
i) Gold Loan	47,391.01	-	-	-	47,391.01
ii) Other Loan	361.82	-	-	-	361.82
<b>Total (A) - Gross</b>	<b>47,752.84</b>	-	-	-	<b>47,752.84</b>
<b>(B)</b>					
<b>I) Secured by tangible assets</b>					
i) Gold Loan	47,391.01	-	-	-	47,391.01
ii) Other Loan	178.00	-	-	-	178.00
<b>Total (I) - Gross</b>	<b>47,569.01</b>	-	-	-	<b>47,569.01</b>
<b>II) Covered by Bank / Government Guarantees</b>	-	-	-	-	-
<b>III) Unsecured</b>					
i) Other Loan	183.83	-	-	-	183.83
<b>Total (III) - Gross</b>	<b>183.83</b>	-	-	-	<b>183.83</b>
<b>Total (B) (I+II+III) - Net</b>	<b>47,752.84</b>	-	-	-	<b>47,752.84</b>
<b>(C) (I) Loans in India</b>					
i) Public Sector					
ii) Others	47,752.84	-	-	-	47,752.84
<b>(C) (II) Loans outside India</b>	-	-	-	-	-
<b>Total (C) - Gross</b>	<b>47,752.84</b>	-	-	-	<b>47,752.84</b>



**Note 2A: Other Financial assets**

Particulars	As on 31st Mar 2023	As on 31st Mar 2022
	Amount (Rs.in Lakhs)	Amount (Rs.in Lakhs)
Amount Recoverable	13.04	13.04
Other Recoverable	-	0.63
Advance from Customers/ Renewal Pending	-	-
<b>Total</b>	<b>13.04</b>	<b>13.66</b>

**Note 3 : CURRENT TAX ASSETS**

Particulars	As on 31st Mar 2023	As on 31st Mar 2022
	Amount (Rs.in Lakhs)	Amount (Rs.in Lakhs)
Advance Tax & TDS	912.39	697.28
Tax refundable	0.20	88.02
Input Credit	102.40	27.67
<b>Total</b>	<b>1,014.98</b>	<b>812.98</b>

**Note 4: DEFFERED TAX LIABILITIES/TAX ASSET**

Particulars	As on 31st Mar 2023	As on 31st Mar 2022
	Amount (Rs.in Lakhs)	Amount (Rs.in Lakhs)
Opening Balances	37.54	11.96
Add : Deffered Tax Asset	-12.39	25.59
<b>Total</b>	<b>25.15</b>	<b>37.54</b>

**Note 6 : OTHER NON FINANCIAL ASSETS**

Particulars	As on 31st Mar 2023	As on 31st Mar 2022
	Amount (Rs.in Lakhs)	Amount (Rs.in Lakhs)
Prepaid Expenses	227.34	92.53
Security and Amount Refundable	231.32	861.36
Advance to Vendor	248.29	19.48
<b>Total</b>	<b>706.94</b>	<b>973.37</b>



**M/S PAUL MERCHANTS FINANCE PRIVATE LIMITED**  
**PARTICULARS OF DEPRECIATION ALLOWABLE AS PER COMPANIES ACT, 2013**

Note 05: Property, Plant and Equipment

PARTICULARS	Rate	Gross Block (Rs. in Lakhs)			Accumulated Depreciation (Rs. in Lakhs)				Net Block (Rs. in Lakhs)		
		Balance as at 1 April 2022	Additions	Disposals	Balance as at 31st Mar 2023	Balance as at 1 April 2022	Depreciation charge for the year	On disposals	Balance as at 31st Mar 2023	Balance as at 1 April 2022	Balance as at 31st Mar 2023
Motor Car	31.23%	169.02	4.35	-	173.37	68.82	32.32	-	101.14	100.20	72.23
Safes	18.10%	266.67	204.28	-	470.95	73.07	49.76	-	122.83	193.60	348.12
Security Devices	18.10%	51.55	50.52	-	102.08	10.09	11.15	-	21.24	41.46	80.84
Computer & Accessories	63.16%	66.22	70.13	-	136.35	47.03	32.71	-	79.74	19.19	56.61
Weighing Scale	18.10%	13.68	5.83	-	19.51	4.80	2.07	-	6.86	8.89	12.65
Furniture & Fixture	25.89%	112.84	142.76	-	255.60	43.81	31.82	-	75.63	69.02	179.97
Inventor	25.89%	27.46	18.81	0.14	46.13	8.12	7.08	-	15.20	19.35	30.94
Air Conditioner	25.89%	33.23	30.36	0.08	63.51	9.78	8.94	-	18.72	23.46	44.80
Currency Counting Machine(Including Office equipments)	25.89%	21.09	24.42	-	45.52	5.53	6.38	-	11.91	15.57	33.61
<b>Total</b>		<b>761.78</b>	<b>551.46</b>	<b>0.22</b>	<b>1,313.02</b>	<b>271.05</b>	<b>182.20</b>	<b>-</b>	<b>453.25</b>	<b>490.72</b>	<b>859.76</b>
Intangible Assets											
Software	63.16%	83.56	101.90	-	185.46	62.38	39.15	-	101.54	21.17	83.93
<b>Total Intangible Assets</b>		<b>83.56</b>	<b>101.90</b>	<b>-</b>	<b>185.46</b>	<b>62.38</b>	<b>39.15</b>	<b>-</b>	<b>101.54</b>	<b>21.17</b>	<b>83.93</b>
Intangible Assets Under Development		25.44	55.60	11.34	69.70	-	-	-	-	25.44	69.70
<b>Total Current Year</b>		<b>870.78</b>	<b>708.96</b>	<b>11.56</b>	<b>1,568.18</b>	<b>333.44</b>	<b>221.36</b>	<b>-</b>	<b>554.79</b>	<b>537.34</b>	<b>1,013.39</b>
<b>Total Last Year</b>		<b>580.87</b>	<b>316.72</b>	<b>26.81</b>	<b>870.78</b>	<b>196.23</b>	<b>141.81</b>	<b>4.60</b>	<b>333.44</b>	<b>384.64</b>	<b>537.34</b>

No revaluation of any class of asset is carried out during the year.





Note 5 - Capital Work in Progress - Ageing

Amount (Rs in Lakhs)

As on 31-Mar-2023					
Assets Under Development	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
<b>Intangible Assets</b>					
Projects in progress	63.80	-	5.90	-	69.70
Projects Temporarily suspended	-	-	-	-	-
Overdue Projects	-	-	-	-	-
Projects Exceeded Budgetary Cost	-	-	-	-	-
<b>Total</b>	<b>63.80</b>	<b>-</b>	<b>5.90</b>	<b>-</b>	<b>69.70</b>
<b>CWIP</b>					
Projects in progress	14.91	-	-	-	14.91
Projects Temporarily suspended	-	-	-	-	-
Overdue Projects	-	-	-	-	-
Projects Exceeded Budgetary Cost	-	-	-	-	-
<b>Total</b>	<b>14.91</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14.91</b>
<b>Gross Total</b>	<b>78.71</b>	<b>-</b>	<b>5.90</b>	<b>-</b>	<b>84.61</b>

Amount (Rs in Lakhs)

