

SRESTHA FINVEST LIMITED

Date: September 01, 2023

To
The Manager
Listing Department
1. Bombay Stock Exchange Ltd, Mumbai
2. Metropolitan Stock Exchange of India Ltd, Mumbai.

Dear Sir,

Sub: Annual Report for the Financial Year 2022 - 2023

Pursuant to Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we herewith enclose Notice of the Annual General Meeting along with Annual Report for the Financial Year 2022 - 2023 which is being sent through email to those members who have registered their email addresses with the Company's RTA / Depositories.

The Notice of the Annual General Meeting along with Annual Report will also be made available on the website of the Company.

This is for your information and records.

Yours faithfully,
For Srestha Finvest Limited

A. JITENDRA
KUMAR BAFNA

Digitally signed by A.
JITENDRA KUMAR BAFNA
Date: 2023.09.01 13:06:53
+05'30'

Company Secretary & Compliance Officer

Encl: as above

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2022 - 2023
ANNUAL
REPORT

SRESTHA FINVEST LIMITED

CORPORATE INFORMATION

CIN: L65993TN1985PLC012047

Registered Address: Door No. 19 & 20, General Muthiah Mudali Street, Sowcarpet, Chennai – 600003

Website: www.srestha.co.in

Email: srestha.info@gmail.com

Contact Info: 044 - 4005 7044

BOARD OF DIRECTORS

Mrs. Sitaben S Patel – Chairman, Non Executive Independent Director

Mr. Sahadevsinh Babubha Rana – Non Executive - Non Independent Director

Mr. Mayurdwajsinh Sahadevsinh Rana - Non Executive - Non Independent Director

Mr. Umeshbhai Hirjibhai Padariya - Non Executive Independent Director

Mr. Sunil Bhandari – Wholetime Director

KEY MANAGERIAL PERSONNEL

Mr. Sunil Bhandari – Chief Financial Officer (CFO)

Mr. A. Jitendra Kumar Bafna – Company Secretary & Compliance Officer

STATUTORY AUDITORS

M/s. Darpan & Associates, Chartered Accountants

SECRETARIAL AUDITORS

M/s. SPAN & CO., Company Secretaries LLP

BANKERS

Kotak Mahindra Bank

AU Small Finance Bank

REGISTRAR & SHARE TRANSFER AGENT (RTA)

M/s. PURVA SHAREGISTRY (INDIA) PVT LTD

No. 9, Shiv Shakti Ind Estt, J.R. Boricha Marg, Lower Parel (East), Mumbai – 400011

Tel: 022 4961 4132 / 022 3199 8810

Email: support@purvashare.com | **Website:** www.purvashare.com

NOTICE

Notice is hereby given that the Thirty Eighth (38th) Annual General Meeting ("AGM") of the Members of Srestha Finvest Limited will be held on Saturday, the September 30, 2023 at 09:00 A.M. through Video Conferencing (VC) or Other Audio Visual Means (OAVM), for which purpose the Registered Office of the Company situated at Door No. 19 & 20, General Muthiah Mudali Street, Sowcarpet, Chennai – 600003 shall be deemed as the venue for the Meeting and the proceedings of the AGM shall be deemed to be made thereat, to transact the following business:

ORDINARY BUSINESS:

1. Adoption of Accounts of the Company:

To receive, consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2023 including audited Balance Sheet as at March 31, 2023 and the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors ("the Board") and Auditors thereon.

2. Appointment of a Director retiring by rotation

To appoint a Director in place of Mr. Sahadevsinh Babubha Rana (DIN: 09269488), who retires by rotation and, being eligible, offers himself for re-appointment.

3. Appointment of Statutory Auditors

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Sections 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit committee and the Board of Directors of the Company, M/s. Darpan & Associates, Chartered Accountants (Firm Registration No. 016156S) be and are hereby appointed as the Statutory Auditors of the Company for the term of five financial years (FY 2023-28), to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 43rd AGM of the Company, at such remuneration as may be agreed upon between the Board of Directors and Statutory Auditor.

FURTHER RESOLVED THAT the Board of Directors of the Company, (including its committees thereof), be and are hereby authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms or submission of documents with any authority or accepting any modifications to the clauses as required by such authorities, for the purpose of giving effect to this resolution and for matters connected therewith, or incidental thereto."

**By Order of the Board of Directors
For SRESTHA FINVEST LIMITED**

Sd/-

**A. Jitendra Kumar Bafna
Company Secretary**

**Place: Chennai
Date: 01/09/2023**

Registered Office: Door No. 19 & 20, General Muthiah Mudali Street, Sowcarpet, Chennai - 600003
Email: srestha.info@gmail.com | **Website:** www.srestha.co.in | **Tel:** 044 – 4005 7044
CIN: L65993TN1985PLC012047

Notes:

1. Pursuant to Circular No. 10/2022 dated December 28, 2022 by the Ministry of Corporate Affairs ("MCA") (hereinafter referred to as "MCA Circular") and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 issued by SEBI (hereinafter referred to as "SEBI Circular"), companies are allowed to hold Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of members at a common venue. In compliance with the aforesaid Circulars, the 38th AGM of the Company is being held through VC/OAVM.
2. Pursuant to the provisions of the Companies Act, 2013 ("the Act"), a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since the 38th AGM of the Company is being held through VC / OAVM in accordance with MCA Circulars and SEBI Circulars, physical attendance of Shareholders has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be made available for the 38th AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
3. The Explanatory Statement as required under Section 102 of the Companies Act, 2013 ("the Act") is annexed to the Notice.
4. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy of its Board or governing body Resolution/Authorization etc., (PDF/JPG Format) authorizing its representative to attend and vote on its behalf at the AGM through VC / OAVM. The said Resolution/Authorisation shall be sent to the Company by email at srestha.info@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com.
5. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
6. Members participating at the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. The relevant details as required under Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with applicable provisions of Secretarial Standard 2 on General Meetings issued by the Institute of Company Secretaries of India and other relevant information, if any, in respect of director seeking re-appointment relating to item No. 2 is also annexed to this Notice.
8. The Register of Members and share transfer books of the Company will remain closed from Saturday, September 23, 2023 to Saturday, September 30, 2023 (both days inclusive) for the purpose of AGM.
9. In line with MCA Circulars and SEBI Circulars, the Notice of the AGM along with Annual Report 2022-2023 is being sent electronically to all the Members whose email addresses are registered with the Company's RTA / Depositories. Member may note that Notice and Annual Report 2022-23 has been uploaded on the website of the Company at www.srestha.co.in, website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and MSEI Limited (www.msei.in) and also from the website of CDSL (agency for providing the Remote e-Voting facility) i.e. www.evotingindia.com.

The Member who wishes to obtain hard copy of the Annual Report can send a request for the same at email ID – srestha.info@gmail.com mentioning Folio No / DP ID and Client ID.
10. SEBI vide circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021 read with Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021, has mandated physical shareholders to furnish PAN, nomination, contact details (postal address with PIN, mobile number & E-mail address), bank account details (bank name & branch, bank account number and IFSC code) and specimen signature ('mandatory KYC'). Accordingly, Members holding shares in physical form are requested to complete the mandatory KYC by sending an E-mail request along with duly signed Form ISR-1 and other relevant forms to the Company's RTA at the E-mail ID: support@purvashare.com. Members holding shares in dematerialized form are requested to submit/update their KYC details with their respective Depository Participants.

The link for downloading the forms is available on the website of the Company at <https://www.srestha.co.in/forms.php> and also on the website of RTA at www.purvashare.com/faqs/. As per the aforesaid SEBI Circulars, non-availability of any of the above documents/details with Company's RTA on or after 1st April, 2023 will result in freezing of the physical shareholders' folios.
11. Members may note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed dividend account; exchange of securities certificate; sub-division of securities certificate; consolidation of securities certificates / folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the RTA's website under the web link at www.purvashare.com/faqs/.
12. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members

are advised to dematerialise the shares held by them in physical form. Members can contact the Company or Registrar and Share Transfer Agent of the Company, for assistance in this regard.

13. Pursuant to SEBI Circular no. SEBI / HO / MIRSD / MIRSDPoD1 / P / CIR / 2023 / 7 dated March 16, 2023, issued in supersession of earlier circulars issued by SEBI bearing nos. SEBI / HO / MIRSD / MIRSDRTAMB / P / CIR / 202 / 655 and SEBI / HO / MIRSD / MIRSDRTAMB / P / CIR / 202687 dated November 3, 2021 and December 14, 2021, respectively. SEBI has recently mandated furnishing of PAN, KYC details (i.e., Postal Address with Pin Code, email address, mobile number, bank account detail, specimen signature) and nomination details by holders of securities. In case any of the above cited documents/ details are not available in the Folio(s), RTA shall be constrained to freeze such Folio(s) effective from October 01, 2023. Relevant details and forms prescribed by SEBI in this regard are available on the website of the RTA at www.purvashare.com/faqs/. In view of the above we urge Members holding shares in physical form to submit the required forms alongwith the supporting documents on or before September 30, 2023. Members who hold shares in dematerialized form and wish to update their PAN, KYC, Bank Details and Nomination are requested to contact their DPs.
14. Members can avail of the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Act. Members desiring to avail this facility may send their nomination in the prescribed Form No. SH-13, duly filled in to the Registrar and Share Transfer Agent of the Company, i.e., Purva Shareregistry (India) Private Limited. Members holding shares in dematerialised form may contact their respective Depository Participants for availing this facility. If a Member desires to cancel the earlier nomination and record fresh nomination, he/she may submit the same in Form No. SH-14. The aforesaid forms will be made available to the Shareholders on request.
15. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participants in case the shares are held by them in dematerialized form and to Registrar and Share Transfer Agent of the Company, i.e., Purva Shareregistry (India) Private Limited in case the shares are held by them in physical form.
16. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.
17. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the

procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

18. The Registers and all other documents referred to in the accompanying Notice, will be available for inspection in electronic mode. Members can inspect the same by sending an email to the Company at srestha.info@gmail.com till the date of AGM.
19. To promote/ support green initiative, Members are requested to register / update their e-mail addresses through their Depository Participants for sending the future communications by e-mail. Members holding the shares in physical form may register/ update their e-mail addresses through the Registrar & Transfer Agent, giving reference of their Folio Number.

INSTRUCTIONS AND OTHER INFORMATION RELATING TO E-VOTING ARE AS UNDER:

20. The Company has engaged Central Depository Services (India) Limited ("CDSL") to offer e-voting facility to all its Shareholders to enable them to cast their votes electronically.
21. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44(1) of SEBI (LODR) Regulations, 2015 (as amended), the Shareholders are provided with the facility to cast their votes on all resolutions through e-voting services provided by CDSL. Resolution(s) passed by Shareholders through e-voting is/are deemed to have been passed as if they have been passed at the AGM.
22. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member/ Beneficial Owner List maintained by the Depositories as on the cut-off date, i.e., September 23, 2023.
23. Shareholders whose name appears in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date, i.e., Saturday, September 23, 2023 shall be entitled to avail the facility of remote e-voting as well as e-voting during the AGM. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.
24. Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as on the cut-off date, i.e., Saturday, September 23, 2023, may obtain the User ID and password by sending a request at helpdesk.evoting@cdslindia.com. However if a member is

already registered with CDSL for remote e-voting then existing User ID and password can be used for casting the vote.

25. The Board of Directors have appointed M/s. S. Praharaj & Associates, Company Secretaries, as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
26. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting (votes cast during the AGM and votes cast through remote e-Voting) and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairperson or a person authorised by him in writing, who shall countersign the same.
27. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.srestha.co.in under Investor Relations Tab and communicated to the Bombay Stock Exchange Limited (BSE) and Metropolitan Stock Exchange of India Limited (MSEI), where the shares of the Company are listed.

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING THE AGM AND JOINING THE MEETING THROUGH VC/OAVM ARE AS UNDER:

- A. The remote e-voting period begins on September 27, 2023 at 9.00 A.M. and ends on September 29, 2023 at 05.00 P.M. During this period, the Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e., Saturday, September 23, 2023, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

- B. Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.
- C. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- D. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<ol style="list-style-type: none"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
<p>Individual Shareholders holding securities in Demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.</p>
<p>Individual Shareholders holding securities in Demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p>

- E. Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.
- For NSDL: 8 Character DP ID followed by 8 Digits Client ID;
 - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- a) The shareholders should log on to the e-voting website www.evotingindia.com
 - b) Click on "Shareholders" module.
 - c) Now enter your User ID
 - d) Next enter the Image Verification as displayed and Click on Login.
 - e) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- For CDSL: 16 digits beneficiary ID;

f) If you are a first time user, follow the steps given below and fill the appropriate boxes:

For Physical shareholders and other than individual shareholders holding shares in Demat	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

F. After entering these details appropriately, click on "SUBMIT" tab.

G. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

H. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

I. Click on the EVSN for "**Srestha Finvest Limited**" to vote.

J. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

K. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

L. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

M. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

N. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

O. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

P. Facility for Non – Individual Shareholders and Custodians – Remote Voting:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the e-mail address srestha.info@gmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

- a) The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- b) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
- c) Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- d) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- e) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- f) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- g) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at srestha.info@gmail.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at srestha.info@gmail.com. These queries will be replied to by the company suitably by email.
- h) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- i) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- j) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ID / MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY / DEPOSITORIES:

For Physical Shareholders:

Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.

For Demat Shareholders:

Please update your email id & mobile no. with your respective Depository Participant (DP).

For Individual Demat Shareholders:

Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-voting from the CDSL e-voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with e-voting facility may be addressed to Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

**By Order of the Board of Directors
For Srestha Finvest Limited**

**Sd/-
A. Jitendra Kumar Bafna
Company Secretary**

**Place: Chennai
Date: 01/09/2023**

Annexure – A

Details of Directors seeking re-appointment at the 38th Annual General Meeting

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by the Institute of Company Secretaries of India]

Name of the Director	Mr. Sahadevsinh Babubha Rana
Date of Birth	08/07/1970
Nature of Appointment	Re-appointment
Date of Appointment	22/10/2021
Relationship with Directors and Key Managerial Personnel	Father of Mayurdwajsinh Sahadevsinh Rana
Qualifications	Bachelor Of Arts
Experience	10 years of Experience in Business Arts
Expertise in specific functional area	Business Administration
Directorship held in other Companies	-
Chairperson/Member of Committees of other companies	-
Shares in the Company	-

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3: Appointment of Statutory Auditors

M/s J V Ramanujam & Co., Chartered Accountants, were appointed as the Statutory Auditors of the Company at the 33rd Annual General Meeting (AGM) held on June 22, 2018. The auditors have tendered resignation on January 10, 2023 due to dissolution of their firm w.e.f. January 01, 2023.

To fill the casual vacancy caused by resignation of the statutory auditor, the Board of Directors of the Company at its meeting held on January 20, 2023, based on the recommendations of the Audit Committee, have approved the appointment of M/s Darpan & Associates, Chartered Accountants (Firm Registration No. 016156S), in terms of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 to hold the office till the conclusion of the ensuing AGM, subject to the approval of the members and the same was approved by the members through Postal ballot E-voting process for which the resolution was deemed to be passed on April 18, 2023.

Considering wide experience and expertise of M/s. Darpan & Associates, Chartered Accountants, their appointment is proposed by the Board and the approval of members for the said appointment is proposed in this meeting.

M/s. Darpan & Associates, Chartered Accountants, have consented to the proposed appointment and have confirmed their eligibility for the same. They have further confirmed that their appointment, if made, would be within the limits laid down under the Companies Act, 2013. They have also confirmed that they are not disqualified for the proposed appointment under the Act, including under Section 141 of the Act, the Chartered Accountants Act, 1949 and the rules and regulations made thereunder.

Brief Profile

M/s Darpan & Associates, Chartered Accountants, having Firm Registration No. 016156S, established in 2015, has expertise in Statutory Audit, Bank Audit, Tax Audit, Management Audit with partners having 9+ years of Experience in the Audit.

The details required to be disclosed under Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

A. Proposed fees payable to the Statutory Auditor(s):

The Board of Directors of the Company (including the Audit Committee) in consultation with the Statutory Auditors are authorised to alter and vary the terms and conditions including remuneration of the Statutory Auditors arising out of increase in scope of work, amendments to Accounting Standards or Listing Regulations and such other requirements resulting in the change in scope of work etc..

Terms of appointment:

Appointment as Statutory Auditors of the Company will be from the conclusion of the 38th AGM till the conclusion of the 43rd AGM of the Company.

