

16th July, 2024

To
General Manager
Department of Corporate Service
BSE Ltd
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai - 400001
Scrip Code: 543766

Dear Sir/Ma'am,

Sub: Submission of Annual Report convening the 31st Annual General Meeting of Ashika Credit Capital Limited for the Financial Year ended 31st March, 2024

Pursuant to Regulation 30 read with Part A Para A of Schedule III and Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereof, please find enclosed herewith the Annual Report alongwith Notice convening the 31st Annual General Meeting (AGM) of Ashika Credit Capital Limited ("the Company") scheduled to be held on **Saturday, 10th day of August, 2024 from 11:30 A.M. (IST)** through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) for the Financial Year ended 31st March, 2024.

Pursuant to relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India, members may note that Notice of 31st AGM and Annual Report for Financial Year 2023-2024 has been sent through electronic mode to all the Members of the Company whose email address is registered with the Company / Registrar and Transfer Agent, Maheshwari Datamatics Pvt Ltd / Depository Participant(s). The said Annual Report along with Notice of AGM has also been made available on the website of the company under the web link at https://ashikagroup.com/images/blog_images/Annual-Report-2024.pdf

This is for your information and record.

Thanking you,
for, Ashika Credit Capital Limited

Anju Mundhra
Company Secretary
FCS: 6686

Encl: As above

Registered Office:

Trinity, 226/1, A. J. C. Bose Road
7th Floor, Kolkata 700 020
Tel.: +91 33 4010 2500
Fax: +91 33 4010 2543
E-mail: secretarial@ashikagroup.com
ashika@ashikagroup.com

Group Corporate Office:

1008, 10th Floor, Raheja Centre
214, Nariman Point, Mumbai-400 021
Tel.: +91 22 6611 1700
Fax: +91 22 6611 1710
E-mail: mumbai@ashikagroup.com

Creating Value



Annual Report
2023-24

Ashika Credit Capital Limited

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www.ashikagroup.com



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Investor information

Market Capitalisation

₹ 8,108.10 Lakhs as at March 31, 2024

CIN

L67120WB1994PLC062159

BSE Code

ASHIKA | 543766

ISIN

INE094B01013

AGM Date

10th, August, 2024

AGM Mode

Audio/Video Conferencing

VC platform and voting

NSDL

Disclaimer: This document contains statements about expected future events and financials of Ashika Credit Capital Limited (ACCL) or the Company, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

Corporate Information

BOARD OF DIRECTORS

Mr. Pawan Jain – Executive Chairman
Mr. Daulat Jain – Managing Director & CEO
Mr. Sagar Jain – Independent Director (completion of tenure on 31.03.2024)
Mr. Amit Jain – Non-Executive Non-Independent Director
Ms. Sonu Jain – Independent Director
Mr. Ajay Pratapray Shanghavi – Independent Director (appointed w.e.f. 01.09.2023)
Mr. Tapan Sodani – Independent Director (appointed w.e.f. 01.09.2023)
Ms. Suparna Sengupta – Independent Director (completion of tenure w.e.f. closing hours of 13.02.2024)

CHIEF FINANCIAL OFFICER

Mr. Gaurav Jain

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Anju Mundhra

STATUTORY AUDITORS

M/s DMKH & Co.
Chartered Accountants
803-804, Ashok Heights, Nicco Circle
Old Nagardas Lane, Andheri (E)
Mumbai - 400006

INTERNAL AUDITORS

Shyamsukha Amit & Associates
Chartered Accountants
19, Ganesh Chandra Avenue
Premier House, 2nd Floor, Suit No 7
Kolkata - 700013

SECRETARIAL AUDITORS

M R & Associates
Company Secretaries
46, B. B. Ganguly Street
Kolkata - 700012

PRINCIPAL BANKERS

HDFC Bank Ltd.
ICICI Bank Ltd

REGISTERED OFFICE

Trinity' 226/1 A. J. C. Bose Road
7th Floor, Kolkata - 700 020
Tel: (033) 40102500, Fax: (033) 40102543
Email: secretarial@ashikagroup.com
Website: www.ashikagroup.com

CORPORATE OFFICE

1008, Raheja Centre, 10th Floor
214, Nariman Point, Mumbai - 400021
Tel : (022) 66111700, Fax : (033) 66111710
Email : ashika@ashikagroup.com

BRANCH OFFICE :

7, B. B. Ganguly Street
4th Floor, Kolkata - 700012
Email: secretarial@ashikagroup.com

REGISTRAR & SHARE TRANSFER AGENT

Maheshwari Datamatics Pvt. Ltd.
23, R. N. Mukherjee Road, 5th Floor
Kolkata - 700 001
Tel: (033) 22482248, 22435029
Email: mdpldc@yahoo.com
Website: www.mdpl.in

AUDIT COMMITTEE

Ms. Sonu Jain, Chairman
Mr. Tapan Sodani, Member
Mr. Amit Jain, Member

NOMINATION & REMUNERATION COMMITTEE

Mr. Ajay Pratapray Shanghavi, Chairman
Mr. Amit Jain, Member
Ms. Sonu Jain, Member

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Ms. Sonu Jain, Chairman
Mr. Tapan Sodani, Member
Mr. Ajay Pratapray Shanghavi, Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Ms. Sonu Jain, Chairman
Mr. Amit Jain, Member
Mr. Daulat Jain, Member

Knowledge is of no value unless you put it into practice.

- Anton Chekov

A number of observers have debated what it takes to enhance value for the stakeholders associated with the organisation.

This is our response...

through strategy.

through competitiveness.

through growth.

through profitability.



At Ashika Credit Capital Limited the defining initiative in our existence transpired during the FY 23-24.

Our focus from lending to investment in securities market alongwith a strong performance by the domestic bourses transpired into a decisive advantage towards our Company.

The desired result, highest growth rate reported by us in the last 5 years.

The outcome is expected to help us to graduate to newer orbits thereby **creating value for our stakeholders.**

Key takeaways of this

1



The Indian stock market has witnessed an exceptional rally in the financial year 2023-24.

2



Ashika Credit Capital Limited transited through its restructured business model.



Annual Report

3



The Company invested steadily in selected stocks through proper research backed by robust risk management practices.

4



The company registered a growth in profit by 81.88% as compared to previous year.

30 years of unflinching growth

Lineage

Incorporated in 1994 at Kolkata (West Bengal) as a private limited company and later on converted into a public limited company in 1996. In 1998 got registered with RBI as non-deposit taking Non-Banking Financial Company. The Company floated its shares to the public in 2000 and subsequently got listed on the Calcutta Stock Exchange Ltd in the same year. Further in November, 2011, the company got the permission to trade its securities on the nationwide platform of BSE Ltd under "Permitted Securities" category. Thereafter in November 2014, the shares of the company got listed at MCX Stock Exchange Limited. On February 2023, company achieved the milestone of getting listed on Main Board of BSE. The company is at present listed only with BSE under scrip code 543766

Mr. Pawan Jain and Mr. Daulat Jain are the leaders and driving force behind the Company. Their extensive experience exceeding three decades in the finance services industry has been instrumental in the Company's continual growth and success. They have steered the Company to new heights, establishing it as a reputable and dependable NBFC in Eastern India.

Ashika Credit Capital Ltd today, has grown into a leading financial investment enterprise. The Company is engaged in investments in shares and securities, loans and advances, Inter Corporate Deposit.

Our team members

The Company comprises qualified and experienced professionals, catalysing a culture of outperformance. The average employee age was 35-40 as on March 31, 2024.





Our Vision

Best among the financial entities, leveraging the power of technology, people and ideas.



Mission

To reach our vision with integrity, honesty and fairness to all stakeholders viz clients, employees, business associates, regulatory authorities and society.

Creating value through financial discipline

In challenging times, maintaining a strict financial discipline and profitability is crucial for any business. Ashika Credit Capital Limited exemplified this steadfast commitment throughout the year under review through various initiatives.

- We progressively reinforced the building blocks of our business to enhance competitiveness.
- We adapted our business model by transitioning our focus to investing in stocks and securities due to a thriving capital markets.
- Our team conducted extensive research on various organizations, industries, and economic landscapes to thoroughly support our decision-making with data.

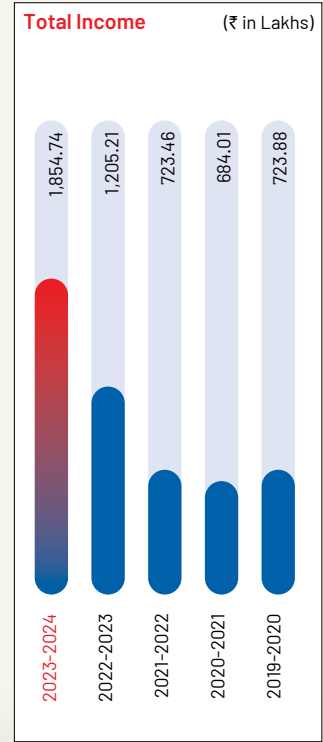
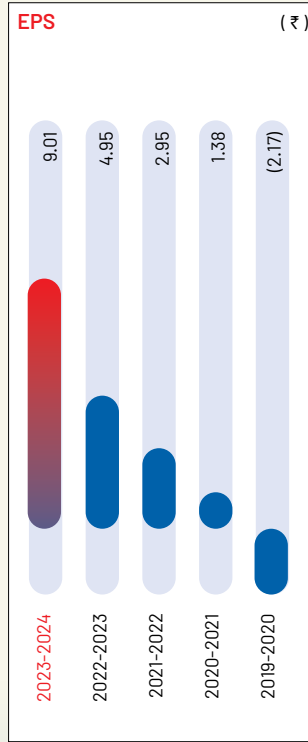
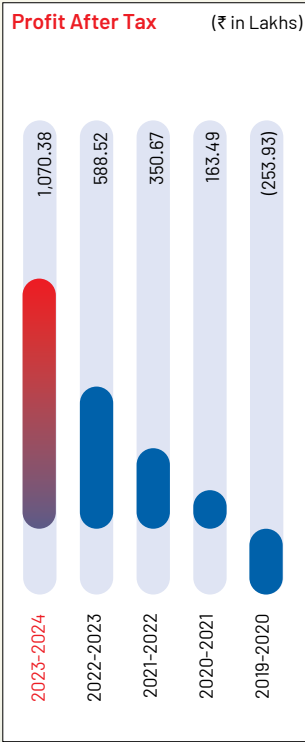
As a result of above initiatives, we were able to register stronger margins following revenue growth.



35 %



How we performed over the years?



Creating value by caring for causes beyond business

At Ashika Credit Capital Limited we continue to map, monitor and engage with our stakeholders and the communities in which we operate; considering such activities to be a vital component of our business overarching strategy.

Some of our initiatives under different heads include:



Environmental practices

- Upgrading office equipment and technology to energy-efficient models. This includes computers, printers, copiers, and other office appliances that have energy-saving features and meet energy efficiency standards.
- Installing energy-efficient lighting systems (LEDs), optimizing VAC (Ventilation and Air Conditioning) systems for efficiency.
- Raise awareness among employees about the importance of energy conservation and encourage them to adopt energy-saving behaviours.
- Encourage remote work schedules to decrease energy consumption associated with lighting and cooling.
- Promoting the use of virtual meetings and digital communication tools to reduce the need for business travel.
- Minimizing paper consumption in various operations, transactions, customer communications, and office printing.



Employment practices

- Ensuring equitable and unbiased recruitment, employment, and career advancement opportunities for all personnel.
- Prohibiting discrimination based on factors such as race, caste, colour, sex, age, disability, and socio-economic status.
- Zero tolerance for sexual harassment
- Dedication to fostering a secure and supportive work environment for all employees.
- Offering guidance on health and safety practices, access to suitable healthcare benefits, and medical coverage for all staff members.
- Implementing comprehensive programs for personal development, as well as group-level training initiatives.



Board's diversity and code

- The board of directors is comprised of individuals with diverse expertise, disciplinary backgrounds, educational qualifications, and industry experience. They are governed by a comprehensive Code of Conduct that applies to all board members and senior management personnel. This Code serves as a guiding framework for professional conduct, ethics, and governance practices when fulfilling their duties as company directors.



Governance Practices

- Ensuring adherence to top ethical standards in integrity, corporate governance, and regulatory compliance. This encompasses compliance, internal control, risk management, information security, cyber security, and social responsibility.



Community practices

- Promoting Education through Knowledge Sharing Centre with Professional Association.



Chairman's Letter



Dear Shareholders



I am honoured to communicate with you and provide the annual report of Ashika Credit Capital Limited for the Financial Year 2023-24.



In today's ever-evolving world, where transformation is key, we understand the imperative to continuously transform for good and invest in tomorrow to outperform. As we embark on the next stage of our multi-year growth trajectory, aimed at unleashing value for all stakeholders, I extend my deepest gratitude to each of you. You are the pillars of our success, propelling us towards building a futuristic organisation rooted in India's progress.

Economic review

India is on an expressway of progress. The optimism surrounding the Indian economy is unparalleled. The buoyancy observed in the stock markets with the influx of foreign direct investments solidify India's rise as a global power and a critical long-term market. These positives supports the narrative of India's flourishing growth trajectory.



The Non-Banking Financial Companies (NBFCs) sector in India has undergone remarkable growth, establishing itself as a significant player within the country's financial landscape. This growth is driven by various factors, such as a rising middle class, enhanced financial inclusion and positive policy interventions. As of 31st March 2024, there were a total of 9,327 NBFCs registered with the Reserve Bank of India (RBI).

During the FY 23-24 several NBFCs continued investing in the domestic stock markets and remained optimistic driven by multiple factors. The Indian economy showed greater resilience with steady growth rates, which positively influenced the stock market. NBFCs benefited from this economic stability, which allowed them to confidently invest in domestic equities. Regulatory clarity and supportive measures, such as maintaining liquidity and capital adequacy norms, ensured NBFCs can allocate funds to the stock market with confidence. Adoption of advanced analytics, artificial intelligence (AI) and digital tools for portfolio management enabled NBFCs to make data-driven investment decisions, thereby optimising returns and manage risks better. The robustness of the IPO market also provided NBFCs with opportunities to invest in high-growth companies at early stages. Successful IPOs and strong post-listing performance of new companies presented lucrative investment avenues to the domestic NBFCs. It was further supported by the surge in retail investor participation in the domestic stock market thereby augmenting market liquidity and stability, and benefiting NBFCs through enhanced market dynamics.

Year in retrospect

As we gather to review our financial performance over the past year, it is essential to emphasize the importance of understanding the consolidated annual results instead of quarterly statements. While quarterly statements provide a snapshot of our financial health at specific intervals, it is the annual results that offer a comprehensive and clearer view of our overall financial stability, growth trajectory, insights into our strategic direction, risk management practices and future growth plans.

It was an important year for us at Ashika Credit Capital Limited. In an ever-evolving market landscape, identifying and capitalizing on the right investment opportunities is paramount. During the year we strived hard to analyse the stock market dynamics. In doing so, we re-designed and re-engineered our business model from lending to investment in shares and securities backed by a buoyant stock market which is paying rich dividends. Our total Income grew by 53.90% and PAT grew by 81.88% during the year. To achieve a culture of profitable growth, the intention to become profit

conscious must percolate from the top management right down to the last person in the organization.

While we strengthened our topline and bottomline, it gives me immense pleasure to announce that we have successfully fulfilled our ambitious target of achieving an 18%-20% growth in networth this year. This remarkable achievement is a testament to our unwavering commitment, strategic planning, and the collective effort of our entire team. Our robust financial performance reflects the effectiveness of our long-term vision and strategic initiatives.

Nurturing strategies

In order to continuously improve our performance each year, we have developed specific Operational Strategies, Human Resource Development Strategies and overarching Business Strategies. Our Operational Strategy focuses on benchmarking, reducing costs and enhancing experience. Our objectives include standardizing and streamlining processes to align with industry best practices. We have implemented feedback mechanisms for continuous improvement and address stakeholder's grievances until resolution.

Sustainable growth

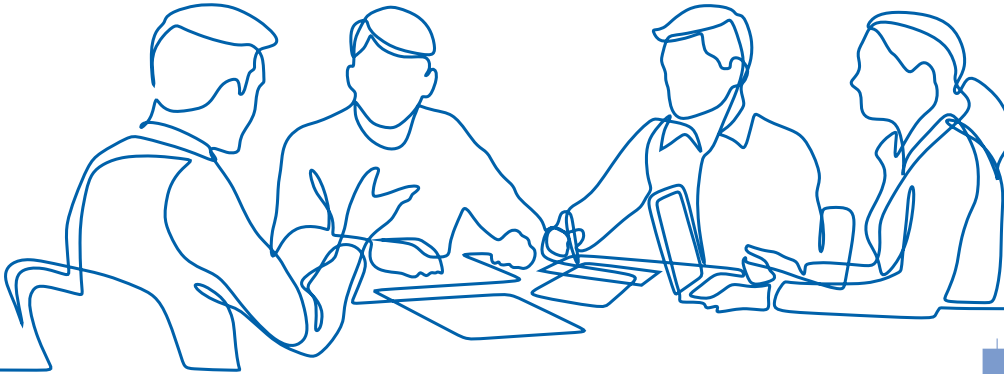
Moving forward, our focus remains on sustaining growth through innovation, operational excellence and robust corporate governance while actively integrating various causes which goes beyond business. In FY 23-24, we continued with our strong commitment to vendor, community and governance initiatives, achieving significant milestones in business sustainability. Our unwavering dedication to corporate governance ensures transparency and accountability. These achievements reflect our Company's holistic approach to sustainable growth and responsible business practices, demonstrating our leadership in fostering positive societal impact while delivering value to stakeholders.

Thanking note

We believe that our progress has and always will depend on the efforts and endeavours of our people. I would like to acknowledge their contribution to the Company's progress this far and extend my heartfelt gratitude to them. On behalf of the Board, I would also like to thank our shareholders, clients, business partners, financial institutions and regulators for their continued support. We look forward to all your continued patronage, as we pursue our mission towards our vision.

Thank You
Pawan Jain

Management Discussion and Analysis Report



ECONOMIC SCENARIO

Global Economic Review

There are signs that the global outlook has begun to spur, though growth remains modest. The impact of tighter monetary condition continues, especially in housing and credit markets, but global activity is rather resilient, inflation is falling faster than initially projected and private sector confidence is improving. Supply and demand imbalances in labour markets are easing, with unemployment closer to record lows. Real incomes have begun to improve as inflation has moderated and trade growth has turned positive. There is divergence in growth across countries, with softer outcomes in many advanced economies, especially in Europe, on the contrary strong growth is expected in the United States and many emerging market economies.

OECD countries, leaving the overall macroeconomic policy stance restrictive. Continued fiscal and monetary stimulus is expected in China, but in Brazil, India, and several other large emerging-market economies, policy interest rates are projected to decline with fiscal policy projected to be mildly restrictive in 2024 and 2025.

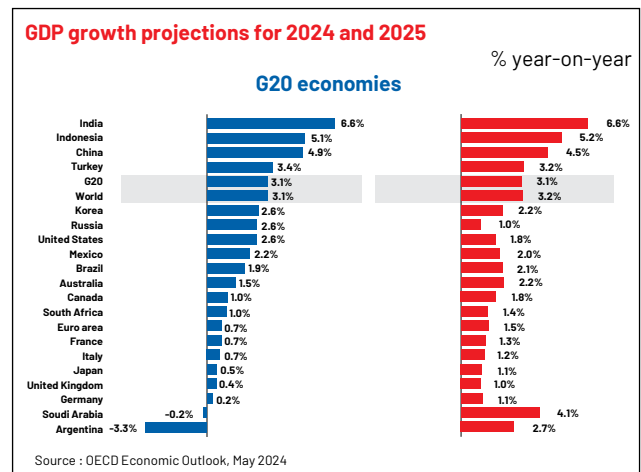
Artificial intelligence (AI) has the potential to play a huge role in helping to revive the economy during tough times like a recession. By using technology like algorithms and machine learning, AI can help companies work smarter and more efficiently, ultimately leading to more job opportunities and economic growth. Number of firms making use of AI has risen rapidly, though most of these are large companies. The net effect of AI on aggregate productivity will depend on many factors, encompassing the extent to which new technologies are widely diffused or concentrated in a few leading firms, further AI is labour enhancing as opposed to labour replacing.

| | | |
|---|---|---|
| 3.2% Projected global GDP growth for 2025 | 3.4% Projected OECD inflation in 2025 | 5.0% Projected OECD unemployment rate in 2025 |
|---|---|---|

Outlook

Global growth in 2023 continued at an annual rate of 3%, despite tighter financial conditions and other adverse factors, including Russia's war of aggression against Ukraine and the evolving conflict in the Middle East. Global GDP growth is projected at 3.1% in 2024 and 3.2% in 2025, little changed from the 3% in 2023. This is weaker than a decade ago i.e. before the global financial crisis, but close to current estimated growth rates in both advanced and emerging market economies.

A projected fall in headline and core inflation should enable central banks to begin lowering policy rates this year in many economies, although real rates will remain restrictive (above estimated neutral levels) for some time. Nevertheless fiscal policy is projected to be tightened modestly in most





Management Discussion and Analysis Report

Indian Economic Review

India is one of the fastest growing economies of the world and is poised to continue with aspirations to reach high middle income status by 2047, the centenary of Indian independence. It is also committed to ensuring that its continued growth path is likely to face challenges of climate change, and in line with its goal of achieving net-zero emissions by 2070. Following a successful moon mission and hosting the G20 Summit, India is positioned to emerge with increased stability and optimism towards its growth and future prospects. The country's attractiveness as an investment destination remains robust, given the size and scale of operations it has to offer to global companies, abundant skilled talent pool, and prowess in technology and innovation.

The industrial manufacturing sector has experienced a significant boost, attracting global technology giants like Apple eager to expand their supplier networks within India. This momentum is further supported by the implementation of state industrial policies that complement sector-specific incentive schemes. Concurrently, substantial investments in logistics and infrastructure development, including the construction of new roads, highways, and rail tracks, underscore the government's commitment to bolstering this critical sector.

Strong economic growth in the first quarter of FY23 helped India leave behind UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices in the year 2023-24

is estimated at Rs.293.90 lakh crores (US\$ 3.52 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs.269.50 lakh crores (US\$ 3.23 trillion). The growth in nominal GDP during 2023-24 is estimated at 9.1% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as major drivers of the GDP (Source: IBEF).

Outlook

India's gross domestic product (GDP) during 2024-25 (FY25) is expected to grow by 7%. The triggers for FY25 growth is expected to come from higher capital expenditure on infrastructure development both by central and state governments, rise in private corporate investment, strong service sector performance, and improved consumer confidence. Growth momentum is expected to pick up in FY26 backed by improved goods exports and an increase in manufacturing productivity and agricultural output.

A new government initiative to support urban housing for middle-income households is expected to further spur housing growth. Private corporate investment is expected to increase with stable interest rates. With inflation moderating to 4.6% in FY25 and easing further to 4.5% in FY26, monetary policy may become less restrictive, which will facilitate rapid off-take of bank credit. The demand for financial, real estate and professional services will grow while manufacturing will benefit from muted input cost pressures that will increase industry sentiment.



Management Discussion and Analysis Report

INDUSTRY STRUCTURE AND DEVELOPMENTS

NBFC segment in India

During times of economic turmoil, financial institutions are essential in maintaining stability and enforcing regulatory measures to support households and businesses. The impact of ongoing geopolitical conflicts has hindered countries' post-pandemic recoveries and accelerated the normalization of monetary and fiscal policies following years of unprecedented stimulus efforts. Non-Banking Financial Companies (NBFCs) have emerged as key players in providing credit financing to unorganized and underserved sectors, thus significantly contributing to the Indian financial system. By revolutionizing the lending landscape through financial inclusion, NBFCs have expanded access to credit for individuals who face barriers to traditional financing. Leveraging digitalization and technology, NBFCs deliver efficient customer financing solutions, particularly catering to low-income and overlooked creditworthy populations. Their service offerings encompass a variety of financial products, such as MSME financing, microfinance, and other retail segments. The NBFC sector has enhanced its business offerings by incorporating fintech and creating innovative products in the modern technological landscape. Through a hybrid approach combining physical and digital channels, these companies have capitalized on industrial opportunities. The Government is prioritizing the development of NBFCs with a strong emphasis on promoting sound corporate governance practices within these organizations.

Non-banking financial companies (NBFCs) employ a customized approach to engage with borrowers, utilizing specific criteria for different customer segments, incorporating various data sources, and making credit decisions based on scorecards. After facing slow growth due to liquidity challenges, NBFCs have shown a robust recovery with increased capital reserves, improved stability in loan repayment defaults, enhanced asset quality, and expanded balance sheets. Strengthened risk evaluation frameworks, government assistance such as debt relief and liquidity enhancement measures, and broader economic recovery have enabled NBFCs to navigate through difficulties and adopt innovative strategies to capitalize on emerging opportunities.

The growth of NBFCs in the country will be significantly influenced by the MSME sector. Despite its significant contribution to the economy, the MSME sector is facing a credit gap from financial institutions. Among the 64 million MSMEs in the country, only 14% have access to credit. The overall finance demand in the MSME market is around Rs.1.95 lakh crores with a 3.8x debt-to-equity ratio. The demand for debt-based finance was pegged at ₹1.54 lakh crores. Nearly 47% of the debt demand from MSMEs is estimated to be unaddressable. This is primarily because many of these businesses are not financially viable or they prefer being funded by non-transparent informal sources that end up charging high rates of interest. This leaves a debt demand of ₹82,000 crores, of which ₹29,000 crores demand is currently fulfilled by formal credit lenders like private banks. The remaining unfulfilled demand of ₹53,000 crores makes up a huge addressable market for FinTechs and NBFCs.

NBFCs have the opportunity to help bridge this gap by offering customized products and digital solutions to support the growth of the MSME sector. Rationalizing and consolidating the MSME industry in India is a necessary step that is expected to bring numerous benefits to the sector. The RBI's initiatives to enhance the digital ecosystem in India play a crucial role in facilitating the transition. The Account Aggregator network, for example, is anticipated to bring substantial value by offering a secure and efficient platform for the exchange of financial information. This will simplify access to credit for MSMEs and enable lenders to evaluate creditworthiness effectively. Likewise, the OCEN network is poised to transform the credit flow process in the economy by providing a seamless platform for all parties involved. In general, the integration of digital technologies and the consolidation of the MSME sector in India are projected to generate a potent synergy that could unleash significant economic opportunities. The RBI has also introduced the co-lending mechanism to streamline the availability of affordable funds from banks to NBFCs serving underserved regions and meeting the requirements of MSMEs, EWS, LIG, and MIG. This initiative targets the banks' hesitancy to provide loans in these sectors due to elevated operational expenses and credit risks.

According to the Reserve Bank of India (RBI) data, the credit exposure of banks to Non-Banking Financial Companies (NBFCs) stood at ₹15.2 lakh crores in December 2023, indicating a 15.1% year-on-year (y-o-y) growth, much slower than the rate witnessed in November 2023 and the approximately 27% average growth for the prior 12 months. According to CareEdge report, growth rate of advances to NBFCs has fallen below the overall bank credit growth, which was last seen in March 2022. Furthermore, the proportion of NBFC exposure in relation to aggregate credit has risen from 9.9% in December 2022 to 9.5% in December 2023. On a month-on-month (m-o-m) basis, the amount rose by 1.8%. Mutual Fund (MF) debt exposure to NBFCs, including Commercial Papers (CPs) and Corporate Debt, reached Rs.1.87 lakh crores in December 2023 witnessing an increase of 30.8% y-o-y and 19.9% sequentially, with CPs crossing the ₹1 lakh crores mark last seen in August 2023. Meanwhile, given the general credit risk aversion of Mutual Funds (MFs), the exposure to NBFCs, particularly those rated below the highest levels, is not expected to witness significant traction. Consequently, the aggregate dependence of mid-sized NBFCs on the banking sector for funding is likely to remain high. MFs' debt exposure to NBFCs rose to 14.2% as a percentage of "Banks' advances to NBFCs" in December 2023 from 11.3% in December 2022, and sequentially from 11.3% in November 2023.

The GNPA and NNPA ratio of NBFCs continued its downward trajectory with improvement across sectors. Among major sectors, the personal loans segment, which had grown rapidly in the last few years, continues to have the lowest GNPA ratio in September 2023 at 3.6%. The GNPA ratio of Government and private NBFCs moderated further to 2.5% and 6.1%, respectively, but that of private NBFCs' industrial advances remains high at 12.5% and constitutes 21.6% of overall GNPA of the NBFC sector. NBFCs are expected to play a crucial role in financing India's transition from the world's fifth-largest to the third-largest economy by the end of this decade.