As on 31-Mar-2022					
Assets Under Development	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
<b>Intangible Assets</b>					
Projects in progress	5.85	19.59	-	-	25.44
Projects Temporarily suspended	-	-	-	-	-
Overdue Projects	-	-	-	-	-
Projects Exceeded Budgetary Cost	-	-	-	-	-
<b>Total</b>	<b>5.85</b>	<b>19.59</b>	<b>-</b>	<b>-</b>	<b>25.44</b>
<b>CWIP</b>					
Projects in progress	9.56	-	-	-	9.56
Projects Temporarily suspended	-	-	-	-	-
Overdue Projects	-	-	-	-	-
Projects Exceeded Budgetary Cost	-	-	-	-	-
<b>Total</b>	<b>9.56</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9.56</b>
<b>Gross Total</b>	<b>15.40</b>	<b>19.59</b>	<b>-</b>	<b>-</b>	<b>35.00</b>



Note 7 : FINANCIAL LIABILITIES - OTHER PAYABLES

Particulars	As on 31st Mar 2023	As on 31st Mar 2022
	Amount (Rs.in Lakhs)	Amount (Rs.in Lakhs)
Expenses Payable	365.72	318.40
Trade Payable	73.20	-
Salary Payable	198.00	129.37
<b>Total</b>	<b>636.93</b>	<b>447.78</b>

Note 7 : TRADE PAYABLE

Particulars	As at 31st Mar 2023				
	Amount (Rs. In Lakhs)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	36.10				36.10
(ii) Others	35.20		1.90		37.10
(iii) Disputed Dues - MSME					-
(iv) Disputed Dues - Others					-
<b>Total</b>	<b>71.30</b>	<b>-</b>	<b>1.90</b>	<b>-</b>	<b>73.20</b>

Particulars	As at 31st Mar 2022				
	Amount (Rs. In Lakhs)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME					-
(ii) Others	446.51	1.22	0.05	-	447.78
(iii) Disputed Dues - MSME					-
(iv) Disputed Dues - Others					-
<b>Total</b>	<b>446.51</b>	<b>1.22</b>	<b>0.05</b>	<b>-</b>	<b>447.78</b>



Note 8 : BORROWINGS

Rs. In Lakhs

Particulars	As at 31st Mar 2023			Total
	Amortised Cost	At Fair Value		
		Through Profit or Loss	Designated at fair value through profit or loss	
<b>(a) Term Loan*</b>				
(i) from banks**	-	12,556.51	-	12,556.51
Current Liabilities	-	3,815.81	-	3,815.81
Non-Current Liabilities	-	8,740.70	-	8,740.70
(ii) from others**	-	2,252.10	-	2,252.10
Current Liabilities	-	1,121.53	-	1,121.53
Non-Current Liabilities	-	1,130.57	-	1,130.57
(iii) Car Loan**	31.26	-	-	31.26
Current Liabilities	26.61	-	-	26.61
Non-Current Liabilities	4.65	-	-	4.65
Term Loan (Secured by specific charge on vehicles)				
(Terms of Repayment: Payable in 3 years in equal monthly installment)				
<b>(b) Loans repayable on demand</b>				
(i) from banks	13,814.18	-	-	13,814.18
(a) in Indian Rupees	5,814.18	-	-	5,814.18
(b) foreign currency exposure	8,000.00	-	-	8,000.00
(Secured by paripassu floating charge on current assets of the company & Tax Free Bonds & property owned by Paul Merchants Ltd, it is further secured by corporate Guarrantee given by Paul merchants Ltd, Further WC facility of Rs. 50 Cr. from SBI is also secured by Personal guarrantee of directors.				
(Terms of Repayment: Repayable on Demand)				
(c) Loans from related party	24,487.12	-	-	24,487.12
Loan from Directors and Relatives (Unsecured)	114.80	-	-	114.80
Loan from fellow subsidiaries	633.70	-	-	633.70
Loan from Holding Company (Unsecured)	23,738.62	-	-	23,738.62
(Terms of Repayment: Repayable on Demand)				
<b>Total (A)</b>	<b>38,332.55</b>	<b>14,808.61</b>	-	<b>53,141.16</b>
Borrowings in India	38,332.55	14,808.61	-	53,141.16
Borrowings outside India	-	-	-	-
<b>Total (B)</b>	<b>38,332.55</b>	<b>14,808.61</b>	-	<b>53,141.16</b>

\* Term loans were fully utilised for the purpose for which it was obtained.



Note 8 : BORROWINGS

Particulars	As at 31 March 2022			Rs. In Lakhs
	Amortised Cost	At Fair Value		Total
		Through Profit or Loss	Designated at fair value through profit or loss	
<b>(a) Term Loan</b>				
(i) from banks	-	1,670.08	-	1,670.08
Current Liabilities	-	1,391.63	-	1,391.63
Non-Current Liabilities	-	278.45	-	278.45
Term Loan (Hypothecation and first paripassu charge on the entire current Assets of the company including Gold Loan receivables(Present and future, backed by Corporate Guarantee of PML) (Terms of Repayment: Payable in 4 years in equal monthly installment)				
<b>ii) Car Loan</b>				
(i) from banks	58.56	-	-	58.56
Current Liabilities	28.59	-	-	28.59
Non-Current Liabilities	29.96	-	-	29.96
Overdraft facility from Banks				
Car Loan (Secured by specific charge on vehicles) (Terms of Repayment: Payable in 3 years in equal monthly installment)				
<b>(b) Loans repayable on demand</b>				
(i) from banks				
Overdraft facility from Banks	10,155.09	-	-	10,155.09
(Secured by paripassu floating charge on current assets of the company & Tax Free Bonds & property owned by Paul Merchants Ltd, it is further secured by corporate Guarrantee given by Paul merchants Ltd, Further WC facility of Rs. 50 Cr. from SBI is also secured by Personal guarrantee of directors. (Terms of Repayment: Repayable on Demand)				
<b>(b) Loans from related party</b>				
Loan from Directors and Relatives (Unsecured)	1,265.70	-	-	1,265.70
Loan from Holding Company (Unsecured)	18,481.62	-	-	18,481.62
(Terms of Repayment: Repayable on Demand)				
<b>Total (A)</b>	<b>29,960.96</b>	<b>1,670.08</b>	-	<b>31,631.04</b>
Borrowings in India	29,960.96	1,670.08	-	31,631.04
Borrowings outside India				
<b>Total (B)</b>	<b>29,960.96</b>	<b>1,670.08</b>	-	<b>31,631.04</b>

Since the company is NBFC registered with RBI , the requirement of disclosure under Rule 16A of Companies (Acceptance of Deposit) Rules is not applicable.



**\*\* Terms of Loans from Bank/FIs**

**AU Small Finance Bank Ltd. - O/s Balance as on 31.03.2023 - INR 1996.31 Lakhs**

This loan is Secured by paripassu floating charge on current assets of the company and repayable in 18 equal monthly installments.

**Cholamandalam Investment and Finance Company - O/s Balance as on 31.03.2023 - INR 716.21 Lakhs**

This loan is Secured by paripassu floating charge on current assets of the company and repayable in 36 equal monthly installments.

**IDBI Bank Ltd. - O/s Balance as on 31.03.2023 - INR 948.74 Lakhs**

This loan is Secured by paripassu floating charge on current assets of the company and repayable in 47 equal monthly installments.

**Tata Capital Financial Services Ltd. - O/s Balance as on 31.03.2023 - INR 1535.89 Lakhs**

This loan is Secured by paripassu floating charge on current assets of the company and repayable in 30 equal monthly installments.

**State Bank of India - O/s Balance as on 31.03.2023 - INR 5787.41 Lakhs**

This loan is Secured by paripassu floating charge on current assets of the company, Tax Free Bonds, property owned by Paul Merchants Ltd (Parent Co.). It is further secured by corporate Guarrantee given by Paul merchants Ltd. and Personal Guarantee of Directors.