Any material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change:

There are no material changes in the fee payable to such auditor from that paid to the outgoing auditor

B. Basis of recommendation for appointment:

The Audit Committee and the Board of Directors, at their respective meetings held on January 20, 2023, have considered various parameters like experience, expertise, technical knowledge, governance standards, etc., and found M/s. Darpan & Associates, Chartered Accountants (Firm Registration No. 016156S), suitable for this appointment and accordingly, recommended the same.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested in the proposed Resolution.

**By Order of the Board of Directors
For Srestha Finvest Limited**

**Place: Chennai
Date: 01/09/2023**

**Sd/-
A. Jitendra Kumar Bafna
Company Secretary**

DIRECTOR'S REPORT

TO THE MEMBERS OF SRESTHA FINVEST LIMITED

Your Directors have pleasure in presenting the 38th Director's Report of SRESTHA FINVEST LIMITED (the Company) along with the Audited financial statements for the financial year ended March 31, 2023.

1. FINANCIAL RESULTS

The financial results of the Company for the year ended March 31, 2023 is summarized below:

(Rs in lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Income from Operations	274.71	230.16
Non-operating Income	0.00	0.38
Total Income	274.71	230.55
Total Expenditure	708.99	164.36
Profit/Loss before Depreciation, Interest and Taxation	(434.29)	66.18
Interest & Finance Charges	30.73	68.28
Depreciation	2.70	0.45
Profit/Loss before Tax	(467.71)	(2.54)
Provision for Current Taxes	27.43	1.48
Provision for Deferred Taxes	2.27	0.02
Profit/Loss after Tax	(497.41)	(4.05)
Other Comprehensive Income	4.27	(0.74)
Transfer to Reserves	0.00	0.00
Balance carried to Balance Sheet	(493.13)	(4.79)

2. BUSINESS EXCELLENCE AND QUALITY INITIATIVES

Your Company continues to be guided by the philosophy of business excellence to achieve sustainable growth.

3. DIVIDEND

Due to losses no Dividend has been declared during the year.

4. TRANSFER TO RESERVES

Due to loss the company has abstained from transfer to any reserves.

5. OPERATING RESULTS AND BUSINESS OPERATIONS

During the financial year 2022 - 2023, your Company has incurred a loss of Rs. 497.41 Lakhs as compared to the loss of Rs. 4.05 Lakhs in previous year 2021 - 2022.

6. MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY FROM THE END OF THE FINANCIAL YEAR TILL THE DATE OF THE REPORT

There has been no material changes and commitment affecting the financial performance of the Company which had occurred between the end of the Financial Year of the Company to which the financial statements relate and the date of this Report.

7. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(5) of the Act, and based on the representations received from the management, the directors hereby confirm that:

- (i) in the preparation of the annual accounts for the financial year 2022-23, the applicable accounting standards have been followed and there are no material departures;
- (ii) they have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the financial year;
- (iii) they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act. They confirm that there are adequate systems and controls for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) they have prepared the annual accounts on a going concern basis;
- (v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating properly; and
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Change in Directors and KMP during the financial year

Appointments:

Executive Director

Considering the growth and complexity of the business of the Company and based on the recommendation of Nomination and Remuneration Committee, the Board, at its meeting held on October 17, 2022, approved the appointment of Mr. Sunil Bhandari as Wholetime Director and Chief Financial Officer of the Company for a period of 5 years with effect from October 17, 2022.

Independent Director

On recommendation of Nomination and Remuneration Committee ('NRC'), the Board, at its meeting held on October 17, 2022, appointed Mr. Umeshbhai Hirjibhai Padariya as an independent director of the Company for a period of five consecutive years effective from October 07, 2022.

The Board is of the opinion that Mr. Umeshbhai Hirjibhai Padariya is a person of integrity, expertise, and competent experience and proficiency to serve the Company as an independent director that can strengthen the overall composition of the Board.

As per the provisions of the Act, the Independent Directors are not liable to retire by rotation.

Resignation:

Due to professional commitments, Mr. Hemant D Chaudhari (DIN: 06516079) resigned from the post of non-executive Independent director of the Company with effect from close of business hours on October 07, 2022. The Board places on record its sincere appreciation for the valuable contribution made by him during his long tenure as director on the Board of the Company.

Re-designation:

Mr. Sahadevsinh Babubha Rana was redesignated as Non-Executive Director with effect from October 14, 2022

The Company has received approval of the Members of the Company on January 04, 2023 through Postal Ballot for appointment of Mr. Umeshbhai Hirjibhai Padariya as Non-Executive Independent Director, Mr. Sunil Bhandari as Wholetime Director and Chief Financial Officer and re-designation of Mr. Sahadevsinh Babubha Rana as Non-Executive Director pursuant to his relinquishment of the position of Whole Time Directorship and Chief Financial Officer of the Company.

Directors liable to retire by rotation

Mr. Sahadevsinh Babubha Rana (DIN: 09269488) retires by rotation at the ensuing AGM, being eligible, offers himself for re-appointment. Brief details of Mr. Sahadevsinh Babubha Rana (DIN: 09269488), who is seeking re-appointment, are given in the Notice of 38th AGM

Key Managerial Personnel

During the year, Mr. Sunil Bhandari, resigned from the post of Chief Executive Officer (CEO) with effect from close of business hours on October 17, 2022

Pursuant to the provisions of Section 203 of the Act, Mr. Sunil Bhandari (Wholetime Director cum CFO) and Mr. A. Jitendra Kumar Bafna (Company Secretary) are the Key Managerial Personnel of the Company as on March 31, 2023.

During the year, the Non-Executive Directors and KMP of the Company had no pecuniary relationship (except the disclosure made above in this report) or transactions vis-a-vis the Company.

9. DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors of the Company have submitted a Declaration that each of them meets the criteria of Independence as provided in Sub-Section (6) of Section 149 of the Companies Act, 2013 along with relevant Rules framed thereunder and Regulation 16 (1) (b) of SEBI Listing Regulations. The independent directors have also confirmed compliance with the provisions of Rule 6 of Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended, relating to inclusion of their name in the databank of independent directors. However, Mr. Umeshbhai Hirjibhai Padariya is in the process of completion of online proficiency self-assessment test as per the timeline notified by the Ministry of Corporate Affairs. Further, there has been no change in the circumstances which may affect the status of independent directors during the year.

10. NUMBER OF MEETINGS OF THE BOARD

During the year, eleven meetings of the Board of Directors of the Company were held, details of which are set out in page no. 22 of Corporate Governance Report which forms part of this report.

11. AUDIT COMMITTEE

The details pertaining to the composition of the Audit Committee are included in the Corporate Governance Report, which is also a part of this report. Further, there have been no instances during the year where recommendations of its Committees were not accepted by the Board.

12. BOARD EVALUATION

The evaluation framework for assessing the performance of the Directors of your Company comprises of contributions at the Meeting(s) and strategic perspective or inputs regarding the growth and performance of your Company, amongst others. Pursuant to the provisions of the Act and SEBI Listing Regulations, the Board has carried out an Annual Evaluation of its own performance and the working of its Committees, based on the evaluation criteria defined by Nomination and Remuneration Committee (NRC) for performance evaluation process of the Board and its Committees for the year under review.

A separate meeting of the independent directors was conducted, which reviewed the performance of non-independent directors, the Board as a whole and Chairperson of the Company taking into account the views of executive directors and non-executive directors. The evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

The evaluation has been satisfactory and meets the corporate governance requirement of the Company. The Board was satisfied that the committees are functioning well and besides covering their terms of reference, as mandated by law, important issues are brought up and discussed in the committee meetings.

The Board was also satisfied with the contribution of the Directors, in their respective individual capacities.

13. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters as provided under section 178(3) of the Act are covered in corporate governance report which forms part of this Report. The said Policy is available on the website of Company at <https://www.srestha.co.in/pdf/policies2023/Nomination-and-Remuneration-Policy.pdf>

14. ANNUAL RETURN

Pursuant to Section 92(3) read with 134(3) of the Act, Annual Return (in e-form MGT-7) for the financial year ended March 31, 2023 is available on the website of the Company under investor Relations tab at www.srestha.co.in.

15. RISK MANAGEMENT

The Risk Management is overseen by the Audit Committee of the Company on a continuous basis. The Committee oversees Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis. The Company has laid down procedures to inform the Board of Directors about the Risk Management and its minimization procedures. The Audit Committee and Board of Directors review these procedures periodically.

16. INTERNAL CONTROL

During the year under review, the Internal Financial Controls were operating effectively and no material or serious observation has been received from the Auditors of the Company for inefficiency or inadequacy of such controls. The Internal Financial Control procedure adopted by the Company are adequate for safeguarding 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.

17. HUMAN RESOURCES DEVELOPMENT

The Company has continuously adopted structures that help attract best external talent and promote internal talent to higher roles and responsibilities. Company's Health and Safety Policy commits to provide a healthy and safe work environment to all employees.

18. PARTICULARS OF EMPLOYEES

The Company has not employed any individual whose remuneration falls within the purview of the limits prescribed

under the provisions of Section 197 of the Act, read with Rule 5 (1) and (2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

19. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Your Company, being an NBFC registered with RBI and engaged in the business of giving loans in ordinary course of its business, is exempt from complying with the provisions of Section 186 of the Companies Act, 2013 ("the Act") with respect to loans. Further, pursuant to the provisions of Section 186 (4) of the Act, the details of investments made by the Company are given in the Notes to the Financial Statements.

20. TRANSACTIONS WITH RELATED PARTIES

All the Related Party Transactions (RPT) that were entered into during FY 2022- 23 were not on an arm's length basis and were in the ordinary course of business. Details of transactions with related parties during FY 2022- 23 are provided in the notes to the financial statements. Accordingly, the disclosure of RPTs as required under the provisions of Section 134 (3) (h) of the Companies Act, 2013 in Form AOC-2 is enclosed as Annexure – 1 to this report.

The policy on Related Party Transactions as approved by the Board is uploaded on the website of the Company at <https://www.srestha.co.in/pdf/policies2023/Related-Party-Transactions-Policy.pdf>. The Directors draw attention of the Members to Notes to the Financial Statements which sets out related party disclosures.

21. DEPOSIT FROM PUBLIC

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

22. VIGIL MECHANISM

Pursuant to Section 177(9) of the Act and Regulation 22 of SEBI Listing Regulations, the Company has established a vigil mechanism / Whistle Blower Policy for Directors and employees to report their genuine concerns. The Policy provides for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Governance and Ethics. The policy is available on the website of the Company at www.srestha.co.in.

23. DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The details of the complaints reported pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are provided in the Corporate Governance Report. During the financial year 2022-23, No complaints remains pending as of March 31, 2023.

24. CORPORATE GOVERNANCE REPORT, MANAGEMENT DISCUSSION & ANALYSIS REPORT

As per SEBI Listing Regulations, a detailed report on Corporate Governance is provided in a separate section and forms part of the Annual Report. A Certificate from Auditor regarding compliance with the conditions of Corporate Governance as stipulated in SEBI Listing Regulations is given under **Annexure – 2** and forms part of this Report.

Pursuant to Regulation 34 of the SEBI Listing Regulations, the Management Discussion and Analysis Report is presented in a separate section forming part of this Annual Report.

25. AUDITORS

Statutory Auditors

M/s. J.V. Ramanujam & Co, Chartered Accountants, were appointed as Statutory Auditors of the Company for a period of five years at the AGM of the Company held on June 22, 2018. M/s J. V. Ramanujam & Co, Statutory Auditors, vide letter dated January 10, 2023, tendered their resignation to the Board through Audit Committee, citing reason that majority of partners of the firm had called for dissolution of the firm with effect from January 01, 2023 and they are unable to continue as Statutory Auditors of the Company with effect from the same date as per the required auditing standards, legal requirements and related guidelines.

M/s Darpan & Associates, Chartered Accountants (Firm Registration No. 016156S) were appointed as Statutory Auditor's to fill casual vacancy caused by resignation of M/s J V Ramanujam & Co., Chartered Accountants, at the Board meeting dated January 20, 2023 and approved by the members through Postal ballot E-voting process for which the resolution was deemed to be passed on April 18, 2023, to hold office till the conclusion of the ensuing Annual General meeting.

M/s Darpan & Associates, Chartered Accountants (Firm Registration No. 016156S), will be appointed as the Statutory Auditors of the Company for a period of 5 years until the conclusion of the 43rd Annual General Meeting and has given their consent for the same. The Board recommends their appointment at the ensuing Annual General Meeting. The Board of Directors have adopted the Auditors Report as issued by the Statutory Auditor.

The Statutory Auditors have given a confirmation to the effect that they are eligible to continue with their appointment and that they have not been disqualified in any manner from continuing as Statutory Auditors.

Secretarial Auditors

As per the provisions of Section 204 of the Companies Act, 2013 read with corresponding Rules framed thereunder, M/s. SPAN & CO., Company Secretaries LLP, were appointed as the Secretarial Auditors of the Company to carry out the secretarial audit for the Financial Year 2022 - 2023. The Secretarial Audit Report issued in this regard is annexed as

Annexure - 3

The Auditors' Report and the Secretarial Audit Report for the Financial Year ended March 31, 2023, do not contain any qualification or reservation or adverse remarks.

26. DETAILS IN RESPECT OF FRAUD REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143 (12) of the Act (including any statutory modification(s) or re-enactment(s) for the time being in force).

27. RBI GUIDELINES

The Company has duly paid the penalty, pursuant to order dated 18/05/2023 passed by the Adjudication Committee of RBI, Chennai Regional Office for non-adherence to RBI Directions for not obtaining prior approval before effecting change in the management of NBFC.

However, the Company continues to comply with all the applicable regulations, circulars, notifications, directions and guidelines issued by the Reserve Bank of India ("RBI"), from time to time, with respect to Non – Deposit Taking NBFC.

28. COMPLIANCE WITH THE PROVISIONS OF SECRETARIAL STANDARDS

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively. However the management have incorporated certain considered view based on the practicality of business and better representation of facts in the financial statements. There are no significant impact on account of the same on the overall disclosure norms.

29. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The CSR Policy Rules are not applicable to the Company during the year under review.

30. SUBSIDIARY COMPANIES

Your Company has no subsidiaries. There are also no associate companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act").

31. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNAL

There are no significant or material orders passed by the Regulators or Courts or Tribunals which impacts the going concern status of the Company and its future operations.

32. SHARE CAPITAL / CHANGES IN CAPITAL STRUCTURE

During the year 2022-23, the Company had allotted 24,75,00,000 Equity Shares of face value of Rs. 2/- each on preferential basis to specified persons of Non-Promoter, Public Category. As a result, the paid-up equity share capital of the Company was increased to Rs. 66,00,00,000/- divided into 33,00,00,000 fully paid equity shares of Rs 2/- each. The proceeds of the issue of 24,75,00,000 equity shares on a preferential basis were fully utilized by the Company for the objects stated in the Explanatory Statement to the Notice of Postal Ballot i.e. for the purpose for which those were raised.

During the year under review, except for preferential issue as above stated, the Company has neither issued any shares with differential voting rights or granted stock options or issued sweat equity or purchased its own shares nor the company has made any Public/ Rights/ Bonus/Buy back of Equity Shares of the Company.

33. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The Disclosure stipulated as under Section 134(3) of Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is as under:

- The Company is not a Manufacturing company nor does the company has any Energy Consumption based business other than normal consumption of Energy in Administrative Office. The company deploys all the possible measure to conserve the energy and increase usage of green energy.
- The Company is not involved in any Technological Absorption based activities. Hence same is not reportable.
- The Company has not dealt in any Foreign Exchange in any manner during the year under review. Hence the same is not reportable.

34. OTHER DISCLOSURES

- The Company is not required to maintain cost records, as specified by the Central Government under section 148 of the Act.
- No application for Bankruptcy under the Insolvency & Bankruptcy Code, 2016 ("IBC") was made against the Company during the financial year under review. However, the IBC law is not applicable to NBFC Company.
- The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable

35. ACKNOWLEDGEMENTS

The Directors wish to convey their appreciation to business associates for their support and contribution during the year. The Directors would also like to thank the employees, shareholders, customers, suppliers, alliance partners and bankers for the continued support given by them to the Company and their confidence reposed in the management.