Management Discussion and Analysis Report

OPPORTUNITIES AND THREATS

OPPORTUNITIES



Increasing disposable income: India is witnessing rise in disposable income levels, which provides a significant opportunity to the financial services sector with new and innovative investment products and services. With rising disposable income, consumers are looking for investment options beyond traditional savings account and Fixed Deposits and moving towards mutual funds, stocks, bonds and other financial instruments, thereby providing an opportunity to the NBFC sector to capitalise on the changing trends.



Digital Transformation: By embracing digital technologies and expanding on-line services, the NBFCs can enhance customer convenience and broaden the reach to a larger customer base.



Wider and effective reach: NBFCs are now reaching out to Tier-2, Tier-3 and Tier-4 markets, distributing loan across varied customer touch-points. Furthermore, they are also building a connected channel experience, that provides an omni-channel, seamless experience with 24/7 sales and service. With the consumer of today evolving and accessing digital media like never before, NBFCs have embarked on new and better ways to engage with the customer.



Tailored product offerings: NBFCs have adapted their product offerings to meet specific customer group and are focused on addressing appropriate needs by carefully analysing this target segment and customising pricing models.



The Government of India unveiled several initiatives aimed at addressing some of the structural issues stressing the small business lending segment. These include granting licenses to account aggregators, initiating the Pradhan Mantri Mudra Yojana (PMMY), launching UPI platforms, unveiling platforms such as TReDS, GeM and Open Network for Digital Commerce (ONDC) and implementing GST.



Management Discussion and Analysis Report

THREATS

The possibility of a market slowdown is conditional to the global economic downturn and other geopolitical crisis: The performance of the NBFC sector is affected not only by the domestic economic situation but also by the global economic scenario. Emerging markets like India are particularly at risk during a global economic downturn. Factors such as fluctuating capital flows, currency volatility, and trade barriers can significantly impact the operations of NBFCs. Hence, it is crucial for NBFCs to closely monitor global economic trends to mitigate risks and adjust to changing market conditions. Domestic players need to continuously upgrade their products and services in order to stay competitive in this dynamic market.

Macroeconomic challenges: India is subject to various external and internal factors that can lead to economic challenges, thereby impacting the financial services sector. External factors such as changes in global trade policies, fluctuation in commodity prices, and changes in global interest rates can affect the Indian economy and hence, the financial services sector. Internal factors such as Inflation, Government policies and domestic market conditions can also impact the sector.

Potential regulatory changes may impact our company's operations: In India, the sustainable growth of the financial sector heavily relies on the effective regulation and supervision of Non-Bank Financial Companies (NBFCs). The regulatory framework for NBFCs has undergone developments to emphasize responsible supervision and regulation. However, sudden and unexpected regulatory changes or restrictions could result in heightened compliance costs and disrupt NBFC sector, for example, changes in tax policies, capital adequacy requirements and so on, can hamper the profitability and viability of financial profits and services. Hence, regulatory authorities should ensure that any changes are communicated clearly and implemented gradually to mitigate any adverse effects on the sector.

A reduction in liquidity may hamper the lending capabilities of Non-Banking Financial Companies (NBFCs): Non-banking financial companies (NBFCs) play a vital role in facilitating access to credit for both individuals and businesses in India. However, NBFCs heavily rely on external funding sources such as banks, mutual funds, and capital markets to meet their financing needs. Disruptions in external funding availability or liquidity constraints resulting from factors like reduced loan recovery, unexpected events, or market volatility can have a significant impact on NBFCs' loan disbursement processes, leading to subdued performance. Therefore, it is crucial for NBFCs to maintain a robust balance sheet and develop effective contingency plans to mitigate these risks. Co-lending, co-origination, and direct assignments serve as important strategies in this regard

Cybersecurity Risks: As digital adoption has increased in the financial services sector, there is also a risk of increasing cyber attacks and data breaches. These cybersecurity risks can result in financial losses, damage to reputation and loss of customer trust. The financial services sector needs to invest in robust cybersecurity measures in order to protect against these risks.

OUTLOOK

The NBFC sector in India is poised for continued growth, driven by several factors. The government's commitment to financial inclusion, coupled with the sector's digital transformation, is expected to contribute to sustained demand for NBFC services. The regulatory changes, while imposing stricter guidelines, aim to ensure the sector's stability and prevent excessive risk-taking. The integration of emerging technologies, including AI and ML, is anticipated to redefine credit appraisal processes, enabling faster, more accurate decision-making.

The role of NBFCs in achieving the goals outlined in the Atmanirbhar Bharat vision is crucial. As businesses aim to expand capacities post-pandemic, NBFCs have the opportunity to facilitate the flow of credit to both businesses and households. The upcoming budget in 2024 presents an opportunity to establish targeted schemes, especially for micro-businesses, aligning with the government's push for economic recovery. As NBFCs adapt to the changing terrain, success in FY 2024-25 and beyond will hinge on strategic collaborations, embracing technological advancements, and a dedicated focus on promoting financial inclusivity.

COMPANY OVERVIEW

Ashika Credit Capital Limited (ACCL) is a RBI registered NBFC categorized as Base Layer NBFC, incorporated in Kolkata West Bengal, three decades ago. The Company is engaged in fund-based activities, including providing loans and advances and inter-corporate deposit and investment in securities. The Company's financial statements were prepared in accordance with Indian Accounting Standards (referred to as "Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, other relevant provision of the Act and guidelines issued by the RBI. The Company has only one segment, i.e. "Financial Services" and the entire revenue is generated from financial activities. Hence, there is only one segment reporting under Accounting Standards 17.

DISCUSSION ON FINANCIAL PERFORMANCE OF THE COMPANY WITH RESPECT TO OPERATIONAL PERFORMANCE

During the Financial Year 2023-2024, the Company delivered a stellar performance with considerable increase in Operational Income and Net profit (after tax) as compared to preceding Financial Year 2022-2023.

- During the year under review, the Operational Income (Revenue from Operations) stood at ₹1,838.31 Lakhs, registering a robust growth of 73.48% as compared to ₹1,059.65 Lakhs earned in preceding Financial Year. The increase in Operational Income during the Financial Year 2023-2024 pertains mainly to gain from investments in securities market.
- Expenses grew 40.83% to ₹ 578.60 Lakhs in Financial Year 2023-2024 from ₹ 410.84 Lakhs in Financial Year 2022-2023, mainly owing to increase in finance costs and other expenses.
- Profit after Tax for Financial Year 2023-2024 grew radically by 81.88% to ₹ 1,070.38 Lakhs as compared to ₹ 588.52 Lakhs earned in preceding Financial Year 2022-2023.



Management Discussion and Analysis Report

The highlights of Financial Performance of the Company during the Financial Year 2023-2024 is as below:

(Amount in ₹ Lakhs)

| Particulars | Financial Year ended 31 st March, 2024 | Financial Year ended 31 st March, 2023 |
|---|--|--|
| Revenue from Operations | 1,838.31 | 1,059.65 |
| Profit before Tax | 1,276.14 | 794.37 |
| Tax expenses | 205.76 | 205.85 |
| Net Profit | 1,070.38 | 588.52 |
| Total other comprehensive income (net of tax) | 1.89 | 1.59 |
| Total comprehensive income | 1,072.27 | 590.11 |

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in Key Financial Ratios, alongwith detailed explanations thereof including:

| Ratios | 2023-2024 | 2022-2023 | % Change | Reason (if more than 25% change) |
|-----------------------------|-----------|-----------|----------|----------------------------------|
| Debtors Turnover | NA | NA | NA | NA |
| Inventory Turnover | NA | NA | NA | NA |
| Interest Coverage Ratio | 18.38 | 69.72 | (73.64) | Increase in short term borrowing |
| Current Ratio | 3.61 | 41.52 | (91.31) | |
| Debt Equity Ratio | 0.37 | 0.0006 | 100 | |
| Operating Profit Margin (%) | 73.41 | 76.06 | (3.48) | NA |
| Net Profit Margin (%) | 58.23 | 55.54 | 4.84 | NA |
| Return in Net Worth (%) | 17.07 | 11.44 | 49.21 | Better profitability |

HUMAN RESOURCE MANAGEMENT

Human Resource Management plays a very important role in realizing the Company's objective. The Company is managed by the active involvement of the promoters along with strategic inputs from a well-diversified and competent board.

The employees are its' key assets and pillars of success. The Company has adopted practices that enable the Company to attract, retain and nurture talent in an increasingly competitive market and to foster a work culture that is always committed to providing them with the best opportunities. Your Company is committed to maintain the highest standards of health, safety and security for its employees and business associates and to operate in a healthy and safe environment.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

ACCL has robust internal controls system in place, driven through various procedures and policies which are reviewed and tested periodically, across processes and functions. The Company has various committees including Risk Management Committee and the Asset and Liability Committee which are designed to review and oversee critical aspects of ACCL's operations.

The Company has implemented controls through systems and processes ensuring a robust control framework. The Internal Audit department and compliance function review the business unit's adherence to internal processes and

procedures as well as to regulatory and legal requirements providing timely feedback to management for corrective action, including minimising the design risk, if any. The Audit Committee of the Board also 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 and the Senior Management, internal control systems are well placed and work in a satisfactory manner.

ACCL has a system of internal control over financial reporting that adequately addresses the risk that a material misstatement in the Company's financial statements would not be prevented or detected on a timely basis and that these controls are operating effectively



Management Discussion and Analysis Report

RISK MANAGEMENT

Risk management is a process to identify and manage threats that could have an impact on the operations of the Company. Generally, this involves reviewing business operations, identifying potential threats to the company and the likelihood of their occurrence and then taking appropriate actions to address the most likely threats. The Company adopts a systematic approach to mitigate risks associated with accomplishment of objectives, operations, revenues and regulations. The Company believes that this would ensure mitigating risks proactively and help to achieve stated objectives. ACCL's commitment to effective risk management practices has proven invaluable in navigating through challenging and uncertain times.







ACCL promotes a strong risk culture that is embedded across the organisation. At the highest level, the Board of Directors has established a Risk Management Committee (RMC), which assists the Board in maintaining oversight and review of the risk management principles and policies, strategies, risk appetite, processes, and controls. Key risk exposures of the Company along with risk mitigation measures are provided in the table below. The risks furnished below are not exhaustive and assessment of risk is based on management perception. Credit risk, market risk, interest rate risk, liquidity risk, operational risk, compliance and governance risk, reputation risk are the primary risks associated with the NBFC business.

| Risk category | Risk description | Risk mitigating measures |
|---------------------------|---|---|
| <p>Credit Risk</p> | Credit risk is the risk of debt default resulting from a borrower's failure to make principal or interest payments to the lender. If the customer is unable to pay within 90 days of the due date, the loan is classified as an NPA on the Company's balance sheet. | The Company has proper procedures for credit risk mitigation including credit evaluation, risk appraisal, proper verification of customers like borrower's income, reports from Credit Information bureaus and so on. Fraud checks are performed well before any disbursement of loan. |
| <p>Market Risk</p> | Market Risks are risks on account of adverse and unanticipated market and economic conditions which could impact market value of investments. | To effectively manage market risk on its investment portfolio, ACCL has formulated an Investment Policy which guides its investment decisions. Financial Year 2023-2024 was a spectacular year for the Company; it has diverted its focus from lending to investment in securities market since last Financial Year 2022-2023. The Company calibrates the duration of investment portfolio to balance the twin objectives of maintaining liquidity for business and minimum fair value change impact on its investment portfolio. |



Management Discussion and Analysis Report

| Risk category | Risk description | Risk mitigating measures |
|--|--|---|
|  Interest Risk | Interest rate risk refers to fluctuations in a Company's net interest income and the value of its assets and liabilities resulting from unfavourable interest rate movements, such as hardening or softening due to market forces or RBI intervention. | ACCL's prudent interest rate risk management ensures that amidst a rising interest rate environment the Company had no adverse mark to market impact on its investment portfolio. In addition, the Asset Liability Committee (ALCO) of the Company reviews the interest rate scenario and monitors the ALM position, whenever necessary, in order to take necessary actions. |
|  Liquidity Risk | It is the risk of not having sufficient liquid assets or limited access to the financing market to satisfy contractual maturities of liabilities, regulatory requirements, or the Company's investment needs. | The management establishes standards for maintaining liquid investments in order to meet immediate liquidity requirements. The Company's borrowing strategy is based on the fluctuation in liquidity market conditions and business needs. To mitigate these risks, the Company's well-diversified pool of resources aims to optimise its short- and long-term borrowings. |
|  Operational Risk | Operational risk is the risk of loss resulting from inadequate or failed internal processes, systems, or human factors, or from external events. | The Company's dependable internal control systems and regular monitoring procedures guarantee efficient operations and adequate control. We have robust systems and stringent processes in place. Transactions are recorded in custom software to enable easy retrieval of information as needed. |
|  Governance and Compliance Risk | These are risks that could arise due to in-effective governance as well as Non-adherence to the applicable laws / regulations | As a Listed NBFC, having its' Equity shares listed in Bombay Stock Exchange Limited (BSE), ACCL is obligated to abide by a variety of Regulatory Authorities like SEBI, RBI and MCA. The Company abides by all applicable rules and regulations in letter and spirit and completes its compliances within the prescribed time period. The Company's Company Secretary and Compliance Officer take the utmost care of all obligations on an ongoing basis. |

CAUTIONARY STATEMENT

Some statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking' or tentative within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied. Actual results may vary from such statements contained in this report due to various risks and uncertainties. The information contained herein is of the date referenced and the Company does not

undertake any obligation to update these statements. ACCL has obtained all market or industry data and other information from sources believed to be reliable or through its' internal estimates unless otherwise stated though its' accuracy or completeness cannot be guaranteed. All information provided in this Report has been prepared solely by the Company and has not been independently verified by anyone else.

Board's Report

Dear Shareholders,

Your Directors have pleasure in presenting the 31st Annual Report along with the Audited Financial Statements of Ashika Credit Capital Limited ("Company") for the Financial Year ended 31st March, 2024.

1. FINANCIAL HIGHLIGHTS:

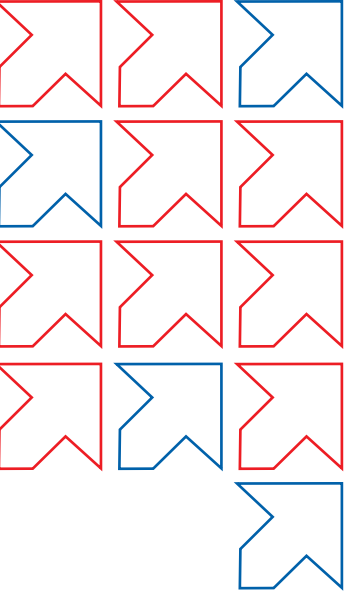
(Amount in ₹ Lacs)

| Financial results for the year ended | 31 st March, 2024 | 31 st March, 2023 |
|---|------------------------------|------------------------------|
| Total Income | 1854.74 | 1205.21 |
| Profit/(Loss) before tax | 1276.14 | 794.37 |
| Less: Tax Expenses | 205.76 | 205.85 |
| Profit/(Loss) for the year | 1070.38 | 588.52 |
| Other Comprehensive Income/(Loss) for the year, net of Income Tax | 1.89 | 1.59 |
| Total Comprehensive Income | 1072.27 | 590.11 |

2. FINANCIAL PERFORMANCE AND STATE OF COMPANY'S AFFAIRS

Financial Year 2023-2024 was a spectacular year for the Company; it had diverted its focus from lending to investment in securities market since last Financial Year 2022-2023 and had strongly justified its decision, which is reflected in its' numbers. The Financial Year 2023-2024 has been stunning for the Stock market, since during the said Financial Year, it has generated an impressive performance. The Nifty 50 index delivered a substantial return of 29% in Financial Year 2023-2024. According to the data shared by the National Stock Exchange (NSE), the growth of the Indian markets has marked the eighth consecutive year of positive returns.

Your company is engaged in Investing activities i.e. Investment and speculation of shares & securities. It has shown tremendous growth in terms of revenue from operations and Profit before Tax with an increase of 73.48% and 60.65% respectively, in Financial Year 2023-2024 as compared to Financial Year 2022-2023. During the year under review, the major revenue is arrived from Income from Investments amounting to ₹ 1703.87/- (₹ in Lacs). The increase in finance cost is backed by increased investment in securities. As on 31st March, 2024, the company had invested nearly 1.5 times of net worth in Shares & securities. Since the focus of company has shifted from Loan book to Investment book, its revenue also



Board's Report

shifted from Interest income to Profit on sale of securities, showing Interest income only to ₹ 110.02/- (₹ in Lacs) as on 31st March, 2024. The Profit for the year has jumped to 81.90% as compared to Financial Year 2022-2023. The Earnings per Share (EPS) as on 31st March, 2024 stood to ₹ 9.01.

3. CHANGE IN NATURE OF BUSINESS:

There has been no change in nature of business of the Company during the Financial Year 2023-2024. Your Company is engaged in one segment i.e. financial services – Financing and Investment activities.

4. DIVIDEND:

The Company has earned profits during the year under review and the said profits shall be ploughed back in the Company. Board of Directors has decided not to recommend any Dividend for the Financial Year ended 31st March, 2024.

5. CHANGES IN SHARE CAPITAL:

The Authorized Share Capital of your Company as on 31st March, 2024 stood at ₹ 2025.00 Lacs divided into 2,02,50,000 Equity Shares of ₹ 10/- each. The Issued & Subscribed Share Capital of your Company is ₹ 1188.62/- Lacs divided into 1,18,86,174 equity shares of ₹ 10/- each and the Paid-up Share Capital is ₹ 1188.00 Lacs divided into 1,18,80,000 equity shares of ₹ 10/- each, fully paid-up.

During the year under review, the Company has not issued any shares including shares with differential voting rights. The Company has neither issued employee stock options or sweat equity shares nor has any scheme to fund its employees to purchase the shares of the Company.

6. TRANSFER TO RESERVE:

Your Company proposes to transfer ₹ 214.08 Lacs to Statutory Reserves u/s 45 IC of RBI Act, 1934 for the Financial Year ended 31st March, 2024.

7. DIRECTORS & KEY MANAGERIAL PERSONNEL:

DIRECTORS

APPOINTMENT

The composition of the Board of Directors of the Company is in accordance with the provisions of Section 149 of the Companies Act, 2013 ("the Act") and Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") with an optimum combination of Executive,

Non-Executive and Independent Directors including a Women Director. The Board of the Company has 7 (Seven) Directors as on 31st March, 2024. The details of the Directors of the Company have been provided in the Report on Corporate Governance forming part of this Annual Report.

During the year under review, Mr. Ajay Pratapray Shanghavi (DIN: 00084653) and Mr. Tapan Sodani (DIN: 01921743) were appointed as Independent Directors of the Company, for a term of Two(2) consecutive years and One(1) year respectively, w.e.f 1st September, 2023 as approved by shareholders at the 30th Annual General Meeting of the Company held on 16th Day of September 2023. Your Company has duly received, within the requisite time period, individual notices from Members pursuant to Section 160 of the Companies Act, 2013, signifying their intention to propose the candidatures of Mr. Ajay Pratapray Shanghavi (DIN: 00084653) and Mr. Tapan Sodani (DIN: 01921743), for the office of Director. As Independent Directors, they are not liable to retire by rotation.

CESSATION

During the year under review, Ms. Suparna Sengupta (DIN: 07689952) and Mr. Sagar Jain (DIN: 00392422) ceased to be Independent Directors of the Company pursuant to completion of their second term of office w.e.f. closure of business hours of 13th February, 2024 and 31st March, 2024, respectively. The Board placed on record its' deepest gratitude and appreciation for the valuable services rendered by both the outgoing Directors.

There were no other changes in the composition of Board of Directors during the year under review.

RE-APPOINTMENT OF DIRECTOR RETIRING BY ROTATION IN TERMS OF THE PROVISIONS OF THE COMPANIES ACT, 2013

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with Articles of Association of your Company, Mr. Daulat Jain, Managing Director & CEO (DIN: 00040088) will retire by rotation at the ensuing AGM and being eligible, offers himself for re-election. Your Board has recommended his re-election. This shall not constitute a break in the office of Mr. Daulat Jain as the Managing Director & CEO of the Company.

Pursuant to Regulation 36 of the Listing Regulations read with Secretarial Standards- 2 ("SS-2") issued by the Institute of Company Secretaries of India ("ICSI"), a brief resume / details relating to the director liable to retire by rotation is furnished in the Notice of the ensuing AGM of the Company.

Board's Report

INDEPENDENT DIRECTORS

The Company's Independent Directors have submitted requisite declarations confirming that they continue to meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in the fields of finance, strategy, auditing, tax and risk advisory services, investments; and they hold the highest standards of integrity.

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs ("IICA") and have successfully completed the online proficiency self-assessment test conducted by IICA within the prescribed time period, unless they meet the criteria specified for exemption.

Details of the separate meeting of the Independent Directors held and attendance of Independent Directors therein are provided in the Report on Corporate Governance forming part of this Report.

FAMILIARIZATION PROGRAMME

Over the years, the Company has developed a robust familiarisation process for the newly appointed Directors to get them accustomed to their respective roles and responsibilities. The process has been aligned with the requirements under the Act and the Listing Regulations. The Company has formulated a policy on 'Familiarisation Programme for Independent Directors'. Accordingly, upon appointment of an Independent Director, the appointee is given a formal Letter of Appointment, which explains the role, functions, duties and responsibilities expected as a Director of the Company. Further, the Company also familiarizes the Independent Directors with the Company, their roles, responsibilities in the Company, nature of industry in which the Company operates, business model of the Company, various businesses in the group etc. The Director is also explained in detail the compliance required from him under the Act and the Listing Regulations. Further, on an ongoing basis, presentations are regularly made to the Independent Directors on various matters inter-alia, covering the business strategies, management structure, quarterly and annual results, budgets, review of Internal Audit, risk management framework and so on.

The Directors are also updated on the changes in relevant corporate laws relating to their roles and responsibilities as Directors. Details of the familiarisation programme are explained in the Report on Corporate Governance and are also available on the Company's website and can be accessed at https://ashikagroup.com/pdf/familiarization_programme/familiarisation-programme-2023-2024.pdf

KEY MANGERIAL PERSONNEL

In terms of the provisions of Section 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and amendments thereof,

the following are the Whole-Time Key Managerial Personnel (KMPs) in accordance with the provisions of Section 2(51) read with Section 203 of the Companies Act, 2013 -

Mr. Pawan Jain- Executive Chairman

Mr. Daulat Jain- Managing Director and Chief Executive Officer (CEO)

Mr. Gaurav Jain- Chief Financial Officer (CFO)

Ms. Anju Mundhra- Company Secretary and Compliance Officer (CS & CO)

8. MEETINGS OF THE BOARD:

Regular meetings of the Board and its Committees are held to discuss and decide on various business policies, strategies, financial matters and other businesses.

The Board met Four (4) times during the year under review. The intervening gap between the two meetings did not exceed, at any time, the prescribed period of 120 days. The Committees of the Board usually meet the day before or on the day of the Board meeting, or whenever the need arises for transacting business. In case of business exigencies or urgency of matters, resolutions are passed by circulation.

Board meetings during Financial Year 2023-2024 were held on 29th May, 2023, 8th August, 2023, 7th November, 2023 and 3rd February, 2024. Details of Board composition and Board Meetings held during the Financial Year 2023-2024 have been provided in the Corporate Governance Report which forms part of this Annual Report.

9. EXTRACT OF ANNUAL RETURN:

Pursuant to the provisions of Sections 134(3)(a) and 92(3) of the Companies Act, 2013, the Annual Return for the Financial Year ended 31st March, 2024, is available on the website of the Company at the link: https://ashikagroup.com/pdf/annual_return/1716270781.pdf

10. BOARD COMMITTEES:

The Company has constituted/reconstituted various Board-level committees in accordance with the requirements of the Companies Act, 2013 and Listing Regulations. The Board has the following committees as under:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee.

In addition of the above, the Board has constituted other committees as per RBI Regulations and other internal committees for the ease of carrying on business.

The details of composition, terms of reference, etc., pertaining to these committees are mentioned in the Corporate Governance Report which forms part of this Annual Report.

NOMINATION & REMUNERATION POLICY

The Company has in place, a policy for remuneration of Directors, Key Managerial Personnel as well as a well-defined criterion for the selection of candidates for appointment to the aforesaid positions, which has been approved by the Board. The Policy broadly lays down the guiding principles,



Board's Report

philosophy and the basis for payment of remuneration to the Executive and Non-Executive Directors (by way of sitting fees) and Key Managerial Personnel.

The criteria for the selection of candidates for the above positions cover various factors and attributes, which are considered by the Nomination & Remuneration Committee and the Board while selecting candidates. The Nomination & Remuneration Policy can be accessed on the website of the Company and is uploaded at the link <https://ashikagroup.com/pdf/policies/Nomination&Remuneration-Policy-01.06.2023.pdf>

11. FORMAL ANNUAL EVALUATION:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with Rules made thereunder, Regulation 17(10) of the Listing Regulations and the Guidance Note on Board evaluation issued by SEBI vide its circular dated 5th January, 2017, relevant Guidance Note on Board Evaluation process issued by Institute of Company Secretaries of India (ICSI), the Company has framed a policy for evaluating the annual performance of Board, Individual Directors (including Managing Director/ Executive Director, Chairperson and Independent Director of the Company), Committees of the Board, Self Evaluation of Individual directors, excluding the director being evaluated and Peer-to-Peer Evaluation. The Nomination and Remuneration Committee of the Company has laid down parameters for performance evaluation in the policy. The evaluation parameters and the process have been explained in detail in the Corporate Governance report.

12. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

Disclosure in terms of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are forming part of this report and has been appended as Annexure I to the Board's Report.

Pursuant to Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, no employee other than Executive Chairman has been paid remuneration of more than ₹ 1.02 Crores per annum. Also, there are employees drawing remuneration more than the Managing Director but none of the employees except the Executive Chairman and Managing Director & CEO holds more than 2% of Equity Shares of the Company, in capacity as Karta of HUF and as an Individual, respectively. The Statement pursuant to Rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of **Annexure I** to the Board's Report.

In terms of the proviso to Section 136(1) of the Act, the report is being sent to all members, excluding the statement with respect to employees employed throughout the year and employees employed for part of the year who were in receipt of remuneration in excess of limits prescribed under Section 197(12) of the Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The statement is available for inspection in physical mode at the Registered Office by any member on request. Shareholders can inspect the same up to the date of AGM, by sending requisition to the Company at secretarial@ashikagroup.com. Any shareholder interested in obtaining

a copy of the said Annexure may write to the Company Secretary & Compliance Officer in this regard.

13. DETAILS OF SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES:

Your Company has neither a Subsidiary Company nor a Joint Venture Company or an Associate Company during the year under review. Hence, disclosure regarding the same is not applicable to the Company under the Companies Act, 2013.

14. AUDITORS

STATUTORY AUDITORS

Pursuant to the provisions of Section 139(2) of the Act read with the Rules made thereunder, the Members at the Twenty-Eighth (28th) AGM of the Company held on 18th September, 2021, had appointed M/s DMKH & Co, Chartered Accountants, having Firm Registration Number 116886W, as the Statutory Auditors of the Company to hold office for a continuous term of 3 years from conclusion of the 28th Annual General Meeting held in the year 2021 till the conclusion of 31st Annual General Meeting to be held in the year 2024. The term of office of M/s DMKH & Co, as Statutory Auditors of the Company will conclude at the forthcoming AGM of the Company.

The Board of Directors of the Company at its Meeting held on 13th May, 2024 proposed the appointment of M/s DHC & Co., Chartered Accountants (ICAI Firm Registration Number 103525W), having their Office at 42, Free Press House, 215 Nariman Point, Mumbai- 400019, as the Statutory Auditors of the Company, for a consecutive period of three (3) years, to hold office from the conclusion of the 31st AGM, to be held in the year 2024 till the conclusion of the 34th AGM, to be held in the year 2027 as per recommendation of the Audit Committee and subject to the approval of the shareholders at the ensuing AGM of the Company.

In lieu of the above, Company has received consent letter for the said appointment along with the Certificate stating that the Statutory Auditors satisfy the criteria as provided u/s 141 of Companies Act 2013 w.r.t. their eligibility, qualification and disqualifications to act as Statutory Auditors of the company, along with a copy of the valid Peer Review Certificate.

M/s. DMKH & Co, Statutory Auditors have issued Audit Reports with unmodified opinion on the Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2024. The Notes on the Financials Statements referred to in the Audit Report are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3)(f) of the Companies Act, 2013.