This loan is repayable in 60 monthly installments as per Schedule given below:

Amount of Installment	No. of Installments	Total Repayment
Rs 0.50 Cr	15	Rs 7.50 Cr
Rs 1.00 Cr	24	Rs 24.00 Cr
Rs 1.50 Cr	12	Rs 18.00 Cr
Rs 1.17 Cr	9	Rs 10.50 Cr
<b>Total</b>	<b>60</b>	<b>Rs 60.00 Cr</b>

**Capital Small Finance Bank Ltd. - O/s Balance as on 31.03.2023 - INR 1271.79 Lakhs**

This loan is Secured by paripassu floating charge on current assets of the company and repayable in 36 equal monthly installments.

**Utkarsh Small Finance Bank Ltd. - O/s Balance as on 31.03.2023 - INR 582.26 Lakhs**

This loan is Secured by paripassu floating charge on current assets of the company and repayable in 12 equal monthly installments.

**Indian Overseas Bank Ltd. - O/s Balance as on 31.03.2023 - INR 1970 Lakhs**

This loan is Secured by paripassu floating charge on current assets of the company and repayable in 60 equal monthly installments.

**Diamlar Car Loan - O/s Balance as on 31.03.2023 - INR 14.39 Lakhs**

This loan is secured by specific charge on vehicles Payable in 3 years in equal monthly installment.

**HDFC Car Loan - O/s Balance as on 31.03.2023 - INR 16.86 Lakhs**

This loan is secured by specific charge on vehicles Payable in 3 years in equal monthly installment.



**Note 9: NON-FINANCIAL LIABILITIES**

Particulars	As at 31st Mar 2023	As on 31st Mar 2022
	Amount (Rs.in Lakhs)	Amount (Rs.in Lakhs)
Provision for Taxes	639.49	698.29
Provision for Impairment Loss	192.75	133.76
Gratuity Payable	67.71	51.05
<b>Total</b>	<b>899.95</b>	<b>883.09</b>

**Note 9A : OTHER NON FINANCIAL LIABILITIES**

Particulars	As on 31st Mar 2023	As on 31st Mar 2022
	Amount (Rs.in Lakhs)	Amount (Rs.in Lakhs)
Other Non- Financial Liabilities	4.30	2.46
<b>Total</b>	<b>4.30</b>	<b>2.46</b>



Note 10 : EQUITY CAPITAL

A. Authorised, Issued, Subscribed & Paid up Share Capital and Par Value per Share

Particulars	As at 31st Mar 2023	As at 31st March 2023	As at 31st Mar 2022	As at 31st Mar 2022
	Number	Amount (Rs. In Lakhs)	Number	Amount (Rs. In lakhs)
<b>Authorised</b> Equity Shares of Rs. 10 each	4,50,00,000	4,500.00	4,50,00,000	4,500.00
<b>Issued</b> Equity Shares of Rs. 10 each	3,10,17,175	3,101.72	3,10,17,175	3,101.72
<b>Subscribed &amp; fully Paid up</b> Equity Shares of Rs. 10 each	3,10,17,175	3,101.72	3,10,17,175	3,101.72
<b>Total</b>	<b>3,10,17,175</b>	<b>3,101.72</b>	<b>3,10,17,175</b>	<b>3,101.72</b>

The Company has one class of equity shares having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share held.

In the event of liquidation, equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amount, in proportion to their shareholding.

There are no share in the preceeding five years allotted as fully paid up without payment being received in cash/ Bonus shares/ Bought Back.

There are no shares reserved for issue under options and contracts/ commitments for sale of shares / disinvestment.

B. Reconciliation of Number of Shares Outstanding at the beginning and end of the year

Particulars	Equity Shares	Equity Shares
	As at 31st Mar 2023	As at 31st Mar 2022
	Number	Number
Shares outstanding at the beginning of the year	3,10,17,175	3,10,17,175
Shares Issued during the year	-	-
Shares bought back during the year	-	-
<b>Shares outstanding at the end of the year</b>	<b>3,10,17,175</b>	<b>3,10,17,175</b>

C. Shares in the company held by each shareholder holding more than 5% shares

Name of Shareholder (Mr./Mrs.)	Equity Shares			
	As at 31st Mar 2023		As at 31st Mar 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Sat Paul Bansal ( As a nominee of Paul merchants limited)	-	-	-	-
Mr. Rajneesh Bansal ( As a nominee of Paul merchants limited)	1	-	1	-
Paul Merchants Ltd (Holding Company)	3,10,17,174	100	3,10,17,174	100

D. Rights, Preferences and Restrictions attaching to various classes of Shares

Class of Shares	Rights, Preferences and Restrictions attaching to various classes of Shares
Equity Shares	No Special Rights, Preferences & Restrictions Attached



## Note 11: OTHER EQUITY

Particulars	As at 31st Mar 2023	As at 31st Mar 2022
	Amount (Rs.in lakhs)	Amount (Rs.in lakhs)
<b>Impairment Reserve</b>		
Opening Balance	54.90	17.80
(+) Current Year Transfer	9.31	37.11
<b>Closing Balance</b>	<b>64.21</b>	<b>54.90</b>
<b>A. Statutory Reserve</b>		
Opening Balance	1,271.71	852.41
(+) Current Year Transfer	379.70	419.30
<b>Closing Balance</b>	<b>1,651.41</b>	<b>1,271.71</b>
<b>B. General Reserve</b>		
Opening Balance	4,615.82	3,115.29
(+) Current Year Transfer	1,509.48	1,640.11
(-) DIVIDEND APPORTIONMENT	139.58	139.58
(-) DIVIDEND DISTRIBUTION TAX	-	-
<b>Closing Balance</b>	<b>5,985.73</b>	<b>4,615.82</b>
<b>C. Securities Premium Account</b>		
Opening Balance	9,135.11	9,135.11
Add : Securities premium credited on Share issue	-	-
Less : Premium Utilised	-	-
<b>Closing Balance</b>	<b>9,135.11</b>	<b>9,135.11</b>
<b>D. Retained Earning</b>		
Opening balance		
(+) Net Profit For the current year	1,894.45	2,096.52
(+)/ (-) Other Comprehensive Income/(loss) (net of tax)	4.04	-
(-) Transfer to Impairment Reserve as per RBI requirement	9.31	37.11
(-) Transfer to General Reserve	1,509.48	1,640.11
(-) Transfer to Statutory Reserve as per RBI requirement	379.70	419.30
<b>Closing Balance</b>	<b>0.00</b>	<b>0.00</b>
<b>Total</b>	<b>16,836.46</b>	<b>15,077.55</b>

**Nature and purpose of reserve**

**Statutory reserve :** Statutory Reserve represents the Reserve created under Section 45 IC of the Reserve Bank of India Act, 1934. Accordingly an amount representing 20% of Profit for the period is transferred for the year.