**On behalf of the Board of Directors
For Srestha Finvest Limited**

**Place: Chennai
Date: August 14, 2023**

**Sd/-
Sitaben S Patel
Chairperson**

FORM NO. AOC -2

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

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

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

S. No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	Sneha Bhandari (Relative of Wholetime Director)
2	Nature of contracts/arrangements/transaction	Interest Receipt
3	Duration of the contracts/arrangements/transaction	NA
4	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 9.90 Lakhs
5	Date of approval by the Board	30/05/2022
6	Amount paid as advances, if any	NA

2. Details of contracts or arrangements or transactions at Arm's length basis - NIL

For Srestha Finvest Limited

Place: Chennai
Date: August 14, 2023

Sd/-
Sitaben S Patel
Chairperson

INDEPENDENT AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (Listing Obligations and Disclosure Requirements) REGULATIONS, 2015

TO THE MEMBERS OF SRESTHA FINVEST LIMITED

- I have examined the compliance of conditions of Corporate Governance by **Srestha Finvest Limited** ("the Company"), for the year ended 31st March 2023, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility

- The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

- My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- Pursuant to the requirements of the Listing Regulations, it is my responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March 2023.
- I have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

- In my opinion and to the best of our information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Regulations.
- I state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

- The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, I do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without my prior consent in writing.

For Darpan & Associates
Chartered Accountants
FRN: 016156S

Sd/-
Darpan Kumar
Proprietor

Membership No. 235817
UDIN: 23235817BGXQJZ1542

Place: Chennai
Date: May 30, 2023

Form No. MR-3

**Secretarial Audit Report
For the Financial Year Ended 31st March, 2023**

[Pursuant to section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014 and Pursuant to Regulation 24A of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]

To

The Members

The Members of

Srestha Finvest Limited

**Door No. 19 & 20, General Muthiah Mudali Street,
Sowcarpet, Chennai - 600003**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Srestha Finvest Limited (CIN: L65993TN1985PLC012047)**, (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its Company Secretary, officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2023 according to the provisions of and to the extent applicable of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d) The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014.
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
- f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021.
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

(Out of the above, clause (iv) and sub clauses (d), (e), (f), (g), and (h) of clause (v) are not applicable to the Company during the audit period)

- (vi) Other law applicable to the Company as per the representations made by the Management, viz..

NBFC – ICC (Investment and Credit Company) – The Reserve Bank of India Act, 1934 and all applicable Laws, Rules, Regulations, Guidelines, Circulars, Notifications, etc.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings
- (ii) The Listing Agreements entered into by the Company with the Stock Exchanges, pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations,

Guidelines, etc. mentioned above.

The Company has not obtained prior approval of the Reserve Bank of India for the change in the composition of the Board of Directors it carried out during the year.

The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive, Independent and Women Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be, while there is a system in existence to capture and record the views of dissenting members, in the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

We further report that during the audit period, there were no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except the following, which has occurred outside the audit period:

The Company has received an order passed by the Adjudication Committee of RBI, Chennai Regional Office in accordance with the provisions of clause (b) of subsection (1) of Section 58G read with clause (aa) of subsection (5) of Section 58B of the Reserve Bank of India Act, 1934 vide Order dated 18th May, 2023 imposing a penalty of ` 2,00,000/- (Rupees Two Lakh only) for non-adherence to RBI Directions for obtaining prior approval before effecting change in the management of NBFC. However, the Company has duly paid the said penalty within stipulated period.

We further report that during the audit period, the Company, on 13th February 2023, has allotted 247,500,000 (Twenty-Four Crore Seventy-Five Lakhs Only) equity shares of face value of ` 2/- each fully paid up to the persons belonging to 'Non-Promoter, Public Category', pursuant to the exercise of conversion option by the warrant holders, after receipt of remaining 75% of issue price.

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

**For SPAN & Co., Company Secretaries LLP
Practicing Company Secretaries**

**Sd/-
Satyaki Praharaj
Partner**

**Place: Chennai
Date: 14/08/2023**

**FCS No. 6458, CP No.: 10755
UDIN: F006458E000798590**

ANNEXURE - A

**To
The Members,
Srestha Finvest Limited
Door No. 19 & 20, General Muthiah Mudali Street,
Sowcarpet, Chennai - 600003**

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

Management's Responsibility

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

Auditors' Responsibility

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and wherever required to ascertain the figures we have relied on the books presented to us as Audited and in respect of compliances of Tax Laws, we relied on the Financial/Statutory Auditors' Report.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

Disclaimer

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For SPAN & Co., Company Secretaries LLP
Practicing Company Secretaries**

**Sd/-
Satyaki Praharaj
Partner**

**Place: Chennai
Date: 14/08/2023**

**FCS No. 6458, CP No.: 10755
UDIN: F006458E000798590**

SRESTHA FINVEST LIMITED | 20

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Developments

Srestha Finvest Limited is a non-banking finance company registered with the Reserve Bank of India (RBI) and is classified as an NBFC - Investment and Credit Company (NBFC - ICC). Your company currently operating in the finance, Loans, investment, Consultancy, dealing in securities activity and it anticipates that there appears to be huge potential for growth. Also, the company is now poised to grow, building a reputation of quality, craftsmanship and expertise.

NBFCs have become important constituents of the financial sector and have been recording higher credit growth than scheduled commercial banks (SCBs) over the past few years. NBFCs are leveraging their superior understanding of regional dynamics and customised products and services to expedite financial inclusion in India.

The RBI introduced scale-based regulation for NBFCs which came into effect from October 01, 2022. Under the new framework, NBFCs – based on their size, activity, and perceived risks – were classified under four layers: Base Layer (BL), Middle Layer (ML), Upper Layer (UL), and a possible Top Layer (TL). NBFCs in the BL will be non-deposit-taking NBFCs, with assets worth up to ₹ 1,000 crores. These will be broadly subjected to extant regulations for non-deposit-taking NBFCs, except for changes in governance and prudential guidelines.

NBFCs not availing public funds and not having customer interface bear a different risk profile and hence deserve a differential regulatory treatment. It has been decided that Reserve Bank will come out with separate regulations for such NBFCs in due course. Till such time, the extant regulations will continue to apply.

Opportunities, Threats, Risks and Concerns

In a dynamic industry such as financial sector the company has added opportunities and risks and is inherent aspect of business. The opportunities which the company is looking to harness are as mentioned below:

- Opening up of financial sector reforms in India
- Fast growing requirement for Industrial clusters leading to credit demand.
- Monetary measures of the government tightening the credit line from banks would open doors for non-banking finance companies to explore those avenues.

The company's business, results of operations and financial condition are affected by number of risks, so the risk management function is of paramount importance and integral to the functioning of the company.

The risk management framework is based on assessing risks through analysis and understanding of the underlying risks before undertaking any transactions and changing or implementing processes and systems. This risk management mechanism is supported by regular review, control, self-assessment, and monitoring of key risk indicators.

Segment wise / product wise performance

The company is currently engaged in two segments, financing and investment activities and is in line with the accounting

standard on segment reporting.

Outlook

India is among one of the most observed emerging markets. Implementation of policies and reforms by the Government would help sector grow at faster phase. As per market research reports, disbursement growth in the personal loan space is expected to reach 18 - 20% in FY 2024 due to a healthy credit demand. NBFC's market share in terms of value in the personal loan space is currently at 21% and is expected to increase to 22% in FY 2024. The reports also state that the business loan segment will see a growth of 15 - 18% in FY 2024 and NBFCs are expected to grow faster in this space at 18 - 20%.

Financial Performance

The Company foresees a better business prospects in the year 2022-2023.

Internal Control System and Adequacy

The Company has adequate system of internal control in place. The Company believes that strong internal control system and processes play a critical role in the health of the Company. The Company has implemented required controls through systems and processes ensuring a robust control framework. This is to ensure that assets are safeguarded, all transactions are authorized, recorded and correctly reported and to ensure operational excellence. The Board and the Audit Committee reviews the performance of the audit and compliance functions and reviews the effectiveness of controls and compliance with regulatory guidelines. In the opinion of Board, internal control systems are well placed and working in an efficient manner.

Disclosure of Accounting Treatment

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to extent and in accordance with the Indian Accounting Standards (IND AS) as per the Companies (Indian Accounting Standards) Rules 2015 as amended to comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with relevant Rules issued thereunder. The financial statements have been prepared on accrual basis under the historic cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Cautionary Statement

This Report is based on the current situation, past experience and information available to the Company about its various businesses and assumptions regarding economic and industrial scenario, Governmental and other regulatory policies. The Performance of the Company is, to a great extent, dependent on these factors. The future performance may be materially influenced by the changes in any of these factors, which are beyond the control of the Company and may affect the views expressed in or perceived from this Report. Therefore the investors are requested to make their own independent judgments by taking into account all relevant factors before any investment decision.

Key Ratios

The Key Ratios as applicable to the Company are disclosed in the Notes to the Financial Statements

CORPORATE GOVERNANCE REPORT

1. Company's Philosophy on Corporate Governance

For us, Corporate governance is about promoting fairness, transparency, accountability, commitment to values, ethical business conduct and considering all stakeholders' interest while conducting business. Timely and accurate disclosure of information regarding the financial position of the company, performance and ownership forms part of the corporate governance. We consider stakeholders as our partners in our success and remain committed to maximizing stakeholder's value. Good Corporate Governance leads to long term stakeholder value. The governance processes and practices ensure that the interest of all stakeholders are taken into account in a balanced and transparent manner and are firmly

2. Board of Directors

The Company has an active, experienced, diverse and a well-informed Board with varied management expertise. The Board is responsible for and committed to sound principles of Corporate Governance in the Company. The Board is presented with relevant information on various matters related to the working of the Company, especially those that require deliberation at the highest level. The board is fully aware of its fiduciary responsibilities and recognizes its responsibilities to shareholders and other stakeholders to uphold the highest standards in all matters concerning the company and has empowered responsible persons to implement its broad policies and guidelines and has set up adequate review mechanisms.

The Board periodically reviews the compliance reports of all laws applicable to the Company. The minimum information as prescribed under Part A of Schedule II of Sub-Regulation 7 of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been placed before the Board for its consideration from time to time as and when required.

(A) Composition of Board

The Board comprises of number of members with diverse experience and skills, such that it best serves the governance and strategic needs of the Company. The present composition broadly meets this objective. In compliance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations, the Company has an optimum combination of executive and non-executive directors with a woman independent director to discharge its responsibilities and provide effective leadership to the business.

The present Board of the Company consists of one Executive Director and four Non-Executive Directors including one women independent director. The responsibilities of the Board, inter alia, include formulation of overall strategy for the Company, reviewing major plan of actions, setting performance objectives, laying down the Code of Conduct for all members of the Board and the Senior Management team, formulating policies, performance review, monitoring due compliance with applicable laws, reviewing and

embedded into the culture and ethos of the organisation.

Corporate Governance rests upon the four pillars of transparency, disclosure, monitoring and fairness to all. Good Governance practices stem from the dynamic culture and positive mindset of the organization. Your Company is in compliance with the Corporate Governance requirements as mandated by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") in letter and in spirit. A Report on compliance with the Code of Corporate Governance as stipulated in the Listing Regulations, for the year ended March 31, 2023 (year under review) and developments up to the date of this report are given below: approving the financial results, enhancing corporate governance practices and ensuring the best interest of the shareholders, the community, environment and its various stakeholders.

Pursuant to the provisions of the SEBI Listing Regulations, the Board through Nomination and Remuneration Committee ('NRC') has devised a policy on Board Diversity. The directors are selected purely on the basis of merit with no discrimination on religion, race, gender, pregnancy, childbirth or related medical conditions, nationality, marital status, age, sexual orientation, or any other personal or physical attribute.

(B) Code of Conduct

- (i) The Board of Directors has laid down Code of Conduct for Non-Executive Directors, Independent Directors and Senior Management of the Company. The copies of Code of Conduct as applicable to the Directors as well as Senior Management of the Company are uploaded on the website of the Company - www.srestha.co.in.
- (ii) The Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them for the Financial Year 2022-23. A declaration to this effect has been signed by Mr. Sunil Bhandari (Wholetime Director and Chief Financial Officer), of the Company and forms part of the Annual Report.

(C) Prevention of Insider Trading

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, a Securities Dealing Code for prevention of insider trading is in place. The objective of the Code is to prevent purchase and / or sale of shares of the Company by an insider on the basis of unpublished price sensitive information. Under this Code, all the designated persons and/or their immediate relatives are prevented from dealing in the Company's shares during the closure of Trading Window. The Board has further approved the Code for practices and procedures for fair disclosure of unpublished price sensitive information and policy governing the procedure of inquiry in case of actual or suspected leak of unpublished price sensitive information.

The aforesaid Code is available at the website of the Company <https://www.srestha.co.in/pdf/policies2023/Code-of-Conduct-for-Insider-Trading.pdf>. The Company has also put in place a Structured Digital Database as required under Regulation 3(5) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

(D) Other provisions as to Board and Committees

The Board comprises of Mrs. Sitaben S Patel as Non-Executive Independent Chairperson, Mr. Sunil Bhandari as Whole time Director and Chief Financial Officer, Mr. Mayurdwajsinh Sahadevsinh Rana and Mr. Sahadevsinh Babubha Rana as Non-Executive Non-Independent Director and Mr. Umesh Hirjibhai Padariya as Non-Executive Independent Director. None of the Directors holds Directorships in more than 20 companies as stipulated in Section 165 of the Companies Act, 2013.

During the year 2022-23, eleven meetings of the Board of Directors were held on 05/04/2022, 30/05/2022, 13/08/2022, 16/09/2022, 17/10/2022, 27/10/2022, 12/11/2022, 02/12/2022, 20/01/2023, 13/02/2023 and 17/03/2023. The requisite quorum was present for all the Meetings. The maximum time gap between any two consecutive meetings did not exceed 120 days and all the Meetings were well attended.

As per declarations received, no director serves as an independent director in more than seven equity listed companies or in more than three equity listed companies if he/she is a whole-time director/managing director in any listed company. None of the directors was a member in more than ten committees, nor a chairperson in more than five committees across all public companies in which he/she was a director.

Details of attendance of Directors at Board Meetings and at the last Annual General Meeting held on 30/09/2022, showing the position as on March 31, 2023 are given below:

Name of the Director	Category	Number of Board Meetings during the year 2022-23		Whether attended last AGM
		Entitled to Attend	Attended	Yes / No / N.A.
Mr. Mayurdwajsinh Sahadevsinh Rana	Non Executive Non Independent Director	11	10	Yes
Mr. Sahadevsinh Babubha Rana	Non Executive Non Independent Director (w.e.f. 14/10/2022)	11	11	Yes
Mrs. Sitaben S Patel	Chairperson, Non Executive Independent Director	11	11	Yes
Mr. Hemant D Chaudhari	Non Executive Independent Director (until 07/10/2022)	4	3	Yes
Mr. Umeshbhai Hirjibhai Padariya	Non Executive Independent Director (w.e.f 07/10/2022)	7	7	N.A.
Mr. Sunil Bhandari	Wholetime Director (w.e.f 17/10/2022)	11	11	Yes

Particulars of Directors with their Directorships and Chairpersonship/Membership of Board Committees of the companies showing the position as on 31st March, 2023 are given below:

Name	Category	Other Directorships* as on March 31, 2023	Number of Committee Membership** in other Companies as on March 31, 2023	Number of Committee Chairpersonship** in other Companies as on March 31, 2023
Mr. Mayurdwajsinh Sahadevsinh Rana	Non Executive Non Independent Director	Nil	Nil	Nil
Mr. Sahadevsinh Babubha Rana	Non Executive Non Independent Director (w.e.f. 14/10/2022)	Nil	Nil	Nil
Mrs. Sitaben S Patel	Chairperson, Non Executive Independent Director	4	1	Nil
Mr. Hemant D Chaudhari	Non Executive Independent Director (until 07/10/2022)	Nil	Nil	Nil
Mr. Umeshbhai Hirjibhai Padariya	Non Executive Independent Director (w.e.f 07/10/2022)	Nil	Nil	Nil
Mr. Sunil Bhandari	Wholetime Director (w.e.f 17/10/2022)	1	Nil	Nil

* Other directorships do not include alternate directorships, directorships of private limited companies, foreign companies and companies registered under Section 8 of Companies Act, 2013.

**Chairpersonships/Memberships of Board Committees include only Audit and Stakeholders Relationship Committees of public limited companies.