SECRETARIAL AUDITORS:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. MR & Associates, Practicing Company Secretaries as its' Secretarial Auditors to undertake the Secretarial Audit for Financial Year 2023-2024. The Secretarial Audit Report certified by the Secretarial Auditors, in the specified Form MR-3 is annexed herewith and forms part of this Report (**Annexure II**). The secretarial audit report does not contain any qualifications, reservations or adverse remarks. The Secretarial Auditors have confirmed that your Company has complied with the applicable laws and that

Board's Report

there are adequate systems and processes in your Company commensurate with its size and scale of operations to monitor and ensure compliance with the applicable laws.

During the year under review, neither the Statutory Auditors nor the Secretarial Auditors have reported to the Audit Committee of the Board, under Section 143(12) of the Act, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in this Report.

15. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

Pursuant to the provisions of Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the Listing Regulations, as amended from time to time, the Company has framed a Vigil Mechanism/Whistle Blower Policy ("Policy") to enable directors and employees to report genuine concerns or grievances, significant deviations from key management policies and reports of any non-compliance and wrong practices, e.g., unethical behavior, fraud, violation of law, inappropriate behavior /conduct etc. The Audit committee oversees the functioning of this policy. The objective of this mechanism is to maintain a redressal system which can process all complaints concerning questionable accounting practices, internal controls, or fraudulent reporting of financial information. No person is denied access to the Chairman of the Audit Committee.

The said policy is available on the website of the Company www.ashikagroup.com and can be accessed at the link <https://ashikagroup.com/pdf/policies/ACCL-2022-03-Vigil-Mechanism-Policy.pdf>

Further, no complaints were reported under the Vigil Mechanism during the year under review.

16. RISK MANAGEMENT FRAMEWORK:

Risk is an integral and unavoidable component of business. Though risks cannot be eliminated, an effective risk management program ensures that risks are reduced, avoided, mitigated or shared. Your Company has in place a mechanism to identify, assess, monitor and mitigate various risks associated with the business of the Company. Major risks identified by the business and functions, if any, are systematically addressed through mitigating actions on a continuing basis.

The Company has constituted a Risk Management Committee (RMC) in terms of Scale Based Regulation Regulatory Framework for NBFCs introduced by RBI dated 22nd October, 2021. Further, in line with the RBI guidelines for Asset Liability Management (ALM) system for NBFCs, the Company also has an Asset Liability Committee, which meets as and when required, to review the risk tolerance/limits set by board and company adheres to the same and further looks into the implementation of liquidity risk management strategy.

A systematic approach has been adopted that originates with the identification of risk, categorization and assessment of identified risks, evaluating effectiveness of existing controls and building additional controls to mitigate risks and monitoring the residual risks. In the opinion of the Board, there are no material elements of risks threatening the existence of the Company.

The detailed section on key business risks and their mitigation strategies forms part of 'Management Discussion and Analysis' Section in the Report on Corporate Governance, which forms part of Annual Report.

17. CORPORATE SOCIAL RESPONSIBILITY:

Corporate Social Responsibility forms an integral part of your Company's business activities. The Company carries out its corporate social responsibility initiatives not just in letter but also in spirit. In terms of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rules"), the Board of Directors have constituted a Corporate Social Responsibility (CSR) Committee and in light of your Company's philosophy of being a responsible corporate citizen, the Board of Directors adopted a CSR Policy which lays down the principles and mechanism for undertaking various projects / programs as part of Company's CSR activities.

The Company spent ₹ 35.00 Lacs on CSR activities during the year under review as against obligation of ₹ 10.57 Lacs, to a registered Section 8 Company. The CSR contribution made are in compliance with Company's CSR policy read with Schedule VII and Annual Action Plan for Financial Year 2023-2024. There has been an excess spend of ₹ 24.43 Lacs during the year under review which is carried forward and available for set off in the succeeding Financial Years.

Details of the composition of the CSR Committee and brief details of the CSR Policy have been provided in the Corporate Governance Report which is annexed to and forms an integral part of this Board's Report. The Annual Report on CSR activities, in terms of Section 135 of the Companies Act, 2013 ('the Act') and the Rules framed there-under, is annexed to this report (**Annexure III**).

18. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION

There have been no material changes and commitments affecting the financial position of the Company, which have occurred since 31st March 2024, being the end of the Financial Year of the Company to which financial statements relate and the date of this report.

19. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

During the year under review, there have been no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's future operations.

20. INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Board of Directors of your company have adopted procedures for ensuring the orderly and efficient conduct of its business, including adherence to your Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.



Board's Report

The details in respect of internal financial control and their adequacy are included in the Management Discussion and Analysis, which forms a part of this report.

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF COMPANIES ACT 2013

The Company, being an NBFC registered with the RBI and engaged in the business of making investment in securities and giving loans in ordinary course of its business, is exempt from complying with the provisions of Section 186 of the Companies Act, 2013 ("Act") with respect to Loans & Investments. Accordingly, the disclosures of the Loans & Investments given as required under the aforesaid section have not been made in this Board's Report.

Particulars of loans and investments outstanding during the financial year 2023-2024 are furnished in notes to the standalone financial statements of the Company.

22. DEPOSITS:

Your company being a non- deposit taking NBFC, has not accepted any deposit from public pursuant to the provisions of Non-Banking Financial Companies (Acceptance of Public Deposits)(Reserve Bank) Directions, 2016.

23. PARTICULARS OF CONTRACTS/ TRANSACTIONS / ARRANGEMENTS WITH RELATED PARTIES:

The Company has in place a Policy on Related Party Transactions and the same can be accessed on the Company's website at its web-link <https://ashikagroup.com/pdf/policies/ACCL-2022-03-Related-Party-Transaction-Policy-wef-01.04.2022.pdf> and the same is in line with the requirements of the Act and the SEBI Listing Regulations. All transactions with Related Parties are placed before the Audit Committee for approval. All related party transactions that were entered into during the financial year were on an arm's length basis and in the ordinary course of business; the particulars of such transactions are disclosed in the notes to the financial statements.

Disclosures of related party transactions of the Company with the promoter/promoter group which holds 10% or more shareholding in the Company, if any, is given in notes to the standalone financial statements.

All the related party transactions that were entered into during the year were on an arm's length basis and in ordinary course of business. Further, there are no transactions to be reported under Section 188 (1) of the Act. Accordingly, the disclosure of Related Party Transactions as required in terms of Section 134(3)(h) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 in Form AOC -2 is not applicable for this year.

24. CORPORATE GOVERNANCE REPORT:

As required by Regulation 34 of the Listing Regulations, a detailed Report on Corporate Governance is included in the Annual Report. M/s. MR & Associates, Practicing Company Secretaries, have certified your Company's compliance requirements in respect of Corporate Governance, in terms of Regulation 34 of the Listing Regulations; and their Compliance Certificate is annexed to the Report on Corporate Governance.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

25. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

The Company has in place a Policy for Prevention, Prohibition and Redressal of Sexual Harassment at Workplace. Appropriate reporting mechanisms are in place for ensuring protection against Sexual Harassment and the right to work with dignity. Further, the Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to redress complaints received regarding sexual harassment.

During the year under review, no complaints in relation to sexual harassment at workplace have been reported.

The group sexual harassment policy is uploaded on the website of the company at www.ashikagroup.com at the given link at <https://ashikagroup.com/pdf/policies/ACCL-2022-03-Group-Policy-on-Sexual-Harassment.pdf>

26. COMPLIANCE WITH SECRETARIAL STANDARDS OF ICSI

The Board of Directors affirms that the Company has duly complied with the applicable Secretarial Standards (SS) relating to Meetings of the Board (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India which have mandatory application during the year under review.

27. DISCLOSURES PERTAINING TO MAINTENANCE OF COST RECORDS PURSUANT TO SECTION 148(1) OF THE COMPANIES ACT, 2013

The Company is not required to maintain cost records as specified u/s 148(1) of the Companies Act, 2013 read with the applicable rules thereon for the Financial Year 2023-2024. Hence the said clause is not applicable to the Company with respect to its' nature of business.

28. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOES:

Your Company has no activity relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as stipulated in Rule 8(3) of Companies (Accounts) Rules, 2014. Hence, the requirements pertaining to disclosure of particulars relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, as prescribed under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, are not applicable to the Company.

29. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

During the Financial Year under review, there was no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.

Board's Report

30. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

During the financial year under review, the Company has not taken loans from any Bank and further, there stood no instance of onetime settlement with any Financial Institution.

31. DIRECTORS RESPONSIBILITY STATEMENT:

Your Directors to the best of their knowledge and belief and according to the information and explanation obtained by them make the following statement in terms of clause (c) of sub-section (3) of section 134 of Companies Act 2013 that—

- a) In the preparation of the annual accounts for the financial year ended on 31st March, 2024 the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2024 and of the profit and loss of the company for that period;

- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts on a going concern basis;
- e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

32. ACKNOWLEDGEMENTS:

The Directors would like to record their appreciation of the hard work and commitment of the employees and acknowledges the excellent support and co-operation received from exchanges, shareholders, bankers. Regulators and other stakeholders and place on record their sincere appreciation to its employees for their continued co-operation in realisation of the corporate goals in the years ahead.

For and on behalf of the Board of Directors

Place: Kolkata
Date: 13.05.2024

(Pawan Jain)
Executive Chairman
DIN: 00038076

(Daulat Jain)
Managing Director & CEO
DIN: 00040088



Board's Report

Annexure I

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i) The percentage increase in remuneration of Executive Director, Chief Financial Officer and Company Secretary and Compliance Officer during the Financial Year 2023-2024, ratio of the remuneration of each Executive Director to the Median Remuneration of the Employees of the Company for the Financial Year 2023-2024 and percentage increase in Remuneration of each Executive Director and Key Managerial Personnel (KMP) during the Financial Year 2023-2024

| Name of the Directors & KMP with Designation | Remuneration for F.Y. 2023-2024 (₹ in Lakhs) | % of Increase in Remuneration of Directors, KMP in FY 2023-2024 | Ratio of the remuneration of each director / KMP to median remuneration of the employee |
|--|--|---|---|
| Mr. Pawan Jain, Executive Chairman | 169.11 | Nil | 14.94 |
| Mr. Daulat Jain, Managing Director & CEO | 13.00 | Nil | 1.15 |
| Ms. Anju Mundhra, Company Secretary & Compliance Officer | 34.45 | 23.05 | 3.04 |
| Mr. Gaurav Jain, Chief Financial Officer | 23.66 | 12.69 | 2.09 |

Note:

- The Independent Directors of the Company are entitled to sitting fees for attending Board & Committee meetings. The ratio of remuneration and percentage increase for the Independent Directors' Remuneration is, therefore, not considered for the purpose above. No Commission or remuneration other than sitting fees is paid to any Independent Director. The Non Executive Non Independent Director is not being paid any commission or remuneration.
- No Sitting fees for attending Board & Committee meeting are paid to Executive Directors and Non Executive Non Independent Director.
- Any effect of % or median is considered for those who have been employed for the full F.Y. and not for a part of the F.Y.
- Mr. Daulat Jain is Managing Director of Ashika Stock Broking Limited, Group Company and remuneration is payable from both the companies within the highest maximum permissible limits as per Section 197 of Companies Act, 2013 read with Schedule V of the said Act, and approved by shareholders in the respective meetings of each company.

- In the financial year, there was an increase of 11% in the median remuneration of employees which includes executive director also.
- There were 11 permanent employees on the rolls of Company as on 31st March, 2024.
- Average percentile increase made in the salaried employees other than Managerial personnel in the last financial year were 12.54 % and whereas the increase in the Managerial remuneration for the same Financial Year was 3.95%.
- The explanation on the relationship between average increase in remuneration and company performances - On an average the employees received an annual increase of 10% to 20%. Exceptional performances are rewarded with higher increase in salary. The increase in remuneration is in line with the market trend. In order to ensure that remuneration reflects company's performance, the increase in % of remuneration is linked to organization performance apart from an individual's performance.
- It is hereby affirmed that the remuneration paid during the year is as per the Nomination & Remuneration Policy of the company.

For and on behalf of the Board of Directors

Place: Kolkata
Date: 13.05.2024

(Pawan Jain)
Executive Chairman
DIN: 00038076

(Daulat Jain)
Managing Director & CEO
DIN: 00040088

Form No. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Key Managerial Personnel) Rules, 2014]

To,
 The Members,
ASHIKA CREDIT CAPITAL LIMITED
 226/1 A.J.C. Bose Road "Trinity"
 7th Floor
 Kolkata 700020
 West Bengal

1. We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ASHIKA CREDIT CAPITAL LIMITED** (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.
2. Based on our verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its 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, 2024 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:
3. 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, 2024 according to the provisions of:
 - i) The Companies Act, 2013 (the Act), amendments thereof 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (d) The Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 and other applicable regulations /guidelines/circulars as may be issued by SEBI from time to time.
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as applicable;
- (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

We further report that, there were no actions/ events in pursuance of;

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (b) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as applicable;
- (c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

We further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records, following laws are applicable specifically to the Company.

- a) Reserve Bank of India Act, 1934 and guidelines, directions and instructions issued by RBI through notifications and circulars relating to Non- Banking Financial Institution laws from time to time.
- b) Prevention of Money Laundering Act, 2002 and The Prevention of Money-Laundering (Amendment) Act, 2012, as applicable



Board's Report

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and to the extent amended and notified from time to time.
- (ii) The Listing Agreements entered into by the Company with BSE Ltd (w.e.f. 1st February 2023).

Further, the company has delisted suo motu from the Metropolitan Stock Exchange of India Limited (MSEI) w.e.f. 4th October, 2023 and also from The Calcutta Stock Exchange Limited (CSE) w.e.f. 1st January, 2024.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive 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 is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were 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 were 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.

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

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

For **MR & Associates**

Company Secretaries

A Peer Reviewed Firm

Peer Review Certificate No.: 5598/2024

[CS Sneha Khaitan Jalan]

Partner

FCS No.:11977

C P No.:14929

UDIN: F011977F000359478

Place: Kolkata

Date: 13.05.2024

Board's Report

(ANNEXURE - A TO THE SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2024)

To,
The Members
ASHIKA CREDIT CAPITAL LIMITED
226/1 A.J.C. Bose Road "Trinity"
7th Floor, Kolkata 700020

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

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.
2. We have followed the Audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibilities of the management. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records and also based on opinions furnished to us by the Company. We believe that the processes 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 as well as the correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred to in our Secretarial Audit Report in Form MR-3 the adherence and compliance to the requirements of the said provisions is the responsibility of the management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said provisions of the Act. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.
6. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices;
7. The contents of this Report has to be read in conjunction with and not in isolation of the observations, if any, in the report(s) furnished/to be furnished by any other auditor(s)/agencies/authorities with respect to the Company;
8. 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 **MR & Associates**
Company Secretaries
A Peer Reviewed Firm
Peer Review Certificate No.: 5598/2024

[CS Sneha Khaitan Jalan]
Partner
FCS No.:11977
C P No.:14929
UDIN: F011977F000359478

Place: Kolkata
Date: 13.05.2024



Board's Report

Annexure III

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company:

The Corporate Social Responsibility (CSR) Policy of Ashika Credit Capital Limited has been developed in accordance with Section 135 of Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014, Schedule VII of Companies Act, 2013, as amended and the Annual Action Plan of the Company.

The Company discharges Corporate Social Responsibility activities that would positively impact its' customers, employees, shareholders and other stakeholders in various aspects of its operations.

2. Composition of CSR Committee:

| Sl. No. | Name of Director | Designation / Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---------|------------------|---|--|--|
| 1. | Sonu Jain | Independent Director, Chairperson | 3 | 3 |
| 2. | Daulat Jain | Managing Director & CEO, Member | | 3 |
| 3. | Sagar Jain § | Independent Director, Member | | 3 |
| 4. | Amit Jain @ | Non-Executive, Non-Independent Director, Member | | - |

@ appointed as Member of the CSR Committee w.e.f. 14th February, 2024

§ Mr. Sagar Jain ceased to be a Member of the CSR Committee w.e.f. 14th February, 2024

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company:

CSR Committee: <https://www.ashikagroup.com/pdf/composition/Composition-of-Committe.pdf>

CSR Policy: <https://ashikagroup.com/pdf/policies/ACCL-2022-03-Corporate-Social-Responsibility-Policy-14.02.2021.pdf>

There are no ongoing CSR projects or projects approved by Board

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

N.A.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

| Sl. No. | Financial Year | Amount available for set-off from preceding financial years (in Rs) | Amount required to be setoff for the financial year, if any (in Rs) |
|---------|----------------|---|---|
| 1 | | Nil | |
| Total | | Nil | |

6. Average net profit of the company as per section 135(5): ₹ 528.66 Lacs

7. (a) Two percent of average net profit of the company as per section 135(5) ₹ 10.57 Lacs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. Nil

(c) Amount required to be set off for the financial year, if any: Nil

(d) Total CSR obligation for the financial year (7a+7b-7c): ₹10.57 Lacs

8. (a) CSR amount spent or unspent for the financial year:

| Total Amount Spent for the Financial Year. (in Rs.) | Amount Unspent (in Rs.) | | | | |
|---|---|------------------|---|--------|------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of transfer |
| 35.00 Lacs | | N.A. | | N.A. | |

Board's Report

(b) Details of CSR amount spent against ongoing projects for the financial year:

| Sl. No. | Name of the Project. | Item from the list of activities in Schedule VII to the Act. | Local area (Yes/No). | Location of the Project | | Project Duration | Amount allocated for the project (in Rs.). | Amount spent in the current financial Year (in Rs.). | Amount transferred to Unspent CSR Account for the project as per Section 135(6)(in Rs.). | Mode of Implementation - Direct (Yes/No). | Mode of Implementation - Through Implementing Agency | |
|---------|----------------------|--|----------------------|-------------------------|----------|------------------|--|--|--|---|--|-------------------------|
| | | | | State | District | | | | | | Name | CSR registration Number |
| 1 | | | | | | | N.A. | | | | | |
| TOTAL | | | | | | | N.A. | | | | | |

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

| Sl. No. | Name of the Project | Item from the list of activities in Schedule VII to the Act | Local area (Yes/No) | Location of the project | | Amount spent for the project (in ₹) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency | |
|---------|--|---|---------------------|-------------------------|----------|-------------------------------------|--|--|-------------------------|
| | | | | State | District | | | Name | CSR registration Number |
| 1 | Promoting Education through Knowledge Sharing Centre | Promoting Education | Yes | West Bengal | Kolkata | 35.00 Lacs | No | B.B.D. Bag Professional Association | CSR00054441 |
| TOTAL | | | | | | 35.00 Lacs | | | |

(d) Amount spent in Administrative Overheads:

Nil

(e) Amount spent on Impact Assessment, if applicable:

Nil

(f) Total amount spent for the Financial Year:

₹ 35.00 Lacs

(8b+8c+8d+8e)

(g) Excess amount for set off, if any

| Sl. No. | Particular | Amount (in ₹) |
|------------------------------------|---|---------------|
| (i) | Two percent of average net profit of the company as per section 135(5) | 10.57 Lacs |
| (ii) | Total amount spent for the Financial Year | 35.00 Lacs |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | 24.43 Lacs |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | Nil |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | 24.43 Lacs |
| TOTAL amount available for set off | | 24.43 Lacs |

9. (a) Details of Unspent CSR amount for the preceding three financial years:

| Sl. No. | Preceding Financial Year. | Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.) | Amount spent in the reporting Financial Year (in Rs.) | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any | | | Amount remaining to be spent in succeeding financial years. (In Rs.) |
|---------|---------------------------|--|---|---|-----------------|------------------|--|
| | | | | Name of the Fund | Amount (in Rs.) | Date of transfer | |
| TOTAL | | | | | | | Nil |
| TOTAL | | | | | | | Nil |



Board's Report

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|---------|-------------|----------------------|---|------------------|---|---|--|--|
| Sl. No. | Project ID. | Name of the Project. | Financial Year in which the project was commenced | Project duration | Total amount allocated for the project (in Rs.) | Amount spent on the project in the reporting Financial Year (in Rs) | Cumulative amount spent at the end of reporting Financial Year. (in Rs.) | Status of the project - Completed /Ongoing |
| 1 | | | | | | | | N.A. |

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: (Asset-wise details). N.A.
- (a) Date of creation or acquisition of the capital asset(s). N.A.
- (b) Amount of CSR spent for creation or acquisition of capital asset N.A.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. N.A.
- (d) Provide details of the capital asset(s) created or acquired (Including complete address and location of the capital asset). N.A.
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). N.A.

For and on behalf of the Board of Directors
For, **Ashika Credit Capital Limited**

Place: Kolkata
Date: 10.05.2024

(Sonu Jain)
Chairperson, CSR Committee
DIN: 07267279

(Daulat Jain)
Managing Director & CEO
DIN: 00040088



Corporate Governance Report

{As per Regulation 34(3) read with Clause C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015}

1) STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Ashika Credit Capital Limited ("the Company") adheres to established corporate governance practices in order to protect the interests of investors and at the same time ensuring healthy growth of the Company. The Company has always given its' best efforts to uphold and nurture these values across all operational aspects. As a means to this end, the Company formed a Board comprising persons of eminence who have expertise in fields of Corporate Law, Legal, Taxation, Finance, Strategic Planning, and so on.

The Company stringently complies with the corporate governance practices as enumerated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and amendments thereof (hereinafter referred to as the "Listing Regulations").

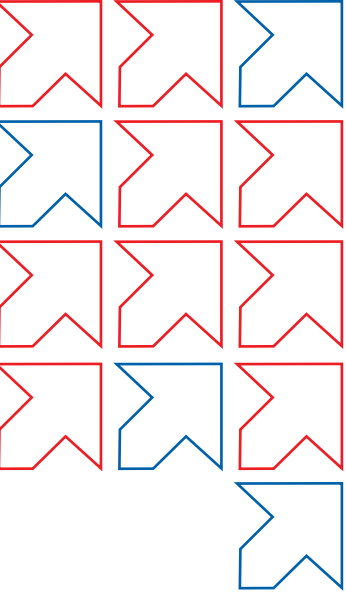
2) BOARD OF DIRECTORS

The Board of Directors is the apex body that governs the overall functioning of the Company. The Board provides and evaluates the strategic direction of the Company, its management policies and their effectiveness. It also ensures that the long-term interests of stakeholders are being served. The Board plays a pivotal role in ensuring good governance. The Board's role, functions, responsibility and accountability are clearly defined in this regard.

The Company is in compliance with the provisions of Section 149 of the Companies Act, 2013 ("the Act") and Regulation 17 of the Listing Regulations.

The Company has a balanced Board with optimum combination of Executive, Non-Executive and Independent Directors, which plays a crucial role in Board processes and provides independent judgment on issues of strategy and performance.

As on 31st March, 2024, the Board comprised of Seven (7) members, out of whom two are Executive Directors, one is a Non-Executive Non-Independent Director and remaining four are Non-Executive Independent Directors, including a Woman Director, as per applicable provisions of Acts, Rules and Regulations, made thereunder. The Professional and Legal Advisor to the Company is a



Corporate Governance Report

permanent invitee to the Board meeting. The Board has an appropriate balance of skills, experience and diversity of perspectives appropriate to the Company.

COMPOSITION, CATEGORY AND OTHER RELEVANT DETAILS OF DIRECTORS:

The present composition of the Board represents an optimal mix of professionalism, knowledge and experience. As per Regulation 17 of the Listing Regulations, every listed entity not having regular Non -Executive Chairperson shall have at least half of the board members as Independent Directors. All the Independent Directors of the Company have been appointed as per the provisions of the Act and the Listing Regulations. None of the Directors are related to each other except Mr. Pawan Jain and Mr. Daulat Jain, being relatives and promoter directors of the Company.

Agenda papers of all the meetings of Board of Directors/ committees are circulated among the Board members,

well in advance, in a structured format. All material information except Unpublished Price Sensitive Information is incorporated in the agenda papers to facilitate meaningful and focused discussions at the meeting. Where it is not practical to attach any document to the agenda, the same is tabled before the meeting and approval for the same is taken from the Board/ committees as applicable.

The Board of Directors meet at least once in every quarter and also as and when required. During the Financial Year ended 31st March, 2024, Four (4) Board Meetings were held on 29th May, 2023, 8th August, 2023, 7th November, 2023 and 3rd February, 2024. Further, Board also passes Resolutions by Circulation as and when required.

The maximum gap between two Board Meetings did not at any time, exceed the time gap of 120 days. The composition and category of the directors as on 31st March, 2024 is as prescribed below:

| SI No | Name of Director & DIN | Composition and Category | No. of directorship/committee position held in Public Companies including ACCL | | | Attendance at the meeting | | No of shares equity held* |
|-------|--|---|--|----------|---------------|--------------------------------|-------------------|---|
| | | | Indian Public Ltd company @ | Member # | Chairperson # | No. of Board Meetings attended | Last AGM attended | |
| 1 | Mr. Pawan Jain (DIN: 00038076) | Promoter, Executive Chairman (Whole Time Director) | 2 | - | - | 4 | Y | 789000 holding in capacity of Karta of Pawan Jain - HUF |
| 2 | Mr. Daulat Jain (DIN: 00040088) | Promoter, Executive Director (Managing Director & CEO) | 3 | - | - | 4 | Y | 450000 |
| 3 | Ms. Sonu Jain (DIN: 07267279) | Non Executive Independent Director | 3 | 3 | 2 | 3 | Y | Nil |
| 4 | Mr. Ajay Pratapray Shanghavi (DIN: 00084653) # | Non Executive Independent Director | 5 | 2 | 1 | 2 | Y | Nil |
| 5 | Mr. Tapan Sodani (DIN: 01921743) # | Non Executive Independent Director | 1 | 2 | - | 2 | Y | Nil |
| 6 | Mr. Amit Jain (DIN: 00040222) | Non Executive Director | 2 | 1 | - | 3 | Y | Nil |
| 7 | Mr. Sagar Jain (DIN: 00392422) | Non Executive Independent Director | 2 | - | - | 4 | Y | Nil |

@ Excludes directorships held in Private Limited Companies, Foreign Companies and Section 8 Companies.

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#Only Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI (LODR) Regulations, 2015

* None of the directors hold any convertible instruments, warrants, during the financial year 2023-2024.

Note: Ms. Suparna Sengupta (DIN: 07689952) and Mr. Sagar Jain (DIN: 00392422) ceased to be Independent Directors of the Company upon completion of their second/final term of Office w.e.f closure of business hours of 13th February, 2024 and 31st March, 2024 respectively. Further, Board has reconstituted the Board Committees w.e.f 14th

February, 2024 by way of induction of new committee members.

Mr. Ajay Pratapray Shanghavi and Mr. Tapan Sodani were appointed as the Independent Directors of the Company w.e.f 1st September, 2023.

During the year under review, no Independent Director of the Company resigned before the expiry of his/her tenure.

Attendance of each director at the meeting of the Board of Directors and the last Annual General Meeting:

During the year the Board met 4 (four) times. The details of attendance of the same are given here under.

| Sl. No. | Name of Director | Dates of Meeting & Attendance in Board Meeting | | | | Date of Meeting & Attendance in Annual General Meeting held through VC/OAVM |
|---------|------------------------------|--|------------|------------|------------|---|
| | | 29.05.2023 | 08.08.2023 | 07.11.2023 | 03.02.2024 | |
| 1 | Mr. Pawan Jain | Yes | Yes | Yes | Yes | Yes |
| 2 | Mr. Daulat Jain | Yes | Yes | Yes | Yes | Yes |
| 3 | Ms. Sonu Jain | Yes | Yes | No | Yes | Yes |
| 4 | Mr. Ajay Pratapray Shanghavi | - | - | Yes | Yes | Yes |
| 5 | Mr. Tapan Sodani | - | - | Yes | Yes | Yes |
| 6 | Mr. Amit Jain | Yes | Yes | No | Yes | Yes |
| 7 | Mr. Sagar Jain | Yes | Yes | Yes | Yes | Yes |
| 8 | Ms. Suparna Sengupta | Yes | No | Yes | Yes | Yes |

Note: Ms. Suparna Sengupta (DIN: 07689952) and Mr. Sagar Jain (DIN: 00392422) ceased to be Independent Directors of the Company upon completion of their second/final term of Office w.e.f closure of business hours of 13th February, 2024 and 31st March, 2024 respectively.

INDEPENDENT DIRECTORS:

Based on the declarations received from the Independent Directors, the Board has confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management. In terms of Regulation 25(8) of Listing Regulations, they have also 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 Independent Directors have also registered their names in the Data Bank maintained by the Indian Institute of Corporate Affairs as mandated in the Companies (Appointment and Qualification of Directors), Rules, 2014, Further, apart from receiving sitting fees, none of the Independent Directors have any other material pecuniary relationship or transaction with the Company, its Promoters, or Directors, or Senior Management which, in their judgment, would affect their independence.