**Securities Premium :** This Reserve represents the premium on issue of equity shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

**General Reserve:** This Reserve represents the cumulative profits of the Company. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

**Impairment Reserve:** This reserve is created in accordance with IND AS 109.





Note 12 : INTEREST INCOME

(Rs. in lakhs)

Particulars	For the Year ended 31st Mar 2023			For the Year ended 31st Mar 2022		
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss
Interest Income on Loans	-	10,588.48	-	-	7,985.55	-
<b>Total Revenue From Operations</b>	-	<b>10,588.48</b>	-	-	<b>7,985.55</b>	-

Note 13 : FEES AND COMMISSION INCOME

Particulars	For the Year ended 31st Mar 2023	For the Year ended 31st Mar 2022
	Amount (Rs. In Lakhs)	Amount (Rs. In Lakhs)
Income from Money Transfer Service	393.15	403.30
Other Commission Income- Paulpay/ Insurance	64.05	47.80
<b>Total</b>	<b>457.20</b>	<b>451.10</b>

Note 14: OTHER INCOME

Particulars	For the Year ended 31st Mar 2023	For the Year ended 31st Mar 2022
	Amount (Rs. In Lakhs)	Amount (Rs. In Lakhs)
Interest on FDR	9.62	5.32
Miscellaneous Income	41.94	26.63
Loan Servicing Fees	0.38	9.84
<b>Total</b>	<b>51.94</b>	<b>41.78</b>

Note 15: FINANCE COSTS

(Rs. in lakhs)

Particulars	For the Year ended 31st Mar 2023			For the Year ended 31st Mar 2022		
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	Total	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	Total
Interest on borrowings	237.88	3,345.64	3,583.52	110.99	2,203.11	2,314.10
Bank Charges	-	259.83	259.83	-	267.03	267.03
	<b>237.88</b>	<b>3,605.47</b>	<b>3,843.35</b>	<b>110.99</b>	<b>2,470.14</b>	<b>2,581.13</b>

Note 16: EMPLOYEE BENEFIT EXPENSES

Particulars	For the Year ended 31st Mar 2023	For the Year ended 31st Mar 2022
	Amount (Rs. in Lakhs)	Amount (Rs. in Lakhs)
Salaries & Allowances	2,079.20	1,339.04
Leave Encashment	32.05	18.50
Staff Welfare Expenses	65.68	54.49
Contribution to ESI & EPF	102.49	69.83
Gratuity	26.75	17.41
Bonus	67.44	62.66
<b>Total</b>	<b>2,373.60</b>	<b>1,561.93</b>



Note 17 : OTHER EXPENSES

Particulars	As on 31st Mar 2023	As on 31st Mar 2022
	Amount (Rs.in Lakhs)	Amount (Rs.in Lakhs)
Commission Exp-DMT & Indo Nepal	200.52	232.75
Computer Expenses	47.87	31.10
Travelling & Conveyance Expenses	124.35	81.71
Insurance	99.84	65.24
Legal, Professional & Consultancy Charges	287.15	173.44
Payments to auditors (Refer Note (i) below)	0.77	1.47
Printing & Stationary	31.24	28.61
Rent, taxes & Energy cost	471.58	269.16
Security Expenses	307.01	227.82
Advertisement & Publicity	171.11	98.39
Provision for Impairment of Loan Asset	58.99	38.69
Repair & Maintenance	64.71	32.44
Director's fees, allowances and expenses	0.30	0.60
Misc Office Expenses	190.07	107.15
<b>Total</b>	<b>2,055.51</b>	<b>1,388.56</b>

NOTE 17 (i) Payments to auditors

Payments to the auditor	As on 31st Mar 2023	As on 31st Mar 2022
	Amount (Rs.in Lakhs)	Amount (Rs.in Lakhs)
Statutory Audit Fees	0.59	0.59
Tax Audit Fees	0.18	0.18
Fees for other services	-	0.71
<b>Total</b>	<b>0.77</b>	<b>1.47</b>



Note 18: Corporate Social Responsibility & other Social Welfare Expenses

Particulars	As on 31st Mar 2023	As on 31st Mar 2022
	Amount (Rs.in Lakhs)	Amount (Rs.in Lakhs)
A) Gross Amount Required to be spent by the Co. During the Year	49.37	37.12
B) Amount Spent on CSR During the year	Amount Paid	Amount Paid
-Setting up of old age home and Day care centre	10.91	26.00
- Animal Welfare	20.00	-
- Eradicating hunger	20.71	12.63
C) Shortfall in expenditure, if any	-	-
D) Total of Shortfall of earlier years , if any	-	-
E) Reason of Shortfall	-	-
F) Nature of CSR Activities	-	-
G) Details of CSR contributed to related Parties including Trust controlled by Company	-	-
H) Details of movement in provisions if any , made with respect to a liability by entering into a contractual obligation	-	-
Total	51.62	38.63

Note 19 :Exceptional Item

Particulars	As on 31st Mar 2023	As on 31st Mar 2022
	Amount (Rs.in Lakhs)	Amount (Rs.in Lakhs)
Loss on Cyber Fraud Case*	8.54	-
Total	8.54	-

\* Some customers had fraudulently intruded into the servers of the company and intercepted the communication between company's Mobile Application and Payment gateway, and in the process, they were able to top up their cards and wallets without actually transferring the amount to the Payment gateway. This way, the fraudsters duped the company to the tune of approximately Rs. 1.94 Crores. After complaint, Police arrested 5 accused persons and company finally recovered a sum of Rs. 1.85 crores from them and balance amount of Rs. 8.54 Lakhs has been booked as an exceptional loss in the books of company.



## **NOTES ON FINANCIAL STATEMENTS**

**Note 20: Related Party Disclosures**  
(As per Ind AS 24 issued by ICAI)

### **A. List of Related Parties having control or significant influence**

**a) Holding Company**

- i. M/s Paul Merchants Limited

**b) Fellow Subsidiary Company**

- i. M/s PML Realtors Pvt Ltd

**c) Key Management Personnel**

- i. Sh. Satpaul Bansal - Chairman & Managing Director  
ii. Sh. Rajneesh Bansal - Director  
iii. Smt. Sarita Rani Bansal - Whole Time Director  
iv. Sh. Shaibu Geevarghese Cherian - Whole Time Director  
v. Mr. Gourav Kapoor - Company Secretary  
vi. Mrs. Aarti Markan - Chief Financial Officer

**d) Relative of Key Management Personnel**

- i. Sh. Sandeep Bansal - Son of Sh. Satpaul Bansal  
ii. Mrs. Aastha Bansal - Wife of Sh. Rajneesh Bansal

**e) Associates / Enterprises owned or significantly influenced by Key Management Personnel or their relatives**

- i. Paul Overseas Private Limited  
ii. Paul Excursions Private Limited  
iii. PML Holidays Private Limited  
iv. Paul Fincare Private Limited  
v. Paul Innovations LLP  
vi. Paul Merchants Jewels & Metals LLP  
vii. PAUL DISTRIBUTORS  
viii Bright Cove Goods  
ix. Infotechtur Solutions Private Limited (formerly Paul Instaced Private Limited)  
x. Pitaara Talkies Private Limited  
xi. Collective Media Ventures Pvt Ltd  
xii. Bosna Digital Entertainment Pvt Ltd  
xiii. Paul E commerce Private Limited  
xiv. 9X Media Private Limited  
xv. ADB 21 Media Private Limited  
xvi. Divya Broadcasting Private Limited