Directorship in listed companies

Name of the Director	Name of listed entity	Category
Mayurdwajsinh Sahadevsinh Rana	Srestha Finvest Ltd.	Non Executive, Non-Independent
Sahadevsinh Babubha Rana	Srestha Finvest Ltd.	Non Executive, Non-Independent
Sitaben S Patel	Srestha Finvest Ltd.	Non-Executive, Independent
	Kailash Auto Finance Ltd.	Non-Executive, Independent
	Sunstar Realty Development Ltd.	Non-Executive, Independent
	Tarang Projects and Consultant Ltd.	Director
	Welcure Drugs And Pharmaceuticals Ltd.	Non-Executive, Independent
Umeshbhai Hirjibhai Padariya	Srestha Finvest Ltd.	Non-Executive, Independent
Sunil Bhandari	Srestha Finvest Ltd.	Wholetime Director and CFO

(E) Relationship between Directors Inter-se

There are no relationships between the Directors inter-se except between Mr. Mayurdwajsinh Sahadevsinh Rana and Mr. Sahadevsinh Babubha Rana, Mr. Mayurdwajsinh Sahadevsinh Rana is son of Mr. Sahadevsinh Babubha Rana and is covered within the meaning of the term "relative" as per Section 2(77) of the Act and clause 49(VIII)(E)(2) of the revised listing agreements.

(F) Number of shares and convertible instruments held by non- executive directors

None of the Directors has held any convertible instrument as on March 31, 2023.

(G) Familiarization Program of Independent Directors

The Independent directors of company are personalities having wide experience in the field of business, finance, industry, commerce and administration. Their presence on the Board has been advantageous and fruitful in taking business decisions. Independent Directors are appointed as per the Governance guidelines of the Company, with management expertise and wide range of experience. Updates on relevant statutory changes encompassing important laws are regularly intimated to the Independent directors. Details of familiarisation programmes are placed on the Company's website at <https://www.srestha.co.in/pdf/policies2023/Familiarisation-Programmes-for-Independent-Directors.pdf>.

(H) Core Skills / Expertise / Competencies of the Board of Directors

In terms of Listing Regulations, the list of core skills / expertise / competencies identified by the board are in the context of the company's business and sector for effective functioning. The names of directors who have the relevant skills / expertise / competencies are as follows:

Name	Skills / Expertise / Competencies
Sahadevsinh Babubha Rana	Field Knowledge and Experience, Financial Expertise and Accounting.
Mayurdwajsinh Sahadevsinh Rana	Planning and Business Administration
Sitaben S Patel	Financial Management, Accounting and Risk Management
Mr. Umeshbhai Hirjibhai Padariya	Field Knowledge and Experience
Mr. Sunil Bhandari	Financial Management, Planning, Accounting, Business Administration and Risk Management

(I) Opinion of the Board

The Board hereby confirms that, in its opinion, the independent directors fulfil the conditions specified under the Companies Act, 2013 and SEBI Listing Regulations and are independent of the management of the Company.

(J) Resignation of Independent Director

Mr. Hemant D Chaudhari resigned with effect from October 10, 2022, on account of other professional commitments and have also confirmed that there are no material reasons for his resignation other than those mentioned in respective resignation letter and such letter have also been furnished to stock exchanges within stipulated timeframe.

3. Meeting of Independent Directors

In compliance with Regulation 25 (3) of SEBI Regulations and Schedule IV of Companies Act, 2013, the Independent Directors Meeting was held on 30/05/2022, inter alia, to;

- (a) review the performance of non-independent directors and the Board as a whole;
- (b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- (c) assess the quality, quantity and timeliness of flow of information between the company's management and the Board of Directors that is necessary for the Board of Directors

4. Audit Committee

The Audit Committee of the Company is governed by the terms of reference adopted by the Board which are in line with the regulatory requirements mandated by the Companies Act, 2013 and the SEBI Listing Regulations. The primary objective of Audit Committee is to monitor and provide effective supervision of the management's financial reporting process and to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

The Company complies with Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI Listing Regulations pertaining to the Audit Committee. Its functioning is as under:

- (i) The Audit Committee presently consists of the three Non-Executive Directors, two of them are Independent Directors and one being a non-independent director;
- (ii) All members of the Committee are financially literate and having the requisite financial management expertise;
- (iii) The Chairperson of the Audit Committee is an Independent Director;
- (iv) The Chairperson of the Audit Committee was present at the last Annual General Meeting held on 30/09/2022.

(A) Terms of reference

The terms of reference of the Audit Committee include inter-alia:

- To review the quarterly, half yearly and Annual financial results of the Company before submission to the Board
- To make recommendations to the Board on any matter relating to the financial management of the Company including the Audit Report.
- To review the accounting and financial policies and practices.
- To review the internal control mechanism and monitor risk management policies adopted by the Company and ensure compliance with regulatory guidelines.
- To review reports furnished by the Internal and Statutory Auditors and ensure that suitable follow – up action is taken.
- To examine the accountancy, taxation and disclosure aspects of all the significant transactions.

to effectively and reasonably perform their duties.

All the Independent Directors were present at the meeting. Independent Directors are regularly updated on performance of each line of business of the Company, strategy going forward and new initiatives being taken/proposed to be taken by the Company. In line with Regulation 17A of SEBI Listing Regulations, none of the Independent Directors serve as Independent Directors in more than seven listed entities.

Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as provided in Section 149 (6) of the Act and Regulation 16 (1) (b) of the SEBI Listing Regulations and that they are independent of the management. Further, in terms of Regulation 25 (8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

The Company has also received declaration from all the Independent Directors of the Company confirming that they have registered their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Rule 6 of Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended. All requisite declarations have been placed before the Board.

(B) Composition, names of Members and Chairperson, its meetings and attendance:

The composition of the Audit Committee and number of meetings attended by the Members during the FY 2022-2023 are given below:

Name	Category	Meetings held	Meetings attended
Mayurdwajsinh Sahadevsinh Rana	Non Independent Director (Member)	8	8
Sitaben S Patel	Independent Director (Member)	8	8
Hemant D Chaudhari	Independent Director (Chairperson) (upto 07/10/2022)	4	3
Umeshbhai Hirjibhai Padariya	Independent Director (Chairperson) (effective 08/10/2022)	4	4

During the year, eight Audit Committee meetings were held on 30/05/2022, 13/08/2022, 16/09/2022, 07/10/2022, 12/11/2022, 20/01/2023, 13/02/2023 and 17/03/2023.

The Company Secretary acts as the Secretary of the Audit Committee. The Committee meetings are attended by invitation to the Wholetime Director, Chief Financial Officer, the representatives of Statutory Auditors and representatives of the Internal Auditors.

5. Nomination and Remuneration Committee

(A) Description and Terms of reference

The terms of reference of the Nomination and Remuneration Committee are as per the guidelines set out in the Regulation 19 of SEBI Listing Regulations and in compliance with Section 178 of the Companies Act, 2013 that includes formulation of criteria for determining qualifications, positive attributes and independence of a director, recommendation of persons to be appointed to the Board and senior management and specifying the manner for effective evaluation of performance of Board, its Committees, Chairperson and individual directors, recommendation of Remuneration Policy for directors, key managerial personnel and other employees, formulation of criteria for evaluation of performance of independent directors and the Board, devising a policy on Board diversity and such other matters as may be prescribed by Companies Act, 2013 and SEBI Listing Regulations. The said criteria is hosted on the website of the Company at www.srestha.co.in.

The Chairperson of the Nomination and Remuneration Committee was present at the last Annual General Meeting held on 30/09/2022.

The role of the Nomination and Remuneration Committee is

- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down
- To recommend to the Board the appointment and removal of such identified persons
- To carry out evaluation of every director's performance
- To formulate the criteria for determining qualifications, positive attribute and independence of directors.
- To formulate a policy relating to remuneration for directors, key managerial personnel and other employees.

(B) Composition, names of Members and Chairperson, its meetings and attendance during the year:

The composition of the Nomination and Remuneration Committee and number of meetings attended by the Members during the FY 2022-2023 are given below:

Name	Category	Entitled to Attend	Meetings attended
Sitaben S Patel	Independent Director (Member)	7	7
Mayurdwajsinh Sahadevsinh Rana	Non Independent Director (Member)	7	6
Hemant D Chaudhari	Independent Director (Chairperson) (upto 07/10/2022)	3	3
Umeshbhai Hirjibhai Padariya	Independent Director (Chairperson) (effective 08/10/2022)	3	3

During the year, seven meetings of Nomination and Remuneration Committee were held on 30/05/2022, 13/08/2022, 07/10/2022, 17/10/2022, 12/11/2022 and 13/02/2023.

During FY 2022-2023, the Board had accepted all recommendations of the Committee.

(C) Performance evaluation of Independent Directors:

The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee recommends sitting fees, if any, for each Board and committee meetings attended by them. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity, maintenance of confidentiality and independence of behaviour and judgement.

6. Stakeholders Relationship Committee

In line with the provisions of Regulation 20 of SEBI Listing Regulations and Section 178 of the Companies Act, 2013, the Stakeholders Relationship Committee is set up to monitor the process of share transfer, issue of fresh Share Certificates as well as review and redressal of investors/shareholders grievances. The Board has delegated the powers to the Registrar and Transfer Agents (RTA) to attend to Share Transfer formalities once in a fortnight. The composition of the Stakeholders Relationship Committee and number of meetings attended by the Members during the year are given below:

Name	Category	Entitled to Attend	Meetings attended
Sitaben S Patel	Independent Director (Chairperson)	5	5
Mayurdwajsinh Sahadevsinh Rana	Non Independent Director (Member)	5	4
Hemant D Chaudhari	Independent Director (Member) (upto 07/10/2022)	3	3
Umeshbhai Hirjibhai Padariya	Independent Director (Member) (effective 08/10/2022)	2	2

During the year, five meetings of the Stakeholders Relationship Committee were held on 30/05/2022, 13/08/2022, 07/10/2022, 12/11/2022, 13/02/2023.

The previous AGM of the Company was held on 30/09/2022 and was attended by Mrs. Sitaben S Patel, Chairperson of the Stakeholders' Relationship Committee.

(A) Name of Non-Executive Director heading the committee

Mrs. Sitaben S Patel, Chairperson

(B) Name and Designation of the Compliance Officer

Mr. A. Jitendra Kumar Bafna, Company Secretary and Compliance Officer

(C) Number of shareholders' complaints received so far – NIL

(D) Number not solved to the satisfaction of Shareholders - NIL

(E) Number of Pending Complaints - NIL

7. Remuneration to Directors

The Remuneration policy of your Company is a comprehensive policy which is competitive, in consonance with the industry practices and rewards good performance of the employees of the Company. The policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives. The Company endeavors to attract, retain, develop and motivate a high performance workforce.

Remuneration to Non-Executive Directors

Non-executive directors of the Company play a crucial role in the independent functioning of the Board. They bring in an external perspective to decision-making and provide leadership and strategic guidance while maintaining objective judgment. They also oversee the corporate governance framework of the Company. The criteria of making payments to non-executive directors are placed on the website of the Company at <https://www.srestha.co.in/pdf/policies2023/Nomination-and-Remuneration-Policy.pdf>

The Board considers the performance of the Non-Executive Directors based on their attendance and contribution at the Board and Committee meetings. The Company also reimburses the out-of-pocket expenses, if any, incurred by the Directors for attending the meetings. No Sitting fees is paid to the Non-Executive Directors for attending each meeting of the Board, Audit Committee, Nomination & Remuneration Committee and Stakeholder Relationship Committee Meeting held during the year under review.

No stock options were granted to Non-Executive Directors during the year under review. The Non-Executive Directors did not have any material pecuniary relationship or transactions with the Company during the year 2022-2023

Remuneration to Wholetime Director

Mr. Sunil Bhandari is the Wholetime Director (WTD) of the Company. The salary, benefits and perquisites paid to Mr. Sunil Bhandari during the year 2022-23 were Rs. 18.00 Lakhs P.A.

8. Other Disclosures

(A) Basis of Related Party Transactions

The statements containing the transactions with related parties (if any) were submitted periodically to the Audit Committee. There are no related party transactions that may have potential conflict with the interest of the Company at large. There were no material individual transactions with related parties during the year, which were not in the normal course of business as well as not on an arm's length basis. The policy on dealing with related party transactions is available on the website of the Company, i.e., <https://www.srestha.co.in/pdf/policies2023/Related-Party-Transactions-Policy.pdf>

(B) Details of Non Compliance

There is no non-compliance by the Company and no penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital market, during the last three years.

(C) Vigil Mechanism

The Company has a Whistle Blower Policy encompassing Vigil Mechanism pursuant to the requirements of the section 177(9) of the Act and regulation 22 of the SEBI Listing Regulations. The policy provides safeguards against victimisation of directors/employees who avail of the mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases. No person has been denied access to the Audit

Committee for any grievances. The policy has been appropriately communicated to the employees internally and has also been hosted on the Company's website at <https://www.srestha.co.in/pdf/policies2023/Whistle-Blower-Policy.pdf>

(D) Compliance with Mandatory Requirements

The company has also adopted the following discretionary requirements specified in Part E of Schedule II in terms of regulation 27(1) of the SEBI Listing Regulations:

- The Chairperson of the Board is a Non-Executive Director.
- The Company confirms that its financial statements are with unmodified audit opinion.

(E) Subsidiary Companies

The Company does not have any Subsidiary Company. Hence, the policy for determining 'material' subsidiaries is not applicable to the company.

(F) Proceeds from Public Issues, Rights Issue, Preferential issue, etc

During the financial year 2022-2023, the Company had allotted 24,75,00,000 Equity Shares of face value of Rs. 2/- each on preferential basis to Non-Promoter, Public Category. As a result, the paid-up equity share capital of the Company was increased to Rs. 66,00,00,000/- divided into 33,00,00,000 fully paid equity shares of Rs 2/- each.

The proceeds of the issue of 24,75,00,000 equity shares on a preferential basis were fully utilized by the Company for the objects stated in the Explanatory Statement to the Notice of Postal Ballot i.e. for the purpose for which those were raised. Further there was no deviation or variation in the utilization of the proceeds raised through the Company's Preferential issue of Equity shares

During the year under review, except for preferential issue as above stated, the Company has neither issued any shares with differential voting rights or granted stock options or issued sweat equity or purchased its own shares nor the company has made any Public/ Rights/ Bonus/Buy back of Equity Shares of the Company.

(G) Certificate from Company Secretary in Practice

The Company has obtained a certificate from Mr. Aadesh Kumar S, Practising Company Secretary, required under SEBI Regulations confirming that none of the Directors on Board of the Company as of March 31, 2023 has been debarred or disqualified from being appointed or continuing as Director of Companies by SEBI or MCA or any such authority. The said Certificate is also annexed as **Annexure – 4** to this Report.

is not applicable.

(H) Total Fees paid to Statutory Auditor

During FY 2022-23, total consolidated fees of Rs. 30,000/- was fixed for the Statutory Auditors of the Company and all entities in the network firm / network entity of which the Statutory Auditors are a part of, for all the services rendered to the Company.

(I) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In Compliance with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company is committed to providing and promoting a safe and healthy work environment for all its employees. The following complaints were reported:

Number of complaints filed during the financial year	NIL
Number of complaints disposed of during the financial year	NIL
Number of complaints pending as on end of the financial year	NIL

(J) Disclosure by listed entity and its subsidiaries of loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount - Not Applicable

(K) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

The Company does not have any material subsidiary company as on reporting date. Hence, the said disclosure

9. CEO / CFO Certification

As required under Regulation 17 (8) read with Part B of Schedule II of SEBI Listing Regulations, Mr. Sunil Bhandari (Wholetime Director and Chief Financial Officer of the Company), certified to the Board regarding the Financial Statements and internal controls relating to financial reporting for the year ended March 31, 2023. The said Certificate forms part of this Report and is attached herewith as **Annexure - 5**.

Also, in terms of Regulation 33 (2) of SEBI Listing Regulations, Mr. Sunil Bhandari, the Wholetime Director of the Company gave quarterly certification on financial results while placing the financial results before the Board.

10. Disclosures with respect to demat suspense account/ unclaimed suspense account

As per regulation 34(3) read with Schedule V of the Listing Regulations, no shares of the Company is lying in the suspense account. There are no unclaimed equity shares. So disclosure of details of unclaimed shares in suspense account during the year as on March 31, 2023 are Nil.

11. Compliance on Corporate Governance

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance. Pursuant to Part C of Schedule V to the SEBI Listing Regulations, the Auditor's Certificate regarding compliance on conditions of Corporate Governance is annexed as **Annexure – 2** and forms part of Director's Report.