As required under Regulation 46 of the Listing Regulations, the terms and conditions of appointment of IDs including their role, responsibility and duties are available on the

website of the Company at https://ashikagroup.com/images/blog_images/2019-05-09_8383_appointment_IndependentDirector.pdf

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTOR

The Company has familiarised the Independent Directors of the Company with Programmes which aims to provide them in depth insight and understanding of the businesses and operations of the Company, which enables and assists them in performing their role as Independent Directors of the Company. The details of the familiarisation programmes imparted to the Independent Directors have been disclosed on the website of the Company at https://ashikagroup.com/pdf/familiarization_programme/familiarisation-programme-2023-2024.pdf

SEPARATE MEETING OF INDEPENDENT DIRECTORS

The Independent Directors met on 10th January, 2024 without the attendance of Non-Independent Directors and members of the management. The Independent Directors reviewed the performance of Non-Independent directors of the Company and the Board as a whole, as well as reviewed the performance of the Chairperson of the Company, taking into account the views of the Executive Directors and Non-Executive Directors and assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.



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CORE SKILLS/ EXPERTISE/ COMPETENCIES OF BOARD OF DIRECTORS

The following is the list of core skills/competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available within the Board Members:

| Name of Director | Critical and innovative thoughts | Regulatory Compliance, Legal and Stakeholders relationship | Financial expertise & Risk Oversight | Board service and governance | Understanding of Business / Industry |
|--------------------------|----------------------------------|--|--------------------------------------|------------------------------|--------------------------------------|
| Pawan Jain | √ | √ | √ | √ | √ |
| Daulat Jain | √ | √ | √ | √ | √ |
| Sonu Jain | √ | √ | √ | √ | √ |
| Ajay Pratapray Shanghavi | √ | √ | √ | √ | √ |
| Tapan Sodani | √ | √ | √ | √ | √ |
| Amit Jain | √ | √ | √ | √ | √ |
| Sagar Jain | √ | √ | √ | √ | √ |

The chart/matrix setting out the core skills/ expertise/ competencies identified by Board of Directors in context of the of company's Business and sector as required for its smooth functioning and those actually available with each Board members have been highlighted below :

| Skills / Expertise / Competencies | Details |
|---|---|
| Critical and innovative thoughts | Using an independent, reflective thought process to evaluate issues arising in business. Further, creative thinking involves a more open approach to new ideas, and critical thinking involves a more analytical thought process. |
| Regulatory Compliance, Legal and Stakeholders relationship | <ul style="list-style-type: none"> Devise systems for compliance with a variety of regulatory requirements. Knowledge and experience in regulatory and governance requirements, protecting and managing all stakeholders' interests in the Company, Maintaining management accountability and building long-term effective stakeholder relationships. Experience in handling legal proceeding and able to guide company in right direction. |
| Financial expertise & Risk Oversight | Accurate Financial Reporting and Robust Auditing are critical to its success. Directors to have an understanding of Finance and Financial Reporting Processes; Understand and Oversee various risks facing the Company and ensure that appropriate policies and procedures are in place to effectively manage risk |
| Board service and governance | Service on a public company board to develop insights about maintaining board and management accountability, protecting shareholder interests, and observing appropriate governance practices |
| Understanding of Business / Industry | Extended leadership experience, resulting in a practical understanding of organizations, processes, strategic planning, and risk management. Demonstrated strengths in developing talent, planning succession, and driving change and long-term growth. Analyzing complex and detailed information and providing innovative solutions and striking a balance between agility and consistency. Expertise in the field of Financial Services |

(3) COMMITTEES OF THE BOARD

The Board Committees play a vital role in ensuring sound corporate governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of the diverse matters. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles under which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action.

The functioning of these Committees is regulated by the mandatory terms of reference, roles and responsibilities and powers as provided in the Act, RBI Regulations and the Listing Regulations. The Company Secretary acts as the Secretary of these Committees. The minutes of the meetings of all the Committees are placed before the Board, for review. As mandated by the Listing Regulations, the Company has constituted an Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee.

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(I) AUDIT COMMITTEE (AC):

(A) BRIEF DESCRIPTION OF TERMS OF REFERENCE:

The composition, powers, role and terms of reference of the Audit Committee are in accordance with the requirements mandated under Section 177 of the Companies Act, 2013 read with the rules made thereunder and Regulation 18 read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has a well defined Audit committee, comprising of 3 (three) Directors as members of the committee, comprising of 2 (Two) Non-Executive Independent Directors and 1 (One) Non-Executive Non-Independent Director as on 31st March 2024. The Company Secretary is the Secretary to the Committee. All members of the Committee are financially literate. The members of the Audit Committee possess sound knowledge on accounts, audit, finance, taxation, internal controls etc. The Company has a well-defined and structured internal audit control system to ensure reliability of operational and financial information, statutory/ regulatory compliances and safeguard of the assets of the Company. The internal auditor governs its audit through modules/checklists to carry out audits and ensure effective discharging of their duties and compliance with the Listing Regulations. The audit process being used by internal audit department is also reviewed from time to time with a view to bring it in line with the regulatory framework.

The terms of reference of the Audit Committee is in line with the regulatory requirements and, inter alia, are as follows:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation to the board for appointment, re-appointment, remuneration, terms of appointment of Auditor and if required, the replacement or removal of Auditors of the company.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- Reviewing with management, performance of Statutory & Internal Auditor, adequacy of Internal Control System, scope of audit and note the observation of Auditors.
- Examination & review of the Annual financial statement, auditors' report with management before submission to board with particular reference to:
 - Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub section 3 of section 134 of the Companies Act, 2013.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Modified opinion(s) in the draft audit report.
- All Related Party transactions and subsequent material modifications thereof shall require prior approval of the committee
- Granting omnibus approval for related party transactions which are in the ordinary course of business and on an arm's length pricing basis subject to the approval of the Board and subject to compliances applicable;
- reviewing with management quarterly, half yearly financial statement before submission to board for approval;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing with the management, the statement of uses /application of funds rose through an issue & other related matter and make appropriate recommendations to the Board.
- Discussion with Statutory Auditor before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
- Reviewing the functioning of Vigil Mechanism /Whistle Blower Policy adopted for Directors & employees of the company to report their genuine concerns and shall have direct access to the chairperson of the Audit Committee in appropriate or exceptional cases
- Scrutiny of Inter corporate Loans & Investments.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
- Approval of appointment/ removal including terms of remuneration of Chief Financial Officer. (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.



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- To review the utilisation of loans and or/advances from/ investment by the holding company in the subsidiary, exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments.
- consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders
- The committee shall review the compliances in regard to the provisions of regulation 9 and 9A of SEBI (Prohibition of Insider Trading) Regulations 2015 on an annual basis or atleast once in a Financial year and verify that the system of internal control are adequate and are operating efficiently

In addition, the Audit Committee also mandatorily reviews the following:

- Management discussion and analysis of financial condition and results of operations;
- Management letters / letters of internal control weaknesses, if any, issued by the Statutory Auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief Internal Auditor

The name and category of Directors as Members and their attendance at the aforesaid Audit Committee Meetings are detailed below:

| Name of member | Category – Directorship | Date of Meeting and Attendance in meeting | | | |
|------------------------|---|---|------------|------------|------------|
| | | 29.05.2023 | 08.08.2023 | 07.11.2023 | 03.02.2024 |
| Ms. Sonu Jain @ | Chairman, Non-Executive Independent Director | Yes | Yes | Yes | Yes |
| Mr. Tapan Sodani \$ | Member, Non-Executive Independent Director | -- | -- | -- | -- |
| Mr. Amit Jain \$ | Member, Non-Executive Non-Independent Director | -- | -- | -- | -- |
| Mr. Sagar Jain # | Chairman, Non-Executive Independent Director | Yes | Yes | Yes | Yes |
| Ms. Suparna Sengupta # | Member, Non-Executive Independent Director | Yes | Yes | Yes | Yes |

@ Ms. Sonu Jain was appointed as the member of Audit Committee w.e.f. 1st April, 2019, however she was re-categorised as Chairperson of the afore-mentioned Committee w.e.f 14th February, 2024.

\$ Mr. Tapan Sodani and Mr. Amit Jain were inducted as members of the Audit Committee w.e.f 14th February, 2024

Ms. Suparna Sengupta (DIN: 07689952) and Mr. Sagar Jain (DIN: 00392422) ceased to be Independent Directors of the Company upon completion of their second/ final term of Office w.e.f closure of business hours of 13th February, 2024 and 31st March, 2024, respectively.

The Audit Committee has been vested, inter alia, with the following powers:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary

(B) COMPOSITION, MEETING AND ATTENDANCE DURING THE YEAR:

There were 4 (Four) meetings of the Committee held during the Financial Year ended 31st March, 2024. These meetings were held on 29th May, 2023, 8th August, 2023, 7th November, 2023 and 3rd February, 2024. The requisite quorum was present for all the Audit Committee meetings. All decisions at the Audit Committee meetings were taken unanimously. The CFO, the Internal Auditor and Statutory Auditors are generally invited to attend meetings unless the Committee considers otherwise. The Internal Auditor reports directly to the Audit Committee. Separate discussions are held with the Internal Auditor to focus on compliance issues and to conduct detailed reviews of the processes and internal controls in the Company.

Further, Board has reconstituted the Audit Committee w.e.f 14th February, 2024 by way of induction of new committee members in place of Ms. Suparna Sengupta and Mr. Sagar Jain.

(II) NOMINATION AND REMUNERATION COMMITTEE (NRC):

(A) BRIEF DESCRIPTION AND TERMS OF REFERENCE:

The composition, powers, role and terms of reference of the Nomination & Remuneration Committee are in accordance with the requirements mandated under Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the Listing Regulations.

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The Company has a well defined Nomination & Remuneration Committee, comprising of 3 (three) Directors as members of the committee, comprising of 2 (Two) Non-Executive Independent Directors and 1 (One) Non-Executive Non-Independent Director as on 31st March 2024. The Company Secretary is the Secretary to the Committee. The Nomination and Remuneration Committee of the Board, inter alia, identifies persons qualified to become Directors, and recommends to the Board the appointment, remuneration and removal of the Directors and senior management. The Committee's role also includes formulation of criteria for evaluation of performance of the Directors & the Board as a whole.

The terms of reference of the NRC is in line with the regulatory requirements and, inter alia are as follows –

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, KMP and other employees
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of evaluation of independent directors.
- Identifying and assessing potential individuals in accordance with the Criteria laid down for appointment

and re-appointment as Directors / Independent Directors on the Board and as Key Managerial Personnel / senior management and recommend to the Board their appointment and removal

- Formulate the criteria for performance evaluation of independent directors and the Board of directors.
- Reviewing and recommending to board Devising a policy on Diversity of Board of Directors and recommending the size and an optimum mix of promoter Directors, executive, independent and non-Independent Directors keeping in mind the needs of the Company;
- Periodically reviewing the size and composition of the Board to ensure that the structure is commensurate with the requirement of the company
- The quorum for meeting of the NRC shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance
- NRC shall meet as and when required, provide that the NRC shall meet atleast once in a year.
- NRC shall recommend to the board, all remuneration, in whatever form, payable to senior management.
- NRC shall lay down a chart/matrix listing the core skills/ expertise/ competencies identified by the Board of Directors as required in the context of the company's business(es) and sectors for the Board to function effectively and those actually available with the Board.

(B) COMPOSITION, MEETING AND ATTENDANCE DURING THE YEAR:

There were 3 (Three) meetings of the Committee held during the Financial Year ended 31st March, 2024. These meetings were held on 29th May, 2023, 8th August, 2023, and 2nd February, 2024. The requisite quorum was present for all the Nomination & Remuneration Committee meetings. All decisions at the NRC meetings were taken unanimously. The name and category of Directors as Members and their attendance at the aforesaid Committee Meetings are detailed below:

| Name of member | Category – Directorship | Date of Meeting and Attendance in meeting | | |
|--------------------------------|---|---|------------|------------|
| | | 29.05.2023 | 08.08.2023 | 02.02.2024 |
| Mr. Ajay Pratapray Shanghavi § | Chairman, Non-Executive Independent Director | - | - | |
| Ms. Sonu Jain | Member, Non-Executive Independent Director | Yes | Yes | Yes |
| Mr. Amit Jain § | Member, Non-Executive Non-Independent Director | - | - | - |
| Mr. Sagar Jain # | Chairman, Non-Executive Independent Director | Yes | Yes | Yes |
| Ms. Suparna Sengupta # | Member, Non-Executive Independent Director | Yes | No | No |



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Mr. Sagar Jain, Chairman of the Committee, attended the Annual General Meeting held on September 16, 2023.

Ms. Suparna Sengupta (DIN: 07689952) and Mr. Sagar Jain (DIN: 00392422) ceased to be Independent Directors of the Company upon completion of their second/final term of Office w.e.f closure of business hours of 13th February, 2024 and 31st March, 2024 respectively. Further, Board has reconstituted the Nomination & Remuneration Committee w.e.f 14th February, 2024 by way of induction of new committee members in place of Ms. Suparna Sengupta and Mr. Sagar Jain.

§ Mr. Ajay Pratapray Shanghavi and Mr. Amit Jain were inducted as members of the Nomination & Remuneration Committee w.e.f 14th February, 2024.

(C) PERFORMANCE EVALUATION OF THE BOARD, COMMITTEES AND DIRECTORS:

The Annual Performance Evaluation for the Financial Year 2023-2024 of the Board, Individual Directors (including Managing Director/ Executive Director, Chairperson and Independent Director of the Company), Committees of the Board, Self Evaluation of Individual directors, excluding the director being evaluated and Peer-to-peer Evaluation has been conducted pursuant to the applicable provisions of Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidance Note issued by SEBI pertaining to Board evaluation process and also Guidance Note on Board Evaluation process issued by Institute of Company Secretaries of India (ICSI). The Performance Evaluation was carried out by NRC, Independent Directors and Board in their respective meetings, for the Financial Year 2023-2024.

The detailed process of Performance Evaluation has been explained in the Evaluation Kit. Detailed questionnaires were sent to each Director for assessment of Board, Committees, Independent Director, Non Independent Director, Managing Director /Executive Director/ Chairperson, Self Evaluation and Peer-to-peer Evaluation of Directors. After filling in the questionnaires, the directors returned the same to the Chairman of Nomination and Remuneration Committee who, in turn, had prepared a consolidated report alongwith average scoring based on parameters as specified in the questionnaires, represented by graph on the basis of data consolidated and analysed from his end. The Chairman has individual discussion with each director and noted their feedback and comments for Evaluation. The report prepared was tabled at the respective meetings of the Independent Director and Nomination and Remuneration Committee and before the Board. Further, comments received from meetings of both Independent Directors & NRC were discussed in Board meeting along with Evaluation carried out by Board itself i.e. Self Evaluation of Board, Committee, Independent and Non-Independent Directors including Chairman /Managing Director. The terms of appointment/ re-appointment of Independent Director, whether to extend or continue, is on basis of the report of performance evaluation.

Chairman further placed before the board that performance Evaluation of all directors has been

carried out by NRC and discussed in their meeting held on 2nd February, 2024. Further, Independent Director has presented their report to the Board based on the evaluation conducted by them in their respective meeting held on 10th January, 2024. The Board had a detailed discussion based on the reports received by it from the Nomination & Remuneration committee and the Independent Director meeting. On the basis of consolidated views, suggestion and reports with score shared by chairman of NRC after collating from all members, Board has conducted its self-evaluation, evaluation of committees of the Board and individual directors including Independent Directors, excluding the director being evaluated.

The consolidated Evaluation Report of the Board, based on inputs received from the Directors and scores shared by chairman of NRC after collating from all members and as per report presented by Independent Directors was discussed at the meeting of the Board held on 3rd February, 2024.

(III) STAKEHOLDERS' RELATIONSHIP COMMITTEE (SRC):

(A) BRIEF DESCRIPTION OF TERMS OF REFERENCE:

The composition, powers, role and terms of reference of the Stakeholders' Relationship Committee are in accordance with the requirements mandated under Section 178 of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II of the Listing Regulations.

The Company has a structured Stakeholders' Relationship Committee, comprising of 3 (three) Directors as members of the committee, all being Non-Executive Independent Directors as on 31st March 2024. The Company Secretary is the Secretary to the Committee. All decisions at the Stakeholders Relationship Committee meeting was taken unanimously. The Stakeholders Relationship Committee of the Board, primarily oversees redressal of shareholder and investor grievances, approves transfer & transmission of shares, sub-division /consolidation / renewal of share certificates, issue of duplicate share certificates and so on. The Committee also reviews adherence to the service standards adopted by the Company in respect of its in-house share registration and related activities, and the measures taken for effective exercise of voting rights by the Shareholders.

The terms of reference along with role of the SRC is in line with the regulatory requirements and, inter alia, are as follows –

- To specifically look into various aspects of interest of shareholders, debenture holders and other security holders.
- Atleast three directors, with atleast one being an independent director shall be member of the committee.
- The Chairperson of the Stakeholders Relationship Committee shall be present at the annual general meetings to answer queries of the security holders.
- The Stakeholders Relationship Committee shall meet as and when required, provide that SRC shall meet atleast once in a year.

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The role of the committee shall inter-alia include the following:

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

(B) COMPOSITION, MEETING AND ATTENDANCE DURING THE YEAR:

There was 1 (One) meeting of the Committee held during the Financial Year ended 31st March, 2024 which was duly held on 6th May, 2023. The requisite quorum was present for the aforesaid Committee meeting. All decisions at the SRC meeting were taken unanimously. The name and category of Directors as Members and their attendance at the aforesaid Committee Meeting are as detailed below:

| Name of member | Category - Directorship | Date of Meeting and Attendance in meeting |
|---------------------------------|---|---|
| | | 06.05.2023 |
| Ms. Sonu Jain | Chairman, Non-Executive Independent Director | Yes |
| Mr. Tapan Sodani \$ | Member, Non-Executive Independent Director | -- |
| Mr. Ajay Pratapray Shanghavi \$ | Member, Non-Executive Non-Independent Director | -- |
| Mr. Sagar Jain # | Member, Non-Executive Independent Director | Yes |
| Ms. Suparna Sengupta # | Member, Non-Executive Independent Director | Yes |

\$ Mr. Tapan Sodani and Mr. Ajay Pratapray Shanghavi were inducted as members of the Stakeholders' Relationship Committee w.e.f 14th February, 2024

Ms. Suparna Sengupta (DIN: 07689952) and Mr. Sagar Jain (DIN: 00392422) ceased to be Independent Directors of the Company upon completion of their second/ final term of Office w.e.f closure of business hours of 13th February, 2024 and 31st March, 2024 respectively. Further, Board has reconstituted the Stakeholders' Relationship Committee w.e.f 14th February, 2024 by way of induction of new committee members in place of Ms. Suparna Sengupta and Mr. Sagar Jain.

COMPLIANCE OFFICER: Ms. Anju Mundhra, Company Secretary, functions as the Compliance Officer. She has also been appointed as the Nodal Officer under the provisions of IEPF.

GRIEVANCES DETAILS:

| Particulars | 2023-2024 |
|---|-----------|
| Number of shareholder's complaints at the beginning of the year | Nil |
| Number of shareholder's complaints received during the year | Nil |
| Number of complaints not solved to the satisfaction of shareholders | Nil |
| Number of pending complaints at the end of the year | Nil |

- (C) **SEBI COMPLAINTS REDRESS SYSTEM (SCORES):** The Company has registered itself on SEBI Complaints Redressal System - 'SCORES' and endeavors to resolve all investor complaints received through SCORES. During the Financial Year 2023-2024, the Company has not received any investor complaints through SCORES.

Further, on 1st April, 2024, the Securities and Exchange Board of India has launched the new version of the SEBI Complaint Redress System (SCORES 2.0). The new version of SCORES has strengthened the investor complaint redressal mechanism in the securities market by making the process more efficient through auto-routing, auto-escalation, monitoring by the designated bodies and reduction of timelines.

It is confirmed that there was no request for registration of share transfers / transmissions lying pending as on 31st March, 2024 and there were no requests for issue of duplicate certificates, etc., received from the shareholders of the Company for the Financial Year 2023-2024.

(IV) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR):

(A) BRIEF DESCRIPTION AND TERMS OF REFERENCE:

The Corporate Social Responsibility Committee of the Company has been constituted in line with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014



Corporate Governance Report

and amendments thereof. The CSR Committee comprises of 3 (three) Directors as members of the committee, i.e. 1 (One) Non-Executive Independent Director, 1 (One) Non-Executive Non-Independent Director and 1 (One) Executive Director as its' Members as on 31st March, 2024. All decisions at the CSR Committee meetings were taken unanimously.

The role of the CSR Committee is to:

- Frame, review and recommend changes to the CSR Policy and / or associated activities of the Company.
- Approve and recommend annual action plan, and any modifications thereof, to the Board
- Monitor the adherence by the Company with the CSR Policy.
- Review and recommend the amount of expenditure by the Company on the various CSR activities in accordance with relevant laws.
- Perform other activities as required or to address issues related to any significant subject within its' terms of reference.

The CSR Policy devised in accordance with Section 135 of the Act, CSR Rules and Schedule VII of the Act is available at the website of the Company at www.ashikagroup.com and is available at the link <https://ashikagroup.com/pdf/policies/ACCL-2022-03-Corporate-Social-Responsibility-Policy-14.02.2021.pdf>

The Terms of Reference of the CSR Committee are as follows:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the

activities to be undertaken by the Company as specified in Schedule VII of the Companies Act 2013 from time to time ;

- To recommend the amount of expenditure to be incurred on the activities undertaken;
- To monitor the Corporate Social Responsibility Policy of the company from time to time.
- The Corporate Social Responsibility Committee of the Board ('CSR Committee') is responsible for formulating and recommending to the Board an annual action plan , which shall include list of projects and programs to be undertaken within the purview of Schedule VII of the Companies Act, 2013, manner of execution of such projects, modalities of fund utilization, monitoring and reporting mechanism for the projects, and details of need and impact assessment, if any, for the projects to be undertaken.
- Review and recommend to the Board, the Annual Report on CSR activities to be included in Board's Report and certificate submitted by the Chief Financial Officer

(B) COMPOSITION, MEETING AND ATTENDANCE DURING THE YEAR:

There were 3 (Three) meetings of the Committee held during the Financial Year ended 31st March, 2024. These meetings were held on 6th May, 2023, 8th August, 2023, and 27th January, 2024. The requisite quorum was present for all the CSR Committee meetings. All decisions at the afore-mentioned meetings were taken unanimously. The name and category of Directors as Members and their attendance at the aforesaid Committee Meetings are detailed below:

| Name of member | Category – Directorship | Date of Meeting and Attendance in meeting | | |
|------------------|--|---|------------|------------|
| | | 06.05.2023 | 08.08.2023 | 27.01.2024 |
| Ms. Sonu Jain | Chairman, Non-Executive Independent Director | Yes | Yes | Yes |
| Mr. Daulat Jain | Member, Executive Director (Managing Director & CEO) | Yes | Yes | Yes |
| Mr. Amit Jain \$ | Member, Non-Executive Non-Independent Director | - | - | - |
| Mr. Sagar Jain # | Chairman, Non-Executive Independent Director | Yes | Yes | Yes |

\$ Mr. Amit Jain was inducted as member of the Corporate Social Responsibility Committee w.e.f 14th February, 2024

Mr. Sagar Jain (DIN: 00392422) ceased to be Independent Director of the Company upon completion of his second/ final term of Office w.e.f 31st March, 2024. Further, Board has reconstituted the Corporate Social Responsibility Committee w.e.f 14th February, 2024 by way of induction of new committee member in place of Mr. Sagar Jain.

(V) OTHER COMMITTEES:

The Company has formed several other committees as per RBI norms and for ease of doing business like Asset Liability Management Committee and Risk Management Committee (w.e.f 1st October 2022 in terms of RBI Circular- RBI/2021-22/112 DOR.CRE.REC.No.60/03.10.001/2021-22 dated 22nd October, 2021). Pursuant to the provisions of

Companies Act, 2013, other committees have also been constituted like Finance Committee and Share Transfer Committee. These committees meet as and when required. The aforesaid committees Terms of Reference are approved by Board.

(4) SENIOR MANAGEMENT: PARTICULARS OF SENIOR MANAGEMENT INCLUDING THE CHANGES THEREIN SINCE THE CLOSE OF THE PREVIOUS FINANCIAL YEAR:

Pursuant to Regulation 16(1)(d) of the Listing Regulations, the Senior Management of the Company are the following:

- Mr. Gaurav Jain, being the Chief Financial Officer
- Ms. Anju Mundhra, being the Company Secretary and Compliance Officer

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Further, there have been no changes in the Senior Management of the Company since the closure of the previous financial year.

(5) REMUNERATION OF DIRECTORS:

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has adopted a Nomination & Remuneration Policy which, inter alia, deals with the manner of selection of Board of Directors and Executive Directors and their remuneration. The Remuneration Policy is in consonance with the industry practice. The Policy of the Company is available on our website and is available at the link <https://ashikagroup.com/pdf/policies/Nomination&Remuneration-Policy-01.06.2023.pdf>

None of the Non-Executive Directors have any pecuniary relationship or transactions with the Company and do not hold any shares in the company.

CRITERIA OF MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS:

The Non-Executive Independent Directors of the Company are remunerated only through payment of sitting fees for attending the meetings of Board of

Directors, Committees of Board of Directors and other meetings of Directors, as and when applicable. No sitting fee is paid to Non-Executive Non-Independent Director of the company. The criterion for making payments to Non-Executive directors of the Company are disseminated on the website of the company at <https://ashikagroup.com/pdf/policies/ACCL-2022-03-Criteria-for-payment-to-NED.pdf>

DISCLOSURES WITH RESPECT TO REMUNERATION:

The remuneration package for the Executive Directors is recommended by the Nomination & Remuneration Committee and approved by the Board & Shareholders within the provisions of Companies Act 2013 read with Rules made thereon. The Committee recommends the remuneration package taking into consideration the remuneration practices of companies of similar size and stature and the industry standards. The remuneration payable to the Executive Directors of the Company consists of various components. The fixed pay consists of salary, allowances, perquisites, including bonus and also contribution to PF. The NRC recommends to the Board, the quantum of remuneration for EDs based upon the outcome of the evaluation process and overall contribution to the Company.

REMUNERATION PAID TO DIRECTORS FOR THE FINANCIAL YEAR 2023-2024:

(Amount in Rs)

| Name | Salary p.a. | Sitting fees | Total | Number of shares held as on 31.03.2024 |
|--|-------------|--------------|-------------|--|
| Mr. Pawan Jain, Executive Chairman | 1,69,11,120 | N.A. | 1,69,11,120 | 7,89,000, as Karta of Pawan Jain HUF |
| Mr. Daulat Jain, Managing Director and CEO @ | 13,00,008 | N.A. | 13,00,008 | 4,50,000 |
| Ms. Sonu Jain | N.A. | 1,15,000 | 1,15,000 | Nil |
| Mr. Ajay Pratapray Shanghavi | N.A. | 40,000 | 40,000 | Nil |
| Mr. Tapan Sodani | N.A. | 40,000 | 40,000 | Nil |
| Mr. Amit Jain | N.A. | N.A. | N.A. | Nil |
| Mr. Sagar Jain # | N.A. | 1,35,000 | 1,35,000 | Nil |
| Ms. Suparna Sengupta # | N.A. | 90,000 | 90,000 | Nil |

@ In case of payment of remuneration to Executive Director, the perquisites shall be evaluated as per the Income Tax Rules wherever applicable. In the absence of any such rules, the perquisites shall be evaluated at actual cost. Managerial Personnel shall be eligible for perquisites as per the applicable provisions of Schedule V of Companies Act 2013, which shall be falling outside the purview of the approved ceiling limit of remuneration.

No benefits, other than the above, are given to the Directors. No Performance linked incentives/

severance fees/ commission are given to Directors. The appointments of executive directors are governed by terms and conditions as executed with them at the time of appointment/ re-appointment. Further, 30 days notice period is applicable. The Company does not have any Stock Options' Scheme for its Directors or employees, presently.