**B. List of Related Party along with Transactions in Ordinary Course of Business  
For the Period ended 31st Mar 2023**

Nature of Transaction	Key Management Personnel Amount (Rs. In Lakhs)	(Holding Company) Amount (Rs. In Lakhs)	Related Party of KMPs/Directors (Rs. In Lakhs)
Rent paid to Holding Company	-	11.74	-
Rent paid to Whole Time Director	10.81	-	-
Rent received from related party	-	-	0.39
Net Service Charges Received from Holding Company	-	3.31	-
Service Charges Paid to related Party	-	4.97	-
Net additional working capital	-	5,257.00	-
Interest paid on working capital taken from	-	1,871.80	-
Commission Received from Holding Company for Cross Reference Sale	-	29.99	-
Dividend Paid to Holding Company	-	139.58	-
Purchase of goods & services from Holding Company	-	207.60	-
Sale of goods & services to related party	-	-	6.93
Additional Borrowing from director	65.00	-	-
Additional Borrowing from Chairman & Managing director	306.50	-	-
Additional Borrowing from Whole Time Director	22.00	-	-
Interest Exp on borrowing from director	6.29	-	-
Interest Exp on borrowing from Chairman & Managing Director	5.47	-	-
Interest Exp on borrowing from Whole-time Director	0.25	-	-
Loan & Advance repaid to Director	194.00	-	-
Loan & Advance repaid to Chairman & Managing Director	256.70	-	-
Advance repaid to Whole Time Director	22.00	-	-
Additional Borrowing from relative of director	-	-	30.00
Additional Borrowing from Fellow Subsidiary	-	-	409.00
Interest Exp on borrowing from related party	-	-	0.38
Interest Exp on borrowing from relative of director	-	-	6.01
Interest Exp on borrowing from Fellow Subsidiary	-	-	58.19
Loan & Advance repaid to related party	-	-	15.00
Loan & Advance repaid to relative of Director	-	-	153.50
Loan & Advance repaid to Fellow Subsidiary	-	-	708.50
Loan & Advance given to related party	-	-	800.00
Interest income on Loan & Advances given to related party	-	-	15.62
Interest income on Loan & Advances given to Whole Time Director	0.90	-	-
Advance paid to Whole Time Director	13.16	-	-
Remuneration paid to relative of director	-	-	4.53
Remuneration paid to Whole Time Director	54.52	-	-
Remuneration paid to CMD	240.00	-	-
Remuneration paid to Company Secretary & Chief Financial Officer	27.95	-	-
<b>Total</b>	<b>1,225.55</b>	<b>7,526.00</b>	<b>2,208.05</b>



**For the Period ended 31st March 2022**

Nature of Transaction	Key Management Personnel Amount (Rs. In Lakhs)	(Holding Company) Amount (Rs. In Lakhs)	Related Party (Rs. In Lakhs)
Rent paid		10.19	
Rent received			
Net Service Charges Paid - Indo Nepal/ DMT		12.91	
Additional Borrowing from Related Party			3,121.95
Repayment of borrowing to Related party			3,447.70
Net additional working capital		4,693.12	
Interest paid on loan		1,448.21	120.63
Commission for cross reference sales		21.22	
Dividend Paid		139.58	-
Purchase of goods & services		8.35	12.85
Additional Borrowing from director			396.75
Interest Exp on borrowing from director			2.68
Advance repaid to Director			202.75
Additional Borrowing from relative of director			1,566.00
Repayment of Borrowings to relative of director			1,990.00
Interest Exp on borrowing from relative of director			80.25
Advance repaid to relative of Director			
Advance Given to realtive of Director			
Interest income on Advance given to relative of Director			
Advance repaid by realtive of Director			
Salary paid to relative of director			
Managerial Remuneration	180.00		
Remuneration paid to Key Management Personnel	46.14		
<b>Gross Total</b>	<b>226.14</b>	<b>6,333.58</b>	<b>10,941.55</b>

There are no other transactions with related parties which are not in ordinary course of business or not at arm's length.

**Note 21: Loan to Assets Ratio**

As per Master Circular - "Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015", the Company is maintaining Loan to Assets Ratio of 93.54% for loans granted against collateral security of Gold Jewellery.

Particulars	Amount (Rs. In Lakhs)
Advances against security of Gold Jewellery	69,799.58
Total Assets of the Company	74,620.52



Note 22 : Disclosure Required as per Reserve Bank Master Direction On "Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016" dated Sep 1,2016

SNO.	Particulars	(Rs. In Lakhs)	
		For the Period ended 31st Mar 2023	For the Period ended 31st March 2023
		Amount O/S	Amount Overdue
		As on 31st Mar' 2023	
<b>- Liabilities Side</b>			
(1)	Loans & advances availed by NBFC inclusive of interest accrued thereon but not paid		
	(a) Borrowing From Bank/FI	28,654.04	-
	(b) Loan From Related Party	24,487.12	-
<b>- Assets Side</b>			
	Breakup of loan & Advances including Bill Receivables		
	(a) Secured	70,707.21	558.02
	(b) Unsecured	32.82	21.79
(3)	<b>- Other Information</b>		
	(i) Gross Non Performing Assets		
	(a) Related Parties		
	(b) Other than Related Parties		579.80
	(ii) Net Non Performing Assets		
	(a) Related Parties		
	(b) Other than Related Parties		498.57

SNO.	Particulars	Rs. In Lakhs	
		For the Period ended 31st Mar 2023	For the Period ended 31st Mar 2023
		Amount O/S	Amount Overdue
		As on 31st Mar 2023	
<b>- Liabilities Side</b>			
(1)	Loans & advances availed by NBFC inclusive of interest accrued thereon but not paid		
	(a) Debenture -Secured	NIL	NIL
	- Unsecured	NIL	NIL
	(other Falling within the meaning of public	NIL	NIL
	(b) Deferred Credits	NIL	NIL
	(c) Term Loans	NIL	NIL
	(d) Inter Corporate Loans & Borrowings	NIL	NIL
	(e) Commercial Paper	NIL	NIL
	(f) Public Deposits	NIL	NIL
	(g) Other Loans	NIL	NIL
	(i) Borrowing From Bank/FI	28,654.04	NIL
	(ii) Loan From Related Party	24,487.12	NIL
(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	NIL	NIL
	(b) In the form of Partly secured debentures i.e.	NIL	NIL
	(c) other Public Deposits	NIL	NIL
<b>- Assets Side</b>			
(3)	Breakup of loan & Advances including Bill Receivables (other than those included in (4) below):		
	(a) Secured		70,707.21
	(b) Unsecured		32.82
(4)	Breakup of leased Asset & Stock on hire & other assets counting towards asset financing activities		
	(i) Lease Assets Including lease rentals under sundry debtors:		
	(a) Financial Lease		NIL
	(b) Operating Lease		NIL
	(ii) Stock on hire including hire charges under sundry debtors		
	(a) Asset on Hire		NIL
	(b) Repossessed Assets		NIL
	(iii) Other Loans counting towards asset financing activities		
	(a) Loans where assets have been repossessed		NIL
	(b) Loans other than (a) above		NIL



Note 23 : Disclosure Required as per Reserve Bank Master Circular. RBI/ 2015-16/23 DNBR (PD) CC. No.044/03.10.119/2015-16 Dated July 01,2015

As per the company Policy ,the Company auctioned 2461 defaulter loan accounts during the financial year. The outstanding dues on these loan accounts were Rs.14,64,80,898/- till the respective date of auction. The Company realised Rs.14,97,39,193/- on auctioning of gold jewellery taken as collateral security on these loans. Company confirms that none of its sister concerns participated in the above auctions.