12. General Body Meetings

(A) Location and time of General Meetings held in the last 3 years:

Date	Time	Venue of Meeting	Whether any Special resolution passed in previous AGM
30.09.2020	09.00 AM	Meeting conducted through VC / OAVM pursuant to the MCA Circular	Nil
30.07.2021			
30.09.2022			

(B) Special Resolution passed last year through postal ballot – details of voting pattern and procedure thereof:

Date	Business transacted
May 06, 2022	To approve the appointment of Mrs. Sitaben S Patel (DIN: 02470150) as a Non Executive Independent Director of the Company (1)
	To approve the appointment of Mr. Hemant Dattatraya Chaudhari (DIN: 06516079) as a Non Executive Independent Director of the Company (2)
October 19, 2022	Preferential Allotment Of Upto 25,00,00,000 Fully Convertible Warrants To The Persons Belonging To Non-Promoter Category (3)
January 04, 2023	To approve the appointment of Mr. Umeshbhai Hirjibhai Padariya (DIN: 06826543) as a Non-Executive Independent Director of the Company (4)
	To approve the Re-designation of Mr. Sahadevsinh Babubha Rana (DIN: 09269488) as Non-Executive Director pursuant to his relinquishment of the position of Whole Time Directorship and Chief Financial Officer (5)

S. No.	Votes cast in favor of Resolution			Votes cast against the Resolution			Abstain	
	No. of Votes	No. of Shares	% of Votes Cast in Favor	No. of Votes	No. of Shares	% of Votes Cast against	No. of Votes	No. of Shares
1	245	3429097	89.50	8	17233	0.50	-	-
2	240	3424837	99.42	12	20063	0.58	1	1440
3	140	1120959	98.75	16	14157	1.25	-	-
4	233	3258386	99.75	2	8250	0.25	-	-
5	230	3254300	99.62	5	12336	0.38	-	-

(C) Person who conducted the postal ballot exercise:

In respect of aforesaid item nos (1) & (2), Mr. Satyaki Praharaj (FCS: 6458, CoP: 10755), Proprietor of S. Praharaj & Associates, Practicing Company Secretaries, was appointed as Scrutinizer for conducting the Postal Ballot, through the e-voting process, in a fair and transparent manner.

In respect of aforesaid item nos (3), M/s. Kumar G & Co., Company Secretaries, was appointed as Scrutinizer for conducting the Postal Ballot, through the e-voting process, in a fair and transparent manner.

(D) Special Resolution proposed to be conducted through postal ballot:

None of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution through postal ballot.

13. Means of Communication

The Company's website is a comprehensive reference on Srestha's management, vision, mission, policies, corporate governance, corporate sustainability, investor relations, updates and news. The section on Investors serves to inform the shareholders, by giving complete financial details, Shareholding Patterns, information relating to Stock Exchanges, Registrars & Share Transfer Agents.

The Company publishes limited reviewed unaudited standalone financial results on a quarterly basis. In respect of the fourth quarter, the Company publishes the audited financial results for the complete financial year.

The quarterly, half-yearly and annual results of the Company are published in widely circulated Trinity Mirror (English) and Makkal Kural (Tamil) newspapers. All the disclosures made to the Stock Exchanges are also available on the Company's website at www.srestha.co.in under Investor Relations Tab

The Company also informs the Stock Exchanges in a prompt manner, all price sensitive information and all such other matters which in its opinion, are material and relevant for the shareholders.

14. General Shareholder Information

a. Annual General Meeting:

- **Date:** 30/09/2023
- **Time:** 09:00 A.M.
- **Venue:** The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated December 28, 2022. For details please refer to the Notice of this AGM.

b. **Financial Year:** The financial year covers the period from April 01 to March 31.

c. **Dividend Payment Date:** N.A.

d. Listing on Stock Exchanges:

The Stock Exchanges on which the Company's shares are listed:

- **Bombay Stock Exchange Limited (BSE)**

Address: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001

- **The Metropolitan Stock Exchange of India Limited (MSEI)**

Address: 205(A), 2nd floor, Piramal Agastya Corporate Park, Kamani Junction, LBS Road, Kurla (West), Mumbai – 400070

The Annual Listing Fees, as applicable, has been paid to each of the above Stock Exchanges where the shares of the Company are listed.

e. Stock Code:

The Bombay Stock Exchange Limited: 539217

The Metropolitan Stock Exchange of India Limited: SRESTHA

The ISIN of the Company for its shares: INE606K01023

f. **Date of Book Closure:** 23/09/2023 to 30/09/2023 (both days inclusive)

g. Market price information

The reported high and low closing prices during the year ended March 31, 2023 on the BSE, where your Company's shares are frequently traded vis-à-vis the Share Index, are given below:

Company: Srestha Finvest Ltd (539217)

Period: April 01, 2022 to March 31, 2023

Month	Open	High	Low	Close	No. of Shares	No. of Trades	Total Turnover	Deliverable Quantity	% Deli. Qty to Traded Qty	* Spread	
										H-L	C-O
Apr 22	1.73	1.92	1.47	1.59	72,50,766	9,709	1,24,92,110	58,78,551	81.07	0.45	-0.14
May 22	1.60	1.69	1.36	1.42	38,94,500	6,927	58,14,531	30,97,959	79.55	0.33	-0.18
Jun 22	1.39	1.48	1.20	1.30	45,68,453	5,777	61,75,235	35,85,756	78.49	0.28	-0.09
Jul 22	1.32	1.38	1.20	1.25	29,11,751	3,957	37,20,616	24,50,986	84.18	0.18	-0.07
Aug 22	1.25	1.48	1.20	1.24	52,03,021	4,514	66,00,064	43,00,465	82.65	0.28	-0.01
Sep 22	1.23	1.82	1.20	1.27	98,42,898	6,275	1,42,89,139	75,77,503	76.98	0.62	0.04
Oct 22	1.27	1.40	1.20	1.30	28,36,412	2,941	36,37,948	24,04,807	84.78	0.20	0.03
Nov 22	1.25	1.48	1.20	1.23	35,86,731	2,967	45,37,942	27,04,440	75.40	0.28	-0.02
Dec 22	1.25	1.26	1.09	1.20	35,33,502	3,185	42,38,850	30,93,885	87.56	0.17	-0.05
Jan 23	1.21	1.21	1.00	1.07	25,07,156	2,650	28,83,197	21,94,307	87.52	0.21	-0.14
Feb 23	1.07	1.34	0.98	1.21	46,40,213	3,191	52,09,889	39,83,293	85.84	0.36	0.14
Mar 23	1.21	1.30	0.99	1.08	33,15,492	2,355	36,97,598	28,94,996	87.32	0.31	-0.13

h. Registrars and Share Transfer Agents

The Members are requested to correspond to the Company's Registrars & Share Transfer Agents quoting their Folio Number, Client ID and DP ID at the following address:

M/s. Purva Sharegistry (India) Private Limited

Address: No. 9, Shiv Shakti Ind. Estt, J.R. Boricha Marg, Lower Parel (East), Mumbai-400011

Phone: 022 23012517/8261 | **Email:** support@purvashare.com

i. Shareholding as on March 31, 2023

(a) Distribution of Shareholding as on March 31, 2023

Shareholding of Nominal Value	No. of Shareholders	% of Shareholders	Amount (in Rs.)	% to Equity
1-5000	24890	84.25	26278356	3.98
5,001 - 10,000	2129	7.20	16395076	2.48
10,001 - 20,000	1294	4.38	20190240	3.06
20,001 - 30,000	434	1.47	10905070	1.65
30,001 - 40,000	219	0.74	8052250	1.22
40,001 - 50,000	128	0.43	5856756	0.89
50,001 - 1,00,000	230	0.77	16800690	2.54
1,00,001 & ABOVE	220	0.74	555521562	84.17
TOTAL	29544	100.00	660000000	100.00

(b) Shareholding pattern as on March 31, 2023

S.No.	Category	No. of Shares Held	Percentage of Shareholding
A	Promoter's Holding		
a	Promoters	-	-
b	Persons acting in Concert	-	-
	Sub Total	-	-
B	Non Promoters Holding		
a	FII's	-	-
b	Body Corporates	248466750	75.29
c	Indian Public	79405850	24.06
d	NRI	95104	0.03
e	Others	-	-
f	Clearing Members	159147	0.05
g	Hindu Undivided Family	1873149	0.57
h	Shares represented by GDRs	-	-
	Sub Total	330000000	100.00
	Grand Total	330000000	100.00

j. Share Transfer System

Member's requests for transfer or transmission of securities and other related matters are handled by Registrar and Transfer Agent (RTA), i.e., M/s. Purva Sharegistry (India) Private Limited and are effected within stipulated timelines, if all the documents are valid and in order.

Pursuant to Regulation 40(9) of SEBI Listing Regulations, 2015, a yearly certificate is obtained from Practising Company Secretary, confirming the issue of share certificates for transfer, sub-division, consolidation etc., and a copy thereof is uploaded at both the websites of Stock Exchanges, BSE and MSEI, within stipulated time period.

Further, the Compliance Certificate under Regulation 7(3) of the SEBI Listing Regulations, 2015 confirming that all activities in relation to both physical and electronic share transfer facilities are maintained by Registrar and Share Transfer Agent registered with the Securities and Exchange Board of India is also submitted to the Stock Exchanges on a yearly basis.

SEBI Circular dated November 03, 2021 read with SEBI Circulars dated December 14, 2021 and January 25, 2022 and March 16, 2023 on Common and Simplified Norms for processing Investor's Service, shareholders holding shares in physical form, to furnish the following documents mandatorily to Company/ our Registrar & Share Transfer Agent (RTA) on urgent basis, failing which all such physical folios shall stand frozen with effect from October 01, 2023 by the RTA of the Company. Shareholders with frozen folio shall not be eligible to lodge grievance or avail service request from the RTA and further shall not be eligible for receipt of dividend in physical mode w.e.f. April 01, 2024.

- 1) Valid PAN including of all Joint Shareholders duly linked with Aadhaar and KYC details (Form ISR-1)
- 2) Bank Account details (Bank Name, Branch, Bank Account No., IFSC and MICR code) (Form ISR-1)
- 3) Address with Pin code, Email id and Mobile Number (Form ISR-1)
- 4) Specimen Signature (Form ISR-2)
- 5) Registration of Nominee (Form No. SH-13) or Declaration for opting-out of Nomination (Form ISR-3)

Details of the above forms are available on the website of the Company as well as website of the RTA of the Company. Necessary communication through letters were been sent to all the physical shareholders in this regard in the month of.

k. Reconciliation of Share Capital

As stipulated by SEBI, a Quarterly Reconciliation of Share Capital Audit is done by a qualified Chartered Accountant to confirm that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of shares in dematerialised form held with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

l. Dematerialisation of shares and liquidity

97.94% of the total equity capital was held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on March 31, 2023. The Company's shares can be traded only in dematerialised form as per SEBI notification. The Company has entered into an Agreement with NSDL and CDSL whereby shareholders have the option to dematerialize their shares with either of the depositories.

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

There are no GDRs / ADRs / Warrants outstanding as on March 31, 2023.

n. Commodity price/foreign exchange risk and hedging activities

Being a financial service company, the Company is not exposed to commodity price risk.

o. Plant locations

The Company is not a manufacturing unit and does not have any Plant.

p. Address for correspondence

The Company Secretary

Srestha Finvest Limited

Address: Door No. 19 & 20, General Muthiah Mudali Street, Sowcarpet, Chennai – 600003

Phone: 044-40057044 | **Email:** srestha.info@gmail.com

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To
The Members of
Srestha Finvest Limited
Door No. 19 & 20, General Muthiah Mudali Street,
Sowcarpet, Chennai – 600003

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s. Srestha Finvest Limited** having **CIN L65993TN1985PLC012047** and having registered office at Door No. 19 & 20, General Muthiah Mudali Street, Sowcarpet, Chennai – 600003 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31st March, 2023** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory.

S. No.	Name of the Director	DIN	Date of Appointment in Company*
1	Mayurdwajsinh Sahadevsinh Rana	09234993	October 21, 2021
2	Sahadevsinh Babubha Rana	09269488	October 21, 2021
3	Sitaben S Patel	02470150	October 28, 2021
4	Umesh Hirjibhai Padariya	06826543	October 07, 2022
5	Sunil Bhandari	03120545	October 17, 2022

****the date of appointment is as per the MCA Portal***

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: July 06, 2023
Place: Chennai

Sd/-
Aadesh Kumar S
Practising Company Secretary
M. No. A51776 |C.P. NO. 19194
UDIN: A051776E000560350

CERTIFICATE BY CHIEF FINANCIAL OFFICER

(Under Regulation 17 (8) of SEBI (LODR) Regulations, 2015)

To

The Board of Directors

Srestha Finvest Limited

Door No. 19 & 20, General Muthiah Mudali Street,

Sowcarpet, Chennai – 600003

I the undersigned, in my respective capacity as Chief Financial Officer of **Srestha Finvest Limited**, hereby certify that –

- A.** I have reviewed financial statements and the cash flow statement for the year ended **31.03.2023** and that to the best of my knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B.** There are, to the best of my knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- C.** I accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which i was aware and the steps i have taken or propose to take to rectify these deficiencies.
- D.** I have indicated to the auditors and the Audit committee that:
- (i) there have been no significant changes in internal control over financial reporting during the year;
 - (ii) there have been no significant changes in accounting policies during the year; and
 - (iii) there have been no instances of significant fraud of which they have become aware and the involvement therein of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: Chennai
Date: May 30, 2023

Sd/-
Sunil Bhandari
Chief Financial Officer

DECLARATION PURSUANT TO SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

All Board Members and Senior Management Personnel have affirmed compliance with the code of ethics for the financial year ended March 31, 2023.

Place: Chennai
Date: May 30, 2023

Sd/-
Sunil Bhandari
Wholetime Director

INDEPENDENT AUDITOR'S REPORT

To the Members of SRESTHA FINVEST LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Srestha Finvest Limited ("the Company"), which comprise the balance sheet as at 31st March 2023, and the statement of Profit and Loss, the statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information referred to as Standalone Financial Statements

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its loss after tax, total comprehensive loss, 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. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

S. No.	Key Audit Matter	Auditors' Response
1	Ind-AS 109 (Financial Instruments) requires the Company to recognise interest income by applying the effective interest rate (EIR) method. While estimating future cash receipts for the purpose of determining the EIR, factors including expected behaviour, life cycle of the financial asset, probable fluctuation in collateral value which may have an impact on the EIR are to be considered	We have evaluated the management's process in estimation of future cash receipts for the purpose of determination of EIR including identification of factors like expected behaviour, life cycle of the financial asset and probable fluctuation in collateral value. We tested the accuracy of key data inputs and calculations used in this regard.

2	Completeness in identification, accounting and disclosure of related party transactions in accordance with the applicable laws and financial reporting framework	<p>We have assessed the systems and processes laid down by the company to appropriately identify, account and disclose all material related party transactions in accordance with applicable laws and financial reporting framework.</p> <p>We have designed and performed audit procedures in accordance with the guidelines laid down by ICAI in the Standard on Auditing (SA 550) to identify, assess and respond to the risks of material misstatement arising from the entity's failure to appropriately account for or disclose material related party transactions which includes obtaining necessary approvals at appropriate stages of such transactions as mandated by applicable laws and regulations.</p>
3	Compliance and disclosure requirements under the applicable Indian Accounting Standards, RBI Guidelines and other applicable statutory, regulatory and financial reporting framework.	<p>We have assessed the systems and processes laid down by the company to appropriately ensure compliance and disclosures as per the applicable Indian Accounting Standards, RBI Guidelines and other applicable statutory, regulatory and financial reporting framework.</p> <p>We have designed and performed audit procedures to assess the completeness and correctness of the details disclosed having regard to the assumptions made by the management in relation to the applicability and extent of disclosure requirements; and have relied on internal records of the company and external confirmations wherever necessary.</p> <p>We checked the stage classification as at the balance sheet date as per the definition of Default of the Company and Reserve Bank of India circulars issued from time to time.</p> <p>We have checked on sample basis that the stage classification for the borrowers has been given in accordance with the Resolution Framework issued by Reserve Bank of India (the 'RBI') and the Board approved policy for ECL provisioning and stage classification with respect to such accounts;</p>

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's report, Management discussion and analysis and Report on corporate governance, but does not include the standalone financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is no material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity)⁵ and cash flows of the Company in accordance with⁶ the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive

to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. 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, if any, on its financial position in its standalone 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv.
 - (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year, hence compliance with

provision of section 123 is not applicable for the year.

- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. 01 April 2023, reporting under this clause is not applicable.