(6) GENERAL BODY MEETINGS:

- a) The details of last three Annual General Meetings held are as follows:



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| Date, Day and Time | Venue | Number of Special resolutions passed |
|--|--|---|
| Saturday, 16 th September, 2023, 11:30 A.M. | Meeting held through Video Conferencing at Registered office of the Company at Trinity, 7 th Floor, 226/1, A.J.C. Bose Road, Kolkata 700020 | 2(Two) To appoint Mr. Ajay Pratapray Shanghavi (DIN – 00084653) as an Independent Director of the Company for a term of 2 consecutive years, not liable to retire by rotation To appoint Mr. Tapan Sodani (DIN – 01921743) as an Independent Director of the Company for a term of 1 year, not liable to retire by rotation |
| Saturday, 3 rd September, 2022, 12 Noon | Meeting held through Video Conferencing at Registered office of the Company at Trinity, 7 th Floor, 226/1, A.J.C. Bose Road, Kolkata 700020 | 2(Two) To consider and approve the re-appointment of Mr. Pawan Jain (DIN: 00038076) as Executive Chairman & Whole Time Director (KMP) of the Company and approve his remuneration. To consider and approve the re-appointment of Mr. Daulat Jain (DIN: 00040088) as Managing Director & CEO (KMP) of the Company and approve his remuneration |
| Saturday, 18 th September, 2021, 11:30 A.M. | Meeting held through Video Conferencing at Registered office of the Company at Trinity, 7 th Floor, 226/1, A.J.C. Bose Road, Kolkata 700020 | 2(Two) To re-appoint Ms. Suparna Sengupta (DIN: 07689952) as Independent Director of the Company for a second term of 3 consecutive years, not liable to retire by rotation. To re-appoint Ms. Sonu Jain (DIN: 07267279) AS Independent Director of the Company for a second term of 3 consecutive years, not liable to retire by rotation. |

- b) No Extra-Ordinary General Meeting of the Shareholders was held during the financial year under review.
- c) No resolutions were passed through Postal Ballot during Financial Year 2023-2024. Further, No Special Resolution is proposed to be conducted through Postal Ballot as on the date of this Report.

sent through e-mail, post or courier, as may be applicable. Pursuant to relevant MCA and SEBI Circulars, the Annual Report for Financial Year 2022-2023 and Notice of 30th AGM of the Company has been sent to the Members at their registered e-mail addresses in accordance with MCA and SEBI Circulars.

(7) MEANS OF COMMUNICATION:

The Company, from time to time and as may be required, communicates with its Shareholders and Investors through multiple channels of communication including the following:

- Dissemination of information on the website of the Stock Exchanges
- Sending Annual reports to their address by post or by e-mail;
- Uploading relevant information on the Company's website and
- General Meeting

a) Financial Results and Annual Reports:

The quarterly, half-yearly and annual financial results of the Company are normally published in the Business Standard/ Financial Express and Arthik Lipi (a Regional daily published from the state of West Bengal). The quarterly/half-yearly and annual results are displayed on the website of the Company www.ashikagroup.com shortly after its submission to the Stock Exchanges.

Annual Reports, Notice of the meetings and other communications to the Shareholders are generally

b) Intimation to Stock Exchanges:

The Company discloses to the Stock Exchange, information required to be disclosed under Regulation 30 read with Part A of Schedule III of the Listing Regulations, including material information which have a bearing on the performance/operations of the Company or which is price sensitive in nature and are accordingly intimated/uploaded with exchanges.

Further, during the Financial Year under review, Metropolitan Stock Exchange of India Limited (MSEI) (Symbol: ASHIKA), vide Circular No: MSE/ LIST/14170/2023 dated 20th September, 2023 and Letter No. MSE/LIST/2023/1005 dated 20th September, 2023 and The Calcutta Stock Exchange Limited ("CSE") (Scrip Code: 11591 and 10011591), vide Letter No. CSE/LD/15963/2023 dated Friday, 29th December, 2023 has granted Delisting Approval to Ashika Credit Capital Limited for 1,18,80,000 Equity Shares of Face Value of Rs. 10/- each of the Company. The Company has been delisted from MSEI dated 4th October, 2023 and CSE dated 1st January, 2024. Pursuant to the above-mentioned Delisting of the Company from MSEI and CSE, the Company is presently listed in BSE (SCRIP Code: 543766)

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c) Website:

The Company has its functional website, www.ashikagroup.com, wherein all details / information of interest to various stakeholders, including business of the company, information about the Company's Board of Directors and KMP, Financial Results, Annual reports, Shareholding Pattern, Corporate Governance reports, etc. are uploaded at a dedicated section under "Investor Relations". Company's policies are also updated on the website of the company.

d) News press releases:

During the financial year under review, there were no news releases.

e) The presentations made to institutional investors or to the Analysts:

There were no presentations made to any institutional investors and angel investors during the financial year under review.

(8) GENERAL SHAREHOLDER INFORMATION:

a) Annual General Meeting- date, time and venue :

The 31st Annual General Meeting (AGM) of the Company shall be held through Video Conferencing and details are provided in the Notice to AGM.

As such, there is no requirement to have a venue for the AGM.

b) Financial Year :

1st April, 2023 to 31st March, 2024

c) Date of book closure :

As Mentioned in the notice calling 31st AGM

d) Dividend payment date :

No Dividend has been recommended by Board of Directors for the Financial Year 2023-2024

k) Market Price Data

The high / low market prices of the Equity Shares during the Financial Year 2023-2024 at the exchanges were as under:-

| Month | CSE | | MSEI | | BSE | |
|-----------------|------|-----|-------|-------|-------|-------|
| | High | Low | High | Low | High | Low |
| April, 2023 | --- | --- | --- | --- | 39.50 | 32.60 |
| May, 2023 | --- | --- | --- | --- | 40.00 | 31.51 |
| June, 2023 | --- | --- | --- | --- | 39.99 | 31.57 |
| July, 2023 | --- | --- | --- | --- | 38.90 | 31.18 |
| August, 2023 | --- | --- | --- | --- | 39.90 | 31.00 |
| September, 2023 | --- | --- | --- | --- | 38.50 | 32.61 |
| October, 2023 | --- | --- | N.A. | | 46.60 | 32.05 |
| November, 2023 | --- | --- | | | 67.40 | 40.29 |
| December, 2023 | --- | --- | | | 54.00 | 45.60 |
| January, 2024 | N.A. | | | | 62.55 | 50.23 |
| February, 2024 | | | | | 85.81 | 58.99 |
| March, 2024 | | | 91.05 | 63.16 | | |

e) Listing on Stock Exchanges with the Scrip Code :

| Sl. No. | Name of Stock Exchange | Address (s) | Scrip code/ symbol |
|---------|------------------------|--|--------------------|
| 1 | BSE Limited | Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001 | 543766 |

Note: During the Financial Year 2023-2024, the Company has been delisted from MSEI dated 4th October, 2023 and CSE dated 1st January, 2024.

f) Listing Fees to Stock Exchanges :

The Annual Listing Fees for the Financial Year 2023-2024 has been paid to the Stock Exchanges where securities of the company are listed within time lines.

g) Corporate Identification Number (CIN) :

L67120WB1994PLC062159

h) Registered office address :

Trinity, 7th Floor, 226/1, A.J.C. Bose Road, Kolkata - 700020

Tel: (033) 40102500

Fax: (033) 40033254/ 40102543

Website: www.ashikagroup.com

Email: secretarial@ashikagroup.com

i) Branch office address :

7, B.B. Ganguly Street, 4th Floor, Kolkata - 700012

Email: secretarial@ashikagroup.com

j) Corporate office address :

1008, Raheja Centre, 10th floor

214, Nariman Point, Mumbai - 400021

Tel: (022) 66111700



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Note: Company has been delisted from MSEI dated 4th October, 2023 and CSE dated 1st January, 2024.

l) Registrar and Transfer Agents (RTA):

Maheshwari Datamatics Private Limited is the Registrar and Transfer Agent of the Company, which manages the entire share registry work, both for shares held in Physical and Electronic form.

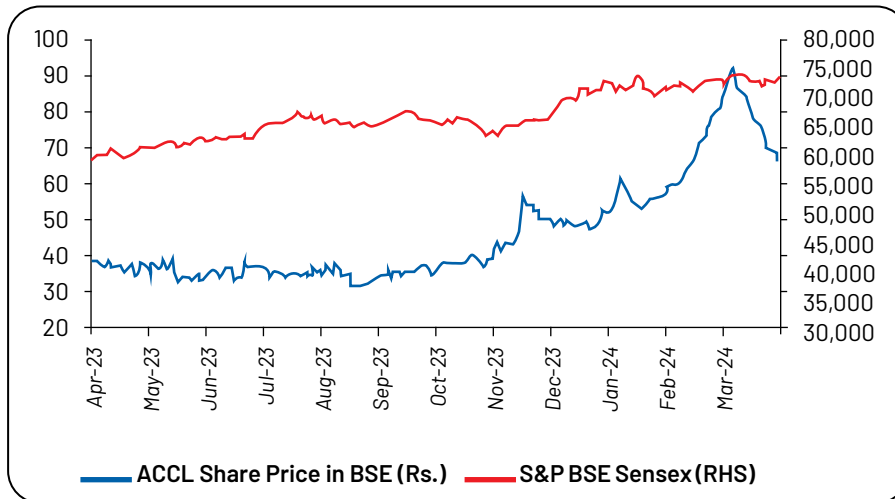
Maheshwari Datamatics Pvt Ltd

23, R.N. Mukherjee Road, 5th Floor,
Kolkata – 700001

Tel: 033-22482248, 2243-5029, Fax no: 033-22484787
Email: mdpldc@yahoo.com. Web: www.mdpl.in

m) None of the Company's securities have been suspended from trading

n) Share price performance in BSE as compared to Sensex:



o) Share transfer system :

The equity shares of the Company can be traded only in dematerialised form. The dematerialization facility is available with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Pursuant to the provisions of Regulation 40 of the Listing Regulations, securities can be transferred only in dematerialized form, no transfer of shares in physical form can be processed and hence equity shares to be compulsory traded in electronic form by shareholders. Pursuant to the amendment to the Listing Regulations on January 24, 2022, the Company shall (i) effect issuance of certificates in dematerialised form only, for any requests received for subdivision, split, consolidation, renewal, exchanges, endorsements or issuance of duplicate certificates; and (ii) execute requests for transmission and transposition of securities, held in physical or dematerialised form, in dematerialized form only. Members are requested to convert their physical holdings into Demat form and may write to the Registrar and Transfer Agent at mdpldc@yahoo.com

The Company has obtained Annual Certificate from MR & Associates, Company Secretaries in Practice confirming the compliance with the Regulation 40(9) of the Listing Regulations. Further, the Compliance Certificate under Regulation 7(3) of the Listing Regulations, confirming that all activities in relation to both physical and electronic share transfer facility 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.

Simplified Norms for processing Investor Service Request

Mandatory update of PAN, KYC and Nomination details and linking of PAN and Aadhaar by holders of physical shares: SEBI vide its Circular dated November 03, 2021 read with December 14, 2021 has made it mandatory for the shareholders holding shares in physical form to furnish PAN, KYC details and Nomination in the prescribed forms to the RTA of the Company. Further, SEBI vide its Circular dated March 16, 2023, mandated all physical shareholders to update their KYC i.e. PAN, Address with PIN code, Mobile Number, Bank Account details, Specimen Signature and nomination before September 30, 2023.

Further, SEBI vide its Circular dated 3rd November, 2021 (subsequently amended by circulars dated 14th December, 2021, 16th March, 2023 and 17th November, 2023) mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or choice of Nomination or contact Details or Mobile Number or Bank Account Details or specimen signature updated, shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from 1st April, 2024.

Non – updation of KYC: Folios wherein any one of the cited details/documents, (i.e. PAN, Bank Details, Address with PIN code, Mobile Number, Bank Account details, Specimen Signature and Nomination) are not available on or after 1st October, 2023, shall be frozen as per SEBI Circular. Further SEBI vide its Circular dated 17th

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November, 2023 has amended the relevant provision of freezing of folios, by referring frozen folios to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002 for cases where KYC details have not been provided by the shareholders.

The investor service requests forms for updation of PAN, KYC Bank details and Nomination viz., Forms ISR-1, ISR-2, relevant Nomination Forms are available on our website https://ashikagroup.com/simplified_norms.php and also at the website of RTA at <https://www.mdpl.in/form>

In view of the above, we urge the shareholders to submit the Investor Service Request (ISR) form along with the supporting documents at the earliest to their respective Depository Participants (DP). In compliance with the above stated SEBI Circular, the Company has sent individual communication to its shareholders holding shares in the physical form requesting them to update their PAN, KYC details and Nomination etc along with supporting documents and the details of the RTA such as their email address and registered address along with the link of RTA and the website of the Company.

Dispute Resolution Mechanism:

SEBI, vide its Circular dated May 30, 2022, issued a Standard Operating Procedure (SOP) for dispute resolution under the stock exchange arbitration mechanism for disputes between a listed company and/or registrars to an issue and share transfer agents and its shareholder(s)/investor(s). The company had complied with the same. SEBI vide its Circular dated January 27, 2023, has decided to enhance the awareness of investors about the availability of arbitration facility at Stock Exchange for their dispute, if any, against listed companies / RTAs.

Due dates of transferring unclaimed and unpaid dividends declared by the Company for the Financial Year 2018-2019 and thereafter to IEPF are as under:

| Financial Year | Date of declaration | Rate of dividend per share | Date of transfer to unpaid dividend account | Proposed date of transfer to Investor Education and Protection Fund |
|----------------|------------------------------|----------------------------|---|---|
| 2018-2019 | 9 th August, 2019 | Re. 1 per share/- | 13 th September, 2019 | 12 th September, 2026 |

r) Category-wise shareholding pattern as on 31st March, 2024

| Sl. No | Category | No. of shares | % holding |
|--------|--|--------------------|------------|
| 1 | Promoter & promoter Group | 70,03,402 | 58.95 |
| 2 | Institution- Foreign Portfolio Investors- Public | 3,22,621 | 2.72 |
| 3 | Non-Institution- Body Corporate- Public | 23,88,912 | 20.11 |
| 4 | Non-Institution- Individual- Public | 18,11,786 | 15.25 |
| 5 | Others | 3,53,279 | 2.97 |
| | Total | 1,18,80,000 | 100 |

Accordingly the company had sent communication to physical shareholders informing about the above Arbitration mechanism.

p) Dematerialisation of Shares and Liquidity

The Company's shares are available for dematerialization/re-materialization with both the Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 31st March 2024, out of the total 1,18,80,000 equity shares, 11,764,743 equity shares representing 99.03% of the total paid up share capital were held in dematerialized form with NSDL and CDSL. The entire Promoters' shareholding are held in dematerialized mode. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE094B01013. Members holding shares in physical form are requested to get their shares dematerialized.

q) Unpaid/ Unclaimed Dividend

As per section 124(5) & 125 of the Companies Act, 2013, the dividend which remains unpaid / unclaimed for a period of 7 years from the date of transfer to unpaid dividend account shall be transferred by the Company to IEPF. Further, pursuant to Section 124 of the Act read with the IEPF Rules all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs. In accordance with the aforesaid IEPF Rules, the Company has sent communication to all such shareholders whose dividends are lying unpaid/unclaimed against their name. The details of such dividends/shares and other unclaimed moneys to be transferred to IEPF on due date are uploaded on the website of the Company at www.ashikagroup.com.



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s) Distribution of Shareholding as on 31st March, 2024

| Slab of shareholding | Number of Shareholders | Number of Shares | % to total no of shares |
|----------------------|------------------------|------------------|-------------------------|
| Upto 500 shares | 1381 | 92344 | 0.78 |
| 501-1000 shares | 85 | 69271 | 0.58 |
| 1001-2000 shares | 68 | 108615 | 0.91 |
| 2001-3000 shares | 26 | 67882 | 0.58 |
| 3001-4000 shares | 21 | 75313 | 0.63 |
| 4001-5000 shares | 17 | 80477 | 0.68 |
| 5001-10000 shares | 30 | 229245 | 1.93 |
| Above 10000 shares | 69 | 11156853 | 93.91 |
| Total | 1697 | 11880000 | 100.00 |

t) **Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity :** NA

u) **Commodity price risk or foreign exchange risk and hedging activities :** None

v) **Plant locations :** None

w) **Address for correspondence :**

Ms. Anju Mundhra
Secretarial Department
Trinity, 7th floor, 226/1, A.J.C. Bose Road,
Kolkata – 700 020.
Tel No. (033) 40102500, Fax No. (033) 40102543
Email: anjulohia@ashikagroup.com
secretarial@ashikagroup.com

x) **Email id of grievances redressal division :**

investorservices@ashikagroup.com

y) **List of all credit ratings obtained by the Company along with any revisions thereto during the relevant financial year, for all debt instruments of the Company or any fixed deposit programme or any scheme or proposal of the company involving mobilization of funds, whether in India or abroad :** Nil

z) **ISIN :** INE094B01013

(9) OTHER DISCLOSURES:

(a) Related Party Transactions:

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There have been no materially significant related party transactions which may have potential conflict of interest of the company at large. All Related Party Transactions are placed before the Audit Committee and Board. Prior approval of material Related Party Transactions are sought from Shareholders. Disclosure of transactions with related parties which hold(s) 10% or more shareholding in the listed entity is provided in notes to the financial statements, forming part of the Annual Report. All related party transactions are placed before the Audit Committee.

The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions of the Company is uploaded at <https://ashikagroup.com/pdf/policies/ACCL-2022-03-Related-Party-Transaction-Policy-wef-01.04.2022.pdf>

(b) Details of non compliances/ penalties/ strictures imposed on the Company by stock exchange or any other regulatory authority etc during the last three years:

No penalties or strictures have been imposed on the company by stock exchange(s) or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

(c) Details of establishment of vigil mechanism /whistle blower policy, and affirmation that no personnel has been denied access to the audit committee

Pursuant to the provisions of Section 177 of the Act and Regulation 22 of the Listing Regulations, the Company formulated a Vigil Mechanism/ Whistle Blower Policy for Directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct. This mechanism provides for adequate safeguards against victimization of director(s)/ employee(s) who avail the mechanism and makes provision for direct access to the Chairman of the Audit Committee. The policy has been uploaded on the website of the Company at <https://ashikagroup.com/pdf/policies/ACCL-2022-03-Vigil-Mechanism-Policy.pdf>

We affirm that no director/ employee of the Company were denied access to the Audit Committee.

(d) Web-link where Policy for determining 'Material Subsidiaries' is disclosed/ 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:

As on financial year ended 31st March, 2024, the Company does not have any material listed/unlisted Subsidiary Company as defined in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; further,

Corporate Governance Report

pursuant to Regulation 16(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereof, the Company has formulated a Policy for determining material subsidiary and the said Policy shall be effective from the day company shall have Subsidiary /Material subsidiary. The said policy is uploaded at the website of the Company at <https://ashikagroup.com/pdf/policies/Material-subsiary-policy.pdf>

(e) Disclosure of commodity price risks and commodity hedging activities:

The Company does not have any commodity price risks and commodity hedging activities. Hence, the same is not applicable to the company as on 31st March, 2024.

(f) Details of utilisation of funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32(7A) of SEBI (LODR) Regulations, 2015 : Nil

(g) Certificate from a Company Secretary In Practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/

Ministry of Corporate Affairs or any such statutory authority:

A certificate from M/s. MR & Associates, Practicing Company Secretaries that none of the Directors on the Board of the Company 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 statutory authority is forming part of Annual Report.

(h) During the Financial Year 2023-2024, there have been no instances where the Board of Directors of the Company has not accepted the recommendation of the committee of the Board, wherever required.

(i) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:

During the Financial Year 2023-2024, the Company has paid the following amounts on a consolidated basis to the Statutory Auditors of the Company, namely, M/s DMKH & CO, Chartered Accountants

| Sl. No. | Particulars | DMKH & Co |
|---------|--|---------------------|
| | | Amount (Rs in lacs) |
| 1 | As Auditor - Statutory Audit and Limited Reviews | 8.26 |
| 2 | For Other Services (Certification, etc.) | 1.48 |
| 3 | Out of Pocket expenses | 0.29 |

Further, the company has not availed any services during the Financial Year 2023-2024 from entities in network firm/network entity of which the statutory auditor is a part.

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

In terms of the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the number of complaints received during the Financial Year 2023-2024 along with their status of redressal as on financial year ended 31st March, 2024 are as under:

| | |
|--|-----|
| Number of complaints filed during the year | Nil |
| Number of complaints disposed off during the year | Nil |
| Number of complaints pending as on end of the financial year | Nil |

(k) 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':

The Company has given loans and advance in form Loan to Related Parties in which Directors are interested in line with Loan Policy and Related Party transaction Policy. The said RPTs were prior approved by Audit committee,

Board and Shareholders, as required. The loans and advances made were within compliance of Companies Act 2013, NBFC norms as applicable. Details of the Loans given have been disclosed in the Financial Statements of the Company.

(10) Disclosure of Non-Compliance of any requirement of Corporate Governance Report of Sub-Paras (2) to (10) of Part C of Schedule V of SEBI (LODR) Regulations, 2015:

The Company has fully complied with the applicable requirements of Regulation 34(3) of SEBI (LODR) Regulations, 2015 as well as sub-paras (2) to (10) of Part C of Schedule V of SEBI (LODR) Regulations, 2015 and amendments thereof, in terms of Corporate Governance Report.

(11) Details of adoption of Mandatory and Non- Mandatory requirements pursuant to Regulation 27(1) of SEBI (LODR) Regulations, 2015

The Company has been complying with the discretionary requirements as stipulated in Part E of Schedule II of the SEBI (LODR) Regulations, 2015 which are as follows:

- **The Board:** Currently, the Company does not have a non-executive chairman, so this clause is not applicable to the Company.
- **Shareholder Rights:** The quarterly, half yearly and annual financial results are published in the newspapers having all India circulation and sent to



Corporate Governance Report

stock changes and uploaded on the website of the company. The Company does not consider it prudent to circulate the same separately to the Shareholders of the Company.

The complete Annual Report is sent to every Shareholder of the Company through electronic mode at email ids registered with the Company.

- **Modified opinion(s) in audit report:** The audit report forming part of the Company's Financial Statements for the financial year ended 31st March, 2024 is unmodified.
- **Reporting of Internal Auditor:** The Internal Auditor or his representative is a permanent invitee to the Audit Committee meeting. The Chief Internal Auditor reports directly to the Audit Committee.
- **Chairman and Managing Director:** The chairman of company is an Executive Director . He does not hold the position of Managing Director, but the MD and Chairman are related to each other, being relative.

(12) Disclosure pursuant to Regulation 17 to 27 and Regulation 46 of SEBI (LODR) Regulations, 2015:

Pursuant to Schedule V of SEBI (LODR) Regulations, 2015, the Company hereby confirms that it has complied with the Corporate Governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of Regulation 46(2) of SEBI (LODR) Regulations, 2015 and necessary disclosures thereof have been provided in this Corporate Governance Report.

(13) Code of Conduct for Board, Key Managerial Personnel and Senior Management Personnel:

The Company has in place the Code of Conduct for Board of Directors, Key Managerial Personnel and Senior Management Personnel of the company and the said Code is uploaded on the website of the company at <https://ashikagroup.com/pdf/policies/ACCL-2022-03-Code-of-Conduct-for-Board-and-SMP.pdf>

All the Board members, KMPs and Senior Management Personnel have affirmed compliance with the aforesaid code.

Affirmation regarding compliance of the Code of Conduct by members of the Board and Senior Management Personnel has been provided by the Chief Executive Officer (CEO) of the Company and the same forms part of this Annual Report. The Company has received sufficient disclosures from Promoters, Directors or the Senior Management wherever applicable.

(14) CEO/ CFO Certification:

The CEO-cum-Managing Director and CFO of the Company have certified to the Board of Directors, inter alia, the accuracy of financial statements and adequacy of internal controls for the purpose of financial reporting as required under Regulation 17(8) of the SEBI (LODR) Regulations, 2015 for the financial year ended 31st March 2024.

(15) Corporate Governance Compliance

The Company has duly complied with the requirements

laid down in the provisions of the Listing Regulations for the purpose of ensuring Corporate Governance. A certificate to this effect obtained from M/s. MR & Associates, Practicing Company Secretaries has been attached to this Annual Report.

(16) Reconciliation of Share Capital Audit Report

As stipulated by SEBI, a Practicing Company Secretary carries out the Audit of Reconciliation of Share Capital on a quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and paid up capital. The Audit report is submitted to the Stock Exchanges and is placed before the Board at its meetings. The said Report on Reconciliation of Share Capital has been submitted with stock exchange quarterly within prescribed time also updated on the website of the company www.ashikagroup.com.

(17) Prevention of Insider Trading:

Pursuant to the Listing Regulations, the Company has formulated the 'Code of Conduct for Prevention of Insider Trading' and the 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' ('ACCL Insider Code'), which requires pre-clearance for dealing in the Company's shares. It also prohibits the purchase or sale of the Company's shares by the Directors and their immediate relatives, designated persons and connected persons, while in possession of unpublished price sensitive information in relation to the Company and during the period(s) when the Trading Window to deal in the Company's shares is closed. The Code is updated on website of the Company at <https://ashikagroup.com/pdf/policies/CodeofConductfor-Regulating-Monitoring-and-Reporting-ofTradingbyInsiders.pdf>

Pursuant to the above, the Company has put in place adequate and effective system of internal controls to ensure compliance with the requirements of the Prohibition of Insider Trading Regulations. The Company has also adopted the Policy for determination of Legitimate Purposes and Policy for Inquiry in case of leak or suspected leak of unpublished price sensitive information in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

A structured digital database is being maintained by the Company, which contains the names and other particulars as prescribed of the persons covered under the Codes drawn up pursuant to the Prohibition of Insider Trading Regulations.

Pursuant to SEBI Circular No. SEBI/HO/ISD/ISD-PoD-2/P/CIR/2023/124 dated 19th July, 2023 and relevant circulars issued by depositories and exchanges, the ISIN - INE094B01013 of the Company shall remain freeze in the PAN of the Designated Persons during the period of closure of trading window of the Company.

The Board of Directors have also formulated a Policy for determination of 'legitimate purposes' as a part of the Code of Fair Disclosure and Conduct as per the requirements of the Prohibition of Insider Trading Regulations and the same is updated on website of the

Corporate Governance Report

company at <https://ashikagroup.com/pdf/policies/ACCL-2022-03-Code-of-Practices-and-Procedures-on-Fair-Disclosure.pdf>

The Company Secretary has been appointed as the Compliance Officer for ensuring implementation of the codes for fair disclosure and conduct. The Board of Directors, designated persons and other connected

persons have affirmed compliance with the ACCL Insider Code.

- (18) None of shares of the company are lying in the demat suspense account or unclaimed suspense account.
- (19) The Company follows Indian Accounting Standard (Ind AS) issued by Ministry of Corporate Affairs in preparation of its financial statement.

For and on behalf of the Board of Directors

Place : Kolkata
Date : 13.05.2024

(Pawan Jain)
Executive Chairman
DIN: 00038076

(Daulat Jain)
Managing Director & CEO
DIN: 00040088

PRACTICING COMPANY SECRETARY'S CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members,
ASHIKA CREDIT CAPITAL LIMITED
226/1 A.J.C. Bose Road "Trinity", 7th Floor
Kolkata 700020
West Bengal

1. We have examined the compliance of conditions of Corporate Governance by Ashika Credit Capital Limited (CIN: L67120WB1994PLC062159) (hereinafter called the Company) for the Financial Year ended on 31st March, 2024, as stipulated in the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations') as amended.

We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the information furnished by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations') as amended.
4. We further state that such compliance 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.

For **MR & Associates**
Company Secretaries
A Peer Reviewed Firm
Peer Review Certificate No.: 5598/2024

[CS Sneha Khaitan Jalan]
Partner
FCS No.: 11977
C P No.: 14929
UDIN: F011977F000359533

Place: Kolkata
Date: 13.05.2024



Corporate Governance Report

Declaration regarding Compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct

I Daulat Jain, Managing Director & CEO of Ashika Credit Capital Ltd hereby confirm that all Board Members and Senior Management Personnel have affirmed compliance with "Code of Conduct for Board Members and Senior Management Personnel of the Company" as applicable to them for the year ended 31st March 2024.