**Note 24. Earnings per Share**

Particulars	As on 31st Mar 2023	As on 31st March 2022
	Amount (Rs.in Lakhs)	Amount (Rs.in Lakhs)
Net Profit for the Year (Rs. )	1,894.45	2,097.64
Number of Equity Shares (Nos. )	3,10,17,175	3,10,17,175
Basic & Diluted EPS (Rs per Share )	0.06	0.07

**Note 25: OTHER COMPREHENSIVE INCOME**

Particulars	For the Year ended 31st Mar 2023	For the Year ended 31st Mar 2022
	Amount (Rs.in Lakhs)	Amount (Rs.in Lakhs)
Remeasurement (Gain)/Loss on defined benefit obligations	-5.39	1.50
Income tax relating to above	1.36	-0.38
Remeasurement (Gain)/Loss on defined benefit obligations (net of Tax)	-4.04	1.12

**Note 26. Deferred Tax**

(As per Ind AS 22 issued by ICAI)

Deferred Tax Assets on Account of Timing Differences	As at 01.04.2022 Amount (Rs. In Lakhs)	Arising During the Year Amount (Rs.In Lakhs)	As at 31.03.2023 Amount (Rs. In Lakhs)
Depreciation	10.75	10.23	20.98
Bonus	9.04	5.21	14.25
Gratuity	12.47	5.93	18.40
Gratuity-OCI	0.38	-1.74	-1.36
Employee Benefit Expense	-	-	-
Employee Benefit Income	-	-	-
IND AS ADJUSTMENT	4.91	-32.03	-27.12
<b>Net Deferred Tax Asset</b>	<b>37.54</b>	<b>-12.39</b>	<b>25.15</b>

**Note 27: Minimum Revenue from Operations**

The company has complied with RBI guidelines with regard to minimum stipulated revenue from operations of 50% since its start of business operations from December 2012.





## Note 28. Segment reporting

Amount (Rs in Lakhs)

S no	Particular	For the year ending 31st Mar 2023	For the year ending 31st March 2022
<b>1</b>	<b>Segment Revenue</b>		
(a)	GOLD LOAN	10,555.80	7,939.09
(b)	DOMESTIC MONEY TRANSFER	392.98	403.30
(c)	VRIDHI/PERSONAL LOAN	32.68	46.47
(d)	PREPAID INSTRUMENTS	50.63	39.66
(e)	DISTRIBUTION	11.82	8.14
(f)	OTHER	53.71	41.76
	<b>Income from Operation</b>	<b>11,097.62</b>	<b>8,478.43</b>
<b>2</b>	<b>Segment Expenditure</b>		
(a)	GOLD LOAN	7,944.41	5,190.38
(b)	DOMESTIC MONEY TRANSFER	406.89	439.25
(c)	VRIDHI/PERSONAL LOAN	19.97	14.73
(d)	PREPAID INSTRUMENTS	126.99	60.53
(e)	DISTRIBUTION	55.24	7.18
(f)	OTHER	0.48	-
	<b>Expenses from Operation</b>	<b>8,553.98</b>	<b>5,712.06</b>
	<b>PROFIT BEFORE TAX ( a ) - ( b )</b>	<b>2,543.64</b>	<b>2,766.37</b>
<b>3</b>	<b>Capital Employed</b>		
(a)	GOLD LOAN	73,663.37	49,987.90
(b)	DOMESTIC MONEY TRANSFER	384.42	797.12
(c)	VRIDHI/PERSONAL LOAN	38.54	177.65
(d)	PREPAID INSTRUMENTS	494.90	177.92
(e)	DISTRIBUTION	34.42	3.06
(f)	OTHER	4.86	-
	UNALLOCATED ASSETS	-	-
	UNALLOCATED LIABILITIES	-	-
		<b>74,620.52</b>	<b>51,143.64</b>

## Note 29: Disclosure under Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006

Particulars	Amount (Rs.in Lakhs)
the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year	Principal - 36.10 Interest Due - NIL
the amount of interest paid by the buyer in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	NIL
the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this act	NIL
the amount of interest accrued and remaining unpaid at the end of each accounting year	NIL
the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23	NIL



Note 30: Financial Ratios	Mar'23	Mar'22
a) Capital to risk-weighted ratio(CRAR) Formula=(Tier1 capital+Tier2 Capital)/Risk Weighted assets	32%	45%
b) Tier-1 CRAR Formula=(Own capital+disclosed(free) reserves+Share Premium)/Risk Weighted assets	32%	45%
c) Tier II CRAR Formula=(revaluation reserve+general provision+Hybrid capital instrument+Subordinated debts)/Risk Weighted assets	0%	0%
d) Liquidity Coverage ratio Formula=Stock of High Quality	7%	11%

Total net cash outflows over the next 30 days	Amount ( Rs in Lakhs)	Amount ( Rs in Lakhs)
Net Cash outflows over the 30 days period Amount	Mar-23	Mar-22
A Total Cash Outflows	53,778.09	32,078.82
B Stressed Cash Outflows (A*115%)	61,844.80	36,890.64
C Total Cash Inflows	74,408.92	47,752.84
D Stressed Cash Inflows (C*75%)	55,806.69	35,814.63
E Total net cash outflows over the next 30 days = Stressed Outflows (B) - Minimum of (Stressed Inflows (D); 75% of Stressed Outflows(B))	15,461.20	9,222.66

Rs. In Lakhs

Liquidity Coverage Ratio	Mar-23		Mar-22	
	Total Unweighted3 Value (average)	Total Weighted4 Value (average)	Total Unweighted3 Value (average)	Total Weighted4 Value (average)
High Quality Liquid Assets				
1 **Total High Quality Liquid Assets (HQLA)	1,092.07	1,092.07	1,006.35	1,006.35
Cash Outflows				
2 Deposits (for deposit taking companies)				
3 Unsecured wholesale funding				
4 Secured wholesale funding				
5 Additional requirements, of which				
(i) Outflows related to derivative exposures and other collateral requirements				
(ii) Outflows related to loss of funding on debt products				
(iii) Credit and liquidity facilities	61,112.33	53,141.16	36,375.70	31,631.04
6 Other contractual funding obligations	732.47	636.93	518.77	450.23
7 Other contingent funding obligations				
<b>8 TOTAL CASH OUTFLOWS</b>	<b>61,844.80</b>	<b>53,778.09</b>	<b>36,893.47</b>	<b>32,081.28</b>



Cash Inflows				
9 Secured lending	53,030.41	70,707.21	35,814.63	47,752.84
10 inflows from fully performing exposures				
11 Other cash inflows	2,776.28	3,701.71	2,479.98	3,306.64
12 TOTAL CASH INFLOWS	55,806.69	74,408.92	38,294.61	51,059.48
		Total Adjusted Value		Total Adjusted Value
13 TOTAL HQLA	1,092.07	1,092.07	1,006.35	1,006.35
	15,461.20	15,461.20	9,222.66	9,222.66
14 TOTAL NET CASH OUTFLOWS				
15 LIQUIDITY COVERAGE RATIO (%)	7%	7%	11%	11%

3. Unweighted values must be calculated as outstanding balances maturing or callable with in 30 days ( for inflows and outflows)

4. Weighted values must be calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow



**NOTE 31: DISCLOSURE AS PER AMENDED SCHEDULE III TO THE COMPANIES ACT, 2013**

- (a) There are no differences in the quarterly returns or statements (such as stock statements) filed by company. All such statements are in agreement with the Books of Accounts.
- (b) There are no Trade Receivables Pending as on the last date of FY.
- (c) No proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Property (Prohibition) Act ,1988 (45 of 1988)and the rules made thereunder.
- (d) The company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (e) The company does not have any transaction with the Strike Off Companies in the Financial Year.
- (f) No registration or satisfaction of charges are pending to be filed with ROC.
- (g) There are no transactions which have not been recorded in the books.
- (h) The company has not traded or invested in crypto currency or virtual currency during the financial year.
- (i) There is no scheme of Amalgamation/Merger is approved by Court/NCLT, as no such case for Amalgamation/Merger related to company is pending before any Court/NCLT.
- (j) No immovable property is owned by the company.