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

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

The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For Darpn & Associates
Chartered Accountants
FRN: 016156S

Sd/-
Darpan Kumar
Proprietor
M. No. 235817
UDIN: 23235817BGXQJY9800

Place: Chennai
Date: May 30, 2023

"Annexure A" to Independent Auditors' Report

(Referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the accounts of **Srestha Finvest Limited**, ("the Company"), for the year ended March 31, 2023)

- i)**
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment (PPE);
 - (b) According to the information and explanations given to us, physical verification of PPE is being conducted in a phased manner by the management under a programme designed to cover all the PPE every year, which, in our opinion, is reasonable having regard to the size of the Company and nature of its business. Pursuant to the program, the PPE has been physically verified by the management during the year and no material discrepancies between the books records and the physical PPE have been noticed.
 - (c) There are no immovable properties in the name of the company.
 - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - (e) Based on the information and explanations furnished to us, No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii)**
- (a) There are no inventories in the company during the year.
 - (b) The company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.
- iii)**
- (a) The Company is registered with Reserve Bank of India (RBI) under section 45-IA as a non-banking financial company, and its principal business is to give loans. Accordingly, the provisions of clause 3 (iii) (a) of the Order are not applicable to the Company.
 - (b) Based on our examination and the information and explanations given to us, in respect of investments/ guarantees/ securities/ loans/ advances in nature of loan, in our opinion, the terms and conditions under which such loans were granted/ investments were made/ guarantees provided/ security provided are not prejudicial to the Company's interest.
 - (c) In respect of the loans/ advances in nature of loan, the schedule of repayment of principal and payment of interest has been stipulated by the Company. Further, except for the instances where there are delays or defaults in repayment of principal and/ or interest, the parties are repaying

the principal amounts, as stipulated, and are also regular in payment of interest, as applicable. The Company has recognised provisions against the above loans, in accordance with the principles of Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India ("RBI") for Income Recognition and Asset Classification.

- (d) In respect of the loans/ advances in nature of loans, the total amount overdue for more than ninety days as at March 31, 2023 is Rs.136.00 Lakhs. In such instances, in our opinion, based on information and explanations provided to us, reasonable steps have been taken by the Company for the recovery of the principal amounts and the interest thereon.
 - (e) This Company is registered with the Reserve Bank of India (RBI) under section 45-IA as a non-banking financial company, and its principal business is to give loans. Accordingly, the provisions of clause 3 (iii) (e) of the Order are not applicable to the Company.
 - (f) The loans/advances in nature of loans granted during the year, including to promoters/related parties had stipulated the scheduled repayment of principal and payment of interest and the same were not repayable on demand.
- 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 sub-section (1) of Section 186 of the Act in respect of the loans and investments made and guarantees and security provided by it. The provisions of sub-sections (2) to (11) of Section 186 are not applicable to the Company as it is a non-banking financial company registered with the RBI engaged in the business of giving loans.
- v)** The Company has not accepted any deposits from public during the year hence the directives issued by RBI and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules 2015, are not applicable.
- vi)** The Company is not required to maintain cost records pursuant to the Rules made by the Central

Government for maintenance of Cost Records under sub-section (1) of section 148 of the Act.

vii)

- (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, cess, and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of 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 were outstanding as at March 31, 2023 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues with respect to Excise Duty, and Sales Tax which has not been deposited with the appropriate authorities on account of any dispute.

viii)

According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix)

- (a) Based on our audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to a financial institution, bank, or dues to debenture holders.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

- (c) According to the information and explanations given to us, and on overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (d) According to the information and explanations given to us, and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (e) The company has not raised loans on the pledge of securities held in subsidiaries, joint ventures and associates.
- x)**
- (a) Based on our audit procedures and according to the information and explanations given to us, the Company did not raise any money by way of further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3 (x) (a) of the Order is not applicable to the Company.
- (b) The Company has made preferential allotment of 24,75,00,000 Equity Shares of face value of Rs. 2/- each to specified persons of Non-Promoter, Public Category during the year and the requirements of section 42 and section 62 of the Companies Act, 2013, as applicable, have been complied with and the funds raised have been used for the purposes for which the funds were raised.
- xi)**
- (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143 (12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3 (xi) (b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has not received any whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting.
- xii)** In our Opinion, the company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Therefore clause 3 (xii) of the Companies (Auditor's Report) Order is not applicable to the Company.
- xiii)** The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures specified under Section 133 of the Act.
- xiv)**
- (a) In our opinion and according to the information and explanation given to us, the Company does not have an internal audit system.
- (b) Since the company does not have an internal audit system, there were no Internal Audit report for the period under audit for us to consider.
- xv)** In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi)**
- (a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 ('RBI Act') and it has obtained the registration.

- (b) The Company has conducted non-banking financial activities during the year and the Company holds a valid Certificate of Registration from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3 (xvi) (c) of the Order is not applicable to the Company.
- (d) The Group does not have any Core Investment Company (CIC) as part of the group and accordingly reporting under clause 3 (xvi) (d) of the Order is not applicable.
- xvii)** The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii)** There has been resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- xix)** According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions,

nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

- xx)** Reporting on CSR: Provisions of Section 135 Corporate Social Responsibility (CSR) are not applicable to the company. Accordingly, reporting under clause 3 (xx) (a) and (b) of the Order is not applicable for the year.
- xxi)** The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Darpan & Associates
Chartered Accountants
FRN: 016156S

Sd/-
Darpan Kumar
Partner

Place: Chennai
Date: May 30, 2023

M. No. 235817
UDIN: 23235817BGXQJY9800

“ANNEXURE B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of Srestha Finvest 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 M/s Srestha Finvest Limited (“the Company”) as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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 unauthorized 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 and jointly controlled companies, which are companies incorporated in India, as of that date.

**For Darpn & Associates
Chartered Accountants
FRN: 016156S**

**Sd/-
Darpan Kumar
Partner**

**Place: Chennai
Date: May 30, 2023**

**M. No. 235817
UDIN: 23235817BGXQJY9800**

BALANCE SHEET AS AT MARCH 31, 2023

(Rs. In Lakhs)

Particulars	Note	March 31, 2023	March 31, 2022
ASSETS			
Financial Assets			
(a) Cash And Cash Equivalents	3	111.30	22.40
(b) Bank Balance Other Than (a) Above			
(c) Derivative Financial Instruments			
(d) Receivables			
(I) Trade Receivables	4	5.69	-
(II) Other Receivables		-	-
(e) Loans	5	7749.01	2542.24
(f) Investments	6	388.86	2.76
(g) Other Financial Assets (to be specified)	7	53.51	27.01
Non-Financial Assets			
(a) Inventories			
(b) Current tax assets (Net)			
(c) Deferred tax Assets (Net)	8	-	0.76
(d) Investment Property			
(e) Biological Assets Other Than Bearer Plants			
(f) Property, Plant And Equipment	9	143.19	0.86
(g) Capital Work-In-Progress			
(h) Intangible Assets Under Development			
(i) Goodwill			
(j) Other Intangible Assets			
(k) Other Non-financial Assets (to be specified)	10	747.31	1.00
Total Assets		9198.88	2597.03
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
(a) Derivative Financial Instruments			
(b) 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	11	20.63	8.62
(c) Debt Securities			
(d) Borrowings (Other than Debt Securities)	12	2996.82	890.69
(e) Deposits			
(f) Subordinated Liabilities			
(g) Other Financial Liabilities (to be specified)			
Non-Financial Liabilities			
(a) Current Tax Liabilities (Net)			
(b) Provisions	13	43.00	14.50
(c) Deferred Tax Liabilities (Net)	8	1.51	
(d) Other Non-Financial Liabilities (to be specified)	14	4.33	7.50
Equity			
(a) Equity Share Capital	15	6600.00	1650.00
(b) Other Equity	16	(467.41)	25.72
Total Equity And Liabilities		9198.88	2597.03

The accompanying notes form an integral part of the financial statements

**As per our Report of even date
For Darpan & Associates.,
Chartered Accountants
FRN. 0161565**

For and on behalf of the Board of Directors of Srestha Finvest Limited

**Sd/-
Darpan Kumar
Partner
M. No. 235817
Chennai | May 30, 2023**

**Sd/-
Sunil Bhandari
Wholetime Director /CFO
DIN: 03120545**

**Sd/-
Mayurdwajsinh Sahadevsinh Rana
Director
DIN: 09234993**

**Sd/-
Jitendra Kumar A Bafna
Company Secretary**

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

(Rs. In Lakhs)

Particulars	Note	Year ended 31st March 2023	Year ended 31st March 2022
Revenue from operations			
(a) Interest Income	17	274.71	230.16
(b) Dividend Income		-	-
(c) Rental Income			
(d) Fees and commission Income			
(e) Others (to be specified)			
I. Total Revenue from operations		274.71	230.16
II. Other Income (to be specified)		-	0.39
III. Total Income (I+II)		274.71	230.55
Expenses			
(a) Finance Costs	18	30.73	68.28
(b) Fees and commission expense			
(c) Impairment on financial instruments			
(d) Employee Benefits Expenses	19	34.74	46.50
(e) Depreciation, amortization and impairment	8	2.70	0.45
(f) Others expenses (to be specified)	20	674.25	117.87
IV. Total Expenses		742.42	233.10
V. Profit / (loss) before exceptional items and tax (III- IV)		(467.71)	(2.55)
VI. Exceptional items			
VII. Profit/(loss) before tax (V - VI)		(467.71)	(2.55)
VIII. Tax Expense:	21		
(a) Current Tax		-	-
(b) Short Provision for Previous year		27.43	1.48
(c) Deferred Tax		2.27	0.02
IX. Profit/(loss) for the period from continuing operations (VII -VIII)		(497.41)	(4.05)
X. Reversal of excess Provisioning for Non-Performing Assets		-	1.40
XI. Provisioning for Standard Assets		-	(1.40)
XII. Profit/(loss) for the period (IX+X+XI)		(497.41)	(4.05)
XIII. Other Comprehensive Income			
(A) (i) Items that will not be reclassified to profit or loss		-	-
- Net gain / (loss) on equity instruments through OCI		4.27	(0.74)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Subtotal (A)		4.27	(0.74)
(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		-	-
Subtotal (B)		-	-
Other Comprehensive Income (A + B)		4.27	(0.74)
XIV. Total Comprehensive Income for the period (XII+XIII)		(493.13)	(4.79)
Earnings per equity share (Face value Rs. 2/- per equity share)			
Basic (Rs.)	22	(0.60)	(0.00)
Diluted (Rs.)		(0.15)	(0.00)

The accompanying notes form an integral part of the financial statements

As per our Report of even date
For Darpan & Associates
Chartered Accountants
FRN. 016156S

For and on behalf of the Board of Directors of Srestha Finvest Limited

Sd/-
Darpan Kumar
Partner
M. No. 235817
Chennai | May 30, 2023

Sd/-
Sunil Bhandari
Wholetime Director /CFO
DIN: 03120545

Sd/-
Mayurdwajsinh Sahadevsinh Rana
Director
DIN: 09234993

Sd/-
Jitendra Kumar A Bafna
Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2023

A. Equity Share Capital

	<i>(Rs. In Lakhs)</i>
Equity share capital	Amount
Balance as at 1 April 2021	1650.00
Changes in equity share capital during 2021-22	-
Balance as at 31 March 2022	1650.00
Changes in equity share capital during 2022-23	4950.00
Balance as at 31 March 2023	6600.00

B. Other Equity

(Rs. In Lakhs)

Particulars	Reserve and Surplus					Total
	Statutory Reserves	Capital Reserve	Securities Premium	Retained Earnings	Other Comprehensive Income	
Balance as at 01 April 2021	23.52	-	100.00	(74.83)	(18.18)	30.51
Profit/Loss for the year						-
Other Comprehensive Income/Loss						-
Total Comprehensive Income for the year	-	-	-	(4.05)	(0.74)	(4.79)
Securities Premium on bonus issue of equity share capital						
Transfers to Statutory reserves						-
Transfers to General reserves						-
Transfer to/from retained earnings						-
Balance as at 31st March 2022	23.52	-	100.00	(78.88)	(18.92)	25.72
Profit/Loss for the year						-
Other Comprehensive Income/Loss						-
Total Comprehensive Income for the year	-	-	-	(497.40)	4.27	(493.13)
Transfers to Statutory reserves						-
Transfers to General reserves						-
Transfer to/from retained earnings						-
Any other change (to be specified)						-
Balance as at 31st March 2023	23.52	-	100.00	(576.30)	(14.64)	(467.41)

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2023

		<i>(Rs. In Lakhs)</i>
Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Cash Flows from Operating Activities:		
Net Profit before Taxation and Extraordinary Item	(467.71)	(2.55)
Adjustments for :		
Depreciation	2.70	0.44
Gain on Fair Equity Instruments	-	(0.74)
Loss on Sale of Investments	95.90	-
Operating Profit before Working Capital Changes	(369.11)	(2.84)
(Increase) / Decrease in Loan Assets	(5206.77)	(1790.96)
(Increase) / Decrease in Trade Receivables	(5.69)	
(Increase) / Decrease in Other Financial Assets	(26.50)	(13.84)
(Increase) / Decrease in Non-Financial Assets	(746.31)	11.28
Increase / (Decrease) in Trade payables and Other payables	12.01	4.68
Increase / (Decrease) in Borrowings	2106.13	(2037.64)
Increase / (Decrease) in Provisions	28.50	-
Increase / (Decrease) in Other Financial liabilities	(3.17)	(13.67)
Cash Generated from Operations	(4210.91)	(261.01)
Less: Taxes Paid	27.43	1.48
Cash Flow before Extraordinary Items	(4238.34)	(262.49)
Adjustment for Extraordinary Items	-	-
NET CASH FROM / (USED IN) OPERATING ACTIVITIES (A)	(4238.34)	(262.49)
Cash Flows from Investing Activities:		
Purchase of Plant, Property & Equipment	(145.03)	(0.59)
Sale of Investments	817.89	-
Purchase of Investments	(1295.61)	0.74
NET CASH FROM / (USED IN) INVESTING ACTIVITIES (B)	(622.75)	0.15
Cash flow from Financing Activities:		
Issue of Equity Shares during the year	4950.00	-
NET CASH FROM / (USED IN) FINANCING ACTIVITIES (C)	4950.00	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	88.91	(262.34)
Cash and Cash Equivalents at beginning of Period	22.40	284.73
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	111.30	22.40

As per our Report of even date

**For Darpan & Associates.,
Chartered Accountants
FRN. 0161565**

For and on behalf of the Board of Directors of Srestha Finvest Limited

**Sd/-
Darpan Kumar
Partner
M. No. 235817
Chennai | May 30, 2023**

**Sd/-
Sunil Bhandari
Wholetime Director /CFO
DIN: 03120545**

**Sd/-
Mayurdwajsinh Sahadevsinh Rana
Director
DIN: 09234993**

**Sd/-
Jitendra Kumar A Bafna
Company Secretary**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS:

1. COMPANY INFORMATION

Srestha Finvest Limited ('the Company') (Corporate ID No.: L65993TN1985PLC012047) is a company limited by shares, incorporated on July 22, 1985 and domiciled in India. The Company is a Non-Banking Financial Company ('NBFC') engaged in providing Loans, Finance and Investments. The equity shares of the Company are listed on The Bombay Stock Exchange Ltd. ("BSE") and Metropolitan Stock Exchange of India Ltd. (MSEI).

The Company is registered as Non-Systematically important Non-Deposit taking NBFC as defined under Section 45-IA of the Reserve Bank of India ('RBI') Act, 1934 and is classified as an NBFC - Investment and Credit Company (NBFC - ICC) pursuant to circular DNBR (PD) CC.No.097/03.10.001/2018-19 dated February 22, 2019. Pursuant to scale based regulations for NBFCs, the Company falls under the category of NBFC-BL (Base Layer).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance and basis for preparation and presentation of financial statements

These standalone or separate financial statements of the Company have been prepared in accordance with the Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules 2015 as amended and notified under Section 133 of the Companies Act, 2013 ("the Act"), in conformity with the accounting principles generally accepted in India and other relevant provisions of the Act. Any application guidance/clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

2.2 Functional and presentation currency

These financial statements are presented in Indian Rupees ('INR' or 'Rs.') which is also the Company's functional currency. All amounts are rounded-off to the nearest lakhs, unless otherwise indicated.

2.3 Basis of measurement

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for certain financial instruments which are measured at fair values as required by relevant Ind AS.