Date: 13.05.2024

(Daulat Jain)
Managing Director & CEO
DIN: 00040088

CEO & CFO CERTIFICATION COMPLIANCE CERTIFICATE

Pursuant to Regulation 17(8) read with Regulation 33(2)(a) of SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors
Ashika Credit Capital Limited
Trinity, 226/1, AJC Bose Road
7th Floor, Kolkata - 700020

We, the undersigned in our respective capacity as Managing Director and Chief Executive Officer and Chief Financial Officer of Ashika Credit Capital Limited, do hereby certify to the best of our knowledge and belief that :

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief, we certify that :
- (1) The statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are no transactions entered into by the company during the year which are fraudulent, illegal or violation of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit committee
- (1) significant changes in internal control over financial reporting during the year;
 - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours sincerely,

(Daulat Jain)
Managing Director & CEO
DIN: 00040088

(Gaurav Jain)
Chief Financial Officer

Corporate Governance Report

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,
Ashika Credit Capital Limited
Trinity, 226/1 A.J.C Bose Road, 7th Floor,
Kolkata - 700020.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Ashika Credit Capital Limited** having CIN L67120WB1994PLC062159 and having registered office at Trinity, 226/1 A.J.C Bose Road, 7th Floor, Kolkata - 700020 (hereinafter referred to as 'the Company'), produced before us 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 our opinion and to the best of our 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 us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 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 Authority.

| Sr. No. | Name of the Directors | DIN | Date of Appointment in Company |
|---------|--|----------|---|
| 1. | Mr. Pawan Jain , Executive Chairman | 00038076 | 08/03/1994 (Re-appointed w.e.f. 01.11.2022) |
| 2. | Mr. Daulat Jain, Managing Director & CEO | 00040088 | 14/01/2016 (Re-appointed w.e.f. 01.11.2022) |
| 3. | Ms. Sonu Jain, Independent Director | 07267279 | 01/04/2019 (Re-appointed w.e.f. 01.04.2022) |
| 4. | Mr. Ajay Pratapray Shanghavi, Independent Director | 00084653 | 01/09/2023 |
| 5. | Mr. Tapan Sodani, Independent Director | 01921743 | 01/09/2023 |
| 6. | Mr. Amit Jain, Non Executive Director | 00040222 | 04/08/2021 |
| 7. | Mr. Sagar Jain , Independent Director | 00392422 | 29/06/2001 (Re-appointed w.e.f. 01.04.2019 and further ceased to be Director upon completion of his second/ final term of Office w.e.f 31st March, 2024) |

During the year under review, Ms. Suparna Sengupta (DIN: 07689952) ceased to be Independent Director of the Company upon completion of her second/ final term of Office w.e.f closure of business hours of 13th February, 2024.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our 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.

For **MR & Associates**
Company Secretaries
A Peer Reviewed Firm
Peer Review Certificate No.: 5598/2024

[CS Sneha Khaitan Jalan]

Partner

FCS No.:11977

C P No.:14929

UDIN: F011977F000359511

Place: Kolkata
Date: 13.05.2024



Independent Auditor's Report

To the Members of
Ashika Credit Capital Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **Ashika Credit Capital Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Ind AS financial statements including a summary of material accounting policy information and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the state of affairs of the Company as at March 31, 2024, its profit (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and 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 on the Ind AS financial statements.

Other Information

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, 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 Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a

Independent Auditor's Report

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 this Ind AS 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current year 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 section 143(11) of the Act, we report in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e. On the basis of the written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of section 164(2) of the Act;



Independent Auditor's Report

- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2";
- g. With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act. However, the company has obtained necessary approvals from the shareholders of the company by way of Special Resolution;

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 30 on Contingent Liabilities Ind AS financial statements;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - (iv) (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (iv) (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (iv) (c) Based on the audit procedures that are 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 nor paid any dividend during the year. Hence, reporting the compliance with section 123 of the Act is not applicable.
 - (vi) Based on our examination which include test checks, the company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For **DMKH & Co.**
Chartered Accountants
ICAI Firm Registration No.0116886W

Manish Kankani
Partner

Membership No.158020
UDIN: 24158020BKAKEW1125

Place: Kolkata
Date: May 13, 2024

Annexure 1 to the Independent Auditor's Report

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of Ashika Credit Capital Limited ("the Company") on the Ind AS financial statements for the year ended March 31, 2024]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Ind AS financial statements of the Company and taking into consideration the information, explanations and written representation given to us by the management and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Investment property.
- (B) The Company does not have any Intangible Assets and accordingly, reporting under clause (i)(a)(B) of paragraph 3 of the Order is not applicable.
- (b) During the year, the Property, Plant and Equipment and investment property of the Company have been physically verified by the management and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of lessee) disclosed in the Ind AS financial statements are held in the name of the Company, except for the details given below:

| Description of property | Gross carrying value | Held in name of | Whether promoter, director or their relative or employee | Period held | Reason for not being held in name of Company |
|-------------------------|----------------------|--|--|--------------------|--|
| Buildings | Rs.13.26 Lakhs | Queens Park Estates Pvt. Ltd. and others | No | Since October-2006 | Conveyance is pending |

- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and/or Intangible Assets during the year. Accordingly, reporting under clause (i)(d) of paragraph 3 of the Order is not applicable.
- (e) No proceedings have been initiated or are pending against the Company as at March 31, 2024 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company is in the business of Investment and Financing activity and consequently does not hold any inventory. Therefore, reporting under clause (ii)(a) of paragraph 3 of the Order is not applicable.
- (b) The Company has been sanctioned working capital limits in excess of five crore rupees during the year, in aggregate from financial institutions, on the basis of security of current assets. However, as per the agreement no quarterly returns/statements were required to be submitted by the company to those financial institutions. Further, the Company has not been sanctioned working capital limit in excess of five crore rupees during the year, from banks on the basis of security of current assets.
- (iii) (a) The Company's principal business is to give loans and therefore, reporting under clause (iii)(a) and (e) of paragraph 3 of the Order are not applicable.
- (b) The investments made, security given and the terms and conditions of the grant of all loans and advances in the nature of loans provided by the Company during the year are not prejudicial to the interest of the Company. Further, the Company has not provided any guarantee during the year.
- (c) The schedule of repayment of principal and payment of interest in respect of the loans and advances in the nature of loans has been stipulated.
- Further, we have been given to understand that taking into consideration the nature of business of the Company, the status of repayment of principal and payment of interest, as per the aforesaid stipulated schedule, in respect of loans and advances in the nature of loans keeps changing on a daily basis for cases which are irregular. Hence, it is difficult and impracticable to identify all the instances wherein the repayments or receipts are irregular during the year. As at March 31, 2024, there are no case outstanding in respect of loans and advances in the nature of loans which are irregular (includes principle and interest overdue).
- (d) In respect of the aforesaid loans and advances in the nature of loans, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) As informed to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) The Company has complied with the provisions of section 185 of the Act in respect of grant of loans, providing guarantees and securities. Further, the provisions of Section 186, except for Section 186(1) of the Act, are not applicable to the Company



Annexure 1 to the Independent Auditor's Report

as it is engaged in the business of financing.

- (v) The Company is a Non-Banking Finance Company registered with the Reserve Bank of India to which the provisions of sections 73 to 76 of the Act and the relevant rules made there under are not applicable. Accordingly, reporting under clause (v) of paragraph 3 of the Order is not applicable.
- (vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of section 148 of the Act and the rules framed there under.
- (vii) (a) The Company is generally regular in depositing with the appropriate authorities, undisputed statutory dues including Goods and Services tax (GST), provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to it, in all cases during the year. During the year 2017-18, sales tax, value added tax, service tax and duty of excise subsumed in GST and are accordingly reported under GST.
- No undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, GST, customs duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) There are no dues with respect to provident fund, employees' state insurance, income tax, GST, sales tax, service tax, value added tax, customs duty, excise duty and cess, which have not been deposited on account of any dispute.
- (viii) We have not come across any transaction which were previously not recorded in the books of account of the Company that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The company did not obtain any money by way of a term loans during the year and there were no outstanding term loans at the beginning of the year. Accordingly, reporting under clause (ix)(c) of paragraph 3 of the order is not applicable.
- (d) On an overall examination of the Ind AS financial statements of the Company, no funds raised on short-term basis, have been used for long-term purposes by the Company.
- (e) During the year ended March 31, 2024, the Company did not have any subsidiaries, associates or joint ventures as defined under the Act. Accordingly, reporting under clause (ix)(e) of paragraph 3 of the Order is not applicable.
- (f) During the year ended March 31, 2024, the Company did not have any subsidiaries, associates or joint ventures as defined under the Act. Accordingly, reporting under clause (ix)(f) of paragraph 3 of the Order is not applicable.
- (x) (a) The Company has not raised money by way of initial public issue offer / further public offer (including debt instruments) during the year. Therefore, reporting under clause (x)(a) of paragraph 3 of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Therefore, reporting under clause (x)(b) of paragraph 3 of the Order is not applicable.
- (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 fraud by the Company nor any fraud on the Company has been noticed or reported during the year, nor have we been informed of any such instance by the management.
- (b) No report under section 143(12) of the Act has been filed with the Central Government by the auditors of the Company in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, during the year or upto the date of this report. Further the Secretarial Auditor of the Company has informed that to the best of their knowledge and belief, they have not filed any report under section 143(12) of the Act with the Central Government in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, during the year or upto the date of this report.
- (c) There are no whistle blower complaints received by the Company during the year and upto the date of this report.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, reporting under clause (xii) of paragraph 3 of the Order is not applicable.
- (xiii) All transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the details have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

Annexure 1 to the Independent Auditor's Report

- (b) We have considered the Internal Audit Reports of the Company issued till date, for the period under audit.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with them during the year and hence, provisions of section 192 of the Act 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 and the registration has been obtained by the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without having a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined in Core Investment Companies (Reserve Bank) Directions, 2016 ("Directions") by the Reserve Bank of India. Accordingly, reporting under clause (xvi)(c) and (d) of paragraph 3 of the Order are not applicable.
- (d) As informed by the Company, the Group to which the Company belongs has no CIC as part of the Group.
- (xvii) The Company has not incurred cash losses in the current and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly, reporting under clause (xviii) of paragraph 3 of the Order is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Ind AS financial statements and 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 cause us to believe that any material uncertainty exists as on the date of this audit report and that the 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 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) There are no unspent amount towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Act in compliance with second proviso to section 135(5) of the said Act. Hence, reporting under clause (xx) of paragraph 3 of the Order is not applicable.

For **DMKH & Co.**
Chartered Accountants
ICAI Firm Registration No.0116886W

Manish Kankani
Partner
Membership No.158020
UDIN: 24158020BKAKEW1125

Place: Kolkata
Date: May 13, 2024



Annexure 2 to the Independent Auditor's Report

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of Ashika Credit capital limited on the Ind AS financial statements for the year ended March 31, 2024.]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Ashika Credit Capital limited ("the Company") as of March 31, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness.

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements 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, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For **DMKH & Co.**
Chartered Accountants
ICAI Firm Registration No.0116886W

Manish Kankani

Partner

Membership No.158020

UDIN: 24158020BKAKW1125

Place: Kolkata

Date: May 13, 2024

Balance Sheet as at 31st March, 2024

(₹ in Lakhs)

| Particulars | | Note No. | As at 31st March, 2024 | As at 31st March, 2023 |
|-------------------------------|---|----------|------------------------|------------------------|
| ASSETS | | | | |
| (1) | Financial Assets | | | |
| (a) | Cash and Cash Equivalents | 2 | 36.98 | 21.27 |
| (b) | Bank Balance other than (a) above | 3 | 18.81 | 18.79 |
| (c) | Receivables | 4 | | |
| | (i) Trade receivables | | - | - |
| | (ii) Other receivables | | 7.57 | 50.92 |
| (d) | Loans | 5 | - | 1,972.17 |
| (e) | Investments | 6 | 9,377.40 | 3,711.19 |
| (f) | Other Financial Assets | 7 | 2.33 | 1.93 |
| (2) | Non-Financial Assets | | | |
| (a) | Current Tax Assets (net) | 8 | 3.70 | 6.34 |
| (b) | Deferred Tax Assets (net) | 9 | - | 29.56 |
| (c) | Investment Property | 10 | 11.81 | 12.06 |
| (d) | Property, Plant and Equipment | 11 | 17.34 | 19.25 |
| (e) | Other Non-Financial Assets | 12 | 14.36 | 61.55 |
| | TOTAL ASSETS | | 9,490.30 | 5,905.03 |
| LIABILITIES AND EQUITY | | | | |
| LIABILITIES | | | | |
| (1) | Financial Liabilities | | | |
| (a) | Derivative financial instruments | 13 | 17.05 | 1.73 |
| (b) | Payables | 14 | | |
| | (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 | | - | - |
| (c) | Borrowings (Other than Debt Securities) | 15 | 2,511.84 | 3.35 |
| (d) | Other Financial Liabilities | 16 | 62.17 | 61.82 |
| (2) | Non-Financial Liabilities | | | |
| (a) | Current Tax Liabilities (net) | 17 | 9.72 | 62.11 |
| (b) | Provisions | 18 | 33.32 | 30.81 |
| (d) | Deferred Tax Liabilities (net) | 9 | 32.65 | - |
| (c) | Other Non-Financial Liabilities | 19 | 15.49 | 9.42 |
| | TOTAL LIABILITIES | | 2,682.24 | 169.24 |
| (3) | Equity | | | |
| (a) | Equity Share Capital | 20 | 1,188.17 | 1,188.17 |
| (b) | Other Equity | 21 | 5,619.89 | 4,547.62 |
| | TOTAL EQUITY | | 6,808.06 | 5,735.79 |
| | TOTAL LIABILITIES AND EQUITY | | 9,490.30 | 5,905.03 |

Significant Accounting Policies and Notes to Financial Statements

1-53

The Notes referred to above form an integral part of the Balance Sheet. This is the Balance Sheet referred to in our report of even date.

For **DMKH & Co.**
Chartered Accountants
ICAI Firm Registration No. 0116886W

For and on behalf of the Board of Directors

Manish Kankani
Partner
Membership No. 158020

Pawan Jain
Executive Chairman
(DIN: 00038076)
Place: Kolkata

Daulat Jain
Managing Director & Chief Executive Officer
(DIN: 00040088)
Place: Kolkata

Place: Kolkata
Date: May 13, 2024

Anju Mundhra
Company Secretary
(F6686)
Place: Kolkata

Gaurav Jain
Chief Financial Officer
Place: Kolkata

**Statement of Profit and Loss for the year ended 31st March, 2024**

(₹ in Lakhs)

| Particulars | | Note No. | Year ended 31st March, 2024 | Year ended 31st March, 2023 |
|--------------------------------|--|----------|--------------------------------|--------------------------------|
| REVENUE FROM OPERATIONS | | | | |
| (i) | Interest Income | 22 | 110.02 | 472.92 |
| (ii) | Dividend Income | | 24.42 | 5.75 |
| (iii) | Net gain on fair value changes | 23 | 1,703.87 | 580.98 |
| (I) | Total Revenue from Operations | | 1,838.31 | 1,059.65 |
| (II) | Other Income | 24 | 16.43 | 145.56 |
| (III) | Total Income (I+II) | | 1,854.74 | 1,205.21 |
| EXPENSES | | | | |
| (i) | Finance Costs | 25 | 73.43 | 11.56 |
| (ii) | Impairment on Financial Instruments (net) | 26 | (30.86) | (48.80) |
| (iii) | Employee Benefits Expenses | 27 | 284.71 | 270.70 |
| (iv) | Depreciation, Amortisation and Impairment Expense | 10-11 | 2.16 | 0.78 |
| (v) | Other Expenses | 28 | 249.16 | 176.60 |
| (IV) | Total Expenses | | 578.60 | 410.84 |
| (V) | Profit Before Exceptional items & Tax (III-IV) | | 1,276.14 | 794.37 |
| (VI) | Exceptional Items | | - | - |
| (VII) | Profit Before Tax (V-VI) | | 1,276.14 | 794.37 |
| (VIII) | Tax Expense: | | | |
| | (a) Current Tax | | 144.18 | 188.36 |
| | (b) Deferred Tax | | 61.58 | 17.15 |
| | (c) Tax in respect of earlier years | | - | 0.34 |
| (IX) | Profit After Tax (VII-VIII) | | 1,070.38 | 588.52 |
| (X) | Other Comprehensive Income | | | |
| | (i) Items that will not be reclassified to Profit or Loss | | | |
| | (a) Remeasurement Gain/ (Loss) on Defined Benefit Plans | | 2.52 | 2.12 |
| | (b) Income tax on above | | (0.63) | (0.53) |
| | Total Other Comprehensive Income (net of tax) | | 1.89 | 1.59 |
| (XI) | Total Comprehensive Income (IX+X) | | 1,072.27 | 590.11 |
| (XII) | Earnings per Equity Share (Face Value ₹ 10/- per share) | 29 | | |
| | Basic and diluted (in ₹) | | 9.01 | 4.95 |

Significant Accounting Policies and Notes to Financial Statements

1-53

The Notes referred to above form an integral part of the Statement of Profit and Loss. This is the Statement of Profit and Loss referred to in our report of even date.

For **DMKH & Co.**

Chartered Accountants
ICAI Firm Registration No. 0116886W

For and on behalf of the Board of Directors

Manish Kankani

Partner
Membership No. 158020

Pawan Jain

Executive Chairman
(DIN: 00038076)
Place: Kolkata

Daulat Jain

Managing Director & Chief Executive Officer
(DIN: 00040088)
Place: Kolkata

Anju Mundhra

Company Secretary
(F6686)
Place: Kolkata

Gaurav Jain

Chief Financial Officer
Place: Kolkata

Place: Kolkata
Date: May 13, 2024

Statement of Cash Flow for the year ended 31st March, 2024

(₹ in Lakhs)

| Particulars | | Year ended 31st March, 2024 | Year ended 31st March, 2023 |
|-------------|---|--------------------------------|--------------------------------|
| A. | Cash Flow from Operating Activities | | |
| | Profit/ (Loss) Before Tax | 1,276.14 | 794.37 |
| | Adjustments for: | | |
| | Depreciation, Amortisation and Impairment Expense | 2.16 | 0.78 |
| | Net unrealised fair value loss on investments | (320.60) | (190.90) |
| | Impairment on Financial Instruments (net) | (30.86) | (48.80) |
| | Finance Cost | 37.93 | 8.24 |
| | Interest Income | (107.77) | (472.92) |
| | Interest on income tax refund | (3.83) | (0.56) |
| | Interest on income tax | 1.78 | 3.32 |
| | Operating profit before working capital changes | 854.95 | 93.53 |
| | Movements in Working Capital : | | |
| | Adjustments for: | | |
| | (Increase)/ Decrease in Loans | 1,996.00 | (320.45) |
| | Increase / (Decrease) in Other Financial Liabilities | 0.35 | 6.23 |
| | Increase / (Decrease) in Other Non-Financial Liabilities | 11.10 | 4.98 |
| | (Increase)/ Decrease in Other Financial Assets | (0.40) | - |
| | (Increase)/ Decrease in Other Non-Financial Assets | 9.70 | (10.37) |
| | (Increase)/ Decrease in Investments | (5,345.62) | 828.09 |
| | (Increase)/ Decrease in Receivables | 43.35 | (36.85) |
| | Increase / (Decrease) in Derivatives financial instruments | 15.32 | 1.68 |
| | Cash Generated/ (Used) in Operations | (2,415.25) | 566.84 |
| | Advance taxes paid (including Tax Deducted at Source and net of Refunds) | (154.39) | (90.16) |
| | Interest on Loan Received | 114.79 | 521.34 |
| | Finance Cost Paid | (29.44) | (10.28) |
| | Net Cash Generated from/ (Used in) Operating Activities (A) | (2,484.29) | 987.74 |
| B. | Cash Flow from Investing Activities | | |
| | Purchase of Property, Plant and Equipment | - | (15.20) |
| | Net Cash Generated from/ (Used in) Investing Activities (B) | - | (15.20) |
| C. | Cash Flow from Financing Activities | | |
| | Amount received from borrowings (other than debt securities) | 17,955.00 | 3,600.00 |
| | Repayment of borrowings (other than debt securities) | (15,455.00) | (4,575.00) |
| | Net Cash Generated from/ (Used in) Financing Activities (C) | 2,500.00 | (975.00) |
| | Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C) | 15.71 | (2.46) |
| | Cash and Cash Equivalents at the beginning of the year | 21.30 | 23.76 |
| | Cash and Cash Equivalents at the end of the year (refer Note No. 2)* | 37.01 | 21.30 |

* The amount is exclusive of allowance for expected credit loss on balances with bank amounting to 0.03 lakhs (31st March, 2023: 0.03 Lakhs)

**Statement of Cash Flow for the year ended 31st March, 2024**

(₹ in Lakhs)

| Components of Cash and Cash Equivalents: | As at 31st March, 2024 | As at 31st March, 2023 |
|---|---------------------------|---------------------------|
| Cash and Cash Equivalents at the end of the year | | |
| (a) Cash on hand | 12.12 | 10.23 |
| (b) Balances with Banks - in Current Account | 24.89 | 11.07 |
| Less: Impairment loss allowance | (0.03) | -0.03 |
| | 36.98 | 21.27 |

Changes in Cash Flows from Financing Activities

(₹ in Lakhs)

| Particulars | As at 1st April, 2023 | Movement | | As at 31st March, 2024 |
|---|-----------------------------|----------|----------|------------------------------|
| | | Cash | Non-Cash | |
| Borrowings (Other than Debt Securities) | 3.35 | 2,496.65 | 11.84 | 2,511.84 |

(₹ in Lakhs)

| Particulars | As at 1st April, 2022 | Movement | | As at 31st March, 2023 |
|---|-----------------------------|----------|----------|------------------------------|
| | | Cash | Non-Cash | |
| Borrowings (Other than Debt Securities) | 977.08 | (977.08) | 3.35 | 3.35 |

Explanations:

- The above Statement of Cash Flows has been prepared under the Indirect Method as set out in the Indian Accounting Standard 7 'Statement of Cash Flows'.
- Figures pertaining to previous year have been rearranged / regrouped, wherever necessary, to make them comparable with those of current year.

This is the Statement of Cash Flows referred to in our report of even date.

For **DMKH & Co.**

Chartered Accountants

ICAI Firm Registration No. 0116886W

For and on behalf of the Board of Directors

Manish Kankani

Partner

Membership No. 158020

Pawan Jain

Executive Chairman

(DIN: 00038076)

Place: Kolkata

Daulat Jain

Managing Director & Chief Executive Officer

(DIN: 00040088)

Place: Kolkata

Anju Mundhra

Company Secretary

(F6686)

Place: Kolkata

Gaurav Jain

Chief Financial Officer

Place: Kolkata

Place: Kolkata

Date: May 13, 2024

Statement of Changes in Equity for the year ended 31st March, 2024

(₹ in Lakhs)

A. Equity Share Capital

| Balance as at 1st April, 2023 | Issued During the Year | Reductions During the Year | Balance as at 31st March, 2024 |
|-------------------------------|------------------------|----------------------------|--------------------------------|
| 1,188.17 | - | - | 1,188.17 |

(₹ in Lakhs)

| Balance as at 1st April, 2022 | Issued During the Year | Reductions During the Year | Balance as at 31st March, 2023 |
|-------------------------------|------------------------|----------------------------|--------------------------------|
| 1,188.17 | - | - | 1,188.17 |

B. Other Equity

(₹ in Lakhs)

| Particulars | Reserves and Surplus | | | Total |
|--|---|--------------------|-------------------|-----------------|
| | Statutory Reserve (pursuant to Section 45-IC of The Reserve Bank of India Act, 1934) | Securities Premium | Retained Earnings | |
| Balance as at the 1st April, 2023 | 556.19 | 3,362.01 | 629.42 | 4,547.62 |
| Profit/ (Loss) after tax for the year | - | - | 1,070.38 | 1,070.38 |
| Remeasurement Gain/ (Loss) on Defined Benefit Plans (net of tax) | - | - | 1.89 | 1.89 |
| Transfer to/(from) retained earnings | 214.08 | - | (214.08) | - |
| Balance as at 31st March, 2024 | 770.27 | 3,362.01 | 1,487.61 | 5,619.89 |

(₹ in Lakhs)

| Particulars | Reserves and Surplus | | | Total |
|--|---|--------------------|-------------------|-----------------|
| | Statutory Reserve (pursuant to Section 45-IC of The Reserve Bank of India Act, 1934) | Securities Premium | Retained Earnings | |
| Balance as at the 1st April, 2022 | 438.49 | 3,362.01 | 157.01 | 3,957.51 |
| Profit/ (Loss) after tax for the year | - | - | 588.52 | 588.52 |
| Remeasurement Gain/ (Loss) on Defined Benefit Plans (net of tax) | - | - | 1.59 | 1.59 |
| Transfer to/(from) retained earnings | 117.70 | - | (117.70) | - |
| Balance as at 31st March, 2023 | 556.19 | 3,362.01 | 629.42 | 4,547.62 |

Refer Note No. 21 for nature and purpose of reserves.

The Statement of Changes in Equity referred to in our report of even date.

For **DMKH & Co.**

Chartered Accountants

ICAI Firm Registration No. 0116886W

For and on behalf of the Board of Directors

Manish Kankani

Partner

Membership No. 158020

Pawan Jain

Executive Chairman

(DIN: 00038076)

Place: Kolkata

Daulat Jain

Managing Director & Chief Executive Officer

(DIN: 00040088)

Place: Kolkata

Anju Mundhra

Company Secretary

(F6686)

Place: Kolkata

Gaurav Jain

Chief Financial Officer

Place: Kolkata

Place: Kolkata

Date: May 13, 2024



Significant Accounting Policies and Notes to Financial Statements

1(a) Corporate Information

Ashika Credit Capital Limited (the "Company") is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in fund-based activities like providing loans and advances, inter-corporate deposits, loans against securities and investments in shares and securities. The Company provides services to individuals, corporate and financial institutions. The shares of the Company are listed on BSE Limited. During the year, the Company has Voluntarily delisted its shares from Calcutta Stock Exchange Limited and Metropolitan Stock Exchange Limited. The Company received a certificate of registration from the Reserve Bank of India ("the RBI") on 7th September, 1998 to commence/carry on the business of Non-Banking Financial Institution ("NBFI"), without accepting deposits, classified as a Base Layer (BL) NBFC. The registration details are as follows:

| | |
|--|-----------------------|
| RBI | 05.2892 |
| Corporate Identity Number (CIN) | L67120WB1994PLC062159 |

The registered office of the Company and the principal place of business is 'Trinity', 226/1, A.J.C. Bose Road, 7th Floor, Kolkata - 700020.

The financial statements of the Company for the year ended 31st March, 2024 were approved for issue in accordance with the resolution of the Board of Directors on 13th May, 2023.

1(b) Accounting Policies

1.1 Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (referred to as "Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, other relevant provision of the Act and guidelines issued by the RBI and Paragraph 10 of Master direction - Reserve Bank of India (Non Banking Financial company -Scale Based Regulation) Direction, 2023.

1.2 Basis of preparation and presentation

The financial statements of the Company have been prepared in accordance with Ind AS notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. The financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant Ind AS at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The accounting policies are applied consistently to all the periods presented in the financial statements.

The preparation of financial statements require the use of certain accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving higher degree of judgement or complexity, or areas where assumptions are critical to the Company are discussed in Note No. 1.16 - Accounting judgements, estimates and assumptions.

The management believes that the estimates used in preparation of financial statements are prudent and reasonable.

Actual results could differ from those estimates and the differences between the actual results and the estimates would be recognised in the periods in which the results are known / materialised.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest Lakh, except otherwise indicated.

Significant Accounting Policies and Notes to Financial Statements

1.3 Revenue Recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company, it can be reliably measured and it is reasonable to expect ultimate collection.

(A) Revenue from Operations:

Revenue from Operations is recognised in the Statement of Profit and Loss on an accrual basis as stated herein below:

- a) Interest income from financial assets is recognised by applying the Effective Interest Rate ('EIR') to the gross carrying amount of financial assets, other than credit-impaired assets and those classified as measured at Fair Value through Profit or Loss (FVTPL) or Fair Value through Other Comprehensive Income (FVTOCI). The basis of computation of EIR is discussed in Note No. 1.14.3.

Any subsequent changes in the estimation of the future cash flows having impact on EIR are recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

- b) Interest Income on credit impaired financial assets is recognised by applying the effective interest rate to the net amortised cost (i.e. after considering impairment loss allowance) of the financial assets.
- c) Income or net gain on fair value changes for financial assets classified as measured at FVTPL and FVTOCI is recognised as discussed in Note No. 1.14.3.
- d) Revenue from trading in securities/intraday transactions is accounted for on trade date basis.
- e) Income from dividend is recognised when the Company's right to receive such dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

(B) Other Income:

All other items of income are accounted for on accrual basis.

1.4 Leases

a) Arrangements where the Company is the lessee

The Company assesses whether a contract contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments in the Statement of Profit and Loss as operating expenses over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability i.e. the present value of the future lease payments, adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The lease payments are discounted using the interest rate implicit in the lease or if not readily determinable using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company change its assessment whether it will exercise an extension or a termination option.

b) Arrangements where the Company is the lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognised in the Statement of Profit and Loss.



Significant Accounting Policies and Notes to Financial Statements

1.5 Borrowing Costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense calculated using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Other income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Interest expense includes origination costs that are initially recognised as part of the carrying value of the financial liability and amortized over the expected life using the EIR. It also include expenses related to borrowing which are not part of effective interest as not directly related to loan origination.

1.6 Employee Benefits

1.6.1 Retirement benefit costs and other employee benefits

(A) Defined Contribution Plans:

Contributions to Provident Fund, Pension Fund and Employee State Insurance are considered as defined contribution plans and are recognised as expenditure when an employee renders related services.