Note 32: Disclosure required a sper reserve Bank of India Notification no DOR (NBFC) CC. PD No. 109/ 22.10.106/19-20 dated March 13, 2020

In accordance with the regulatory guidance on implementation of Ind AS issued by RBI on 13 March, 2020, the company has computed provision as per Income recognition Asset Classification and provisioning norms(IRACP) issued by RBI solely for comparative purpose as specified therein. A comparison between provision required under IRACP and impairment allowance made under IND AS 109 is given below:-

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	5=(3)-(4)	6	7=(4)-(6)
<b>Performing Asset</b>						
Standard	Stage-1	62,465.53	92.63	62,372.90	156.25	-63.62
	Stage-2	7,694.70	47.29	7,647.41	19.48	27.81
<b>Sub total</b>		<b>70,160.23</b>	<b>139.92</b>	<b>70,020.31</b>	<b>175.73</b>	<b>-35.81</b>
<b>Non-Performing Asset (NPA)</b>						
Sub Standard	Stage-3	535.46	29.45	506.01	53.55	-24.11
Doubtful - up to 1 year	Stage-3	9.31	0.65	8.66	1.86	-1.21
Doubtful - 1 to 3 years	Stage-3	13.24	0.94	12.30	4.03	-3.09
Doubtful - More than 3 years	Stage-3	21.79	21.79	-	21.79	-
<b>Subtotal for Doubtful</b>		<b>44.34</b>	<b>23.38</b>	<b>20.96</b>	<b>27.68</b>	<b>-4.30</b>
Loss	Stage-3					
<b>Subtotal for NPA</b>		<b>579.80</b>	<b>52.83</b>	<b>526.97</b>	<b>81.24</b>	<b>-28.41</b>
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage-1					
	Stage-2					
	Stage-3					
<b>Subtotal</b>						

Total	Stage-1	62,465.53	92.63	62,372.90	156.25	-63.62
	Stage-2	7,694.70	47.29	7,647.41	19.48	27.81
	Stage-3	579.80	52.83	526.97	81.24	-28.41
	<b>Total</b>	<b>70,740.03</b>	<b>192.75</b>	<b>70,547.28</b>	<b>256.96</b>	<b>-64.21</b>

(1) The shortfall of Rs. 64,21,393/- Between the provisions as per RBI IRAC Norms and Loss allowances as per IND AS 109 has been maintained as Impairment Reserve in accordance with RBI Circular DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13.03.2020.

(2) The company has rebutted the assumption contained in IND-AS 109 about considering Stage-1 advances as those which are 30 days past due. Instead, company has considered the same at 60 days past due due to its evaluation of past borrower behaviour and profile. The same is as per board approved policy as well as placed before Audit Committee Board.



Section I

Note 33A: Exposure

1) Exposure to real estate sector		
Category	Current year	Previous Year
<i>i) Direct exposure</i>		
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.	NIL	NIL
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.	1.08	1.78
c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures –		
i. Residential	NIL	NIL
ii. Commercial Real Estate		
<i>ii) Indirect Exposure</i>		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	NIL	NIL
<b>Total Exposure to Real Estate Sector</b>	<b>1.08</b>	<b>1.78</b>



2) Exposure to capital market

(Amount in ₹ crore)

Particulars <sup>1</sup>	Current Year	Previous Year		
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	NIL	NIL		
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				
<p><sup>1</sup> NBFCs may omit those line items which are not applicable/ not permitted or have nil exposure both in current and previous year. Further, exposures against pledge of shares by promoters of a company shall be shown separately under the respective line items.</p>				



3) Sectoral exposure

Sectors	Current Year			Previous Year		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector
<b>1. Agriculture and Allied Activities</b>	NIL	NIL	NIL	NIL	NIL	NIL
<b>2. Industry</b>						
i...						
ii...						
Others						
<b>Total of Industry (i+ii+...+Others)</b>	NIL	NIL	NIL	NIL	NIL	NIL
<b>3. Services</b>						
i...	8.00	0.00	NIL	NIL	NIL	NIL
ii...						
Others						
<b>Total of Services (i+ii+...+Others)</b>	8.00	0.00	NIL	NIL	NIL	NIL
<b>4. Personal Loans</b>						
i...	0.33	0.22	66.67%	1.84	0.05	2.72%
ii...						
Others						
<b>Total of Personal Loans (i+ii+...+Others)</b>	0.33	0.22	66.67%	1.84	0.05	2.72%
<b>5. Gold Loan</b>	<b>699.07</b>	<b>5.58</b>	<b>0.80%</b>	<b>475.69</b>	<b>4.04</b>	<b>0.85%</b>

Note:

i. The disclosures as above shall be based on the sector-wise and industry-wise bank credit (SIBC) return submitted by scheduled commercial banks to the Reserve Bank and published by Reserve Bank as 'Sectoral Deployment of Bank Credit'.

ii. In the disclosures as above, if within a sector, exposure to a specific sub-sector/industry is more than 10 per cent of Tier I Capital of a NBFC, the same shall be disclosed separately within that sector. Further, within a sector, if exposure to specific sub-sector/industry is less than 10 per cent of Tier I Capital, such exposures shall be clubbed and disclosed as "Others" within that sector.





4) Intra-group exposures

NBFCs shall make the following disclosures for the current year with comparatives for the previous year:

Particulars	Current Year			Previous Year		
	i) Total amount of intra-group exposures (₹ crore)	ii) Total amount of top 20 intra-group exposures (₹ crore)	iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers (₹ crore)	i) Total amount of intra-group exposures (₹ crore)	ii) Total amount of top 20 intra-group exposures (₹ crore)	iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers (₹ crore)
Loans & Advances Given (Outstanding as on 31st March)	8	8	1.13	NIL	NIL	NIL
Loans & Advances Taken (Outstanding as on 31st March)	244.87	244.87	46%	197.47	197.47	62%

5) Unhedged foreign currency exposure NBFCs shall disclose details of its unhedged foreign currency exposures.

NIL



**Note 33B: Related Party Disclosure**  
(Amount in ₹ crore)

Related Party / Items	Parent (as per ownership or control)		Subsidiaries		Associates / Joint Ventures		Key management Personnel		Relatives Of Key Management		Others		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>Borrowings#</b>														
Outstanding at the year end	237.39	184.82	-	-	-	-	1.15	0.65	-	2.53	6.34	9.48	244.87	197.47
Maximum Balance during the year	264.34	205.87	-	-	-	-	1.77	1.05	-	20.63	9.48	23.90	275.58	251.44
<b>Deposits#</b>														
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum Balance during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Placement of Deposits#</b>														
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum Balance during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Advances#</b>														
Outstanding at the year end	-	-	-	-	-	-	0.13	-	-	-	8.00	-	8.13	-
Maximum Balance during the year	-	-	-	-	-	-	0.15	-	-	-	8.00	-	8.15	-
<b>Investments#</b>														
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum Balance during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Purchase of fixed/Other assets</b>														
Sale of fixed/Other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	18.72	14.48	-	-	-	-	0.06	0.03	0.12	0.80	0.59	1.21	19.48	16.52
Interest received	-	-	-	-	-	-	0.01	-	-	-	0.16	-	0.17	-
Others**	3.97	1.92	-	-	-	-	3.33	2.26	0.05	-	0.07	0.13	7.42	4.31



**Note 33C: Disclosure of complaints**

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

Sr. No	Particulars	Current Year	Previous Year
	Complaints received by the NBFC from its customers		
1.	Number of complaints pending at beginning of the year	0	0
2.	Number of complaints received during the year	15	4
3.	Number of complaints disposed during the year	15	4
3.1	Of which, number of complaints rejected by the NBFC	0	0
4.	Number of complaints pending at the end of the year	0	0
	Maintainable complaints received by the NBFC from Office of Ombudsman		
5.*	Number of maintainable complaints received by the NBFC from Office of Ombudsman	2	0
5.1.	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	0	0
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories	2	0
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	0	0
6.*	Number of Awards unimplemented within the stipulated time (other than those appealed)	0	0