2.4 Measurement of fair values

A number of Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has established policies and procedures with respect to the measurement of fair values. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2.5 Use of estimates and judgments and Estimation uncertainty

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income, expenses and the disclosures of contingent assets and liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

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

The Company based its assumptions and estimates on parameters available when the financial statements were issued. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising

that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Following are areas that involved a higher degree of estimate and judgment or complexity in determining the carrying amount of some assets and liabilities:

Effective Interest Rate (EIR) Method

The Company recognizes interest income / expense using a rate of returns that represents the best estimate of a constant rate of return over the expected life of the loans given / taken.

This estimation, by nature, requires an element of judgment regarding the expected behavior and life-cycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument.

Impairment of Financial Assets

The measurement of impairment losses on loan assets and commitments requires judgment, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk.

Provisions and other contingent liabilities

The reliable measure of the estimates and judgments pertaining to litigations and the regulatory proceedings in the ordinary course of the Company's business are disclosed as contingent liabilities if any.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

2.6 Revenue recognition:

a) Recognition of interest income on loans

Interest income is recognized in Statement of profit and loss using the effective interest method for all financial instruments measured at amortized cost, debt instruments measured at FVOCI and debt instruments designated at FVTPL.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument. The calculation of the effective interest rate includes transaction costs and fees that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is recorded as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortized through Interest income in the Statement of profit and loss.

When a financial asset becomes credit-impaired, the Company calculates interest income by applying the effective interest rate to the net amortized cost of the financial asset. If the financial asset cures and is no longer credit impaired, the Company reverts to calculating interest income on a gross basis. Additional interest and interest on trade advances are recognized when they become measurable and when it is not unreasonable to expect their ultimate collection.

b) Fee and commission income:

Fee based income if any are recognized when they become measurable and when it is probable to expect their ultimate collection. Commission and brokerage income earned if any for the services rendered are recognized as and when they are due.

c) Dividend and interest income on investments:

- Dividends are recognized in Statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

- Interest income from investments if any is recognized when it is certain that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

2.7 Property, Plant and Equipment's (PPE)

PPE are stated at cost of acquisition (including incidental expenses), less accumulated depreciation and accumulated impairment loss, if any.

Assets held for sale or disposals are stated at the lower of their net book value and net realizable value.

Depreciation on PPE is provided on written down basis in accordance with the useful lives specified in Schedule II to the Companies Act, 2013 on a pro-rata basis.

The estimated useful lives used for computation of depreciation are as follows:

Computers and data processing units	
- Servers and networks	6 Years
- End user devices, such as, desktops, laptops, etc.	3 Years
Furniture and fittings	10 Years
Office Equipment (incl. Air Conditioners)	5 Years
Vehicles	8 Years

Assets costing less than Rs.5000/- are fully depreciated in the period of purchase.

PPE is derecognized on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on DE recognition of the asset (calculated as the difference between the net disposal proceeds and the net carrying amount of the asset) is recognized in other income / netted off from any loss on disposal in the Statement of profit and loss in the year the asset is derecognized.

2.8 Investments in subsidiaries and associates:

There is no subsidiary or any associate company.

2.9 Foreign exchange transactions and translations:

There are no Foreign Exchange transactions.

2.10 Financial instruments:

a) Recognition and initial measurement -

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in Statement of profit and loss.

b) Classification and Subsequent measurement of financial assets-

On initial recognition, a financial asset is classified as measured at

- Amortized cost;
- FVOCI - debt instruments;
- FVOCI - equity instruments;
- FVTPL

Amortized cost –

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios being the level at which they are managed. The financial asset is held with the objective to hold financial asset in order to collect contractual cash flows as per the contractual terms that give rise on specified dates to cash flows that are solely payment of principal and interest (SPPI) on the principal amount outstanding. Accordingly, the Company measures Bank balances, Loans, Trade receivables and other financial instruments at amortized cost.

FVOCI - debt instruments – N.A.

FVOCI - equity instruments -

The Company subsequently measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments and are not held for trading.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets. All financial assets not classified as measured at amortized cost or FVOCI are measured at FVTPL. This includes all derivative financial assets.

Subsequent measurement of financial assets

Financial assets at amortized cost are subsequently measured at amortized cost using effective interest method. The amortized cost is reduced by impairment losses. Interest income, and impairment are recognized in Statement of profit and loss. Any gain and loss on De-recognition is recognized in Statement of profit and loss. Other net gains and losses are recognized in OCI. On De-recognition, gains and losses accumulated in OCI are reclassified to Statement of profit and loss.

For equity investments, the Company makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVOCI. These elected investments are measured at fair value with gains and losses changes in fair value recognized in other comprehensive income and accumulated in there serves. The cumulative gain or loss is not reclassified to Statement of profit and loss on disposal of the investments. These investments in equity are held for trading. But not held for strategic purpose. Dividend income received on such equity investments are recognized in Statement of profit and loss.

Equity investments that are not designated as measured at FVOCI are designated as measured at FVTPL and subsequent changes in fair value are recognized in Statement of profit and loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, in Statement of profit and loss.

c) Financial liabilities and equity instruments:

Classification as debt or equity –

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments –

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by Company are recognized at the proceeds received. Transaction costs of an Equity transactions are recognized as a deduction from equity.

Financial liabilities –

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expenses are recognized in Statement of profit and loss. Any gain or loss on DE recognition is also recognized in Statement of profit and loss.

d) Financial guarantee contracts:

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 - Financial Instruments; and

- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 18 - Revenue.

e) Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

A financial liability is derecognized when the obligation in respect of the liability is discharged, cancelled or expires. The difference between the carrying value of the financial liability and the consideration paid is recognized in Statement of profit and loss.

f) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

g) Derivative financial instruments

The Company enters into derivative financial instruments, primarily forward contracts of equity. Derivatives are initially recognized at fair value at the date the contracts are entered into and are subsequently premeasured to their fair value at the end of each reporting period. The resulting gain/loss is recognized in Statement of profit and loss.

i) Impairment of financial instruments-

Equity instruments are not subject to impairment under Ind AS 109.

The Company recognizes lifetime expected credit losses (ECL) when there has been a significant increase in credit risk since initial recognition and when the financial instrument is credit impaired.

The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is recognized in OCI and carrying amount of the financial asset is not reduced in the balance sheet.

j) Collateral repossessed –

Based on operational requirements, the Company's policy is to determine whether a repossessed asset can be best used for its internal operations or should be sold. Assets determined to be useful for the internal operations are transferred to their relevant asset category for capitalization at their fair market value.

In the normal course of business, the Company does not physically repossess assets/properties in its loan portfolio, but also engages external agents to repossess and recover funds, generally by selling at auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, the assets/ properties under legal repossession processes are not separately recorded on the balance sheet.

k) Write offs –

The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the Company determines that the debtor/borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be

subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in Statement of profit and loss.

2.11 Employee benefits:

a) Short-term employee benefits-

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b) Contribution to provident fund, ESI and Gratuity-

The company is yet to get covered under the scheme as to PF and ESI. The gratuity liability is determined on actual basis.

2.12 Finance costs:

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at Amortized cost. Finance costs are charged to the Statement of profit and loss.

2.13 Taxation - Current and deferred tax:

Income tax expense comprises of current tax and deferred tax. It is recognized in Statement of profit and loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

a) Current tax:

Current tax comprises amount of tax payable in respect of the taxable income or loss for the year determined in accordance with Income Tax Act, 1961 and any adjustment to the tax payable or receivable in respect of previous years. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

b) Deferred tax:

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflect the tax consequence that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary difference could be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

2.14 Impairment of assets other than financial assets:

The Company reviews the carrying amounts of its tangible and intangible assets at the end of each reporting period, to determine whether there is any indication that those assets have impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is determined for an individual asset, unless the asset does not generate cash flows that are largely independent of those from other assets or group of assets. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the

revised estimate of its recoverable amount such that the increased carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognized for the asset (or cash-generating unit) in prior years. The reversal of an impairment loss is recognized in Statement of profit and loss.

2.15 Provisions:

Provisions are recognized when there is a present obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.16 Leases:

Where the Company is the lessee –

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of profit and loss. Since the lease period are of 11 months only without certainty to extend hence no additional adjustment are made as per Accounting standards.

2.17 Cash and cash equivalents:

Cash and cash equivalents in the balance sheet comprise cash on hand, cheques and drafts on hand, balance with banks in current accounts and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

2.18 Earnings per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends, if any and any attributable tax thereto for the period.

The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, sub-division of shares etc. that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is divided by the weighted average number of equity shares outstanding during the period, considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year

2.19 Recent Accounting Developments

Ministry of Corporate Affairs (MCA), vide notification dated 31st March, 2023, has made the following amendments to Ind AS which are effective 1st April, 2023:

- a. Amendments to Ind AS 1 - Presentation of Financial Statements where the companies are now required to disclose material accounting policies rather than their significant accounting policies.
- b. Amendments to Ind AS 8 - Accounting policies, Changes in Accounting Estimates and Errors where the definition of 'change in account estimate' has been replaced by revised definition of 'accounting estimate'.
- c. Amendments to Ind AS 12 - Income Taxes where the scope of Initial Recognition Exemption (IRE) has been narrowed down.

Based on preliminary assessment, the Company does not expect these amendments to have any significant impact on its standalone financial statements.

FINANCIAL ASSETS

(Rs. In Lakhs)

NOTE 3: CASH & CASH EQUIVALENTS

	March 31, 2023	March 31, 2022
Cash on hand	0.11	0.10
Balances with Scheduled Banks In Current Accounts		
AU Small Finance Bank	111.05	-
Kotak Mahindra Bank	0.01	22.15
Punjab National Bank	0.13	0.15
	111.30	22.40

NOTE 4: TRADE RECEIVABLES

(A) Secured, Considered Good	-	-
Less: Impairment Loss Allowance	-	-
(B) Unsecured, Considered Good	5.69	-
Less: Impairment Loss Allowance	-	-
	5.69	-

March 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables						
(a) considered good	-	5.69	-	-	-	5.69
(b) which have significant increase in credit risk	-	-	-	-	-	-
(c) credit impaired	-	-	-	-	-	-
Disputed Trade receivables						
(a) considered good	-	-	-	-	-	-
(b) which have significant increase in credit risk	-	-	-	-	-	-
(c) credit impaired	-	-	-	-	-	-
Total		5.69	-	-	-	5.69

March 31, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables						
(a) considered good	-	-	-	-	-	-
(b) which have significant increase in credit risk	-	-	-	-	-	-
(c) credit impaired	-	-	-	-	-	-
Disputed Trade receivables						
(a) considered good	-	-	-	-	-	-
(b) which have significant increase in credit risk	-	-	-	-	-	-
(c) credit impaired	-	-	-	-	-	-
Total		-	-	-	-	-

NOTE 5: LOANS

(A) Loans		
(i) Bills Purchased and Bills Discounted	-	-
(ii) Loans repayable on Demand	-	-
(iii) Term Loans	-	-
(iv) Leasing	-	-
(v) Factoring	-	-
(vi) Others (to be specified)	-	-
Total (A) - Gross	-	-
Less: Impairment loss allowance		
(B) (i) Secured by tangible assets	-	-
(ii) Secured by intangible assets	-	-
(iii) Covered by Bank/Government Guarantees	-	-
(iv) Unsecured	-	-
Total (B)-Gross	-	-
Less: Impairment loss allowance	-	-
Total (B)- Net	-	-
(C) (I) Loans in India		
(i) Public Sector	-	-
(ii) Others	7749.01	2542.24
Total (C)- Gross	7749.01	2542.24
Less: Impairment loss allowance		-
Total (C) (I) - Net	7749.01	2542.24
(C) (II) Loans outside India		-
Less: Impairment loss allowance		-
Total (C) (II)- Net	7749.01	2542.24
Total C(I) and C(II)	7749.01	2542.24

NOTE 6: INVESTMENTS

Investments measured at Fair Value through Other Comprehensive Income

In Equity Shares of Other Companies

Quoted, Fully paid up		
Investments	388.86	2.76
	388.86	2.76

NOTE 7: OTHER FINANCIAL ASSETS

Income Tax Refundable	25.09	6.92
TCS	1.24	-
TDS (A.Y.2023-2024)	27.19	20.09
	53.51	27.01

NOTE 6: INVESTMENT

(Rs. In Lakhs)

Particulars	Current Year						Previous Year					
	At Fair Value						At Fair Value					
	Amortised Cost	Other Comprehensive Income	Through profit or loss	Sub Total	Others	Total	Amortised Cost	Other Comprehensive Income	Through profit or loss	Sub Total	Others	Total
	(1)	(2)	(3)	(4)=(2)+(3)	(5)	(6)=(1)+(4)+(5)	(8)	(9)	(10)	(11)=(9)+(10)	(12)	(13)=(8)+(11)+(2)
Mutual funds												
Government securities												
Other approved securities												
Debt securities												
Equity instruments		76.74		76.74		76.74		3.51	-0.74	2.76		2.76
Subsidiaries												
Associates												
Joint Ventures												
Others		312.12										
Total – Gross (A)		388.86		388.86		388.86		3.51	- 0.74	2.76		2.76
(i) Investments outside India												
(ii) Investments in India		388.86		388.86		388.86		3.51	- 0.74	2.76		2.76
Total (B)		388.86		388.86		388.86		3.51	- 0.74	2.76		2.76
Total (A) to tally with (B)												
Less: Allowance for Impairment loss (C)												
Total – Net D= (A) - (C)		388.86		388.86		388.86		3.51	- 0.74	2.76		2.76

NOTE 8: DEFERRED TAX ASSETS (NET)

	March 31, 2023	March 31, 2022
Deferred Tax Asset	(0.76)	(0.78)
Less : Deferred Tax Liability	2.27	0.02
	1.51	(0.76)

March 31, 2023

Deferred tax Liabilities/ (Assets) in relation to:	Opening Balance	Recognised in statement of Profit and Loss	Recognised in statement of OCI	Closing Balance
Allowance for doubtful debts and advances	-	-	-	-
Impact of 43B Disallowances	-	-	-	-
Long Term capital Loss on sale of Equity Instrument	-	-	-	-
Difference between WDV as per books and Income Tax	(0.76)	2.27	-	1.51
Total	(0.76)	2.27	-	1.51

March 31, 2022

Deferred tax Liabilities/ (Assets) in relation to:	Opening Balance	Recognised in statement of Profit and Loss	Recognised in statement of OCI	Closing Balance
Allowance for doubtful debts and advances	-	-	-	-
Impact of 43B Disallowances	-	-	-	-
Long Term capital Loss on sale of Equity Instrument	-	-	-	-
Difference between WDV as per books and Income Tax	(0.78)	0.02	-	(0.76)
Total	(0.78)	0.02	-	(0.76)

NOTE 10: OTHER NON-FINANCIAL ASSETS

Secured, Considered Good	-	-
Unsecured, Considered Good		
Rental Advance	2.00	1.00
Capital Advance	100.00	-
Share Application Money	550.0	-
Brokers Account	42.18	-
Margin Account	53.13	-
Others		
Preliminary Expenses	-	0.28
Less:- Written Off During The Year	-	0.28
	-	-
	747.31	1.00

NOTE 11: PAYABLES**March 31, 2023****March 31, 2022**

	March 31, 2023	March 31, 2022
(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	20.63	8.62
	20.63	8.62

Trade Payables ageing schedule as on March 31, 2023

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
MSME						
Others	-	-	-	-	-	-
Total	-	-	-	-	-	-
Disputed dues –						
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-

Trade Payables ageing schedule as on March 31, 2022

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
MSME						
Others	-	-	-	-	-	-
Total	-	-	-	-	-	-
Disputed dues –						
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-

NOTE 12: BORROWINGS

At Amortised Cost		
(i) Term Loans	-	-
(ii) Loans from Related Parties	-	-
(iii) Loans repayable on Demand	-	-
(iv) Secured	-	-
(v) Unsecured		
a) Other Parties	2996.82	890.69
A. Borrowings in India	2996.82	890.69
B. Borrowings Outside India	-	-
	2996.82	890.69

NOTE 13: PROVISIONS

	March 31, 2023	March 31, 2022
Others:		
Provision for Non-Performing Assets	23.50	5.00
Contingent Provisions against Standard Assets	19.50	9.50
	43.00	14.50