(B) Defined Benefit Plans:

Gratuity Liability is a defined benefit plan. The cost of providing benefits is determined based on actuarial valuation carried out by an independent actuary using the projected unit credit method.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected under retained earnings and is not reclassified to the Statement of Profit and Loss.

(C) Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period in which related service is rendered.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

1.7 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax is determined at the amount of tax payable in respect of taxable profit for the year as per the Income-tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantially enacted at the reporting period.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Deferred tax

The Company's deferred tax is calculated using tax rate that are substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Significant Accounting Policies and Notes to Financial Statements

Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences, unused tax credits and unused tax losses being carried forward, to the extent that it is probable that taxable profits will be available in future against which these can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

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.

Current and deferred tax for the year

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

1.8 Property, Plant and Equipment

Property, plant and equipment shown in the balance sheet consists of assets used in the provision of services or for administrative purposes.

Initial and subsequent recognition

Property, plant and equipment are initially recognised at cost together with borrowing cost capitalized for qualifying assets. Cost comprises the purchase price and any directly attributable cost of bringing the asset to the location and its working condition for its intended use. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent to initial recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

De-recognition

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

Depreciation

Depreciation commences when the assets are ready for their intended use. It is recognised to write down the cost of the property, plant and equipment to their residual values over their useful lives, using the straight-line basis. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The Company has adopted the useful life as specified in Schedule II to the Act.

Depreciation on right-of-use asset is charged to Statement of Profit and Loss on straight line basis over the life of the asset.

Depreciation on assets purchased / sold during the period is recognised on a pro-rata basis.

1.9 Investment Property

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

Depreciation is recognised using straight line method so as to write off the cost of the investment property less their



Significant Accounting Policies and Notes to Financial Statements

residual values over their useful lives specified in Schedule II to the Act. The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period and the effect of any change in the estimates accounted for on prospective basis.

An investment property is de-recognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of property (calculated as difference between net disposal proceeds and the carrying amount of the asset) is recognised in the Statement of Profit and Loss in the period in which the property is de-recognised.

1.10 Impairment of Non-Financial Assets

At the end of each reporting period, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. 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. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax 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. An impairment loss is recognised immediately in the Statement of Profit and Loss.

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, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

1.11 Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised 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. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

In case of litigations, provision is recognised once it has been established that the Company has a present obligation based on information available up to the date on which the Company's financial statements are finalised and may in some cases entail seeking expert advice in making the determination on whether there is a present obligation.

Contingent Liabilities

Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. Company does not recognise contingent liability but discloses its existence in the financial statements.

Significant Accounting Policies and Notes to Financial Statements

Contingent Assets

Contingent assets are not recognised in the financial statements, but are disclosed where an inflow of economic benefits is probable.

1.12 Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand, balances with banks, cheques on hand, remittances in transit and short-term investments with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

1.13 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker (CODM). The CODM assess the financial performance and position of the Company and makes strategic decisions.

The Company is predominantly engaged in a single reportable segment of 'Financial Services' as per the Ind AS 108 - Segment Reporting.

1.14 Financial Instruments

Classification of financial instruments

The Company classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income
3. Financial assets to be measured at fair value through profit or loss

The classification depends on the contractual terms of the financial assets' cash flows and the Company's business model for managing financial assets which are explained below:

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel.
- The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed.
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The Solely Payments of Principal and Interest (SPPI) test

As a second step of its classification process the Company assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount).

In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and



Significant Accounting Policies and Notes to Financial Statements

a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

The Company classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

1.14.1 Recognition of Financial Instruments:

Financial assets and financial liabilities are recognised when entity becomes a party to the contractual provisions of the instruments. Loans & advances and all other regular way purchases or sales of financial assets are recognised and de-recognised on the trade date basis.

1.14.2 Initial Measurement of Financial Instruments:

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

1.14.3 Subsequent Measurement:

(A) Financial Assets

Financial Assets carried at Amortised Cost:

These financial assets comprise Bank Balances, Loans, Trade Receivables, Other Receivables, Investments and Other financial assets.

A financial asset is measured at amortised cost, if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI):

A financial asset is measured at FVTOCI, if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at Fair Value through Profit or Loss (FVTPL):

A financial asset which is not classified as Amortised Cost or FVTOCI is measured at FVTPL. Financial assets at FVTPL include financial assets held for trading and financial assets designated upon initial recognition as at FVTPL. A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Any differences between the fair values of financial assets classified as FVTPL and held by the Company on the balance sheet date is recognised in the Statement of Profit and Loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gain on fair value changes" under Revenue from Operations and if there is a net loss the same is recognised in "Net loss on fair value changes" under Expenses in the Statement of Profit and Loss.

Effective Interest Rate (EIR) Method:

The EIR is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The EIR is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability on initial recognition

Significant Accounting Policies and Notes to Financial Statements

The EIR for financial assets or financial liability is computed:

- a) By considering all the contractual terms of the financial instrument in estimating the cash flows.
- b) Including fees and transaction costs that are integral part of EIR.

Impairment of Financial Assets:

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and FVTOCI at each reporting date based on evidence or information that is available without undue cost or effort.

The Company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for that financial asset at an amount equal to 12-month expected credit losses.

No Expected credit losses are recognised on equity investments.

Also refer Note No. 1.14.6 Overview of the Expected Credit Loss (ECL) principles. .

De-recognition of Financial Assets:

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

On de-recognition of a financial asset accounted under Ind AS 109 in its entirety:

- a) For Financial Assets measured at Amortised Cost, the gain or loss is recognised in the Statement of Profit and Loss.
- b) For Financial Assets measured at FVTOCI, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves may be reclassified within equity.

If the transferred asset is part of a larger financial asset and the part transferred qualifies for de-recognition in its entirety, the previous carrying amount of the larger financial asset shall be allocated between the part that continues to be recognised and the part that is de-recognised, on the basis of the relative fair values of those parts on the date of the transfer.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, it recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, it continues to recognise the financial asset and also recognises a liability for the proceeds received.

Modification/ revision in estimates of cash flows of financial assets:

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the de-recognition of that financial asset in accordance with Ind AS 109, the Company recalculates the gross carrying amount of the financial asset and recognises a modification gain or loss in the Statement of Profit and Loss.

(B) Financial Liabilities and Equity Instruments

Classification as debt or equity:

Financial liabilities and equity instruments issued are classified according to the substance of the contractual arrangements entered into 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 the Company after deducting all of its liabilities. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.



Significant Accounting Policies and Notes to Financial Statements

Financial Liabilities

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at FVTPL. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Financial Liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 - "Financial Instruments".

Financial Liabilities measured at Amortised Cost

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method except for those designated in an effective hedging relationship.

Amortised cost is calculated by taking into account any discount or premium and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit and Loss. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the EIR method.

Trade and other payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year, which are unpaid. They are recognised initially at their fair value and subsequently measured at amortised cost.

Financial Guarantee Contracts

Financial guarantees issued by the Company are those guarantees that require a payment to be made to reimburse the holder of the guarantee for a loss incurred by the holder because the specified debtor fails to make a payment, when due, to the holder in accordance with the terms of a debt instrument. Financial guarantees are recognised initially as a liability at fair value, adjusted for transactions costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

1.14.4 Off-setting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet, when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously backed by past practice.

1.14.5 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability

The Principal or the most advantageous market must be accessible by the Company.

Significant Accounting Policies and Notes to Financial Statements

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are as follows:

Level 1 financial instruments: Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

Level 3 financial instruments: Those that include one or more unobservable input that is significant to the measurement as whole.

1.14.6 Overview of the Expected Credit Loss (ECL) principles

Expected credit loss (ECL) is the probability-weighted estimate of credit losses (i.e., the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between scheduled or contractual cash flows and actual expected cash flows. Consequently, ECL subsumes both the amount and timing of payments. It also incorporates available information which is relevant to the assessment, including information about past events, current conditions and reasonable and supportable information about future events and economic conditions at the reporting date.

For portfolio of exposures, ECL is modelled as the product of the probability of default, the loss given default and the exposure at default.

In case of assets identified to be significantly credit-impaired to the extent that default has happened or seems to be a certainty rather than probability, ECL would be determined by directly estimating the receipt of cash flows and timing thereof.

Staging:

The loan portfolio would be classified into three stage-wise buckets – Stage 1, Stage 2 and Stage 3 – corresponding to the contracts assessed as performing, under-performing and non-performing, in accordance with the Ind-AS guidelines. The key parameter used for stage-wise classification would be days past due (DPDs).

Stage 1:

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The company classifies all standard advances and advances upto 60 days default under this category. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

Stage 2:

All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. 60 Days Past Due is considered as significant increase in credit risk.



Significant Accounting Policies and Notes to Financial Statements

Stage 3:

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount. 150 Days Past Due is considered as default for classifying a financial instrument as credit impaired. If an event (for eg. any natural calamity) warrants a provision higher than as mandated under ECL methodology, the Company may classify the financial asset in Stage 3 accordingly.

While the presumption for inter-stage threshold for Stage 1 is 30 days, the company has rebutted the presumption and has considered 60 days as the threshold. As per current market practice, NBFCs typically tend to be paid later than banks by borrowers since banks control their working capital financing.

Methodology:

The basis of the ECL calculations are outlined below which is intended to be more forward-looking. Key elements of ECL are, as follows:

Probability of Default (PD) is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously de-recognised and is still in the portfolio.

Exposure at Default (EAD) is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

Loss Given Default (LGD) is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The key tenets of Company's methodology are as under:

Past performance as basis for ECL discovery: Company's ECL methodology is based on discovery of the relevant parameters – namely EAD, PD and LGD – from the Company's actual performance of past portfolios.

Life Cycle Determination: A significant portion of the advances of the Company is short-term in nature. Based on maturity pattern on the Company's advances in past years, the average life cycle has been considered as 1 year.

The management will continue to monitor the loan cases on an ongoing basis, and have the discretion to make higher provisions on the basis expected recovery of the individual accounts, wherever considered necessary.

1.14.7 Write-offs

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the Statement of profit and loss.

1.15 Earnings per Share ('EPS')

Basic EPS per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the diluted earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

1.16 Accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the Ind AS requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the

Significant Accounting Policies and Notes to Financial Statements

management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes.

1.16.1 Impairment Charges on loans and advances

The measurement of impairment losses requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These are based on the assumptions which are driven by a number of factors resulting in future changes to the impairment allowance.

A collective assessment of impairment takes into account data from the loan portfolio (such as credit quality, nature of assets underlying assets financed, levels of arrears, credit utilization, loan to collateral ratios etc.), and the concentration of risk and economic data (including levels of unemployment, country risk and performance of different individual groups). These significant assumptions have been applied consistently to all period presented.

The impairment loss on loans and advances is disclosed in more detail in Note No. 1.14.6 Overview of the ECL principles.

1.16.2 Business Model Assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are de-recognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model, if so, then it will be a prospective change to the classification of those assets.

1.16.3 Provisions other than Loan Impairment

Provisions are held in respect of a range of future obligations such as employee entitlements, litigation provisions, etc. Some of the provisions involve significant judgement about the likely outcome of various events and estimated future cash flows. The measurement of these provisions involves the exercise of management judgements about the ultimate outcomes of the transactions.

1.16.4 Fair Value Measurement

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

1.16.5 Defined Employee Benefit Assets and Liabilities

The cost of the defined benefit gratuity plan/long-term compensated absences and the present value of the gratuity obligation/long-term compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

1.16.6 EIR Method

The Company's EIR methodology recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).



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This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

1.16.7 Other Estimates

These include contingent liabilities, useful lives of tangible assets etc.

1.17 Foreign Currency Transactions and Translations

Transactions in foreign currencies are translated to the functional currency of the Company (i.e. INR) at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date and the related foreign currency gains or losses are recognised in the Statement of Profit and Loss.

1.18 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards.

Notes to Financial Statements as at and for the year ended 31st March, 2024

2. Cash and Cash Equivalents

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|---------------------------|---------------------------|
| Cash on hand | 12.12 | 10.23 |
| Balances with Banks - in Current Account | 24.89 | 11.07 |
| Total (Gross) | 37.01 | 21.30 |
| Less: Impairment loss allowance | 0.03 | 0.03 |
| Total (Net) | 36.98 | 21.27 |

3. Bank Balance other than above

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---------------------------------|---------------------------|---------------------------|
| Balance with Bank | | |
| Unclaimed Dividend Account | 18.83 | 18.83 |
| Total (Gross) | 18.83 | 18.83 |
| Less: Impairment loss allowance | 0.02 | 0.04 |
| Total (Net) | 18.81 | 18.79 |

4. Receivables

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|---------------------------|---------------------------|
| Trade Receivables | - | - |
| Other receivables considered good-unsecured | 7.57 | 50.92 |
| Gross | 7.57 | 50.92 |
| Less: Allowances for impairment loss on credit impaired other receivables | - | - |
| Net | 7.57 | 50.92 |

Ageing Schedules

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | | | | | | Total |
|--|---|--------------------------|-----------------------|-----------|-----------|-------------------------|-------------|
| | Outstanding for following periods from the due date of payment | | | | | | |
| | Not due | Less than 6 months | 6 months-1 year | 1-2 years | 2-3 years | more than 3 years | |
| (i) Undisputed Other Receivables - considered good | 7.57 | - | - | - | - | - | 7.57 |
| (ii) Undisputed Other Receivables - which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Other Receivables - Credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Other Receivables -considered good | - | - | - | - | - | - | - |
| (v) Disputed Other Receivables - which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Other Receivables -Credit impaired | - | - | - | - | - | - | - |
| Total | 7.57 | - | - | - | - | - | 7.57 |

**Notes to Financial Statements as at and for the year ended 31st March, 2024** (₹ in Lakhs)

| Particulars | As at 31st March, 2023 | | | | | | Total |
|--|--|--------------------|-----------------|-----------|-----------|-------------------|--------------|
| | Outstanding for following periods from the due date of payment | | | | | | |
| | Not due | Less than 6 months | 6 months-1 year | 1-2 years | 2-3 years | more than 3 years | |
| (i) Undisputed Other Receivables - considered good | 50.92 | - | - | - | - | - | 50.92 |
| (ii) Undisputed Other Receivables - which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Other Receivables - Credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Other Receivables -considered good | - | - | - | - | - | - | - |
| (v) Disputed Other Receivables - which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Other Receivables -Credit impaired | - | - | - | - | - | - | - |
| Total | 50.92 | - | - | - | - | - | 50.92 |

5. Loans

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | | | | | Total |
|--|------------------------|------------------------------------|------------------------|---|----------|-------|
| | Amortised Cost | At Fair Value | | | Subtotal | |
| | | Through Other Comprehensive Income | Through profit or loss | Designated at fair value through profit or loss | | |
| Loans | | | | | | |
| (A) | | | | | | |
| (i) Term Loans | | | | | | |
| - To Related Party | - | - | - | - | - | - |
| - To Others | - | - | - | - | - | - |
| (ii) Others | | | | | | |
| - Inter-Corporate Deposits | - | - | - | - | - | - |
| Total A (Gross) | - | - | - | - | - | - |
| Less: Impairment loss allowance | - | - | - | - | - | - |
| Total A (Net) | - | - | - | - | - | - |
| (B) | | | | | | |
| (i) Secured by tangible assets ¹ | - | - | - | - | - | - |
| (ii) Secured by intangible assets ² | - | - | - | - | - | - |
| (iii) Unsecured | - | - | - | - | - | - |
| Total B (Gross) | - | - | - | - | - | - |
| Less: Impairment loss allowance | - | - | - | - | - | - |
| Total B (Net) | - | - | - | - | - | - |
| (C)(I) Loans in India | | | | | | |
| (i) Public Sector | - | - | - | - | - | - |
| (ii) Others | | | | | | |
| - Corporates | - | - | - | - | - | - |
| - Other than Corporates | - | - | - | - | - | - |
| Total (C)(I)(Gross) | - | - | - | - | - | - |
| Less: Impairment loss allowance | - | - | - | - | - | - |
| Total (C)(I)(Net) | - | - | - | - | - | - |

Notes to Financial Statements as at and for the year ended 31st March, 2024 (₹ in Lakhs)

| Particulars | As at 31st March, 2024 | | | | | Total |
|--|------------------------|------------------------------------|------------------------|---|----------|-------|
| | Amortised Cost | At Fair Value | | | Subtotal | |
| | | Through Other Comprehensive Income | Through profit or loss | Designated at fair value through profit or loss | | |
| (C)(II) Loans outside India | - | - | - | - | - | - |
| Less: Impairment loss allowance | - | - | - | - | - | - |
| Total (C)(II)(Net) | - | - | - | - | - | - |
| Total (C)(I)(Net) and C (II)(Net) | - | - | - | - | - | - |

(₹ in Lakhs)

| Particulars | As at 31st March, 2023 | | | | | Total |
|--|------------------------|------------------------------------|------------------------|---|----------|-----------------|
| | Amortised Cost | At Fair Value | | | Subtotal | |
| | | Through Other Comprehensive Income | Through profit or loss | Designated at fair value through profit or loss | | |
| Loans | | | | | | |
| (A) | | | | | | |
| (i) Term Loans | | - | - | - | - | - |
| -To Related Party | 1,550.00 | | | | | 1,550.00 |
| -To Others | 453.02 | | | | | 453.02 |
| (ii) Other Loans | | | | | | |
| -Inter-Corporate Deposits | - | - | - | - | - | - |
| Total A (Gross) | 2,003.02 | - | - | - | - | 2,003.02 |
| Less: Impairment loss allowance | 30.85 | - | - | - | - | 30.85 |
| Total A (Net) | 1,972.17 | - | - | - | - | 1,972.17 |
| (B) | | | | | | |
| (i) Secured by tangible assets ¹ | - | - | - | - | - | - |
| (ii) Secured by intangible assets ² | 453.02 | - | - | - | - | 453.02 |
| (iii) Unsecured | 1,550.00 | - | - | - | - | 1,550.00 |
| Total B (Gross) | 2,003.02 | - | - | - | - | 2,003.02 |
| Less: Impairment loss allowance | 30.85 | - | - | - | - | 30.85 |
| Total B (Net) | 1,972.17 | - | - | - | - | 1,972.17 |
| (C)(I) Loans in India | | | | | | |
| (i) Public Sector | - | - | - | - | - | - |
| (ii) Others | | | | | | |
| -Corporates | 1,550.00 | - | - | - | - | 1,550.00 |
| -Other than Corporates | 453.02 | - | - | - | - | 453.02 |
| Total (C)(I)(Gross) | 2,003.02 | - | - | - | - | 2,003.02 |
| Less: Impairment loss allowance | 30.85 | - | - | - | - | 30.85 |
| Total (C)(I)(Net) | 1,972.17 | - | - | - | - | 1,972.17 |
| (C)(II) Loans outside India | - | - | - | - | - | - |
| Less: Impairment loss allowance | - | - | - | - | - | - |
| Total (C)(II)(Net) | - | - | - | - | - | - |
| Total (C)(I)(Net) and C (II)(Net) | 1,972.17 | - | - | - | - | 1,972.17 |

¹Secured by underlying hypothecated assets.

²Secured by pledge of securities.

**Notes to Financial Statements as at and for the year ended 31st March, 2024**

i) An analysis of changes in the gross carrying amount of loans is, as follows: (₹ in Lakhs)

| Particulars | As at 31st March, 2024 | | | | As at 31st March, 2023 | | | |
|---|------------------------|----------|----------|-----------------|------------------------|----------|--------------|-----------------|
| | Stage 1 | Stage 2 | Stage 3 | Total | Stage 1 | Stage 2 | Stage 3 | Total |
| Gross carrying amount - opening balance | 2,003.02 | - | - | 2,003.02 | 1,663.98 | - | 70.60 | 1,734.58 |
| New assets originated or purchased/ disbursement | 14,410.00 | - | - | 14,410.00 | 26,432.67 | - | 70.78 | 26,503.45 |
| Assets derecognised or repaid (excluding write offs) | (16,413.02) | - | - | (16,413.02) | (26,093.63) | - | (141.38) | (26,235.01) |
| Transfers to Stage 1 | - | - | - | - | - | - | - | - |
| Transfers to Stage 2 | - | - | - | - | - | - | - | - |
| Transfers to Stage 3 | - | - | - | - | - | - | - | - |
| Amounts written off | - | - | - | - | - | - | - | - |
| Gross carrying amount - closing balance | - | - | - | - | 2,003.02 | - | - | 2,003.02 |

ii) Reconciliation of ECL balance is given below: (₹ in Lakhs)

| Particulars | As at 31st March, 2024 | | | | As at 31st March, 2023 | | | |
|--|------------------------|----------|----------|--------------|------------------------|----------|--------------|--------------|
| | Stage 1 | Stage 2 | Stage 3 | Total | Stage 1 | Stage 2 | Stage 3 | Total |
| ECL allowance - opening balance | 30.85 | - | - | 30.85 | 47.59 | - | 35.71 | 83.30 |
| New assets originated or purchased/ disbursement | 221.91 | - | - | 221.91 | 755.97 | - | 33.93 | 789.90 |
| Assets derecognised or repaid (excluding write offs) | (252.76) | - | - | (252.76) | (746.28) | - | (69.64) | (815.92) |
| Changes in ECL rate from previous financial year | - | - | - | - | (26.43) | - | - | (26.43) |
| Transfers to Stage 1 | - | - | - | - | - | - | - | - |
| Transfers to Stage 2 | - | - | - | - | - | - | - | - |
| Transfers to Stage 3 | - | - | - | - | - | - | - | - |
| Impact on year end ECL of exposures transferred between stages during the year | - | - | - | - | - | - | - | - |
| Amounts written off | - | - | - | - | - | - | - | - |
| ECL allowance - closing balance | 0.00 | - | - | 0.00 | 30.85 | - | - | 30.85 |

iii) The contractual amount outstanding on loan assets that were written off during the reporting period and are still subject to enforcement activity is ₹ Nil (31st March, 2023: ₹ Nil).

iv) The change in Expected Credit Loss Allowance of the portfolio was driven by a change in the size of the portfolio, change in the composition of the portfolio and movements between stages as a result of increase or decrease in credit risk of the borrowers.

Notes to Financial Statements as at and for the year ended 31st March, 2024

6. Investments

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | | | | | Total |
|--|------------------------|------------------------------------|------------------------|---|-----------------|-----------------|
| | At Fair Value | | | | | |
| | Amortised Cost | Through Other Comprehensive Income | Through profit or loss | Designated at fair value through profit or loss | Subtotal | |
| Equity Instruments | - | - | 7,799.88 | - | 7,799.88 | 7,799.88 |
| Mutual Funds | - | - | 1,107.04 | - | 1,107.04 | 1,107.04 |
| Alternative Investment Funds | - | - | 470.48 | - | 470.48 | 470.48 |
| Total Gross (A) | - | - | 9,377.40 | - | 9,377.40 | 9,377.40 |
| (i) Investments outside India | - | - | - | - | - | - |
| (ii) Investments in India | - | - | 9,377.40 | - | 9,377.40 | 9,377.40 |
| Total Gross (B) | - | - | 9,377.40 | - | 9,377.40 | 9,377.40 |
| Less: Allowances for Impairment loss (C) | - | - | - | - | - | - |
| Total - Net D=(A)-(C) | - | - | 9,377.40 | - | 9,377.40 | 9,377.40 |

| Particulars | As at 31st March, 2023 | | | | | Total |
|--|------------------------|------------------------------------|------------------------|---|-----------------|-----------------|
| | At Fair Value | | | | | |
| | Amortised Cost | Through Other Comprehensive Income | Through profit or loss | Designated at fair value through profit or loss | Subtotal | |
| Equity Instruments | - | - | 2,709.93 | - | 2,709.93 | 2,709.93 |
| Mutual Funds | - | - | 1,001.26 | - | 1,001.26 | 1,001.26 |
| Alternative Investment Funds | - | - | - | - | - | - |
| Total Gross (A) | - | - | 3,711.19 | - | 3,711.19 | 3,711.19 |
| (i) Investments outside India | - | - | - | - | - | - |
| (ii) Investments in India | - | - | 3,711.19 | - | 3,711.19 | 3,711.19 |
| Total Gross (B) | - | - | 3,711.19 | - | 3,711.19 | 3,711.19 |
| Less: Allowances for Impairment loss (C) | - | - | - | - | - | - |
| Total - Net D=(A)-(C) | - | - | 3,711.19 | - | 3,711.19 | 3,711.19 |

| Particulars | Face Value (₹) | Quantity | | | |
|--|----------------|------------------------|------------------------|------------------------|------------------------|
| | | As at 31st March, 2024 | As at 31st March, 2023 | As at 31st March, 2024 | As at 31st March, 2023 |
| | | | | | |
| Investment Carried at Fair Value through Profit or Loss | | | | | |
| In Equity Instruments (Quoted) | | | | | |
| ADANI ENERGY SOLUTIONS LTD | 10 | 10,800 | - | 110.88 | - |
| ADANI ENTERPRISES LTD | 1 | 3,600 | - | 115.09 | - |
| ADANI GREEN ENERGY LTD | 10 | 10,800 | - | 198.20 | - |
| BHAGIRADHA CHEMICALS & INDUSTRIES LTD | 10 | 7,200 | - | 115.80 | - |
| CLEAN SCIENCE AND TECHNOLOGY LTD | 1 | 10,800 | - | 143.57 | - |
| CPSE ETF | 10 | 1,62,000 | - | 129.45 | - |
| HARIOM PIPE INDUSTRIES LTD | 10 | 28,800 | - | 130.52 | - |

**Notes to Financial Statements as at and for the year ended 31st March, 2024** (₹ in Lakhs)

| Particulars | Face Value (₹) | Quantity | | | |
|---|----------------|------------------------|------------------------|------------------------|------------------------|
| | | As at 31st March, 2024 | As at 31st March, 2023 | As at 31st March, 2024 | As at 31st March, 2023 |
| JIO FINANCIAL SERVICES LTD | 10 | 99,000 | - | 350.21 | - |
| KESORAM INDUSTRIES LTD | 10 | 1,30,000 | - | 222.50 | - |
| NIPPON IND NIFTY PHARMA | 10 | 6,48,000 | - | 124.87 | - |
| NIPPON IND NIFTYBESS | 1 | 1,08,000 | - | 266.72 | - |
| NIPPON IND PSU BANK | 1 | 1,62,000 | - | 125.61 | - |
| OIL INDIA LTD | 10 | 27,000 | - | 162.06 | - |
| RELIGARE ENTERPRISES LTD | 10 | 4,50,686 | - | 943.07 | - |
| ROUTE MOBILE LTD | 10 | 2,39,266 | - | 3,833.64 | - |
| RPSG VENTURES LTD | 10 | 13,500 | 43,651 | 84.06 | 159.28 |
| SBFC FINANCE LTD | 10 | 1,26,000 | - | 103.26 | - |
| TCNS CLOTHING CO. LTD | 2 | 63,175 | - | 216.09 | - |
| TEJAS NETWORKS LTD | 10 | 47,700 | - | 313.10 | - |
| TVS SUPPLY CHAIN SOLUTIONS | 1 | 72,000 | - | 111.17 | - |
| EUREKA FORBES LTD | 10 | - | 46,047 | - | 196.48 |
| HEALTHCARE GLOBAL ENTERPRISES LTD | 10 | - | 45,000 | - | 118.10 |
| HIKAL LTD | 2 | - | 63,000 | - | 177.44 |
| R SYSTEMS INTERATIONAL LTD | 1 | - | 4,02,318 | - | 1,024.30 |
| SUVEN PHARMA LTD | 1 | - | 1,42,056 | - | 671.07 |
| VADILAL INDUSTRIES LTD | 10 | - | 4,000 | - | 87.85 |
| ZOMATO LTD | 1 | - | 5,40,000 | - | 275.40 |
| In Equity Instruments (Unquoted) | | | | | |
| -MANIRATNAM FLAT OWNERS ASSOCIATION | 1 | 1,298 | 1,298 | 0.01 | 0.01 |
| In Alternative Investment Fund | | | | | |
| -ISAF III ONSHORE FUND | 10000 | 324.39 | - | 33.68 | - |
| -AEQUITAS EQUITY FUND SCHEME | 100 | 3,00,000.00 | - | 309.17 | - |
| -SPARROW CAPITAL II | 10000 | 200.00 | - | 20.00 | - |
| -ASHIKA INDIA SELECT FUND | 10 | 1,08,000.00 | - | 107.63 | - |
| In Mutual funds (Unquoted) | | | | | |
| -KOTAK BOND FUND | 10 | 4,63,438 | 4,63,438 | 323.73 | 300.53 |
| -KOTAK GILT FUND | 10 | 2,45,127 | 2,45,127 | 216.14 | 200.19 |
| -KOTAK MONEY MARKET FUND | 1000 | 2,635 | 2,635 | 107.81 | 100.23 |
| -SBI MAGNUM GILT FUND | 10 | 3,63,151 | 3,63,151 | 217.78 | 200.22 |
| -TATA GILT INDEX FUND | 10 | 19,30,527 | 19,30,527 | 214.33 | 200.09 |
| -SBI ENERGY OPPORTUNITIES FUND | 10 | 2,69,987 | - | 27.25 | 0.00 |
| Total | | 56,96,489 | 42,92,248 | 9,377.40 | 3,711.19 |

More information regarding the valuation methodologies can be found in Note No. 36(B).