**2) Top five grounds<sup>2</sup> 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
		2	3	4	5			
		Current Year						
1		2	3	4	5	6		
Levy of charges without prior notice/ excessive charges/ foreclosure charges	0	5			0	1		
Staff Behavior	0	6			0	0		
Difficulty in operation of accounts	0	4			0	0		
Others								
<b>Total</b>	0	15			0	1		
		Previous Year						
Levy of charges without prior notice/ excessive charges/ foreclosure charges	0	3			0	0		
Staff Behavior	0	1			0	0		
Difficulty in operation of accounts								
Others								
<b>Total</b>	0	4			0	0		





**Note 34: CONTINGENT LIABILITY**

On 3rd February 2023, RBI has issued show cause notice to the company under Payment and Settlement Act, 2007 proposing to impose penalty of Rs. 30,50,000/- for alleged violations of Master Directions on Prepaid Instruments dated 27th August 2021. The company has filed reply to such notice on 15th February 2023 and requested for personal hearing. Any liabilities arising on account of such proceedings shall be quantified and disclosed only upon conclusion of the adjudication proceedings.

**Note 35: Other Notes**

1. Balance under Sundry Debtors, Sundry Creditors, Loans & Advances and Other Receivable and Payables are subject to confirmation and reconciliation.
2. Additional information pursuant to Schedule III division III part I & II of the Companies Act, 2013 other than stated above is either NIL or not applicable.
3. Accounting Policies and Notes 1 to 35 form integral part of Accounts for the year ending 31-03-2023

  
SAT PAUL BANSAL  
(Chairman & Managing Director)  
DIN - 00077499  
#749, Sector 8,  
Chandigarh

  
SHAIBU GEEVARGHESE CHERIAN  
(Whole Time Director)  
DIN 07319125  
Puthenparambil, Karipuram,  
Mukkoodu P.O., Kerala

**Auditor's Report**  
**As per our separate reports of even date attached**

For Rajiv Goel & Associates  
Chartered Accountants  
FRN - 011106N



  
CA. Rohit Goel  
(Partner)  
M. No. 091756  
S.C.O.823-824, SECTOR -22A,  
Chandigarh

UDIN: 23091756BGZDEA1007

  
GOURAV KAPOOR  
(Company Secretary)  
Membership no FCS 12118  
#58, Ground Floor, SBP Gardenia,  
Sector 126, Mohali 140307

  
AARTI MARKAN  
(CFO)  
Membership no 502300  
# 350, Sec 38A, Chandigarh

Place: Chandigarh  
Date: 20.05.2023

## SIGNIFICANT ACCOUNTING POLICIES

### A. Basis of Preparation of Financial Statements

These financial statements are prepared in accordance with Indian Accounting Standard (IndAS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind ASs, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there after.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Due to the amendments in Schedule III applicable to NBFC's, the relevant changes has been made.

The figures appearing in the financial statements has been rounded off to the nearest lakhs due to requirement of schedule III.

### B. Basis of measurement

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets which have been measured at fair value as described below and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind ASs.

### C. Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

### D Plant and Equipment

The items of Plant & equipment are measured at Cost less any accumulated depreciation and any accumulated impairment losses. The cost of an item of property, plant and equipment are stated at cost net of recoverable taxes and includes amounts added on revaluation (if any), less accumulated depreciation and impairment loss, if any. All costs, including financing costs, attributable to the fixed assets are capitalized.

The Company has opted to measure all its property, plant and equipment and intangible assets at the Previous GAAP (IGAAP) carrying amount as its deemed cost as on the date of transition to IND AS.

### E Depreciation

Depreciation on fixed assets is provided to the extent of depreciable amount on written down value method (WDV) in the manner prescribed in Schedule II to the Companies Act, 2013 over their remaining useful life on pro-rata basis.

### F Cash and cash equivalents

Cash and cash equivalents Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value in accordance with IND AS 7.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

### G Revenue Recognition

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

### H Employee Benefits

The entity makes contributions to statutory provident funds in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employee State Insurance Act, 1948. Provident Fund and ESI are defined contribution schemes and the contributions are charged to the profit and loss account of the year when the contributions to the respective fund is due. There are no other obligations other than the contribution payable to the fund.

Gratuity Liability as on 31st March 2023 has been provided for on basis of actuarial valuation basis Projected unit credit method in accordance with IND AS-19.

Leave encashment which are short term compensated absences are charged to profit and loss account of the year in which it is due.



## I **Borrowing Costs**

As per IND AS 23 Borrowing costs that are attributable to the acquisition or construction of qualifying assets (if any) are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit and Loss account.

## J **Provision for Current and Deferred Tax**

### Current income tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate

Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

## K **Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes except for contingent provision against standard assets as prescribed by RBI guidelines. Contingent Assets are neither recognized nor disclosed in the financial statements.

## L **Classification of Current / Non Current Assets**

All assets and liabilities are presented as Current or Non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to The Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization, the Company has assumed its operating cycle as 12 months for the purpose of Current / Non current classification of assets and liabilities

## M **Leases**

The Company has complied with IND AS 116 "Leases" applicable from 1 April 2019, and considered all material lease contracts existing on April 1, 2019. The Company has accounted for its short term leases and low value assets in accordance with para 6 of the IND AS. We have considered as short term lease considering the fact that Lease can be terminated on short term notice from either side

## N **Loans and Expected Credit Losses**

The Company is mainly engaged in the business of providing gold loans. The tenure of the loans generally is for 12 months. The Company also provides unsecured and secured loans to individuals, traders, businesses and self employed. The tenure of the loans ranges from 12 months to 60 months. The company categorises and values its loan book at fair value basis using Staging methods.

Stage-1 advances are those advances which are high and standard grade where the company sees no significant risk of default. Stage-2 advances are advances where the company assesses there has been significant deterioration in quality whereas Stage-3 advances are considered to be credit impaired advances.

The categorisation into different categories is based upon company's analysis of borrower profile and past behaviour and basis the same following categorisation is derived by the company. The expected credit losses for advances by considering the Exposure at Default, Probability of Default and the loss on default which are derived basis the past history of company's operations, overall economic situation and industry practices.



Company's internal credit rating grades and staging criteria for loans are as follows:

Rating	Stages
High Grade	Stage 1
Standard grade	Stage 1
Past due but not impaired	Stage 2
Individually impaired	Stage 3

**Exposure at Default (EAD)**

The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest.

**Probability of Default (PD)**

The Probability of Default is an estimate of the likelihood of default over a given time horizon. To calculate the ECL for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 month ECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments. The Company uses historical information wherever available to determine PD.

Portfolio	As at 31 March 2023		
	Stage 1	Stage 2	Stage 3
Gold Loans	2%	10%	100%
Other Loans-Secured	4%	10%	100%
Other Loans-Unsecured	4%	10%	100%

**Loss Given Default (LGD)**

LGD is the estimated loss that the Company might bear if the borrower defaults. The Company determines its recovery by analysing the recovery trends, collateral value and expected proceeds from sale of asset.

Portfolio	As at 31 March 2023		
	Stage 1	Stage 2	Stage 3
Gold Loan	7%	7%	7%
Other Loans-Secured	20%	20%	20%
Other Loans-Unsecured	100%	100%	100%

When estimating ECLs on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