NOTE 14: OTHER NON FINANCIAL LIABILITIES

Statutory Dues & Taxes Payable		
TDS Payable	4.33	7.50
	4.33	7.50

NOTE 15: EQUITY SHARE CAPITAL**15.1 Authorised, Issued, Subscribed and Paid up Capital**

a. Authorised Capital		
8,25,00,000 Equity Shares of Rs 2/- each	1650.00	1650.00
24,75,00,000 Equity Shares of Rs. 2/- each	4950.00	-
b. Issued, Subscribed and Paid up Capital		
8,25,00,000 Equity Shares of Rs 2/- each	1650.00	1650.00
24,75,00,000 Equity Shares of Rs. 2/- each	4950.00	-

15.2 Reconciliation of number of Equity Shares Outstanding

		(in Nos.)
Shares Outstanding at the beginning of the year	8,25,00,000	8,25,00,000
Add: Shares Issued during the year	24,75,00,000	-
Shares Outstanding at the end of the year	33,00,00,000	8,25,00,000

15.3 Shareholders holding more than 5 % Equity Shares

Name of the Shareholders	Nos	(%)	Nos	(%)
Kalashdhan Barter Private Limited	25000000	(7.58)	-	
Woodland Retails Private Limited	25000000	(7.58)	-	
N S Longia Parivahan Private Limited	25000000	(7.58)	-	
Shristidata Distributors Private Limited	25000000	(7.58)	-	
Ambashree Distributors Private Limited	25000000	(7.58)	-	
Waybroad Trading Private Limited	25000000	(7.58)	-	
Aryadeep Infrahomes Private Limited	25000000	(7.58)	-	
Nexus Niwas Private Limited	25000000	(7.58)	-	
Arrowspace Advisors Private Limited	25000000	(7.58)	-	
Phagun Enterprises Private Limited	22500000	(6.82)	-	

15.4 Shareholding of Promoters	March 31, 2023		March 31, 2022	
	Nos	(%)	Nos	(%)
Not Applicable	-	-	-	-
NOTE 16: OTHER EQUITY				
16.1 Securities Premium				
Opening Balance		100.00		100.00
Less: Issue of Bonus Shares		-		-
Closing Balance		100.00		100.00
16.2 Statutory Reserve:				
Opening Balance		23.52		23.52
Add: Addition during the year		-		-
Closing Balance		23.52		23.52
16.3 Profit & Loss Account:				
Opening Balance		(78.89)		(74.84)
Add : Profit for the Year		(497.41)		(4.05)
Less : Transferred to Statutory Reserve				
Closing Balance		(576.30)		(78.89)
16.4 Other Comprehensive Income:				
Opening Balance		(18.92)		(18.17)
Add : Movement in OCI (Net) during the year		4.27		(0.74)
		(14.64)		(18.91)
		(467.41)		25.72

Other Equity

Description of the nature and purpose of Other Equity:

Retained earnings

Retained earnings or accumulated surplus represents total of all profits retained since Company's inception. Retained earnings are credited with current year profits, reduced by losses, if any, dividend payouts, transfers to General reserve or any such other appropriations to specific reserves.

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Statutory reserve

Statutory reserve represents reserve fund created pursuant to Section 45-IC of the RBI Act, 1934 through transfer of specified percentage of net profit every year before any dividend is declared. The reserve fund can be utilized only for limited purposes as specified by RBI from time to time and every such utilization shall be reported to the RBI within specified period of time from the date of such utilization.

NOTE 17: INTEREST INCOME

	March 31, 2023	March 31, 2022
Interest Income	274.56	230.08
Bank Interest	0.14	0.08
	274.71	230.16

NOTE 18: FINANCE COSTS

Interest Expense	30.72	68.25
Bank Charges	0.68	0.03
	30.73	68.28

NOTE 19: EMPLOYEES BENEFIT EXPENSES

Salaries & Allowances	34.06	43.61
Staff Welfare Expenses	0.68	2.88
	34.74	46.49

NOTE 20: OTHER EXPENSES

Advertisement Expenses	0.08	0.11
Assets Written Off	-	0.00
Audit Fees	-	0.30
Bad Debts	232.50	85.70
Books & Periodicals	-	0.23
Business Promotion Expenses	-	1.94
Electricity Charges	0.06	0.28
General Expenses	-	1.63
Listing Fees	3.65	3.55
Interest Payments	0.83	-
Profit / (Loss) On Trading of Equity Shares (Short Term)	115.86	-
Profit / (Loss) On Trading of Equity Shares (Long Term)	18.09	-
Profit / (Loss) On Trading of Future & Option	172.15	-
Office Expenses	2.09	7.43
Penalty	0.00	-
Preliminary Expenses Written off	-	0.28
Printing and Stationery	0.24	0.04
Professional Fees	21.64	5.63
Provision for Bad & Doubtful Debts	28.50	-
Rates And Taxes	4.59	1.14
Rent Payments	4.86	5.27
Repairs and Maintenance	0.64	1.89
ROC Fees	41.93	0.12
Rounded Off	0.00	-
Share Expenses	25.33	1.25
Telephone Expenses	0.12	0.06
Travelling And Conveyance	1.06	1.00
	674.25	117.87

NOTE 9: PROPERTY, PLANT AND EQUIPMENT (PPE) AND INTANGIBLE ASSETS

(Rs. In Lakhs)

Particulars	PROPERTY, PLANT AND EQUIPMENT						INTANGIBLE ASSETS	
	Computer & Peripherals	Furniture & Fittings	Office Equipments	Plant & Machinery	Vehicles	Total	Intangible Assets	Total
GROSS CARRYING AMOUNT								
Balance as on 31st March 2021	1.62	5.67	0.07	0.70	0.08	8.14	-	-
Additions during the year	0.53	0.08	-	-	-	0.61	-	-
Disposals / deductions during the year	0.00	-	0.00	-	0.02	0.02	-	-
Balance as at 31st March, 2022	2.16	5.74	0.06	0.70	0.06	8.72	-	-
Additions during the year	-	-	0.10	-	144.93	145.03	-	-
Disposals / deductions during the year	-	-	-	-	-	-	-	-
Balance as at 31st March, 2023	2.16	5.74	0.16	0.70	144.99	153.75	-	-
ACCUMULATED DEPRECIATION / AMORTISATIONS								
Balance as on 31st March 2021	1.62	5.22	0.06	0.45	0.05	7.40	-	-
Additions during the year	0.05	0.25	-	0.15	0.01	0.44	-	-
Disposals / deductions during the year	-	-	-	-	-	-	-	-
Balance as at 31st March, 2022	1.67	5.47	0.06	0.60	0.06	7.86	-	-
Additions during the year	0.39	0.15	0.03	0.06	2.07	2.70	-	-
Disposals / deductions during the year	-	-	-	-	-	-	-	-
Balance as at 31st March, 2023	2.06	5.62	0.09	0.66	2.13	10.56	-	-
NET CARRYING AMOUNT								
As at 31st March, 2022	0.48	0.27	0.01	0.10	-	0.86	-	-
As at 31st March, 2023	0.10	0.12	0.07	0.04	142.86	143.19	-	-

NOTE 9: DEPRECIATION

(Rs. In Lakhs)

Particulars	March 31, 2023	March 31, 2022
Depreciation on Property, Plant and Equipment	2.70	0.45
Amortisation and impairment of intangible assets	-	-
Depreciation on Right of Use Asset	-	-
Total	2.70	0.45

Details of PPE and Depreciation Schedule for Income Tax Purposes

Block	Assets	W.D.V. as on 01-Apr-22	Additions during the year			Deletions /Transfer during the year	Total	Depreciation Rate	Depreciation for the year	W.D.V. as on 31-Mar-23
			above 180 days	below 180 days	Total					
1	Furniture & Fittings	2.79	-	-	-	-	2.79	10%	0.28	2.51
2	Cash Counting Machine	0.03	-	-	-	-	0.03	15%	0.00	0.02
3	Air Conditioner	0.41	-	-	-	-	0.41	15%	0.06	0.35
4	Computer	0.50	-	-	-	-	0.50	40%	0.20	0.30
5	Steel Cabinet	0.08	-	-	-	-	0.08	15%	0.01	0.06
6	Two Wheeler	-	-	-	-	-	-	15%	-	-
7	Car	-	-	144.93	144.93	-	144.93	15%	10.87	134.06
	Total	3.80	-	144.93	144.93	-	148.72		11.42	137.30

NOTE: FINANCIAL INSTRUMENTS – FAIR VALUE DISCLOSURES

The management has assessed that the carrying amounts of financial assets such as trade receivables, loans, cash and cash equivalents and financial liabilities like borrowings, trade payables recognised in the financial statements approximate their fair values. With respect to the investment in unquoted shares, the Company has availed the services of a professional valuer and performed fair valuation.

March 31, 2023

(Rs. In Lakhs)

Description	Carrying Amount				Fair value hierarchy
	Amortised cost	FVTPL	FVTOCI	Total	
A. Financial Assets					
Investments	-	-	388.86	388.86	Level 1
Loans	7749.01	-	-	7749.01	NA
Trade receivables	5.69	-	-	5.69	NA
Cash and cash equivalents	111.30	-	-	111.30	NA
Other bank balances	-	-	-	-	NA
Other financial assets	53.51	-	-	53.51	NA
B. Financial Liabilities					
Borrowings	2996.82	-	-	2996.82	NA
Trade payables	-	-	-	-	NA
Other financial liabilities	24.96	-	-	24.96	NA

March 31, 2022

(Rs. In Lakhs)

Description	Carrying Amount				Fair value hierarchy
	Amortised cost	FVTPL	FVTOCI	Total	
A. Financial Assets					
Investments	-	-	2.76	2.76	Level 1
Loans	2542.24	-	-	2542.24	NA
Trade receivables	-	-	-	-	NA
Cash and cash equivalents	22.39	-	-	22.39	NA
Other bank balances	-	-	-	-	NA
Other financial assets	27.01	-	-	27.01	NA
B. Financial Liabilities					
Borrowings	890.69	-	-	890.69	NA
Trade payables	-	-	-	-	NA
Other financial liabilities	16.12	-	-	16.12	NA

21. TAX EXPENSE**Income Tax Expense**

Particulars	March 31, 2023	March 31, 2022
Income Tax recognised in profit or loss		
Current Tax		
In respect of current year		-
In respect of prior years	27.43	1.48
Total (A)	27.43	1.48
Deferred tax		
In respect of current year origination and reversal of temporary differences	2.27	0.02
In respect of prior years	-	-
Total (B)	2.27	0.02
Income Tax expense recognised in the statement of Profit and Loss (A+B)	29.70	1.50

Income Tax recognised in Other Comprehensive Income (OCI)

Particulars	March 31, 2023	March 31, 2022
Deferred tax related to items recognised in OCI during the year		
Remeasurement of defined employee benefits	-	-
Net gain / (loss) on equity instruments through OCI	4.27	-
Total Income tax recognised in other comprehensive income	4.27	-

Reconciliation of tax expense and the accounting profit for the year is as follows:

Particulars	March 31, 2023	March 31, 2022
Profit before tax	(467.71)	(2.55)
Expected Income Tax	-	-
Adjustment related to Tax of earlier years	27.43	1.48
Effect of expenses that are deductible in determining taxable profit	2.27	0.02
Effect of lower tax rates for longer term capital gain	-	-
Others	-	-
Reported Tax Expense	29.70	1.50
Effective Tax Rate	NA	NA

Note: Effective Tax rate mentioned as "NA" since PBT figure is Negative.

22. EARNINGS PER SHARE (EPS)

(In Rs.)

Particulars	March 31, 2023	March 31, 2022
Profit after Tax	(4,97,40,885)	(4,05,113)
Weighted No. of Basic Equity Shares	8,25,00,000	8,25,00,000
Weighted No. of Dilutive Equity Shares	33,00,00,000	8,25,00,000
Earnings per share (Basic) (Face value of Rs. 2/- per share)	(0.603)	(0.005)
Earnings per share (Diluted)	(0.151)	(0.005)

23. SEGMENT INFORMATION

The company is engaged in two segments, financing and investment activities and is in line with the accounting standard on segment reporting.

Segment wise Revenue, Results, Assets and Liabilities	<i>(Rs. In Lakhs)</i>	
	March 31, 2023	March 31, 2022
1. Segment Revenue		
(a) Lending Division	274.56	-
(b) Investment/Trading in Equity and F&O	-	-
Net sales/Income From Operations	274.56	-
2..Segment Results (Profit)(+)/Loss(-) before tax from Each segment)		
(a) Lending Division	(151.61)	-
(b) Investment/Trading in Equity and F&O	(306.10)	-
Total Profit Before Tax	(457.71)	-
3. Segment Assets		
(a) Lending Division	8767.84	-
(b) Investment/Trading in Equity and F&O	431.04	-
(c) Inter Segment Assets	-	-
Total Segment Assets	9198.88	-
4. Segment Liabilities		
(a) Lending Division	3066.29	-
(b) Investment/Trading in Equity and F&O	-	-
(c) Inter Segment Liabilities	-	-
Total Segment Liabilities	3066.29	-

24. FINANCIAL RISK MANAGEMENT FRAMEWORK

In the course of its business, the Company is exposed to certain financial risks namely credit risk, interest risk & liquidity risk .The Company's primary focus is to achieve better predictability of financial markets and seek to minimize potential adverse effects on its financial performance. The financial risks are managed in accordance with the risk management framework as approved by the Board of Directors of the Company. The credit risk is managed through credit norms established based on historical experience.

24.1 Market Risk

Market Risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, etc. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximizing the return.

a) Pricing Risk

The Company's Investment in Equity is exposed to pricing risk

25. DETAILS OF RELATED PARTY TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL (KMP) ARE AS UNDER:

Key management personnel are those individuals who have the authority and responsibility for planning and exercising power to directly or indirectly control the activities of the Company or its employees. The Company considers its Whole time Director, Company Secretary and Chief Financial Officer to be key management personnel for the purposes of IND AS24 Related Party Disclosures.

(Rs. In Lakhs)

S.No.	Name of the Party	Relation	Nature of Transaction	2022-23	2021-22
1.	Mr. Sunil Bhandari	KMP - Whole Time Director	Directors Salary	18.00	2.36
2.	Mr. Jitendra Kumar A. Bafna	KMP - Company Secretary	Salary	2.40	2.40
3.	Ms. Sneha Bhandari	Relative of Wholetime Director	Interest	9.90	2.17

26. KEY RATIOS

Type of Ratios	2022-23	2021-22	% Variance	Reason for Variance greater than 25%
Current Ratio	2.61	2.81	- 0.20	No Major Variance
Debt Equity Ratio	0.49	1.55	- 1.06	No Major Variance
Net capital Turnover Ratio	0.05	0.14	- 0.09	No Major Variance
Trade Receivable Turnover Ratio	96.58	0.00	96.58	Due to increased deployment of funds, there is increase in receivables
Net Profit Ratio	- 1.81 %	- 1.76 %	- 0.05 %	No Major Variance
Debt service Coverage Ratio	-7.17 %	94.72 %	- 10.49 %	No Major Variance
Return on Equity	- 7.63 %	- 0.24 %	- 7.39 %	No Major Variance
Return on capital Employed	- 3.58 %	3.92 %	- 7.50 %	No Major Variance
Return on Investment	174.55 %	0.00 %	174.55 %	Due to improved business conditions there's increase in ROI

27. OTHER DISCLOSURES:

- No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The company does not have any investments through more than two layers of investment companies as per section 2 (87) and section 186 of Companies Act, 2013
- The Company has not borrowed any funds from Banks/FI.
- The Company does not have any immovable properties hence question of title deeds in company name does not arise.
- The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.

- h) The company has not made any Transactions with Struck off Companies.
- i) The company doesn't have any scheme of arrangements to disclose during the year 2022-23.
- j) Utilisation of Borrowed funds and share premium:
 - A. The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall –
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
 - B. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall –
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- k) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- l) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

28. PRESENTATIONS OF PREVIOUS YEAR'S FIGURES

Previous year's figures have been regrouped / reclassified / rearranged wherever necessary to bring them in conformity with the current year's figures.

Signatures to Notes 1 to 28
As per our Report of even date
For Darpan & Associates
Chartered Accountants
Firm Reg. No. 016156S

For and on behalf of the Board of Directors of Srestha Finvest Limited

Sd/-
Darpan Kumar
Partner
M. No. 235817

Sd/-
Sunil Bhandari
Wholetime Director /CFO
DIN: 03120545

Sd/-
Mayurdwajsinh Sahadevsinh Rana
Director
DIN: 09234993

Sd/-
Jitendra Kumar A Bafna
Company Secretary

Chennai
May 30, 2023

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SRESTHA FINVEST LIMITED