Notes to Financial Statements as at and for the year ended 31st March, 2024

7. Other Financial Assets

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--------------------------|---------------------------|---------------------------|
| Security Deposits | | |
| - To Related Parties | 1.60 | 1.60 |
| - To Others | 0.73 | 0.33 |
| Total | 2.33 | 1.93 |

8. Current Tax Assets (net)

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|---------------------------|---------------------------|
| Advance income tax [(Net of provision for income tax ₹ 47.48)(31st March, 2023: ₹ 47.48)] | 3.70 | 6.34 |
| Total | 3.70 | 6.34 |

9. Deferred Tax Assets / (Deferred Tax Liabilities)(net)

(₹ in Lakhs)

| Particulars | As at 31st March, 2023 | Recognised / (reversed) in Statement of Profit and Loss | Recognised / (reversed) in Other Comprehensive Income | As at 31st March, 2024 |
|--|---------------------------|--|---|---------------------------|
| Property Plant and Equipment | (0.24) | (0.06) | - | (0.30) |
| Provision for Post retirement benefits | 8.57 | 1.26 | (0.63) | 9.20 |
| Provision for Investments | 13.45 | (55.01) | - | (41.56) |
| Loans measured at Amortised Cost | 7.78 | (7.77) | - | 0.01 |
| Net Deferred Tax Assets / (Liabilities) | 29.56 | (61.58) | (0.63) | (32.65) |

| Particulars | As at 1st April, 2022 | Recognised / (reversed) in Statement of Profit and Loss | Recognised / (reversed) in Other Comprehensive Income | As at 1st April, 2023 |
|--|--------------------------|--|---|--------------------------|
| Property Plant and Equipment | (0.02) | (0.22) | - | (0.24) |
| Provision for Post retirement benefits | 7.84 | 1.26 | (0.53) | 8.57 |
| Provision for Investments | 44.95 | (31.50) | - | 13.45 |
| Loans measured at Amortised Cost | (5.53) | 13.31 | - | 7.78 |
| Net Deferred Tax Assets / (Liabilities) | 47.24 | (17.15) | (0.53) | 29.56 |

10. Investment Property

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|---------------------------|---------------------------|
| Building* | | |
| Opening Gross Carrying Amount | 13.26 | 13.26 |
| Additions / Adjustments | - | - |
| Disposals / Adjustments | - | - |
| Closing Gross Carrying Amount | 13.26 | 13.26 |
| Opening Accumulated Depreciation and Impairment Expense | 1.20 | 0.95 |
| Depreciation charge for the year | 0.25 | 0.25 |
| Closing Accumulated Depreciation and Impairment Expense | 1.45 | 1.20 |
| Net Carrying Amount | 11.81 | 12.06 |



Notes to Financial Statements as at and for the year ended 31st March, 2024

(i) Amounts recognised in Statement of Profit and Loss for Investment Property

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|---------------------------|---------------------------|
| Rental income from investment property | - | - |
| Direct operating expenses (including repairs and maintenance) arising from investment property that generated rental income during the year | - | - |
| Direct operating expenses (including repairs and maintenance) arising from investment property that did not generate rental income during the year | 0.93 | 0.36 |

(ii) Fair Value

(₹ in Lakhs)

| Particulars | Level | As at 31st March, 2024 | As at 31st March, 2023 |
|---------------------|---------|---------------------------|---------------------------|
| Investment Property | Level 2 | 43 | 42.19 |

(iii) Brief description of the valuation technique and inputs used to value the Investment Property

Investment property includes and represents a flat located at "Mani Ratnam Apartment", Diamond Block, 4th floor, flat No.-4DF, Kharibari Road, Duck Banglo More, Rajarhat Chowmatha, under Rajarhat-Bishnupur-1 No. Gram Panchayet, P.O.-Rajarhat, P.S.-Rajarhat, Dist.-North 24 Parganas, Pincode -700135, West Bengal held for capital appreciation. The fair value of investment property is determined in accordance with the advice of independent, professionally qualified registered valuer. The fair value was derived based on Government Guideline price collected from government website and local enquiry considering the location, position, finishing and age of the property.

(iv) Contractual obligations

The Company has no contractual obligations to purchase, construct or develop investment property. However, the responsibility for its repairs, maintenance or enhancements is with the Company. Also, the property is not pledged.

*The conveyance for the property is still pending.

11. Property, Plant and Equipment

(₹ in Lakhs)

| Particulars | Gross Carrying Amount | | | | Depreciation and Accumulated Depreciation | | | | Net Carrying Amount |
|---------------------------|-----------------------------|---------------------------------|---------------------------------------|------------------------------|---|--------------|---------------------------------------|------------------------------|------------------------------|
| | As at 1st April, 2023 | Additions during the year | Disposals and other adjustments | As at 31st March, 2024 | As at 1st April, 2023 | For the year | Disposals and other adjustments | As at 31st March, 2024 | As at 31st March, 2024 |
| | (a) | (b) | (c) | (d=a+b-c) | (e) | (f) | (g) | (h=e+f-g) | (d-h) |
| Tangible assets: | | | | | | | | | |
| Assets for Own use | | | | | | | | | |
| Building | 4.72 | - | - | 4.72 | 0.47 | 0.10 | - | 0.57 | 4.15 |
| Office equipments | 1.06 | - | - | 1.06 | 0.83 | - | - | 0.83 | 0.23 |
| Motor Vehicle | 15.20 | - | - | 15.20 | 0.43 | 1.81 | - | 2.24 | 12.96 |
| Total | 20.98 | - | - | 20.98 | 1.73 | 1.91 | - | 3.64 | 17.34 |

Notes to Financial Statements as at and for the year ended 31st March, 2024 (₹ in Lakhs)

| Particulars | Gross Carrying Amount | | | | Depreciation and Accumulated Depreciation | | | | Net Carrying Amount |
|---------------------------|-----------------------|---------------------------|---------------------------------|------------------------|---|--------------|---------------------------------|------------------------|------------------------|
| | As at 1st April, 2022 | Additions during the year | Disposals and other adjustments | As at 31st March, 2023 | As at 1st April, 2022 | For the year | Disposals and other adjustments | As at 31st March, 2023 | As at 31st March, 2023 |
| | (a) | (b) | (c) | (d=a+b-c) | (e) | (f) | (g) | (h=e+f-g) | (d-h) |
| Tangible assets: | | | | | | | | | |
| Assets for Own use | | | | | | | | | |
| Building | 4.72 | - | - | 4.72 | 0.37 | 0.10 | - | 0.47 | 4.25 |
| Office equipments | 1.06 | - | - | 1.06 | 0.83 | - | - | 0.83 | 0.23 |
| Motor Vehicle | 0.00 | 15.20 | - | 15.20 | - | 0.43 | - | 0.43 | 14.77 |
| Total | 5.78 | 15.20 | - | 20.98 | 1.20 | 0.53 | - | 1.73 | 19.25 |

12. Other Non-Financial Assets

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|------------------------|------------------------|
| Advances to Employees | 1.04 | 7.15 |
| Advances to Vendors for Operating Expenses | 5.50 | 9.23 |
| Prepaid Expenses | 2.09 | 1.95 |
| Balances with Government Authorities | | |
| - Goods and Services Tax (Credit Input Receivable) | 4.45 | 4.45 |
| - Income Tax Paid Under Protest (refer Note No. 30)* | 1.28 | 38.77 |
| Total | 14.36 | 61.55 |

*Pending refund from Income Tax authorities

13. Derivative financial instruments

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | | | As at 31st March, 2023 | | |
|----------------------------|------------------------|-------------------|------------------------|------------------------|-------------------|------------------------|
| | Notional Amounts | Fair Value Assets | Fair Value Liabilities | Notional Amounts | Fair Value Assets | Fair Value Liabilities |
| Equity derivatives* | | | | | | |
| - Futures | 4,498.11 | - | 17.05 | 96.21 | - | 1.73 |
| Total | 4,498.11 | - | 17.05 | 96.21 | - | 1.73 |

*Derivatives are held for trading purpose.

14. Trade Payables

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|------------------------|------------------------|
| Trade Payables | | |
| - Total outstanding dues of micro enterprises and small enterprises (refer Note No. 14.1) | - | - |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | - | - |
| Other Payables | | |
| - Total outstanding dues of micro enterprises and small enterprises (refer Note No. 14.1) | - | - |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | - | - |
| Total | - | - |

**Notes to Financial Statements as at and for the year ended 31st March, 2024** (₹ in Lakhs)**14.1 Dues of Micro Enterprises and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006**

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|---------------------------|---------------------------|
| a) The principal amount and interest due thereon remaining unpaid to any supplier. | - | - |
| b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day. | - | - |
| c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006. | - | - |
| d) The amount of interest accrued and remaining unpaid. | - | - |
| e) The amount of further interest remaining due and payable even in the succeeding year until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | - | - |
| Total | - | - |

Dues as above to the Micro Enterprises and Small Enterprises have been determined by the Management. This has been relied upon by the auditors.

15. Borrowings (Other than Debt Securities)

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | | | Total |
|--|------------------------|--------------------------------------|---|-----------------|
| | At Amortised Cost | At fair value through profit or loss | Designated at fair value through profit or Loss | |
| Secured* | | | | |
| - Loans (Line of Credit) from Financial Institutions | 2,511.84 | - | - | 2,511.84 |
| Unsecured | | | | |
| - Loans from Related Parties | 0.00 | | | - |
| Total | 2,511.84 | - | - | 2,511.84 |
| Borrowings in India | 2,511.84 | - | - | 2,511.84 |
| Borrowings outside India | - | - | - | - |
| Total | 2,511.84 | - | - | 2,511.84 |

| Particulars | As at 31st March, 2023 | | | Total |
|--|------------------------|--------------------------------------|---|-------------|
| | At Amortised Cost | At fair value through profit or loss | Designated at fair value through profit or Loss | |
| Secured* | | | | |
| - Loans (Line of Credit) from Financial Institutions | 3.35 | - | - | 3.35 |
| Unsecured | | | | |
| - Loans from Related Parties | 0.00 | - | - | - |
| Total | 3.35 | - | - | 3.35 |
| Borrowings in India | 3.35 | - | - | 3.35 |
| Borrowings outside India | - | - | - | - |
| Total | 3.35 | - | - | 3.35 |

* secured against pledge of investment in equity shares

Notes to Financial Statements as at and for the year ended 31st March, 2024

The borrowings have not been guaranteed by directors or others. The company has not defaulted in repayment of principal and interest to its lenders.

The Company has utilised the funds raised from financial institutions for the specific purpose for which they were borrowed.

The Company has borrowed funds from financial institutions on the basis of security of current assets. There is no pre-condition for submission of any returns and statements, and accordingly the Company is not required to file quarterly returns or statements.

Loan is repayable at any time on or before the due date during the tenure of loan at the sole discretion of the borrower.

Terms of repayment

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---------------|---------------------------|---------------------------|
| Within 1 year | - | - |

16. Other Financial Liabilities

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|---------------------------|---------------------------|
| Payable to Employees | 25.77 | 25.11 |
| Liabilities for Operating Expenses | 12.83 | 11.29 |
| Other payables | 4.74 | 6.59 |
| Unpaid Dividends (refer Note No. 16.1) | 18.83 | 18.83 |
| Total | 62.17 | 61.82 |

16.1 To be credited to Investor Education and Protection Fund on 12th September, 2026. As at 31st March, 2024, there are no amounts due to be transferred to Investor Education and Protection Fund.

17. Current Tax Liabilities (net)

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|---------------------------|---------------------------|
| Provision For Taxation (Net of Advance Tax ₹ 135.16, 31st March, 2023: ₹ 129.58) | 9.72 | 62.11 |
| Total | 9.72 | 62.11 |

18. Provisions

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|---------------------------|---------------------------|
| Provision for Employee Benefits (refer Note No. 32) Gratuity | 33.32 | 30.81 |
| Total | 33.32 | 30.81 |

19. Other Non-Financial Liabilities

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|------------------------|---------------------------|---------------------------|
| Statutory Dues Payable | 15.49 | 9.42 |
| Total | 15.49 | 9.42 |

**Notes to Financial Statements as at and for the year ended 31st March, 2024****20. Equity Share Capital**

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | | As at 31st March, 2023 | |
|--|---------------------------|-----------------|---------------------------|-----------------|
| | No. of Shares | ₹ in Lakhs | No. of Shares | ₹ in Lakhs |
| Authorised | | | | |
| Equity Shares, ₹ 10/- face value per share | 2,02,50,000 | 2,025.00 | 2,02,50,000 | 2,025.00 |
| Total | | 2,025.00 | | 2,025.00 |
| Issued and Subscribed | | | | |
| Equity Shares, ₹ 10/- face value per share | 1,18,86,174 | 1,188.62 | 1,18,86,174 | 1,188.62 |
| Fully Paid-up | | | | |
| Equity Shares, ₹ 10/- face value per share | 1,18,80,000 | 1,188.00 | 1,18,80,000 | 1,188.00 |
| Forfeited Shares | 6,174 | 0.17 | 6,174 | 0.17 |
| Total | | 1,188.17 | | 1,188.17 |

a. Reconciliation of the Number of Equity Shares outstanding

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | | As at 31st March, 2023 | |
|------------------------------|---------------------------|-----------------|---------------------------|-----------------|
| | No. of Shares | ₹ in Lakhs | No. of Shares | ₹ in Lakhs |
| At the beginning of the year | 1,18,80,000 | 1,188.00 | 1,18,80,000 | 1,188.00 |
| Add: Issued during the year | - | - | - | - |
| At the end of the year | 1,18,80,000 | 1,188.00 | 1,18,80,000 | 1,188.00 |

b. Rights, preferences and restrictions in respect of Equity Shares

The Company's authorised capital consists of one class of shares, referred to as Equity Shares, having face value of ₹ 10/- each. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividend in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Aggregate number of Equity Shares allotted as fully paid-up without payment being received in cash/by way of bonus shares (during 5 years preceding 31st March, 2023)

The Company has not issued any Equity shares during the 5 year preceding 31st March, 2023 without payment being received in cash/ by way of bonus shares.

d. The details of Shareholders holding more than 5% of the equity shares each, are set out below:

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | | As at 31st March, 2023 | |
|--|---------------------------|----------------------|---------------------------|----------------------|
| | No. of Shares | % of Shareholding | No. of Shares | % of Shareholding |
| Ashika Global Securities Pvt. Ltd. | 34,04,892 | 28.66 | 32,13,699 | 27.05 |
| Pawan Jain (HUF) | 7,89,000 | 6.64 | 7,89,000 | 6.64 |
| Ashika Commodities & Derivatives Pvt. Ltd. | 23,59,510 | 19.86 | 19,64,469 | 16.54 |

Notes to Financial Statements as at and for the year ended 31st March, 2024

e. The details of Shares held by promoters at the end of the year*

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | | |
|--|---------------------------|-------------------|--------------------------|
| | No. of shares | % of total shares | % change during the year |
| Ashika Global Securities Pvt. Ltd. | 34,04,892 | 28.66 | 5.95 |
| Pawan Jain (HUF) | 7,89,000 | 6.64 | - |
| Ashika Commodities & Derivatives Pvt. Ltd. | 23,59,510 | 19.86 | 20.11 |
| Daulat Jain | 4,50,000 | 3.79 | - |

| Particulars | As at 31st March, 2023 | | |
|--|---------------------------|-------------------|--------------------------|
| | No. of shares | % of total shares | % change during the year |
| Ashika Global Securities Pvt. Ltd. | 32,13,699 | 27.05 | - |
| Pawan Jain (HUF) | 7,89,000 | 6.64 | - |
| Ashika Commodities & Derivatives Pvt. Ltd. | 19,64,469 | 16.54 | 42.69 |
| Daulat Jain | 4,50,000 | 3.79 | - |

*Promoter here means promoters as defined in the Companies Act 2013.

**Class of Shares is Equity share, ₹ 10/- face value.

f. Refer Note No. 35- "Capital Management" for the Company's objectives, policies and processes for managing capital.

21. Other Equity

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|---------------------------|---------------------------|
| Statutory Reserve (pursuant to Section 45-IC of The Reserve Bank of India Act, 1934) | | |
| Opening balance | 556.19 | 438.49 |
| Add: Transferred from retained earnings | 214.08 | 117.70 |
| Closing balance | 770.27 | 556.19 |
| Securities Premium | | |
| Opening balance | 3,362.01 | 3,362.01 |
| Add: On account of issue of equity shares | - | - |
| Closing balance | 3,362.01 | 3,362.01 |
| Retained Earnings | | |
| Opening balance | 629.42 | 157.01 |
| Add: Profit/(Loss) after tax for the year | 1,070.38 | 588.52 |
| Add: Remeasurement Gain/(Loss) on Defined Benefit Plans (net of tax) | 1.89 | 1.59 |
| Amount available for appropriation | 1,701.69 | 747.12 |
| Appropriations: | | |
| Less: Transferred to Statutory Reserve (Pursuant to Section 45-IC of the Reserve Bank of India Act, 1934) | 214.08 | 117.70 |
| Closing balance | 1,487.61 | 629.42 |
| Total | 5,619.89 | 4,547.62 |



Notes to Financial Statements as at and for the year ended 31st March, 2024

Nature and Purpose of Reserves

(i) Statutory Reserve (pursuant to Section 45-IC of The Reserve Bank of India Act, 1934):

Every year the Company transfers a sum of not less than twenty per cent of net profit after tax of that year as disclosed in the statement of profit and loss to its Statutory Reserve pursuant to Section 45-IC of the RBI Act, 1934.

The conditions and restrictions for distribution attached to statutory reserves as specified in Section 45-IC(1) in the Reserve Bank of India Act, 1934:

No appropriation of any sum from the reserve fund shall be made by the Company except for the purpose as may be specified by the RBI from time to time and every such appropriation shall be reported to the RBI within twenty-one days from the date of such withdrawal. RBI may, in any particular case and for sufficient cause being shown, extend the period of twenty one days by such further period as it thinks fit or condone any delay in making such report.

(ii) Securities Premium:

This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

(iii) Retained Earnings:

This reserve represents the cumulative profits of the Company. This can be utilised in accordance with the provisions of the Companies Act, 2013.

22. Interest Income

(₹ in Lakhs)

| Particulars | Year ended 31st March, 2024 | | | Total |
|----------------------------------|--|--|---|---------------|
| | On Financial Assets measured at fair value through OCI | On Financial Assets measured at Amortised Cost | Interest Income On Financial Assets classified at fair value through profit or loss | |
| Interest on Loans | - | 107.77 | - | 107.77 |
| Interest Income from Investments | - | - | 2.25 | 2.25 |
| Total | - | 107.77 | 2.25 | 110.02 |

| Particulars | Year ended 31st March, 2023 | | | Total |
|----------------------------------|--|--|---|---------------|
| | On Financial Assets measured at fair value through OCI | On Financial Assets measured at Amortised Cost | Interest Income On Financial Assets classified at fair value through profit or loss | |
| Interest on Loans | - | 472.92 | - | 472.92 |
| Interest Income from Investments | - | - | - | - |
| Total | - | 472.92 | - | 472.92 |

Notes to Financial Statements as at and for the year ended 31st March, 2024 (₹ in Lakhs)

23. Net gain/(loss) on fair value changes (₹ in Lakhs)

| Particulars | Year ended 31st March, 2024 | | | Year ended 31st March, 2023 | | |
|--|-----------------------------|----------|-----------------|-----------------------------|-------------|---------------|
| | Net Gain | Net Loss | Total | Net Gain | Net Loss | Total |
| Net gain/(loss) on financial instruments at fair value through profit or loss | | | | | | |
| (i) On trading portfolio | | | | | | |
| - Equity | 1,456.28 | - | 1,456.28 | 123.19 | 0.00 | 123.19 |
| - Derivatives | 247.59 | - | 247.59 | 457.79 | - | 457.79 |
| Total Net gain/(loss) on fair value changes (A) | 1,703.87 | - | 1,703.87 | 580.98 | 0.00 | 580.98 |
| Fair Value Changes: | | | | | | |
| Realised | 1,461.67 | - | 1,461.67 | 659.37 | - | 659.37 |
| Unrealised | 242.20 | - | 242.20 | (78.39) | 0.00 | (78.39) |
| Total Net gain/(loss) on fair value changes (B) | 1,703.87 | - | 1,703.87 | 580.98 | 0.00 | 580.98 |

24. Other Income (₹ in Lakhs)

| Particulars | Year ended 31st March 2024 | Year ended 31st March 2023 |
|-------------------------------|----------------------------|----------------------------|
| Interest on Income Tax Refund | 3.83 | 0.56 |
| Bad Debt Recovery | 11.84 | 145.00 |
| Income from AIF | 0.76 | |
| Total | 16.43 | 145.56 |

25. Finance Costs (₹ in Lakhs)

| Particulars | Year ended 31st March, 2024 | | | Year ended 31st March, 2023 | | |
|--|--|---|--------------|--|---|--------------|
| | On Financial liabilities measured at fair value through profit or loss | On Financial liabilities measured at Amortised Cost | Total | On Financial liabilities measured at fair value through profit or loss | On Financial liabilities measured at Amortised Cost | Total |
| Interest on Borrowings (other than Debt Securities) | | | | | | |
| - Loans from Related Parties | - | - | - | - | 3.55 | 3.55 |
| - Loans from institutions and others | - | 37.93 | 37.93 | - | 4.69 | 4.69 |
| Other Interest Expense | | - | - | | - | - |
| - Interest on Cash Margin (Paid to related Parties) | | 33.72 | 33.72 | | - | - |
| - Income Tax | - | 1.78 | 1.78 | - | 3.32 | 3.32 |
| Total | - | 73.43 | 73.43 | - | 11.56 | 11.56 |

**Notes to Financial Statements as at and for the year ended 31st March, 2024****26. Impairment on Financial Instruments (net)**

(₹ in Lakhs)

| Particulars | Year ended 31st March 2024 | | Year ended 31st March 2023 | |
|-----------------------------|---|---|---|---|
| | On Financial Instruments measured at fair value through OCI | On Financial Instruments measured at Amortised Cost | On Financial Instruments measured at fair value through OCI | On Financial Instruments measured at Amortised Cost |
| Loans (refer Note No. 26.1) | - | (30.85) | - | (48.87) |
| Other financial assets | - | (0.01) | - | 0.07 |
| Total | - | (30.86) | - | (48.80) |

26.1 Impairment on Loans

(₹ in Lakhs)

| Particulars | Year ended 31st March 2024 | | Year ended 31st March 2023 | |
|--------------------------|---|---|---|---|
| | On Financial Instruments measured at fair value through OCI | On Financial Instruments measured at Amortised Cost | On Financial Instruments measured at fair value through OCI | On Financial Instruments measured at Amortised Cost |
| Bad Debts Written-off | - | - | - | - |
| Provision for Impairment | - | (30.85) | - | (48.87) |
| Total | - | (30.85) | - | (40.87) |

The table below shows the ECL charges on financial instruments for the year recorded in the profit and loss based on evaluation stage:

Year ended 31st March, 2024

(₹ in Lakhs)

| Particulars | General Approach | | | Total |
|--------------|--------------------|--------------------|--------------------|----------------|
| | Stage 1 Collective | Stage 2 Collective | Stage 3 Collective | |
| Loans | (30.85) | - | - | (30.85) |
| Total | (30.85) | - | - | (30.85) |

Year ended 31st March, 2023

(₹ in Lakhs)

| Particulars | General Approach | | | Total |
|--------------|--------------------|--------------------|--------------------|----------------|
| | Stage 1 Collective | Stage 2 Collective | Stage 3 Collective | |
| Loans | (48.87) | - | - | (48.87) |
| Total | (48.87) | - | - | (48.87) |

27. Employee Benefits Expenses

(₹ in Lakhs)

| Particulars | Year ended 31st March 2024 | Year ended 31st March 2023 |
|---|-------------------------------|-------------------------------|
| Salaries & Wages | 275.81 | 261.73 |
| Contribution to Provident and Other Funds | 7.53 | 7.57 |
| Staff Welfare Expenses | 1.37 | 1.40 |
| Total | 284.71 | 270.70 |

Notes to Financial Statements as at and for the year ended 31st March, 2024

28. Other Expenses

(₹ in Lakhs)

| Particulars | Year ended 31st March 2024 | Year ended 31st March 2023 |
|--|-------------------------------|-------------------------------|
| Rent, taxes and energy costs | 7.38 | 7.63 |
| Repairs and Maintenance | 7.45 | 5.19 |
| Communication Costs | 0.46 | 0.32 |
| Printing and Stationery | 0.33 | 0.62 |
| Advertisement and Publicity | 1.51 | 1.19 |
| Business Promotion Expenses | 5.09 | 7.90 |
| Fees and Subscriptions | 18.66 | 19.73 |
| Director's Fees, Allowances and Expenses | 4.96 | 4.66 |
| Payments to the Auditor (refer Note No. 28.1) | 10.03 | 10.69 |
| Legal and Professional Charges | 6.33 | 9.48 |
| Travelling and Conveyance | 18.07 | 25.97 |
| Corporate Social Responsibility Expenses (refer Note No. 28.2) | 35.00 | 3.00 |
| Postage and Courier | 0.24 | 0.18 |
| Securities Transaction Tax | 46.84 | 38.65 |
| Brokerage and incidental cost | 83.41 | 39.12 |
| Insurance | 2.08 | 1.48 |
| Other Expenditure | 1.32 | 0.79 |
| Total | 249.16 | 176.60 |

28.1 Payments to the Auditor (including GST):

| Particulars | Year ended 31st March 2024 | Year ended 31st March 2023 |
|---|-------------------------------|-------------------------------|
| As Auditor | | |
| -For Statutory Audit and Limited Reviews | 8.26 | 8.26 |
| -For Other Services (Certifications etc.) | 1.48 | 1.87 |
| -For Reimbursement of Expenses | 0.29 | 0.56 |
| Total | 10.03 | 10.69 |

28.2 Corporate Social Responsibility Expenses:

| Particulars | Year ended 31st March 2024 | Year ended 31st March 2023 |
|---|-------------------------------|--|
| (a) Gross amount required to be spent during the year | 11.03 | 2.93 |
| (b) Amount of expenditure incurred (paid in cash) | 35.00 | 3.00 |
| (c) Shortfall at the end of the year | - | - |
| (d) Total of previous years shortfall | - | - |
| (e) Reason of shortfall | Not Applicable | Not Applicable |
| (f) Nature of CSR activities | Promoting Education | Promoting Education & Healthcare, Eradicating Hunger |
| (g) Details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard. | Not Applicable | Not Applicable |
| (h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately. | Not Applicable | Not Applicable |
| Total | 35.00 | 3.00 |

**Notes to Financial Statements as at and for the year ended 31st March, 2024****29. Earnings Per Equity Share (EPS)**

(₹ in Lakhs)

| Particulars | Year ended 31st March 2024 | Year ended 31st March 2023 |
|--|-------------------------------|-------------------------------|
| Profit/ (Loss) After Tax attributable to Equity Shareholders (₹ in Lakhs) - A | 1,070.38 | 588.52 |
| Basic and Diluted | | |
| (a) Number of Equity Shares at the beginning of the year | 1,18,80,000 | 1,18,80,000 |
| (b) Number of Equity Shares issued during the year | - | - |
| (c) Number of Equity Shares at the end of the year | 1,18,80,000 | 1,18,80,000 |
| (d) Weighted average number of Equity Shares outstanding during the year - B | 1,18,80,000 | 1,18,80,000 |
| (e) Nominal Value of each Equity Share (₹) | 10 | 10 |
| Basic and Diluted Earnings per Equity Share (₹) (A/B) | 9.01 | 4.95 |

30. Contingent Liabilities and Commitments (to the extent not provided for)

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|---------------------------|---------------------------|
| Contingent Liabilities | | |
| Claims against the Company not acknowledged as debt: | | |
| Income Tax [include deposits made under protests 31st March, 2024: ₹ 1.28 (31st March, 2023: ₹ 38.77)] | - | - |
| Total | - | - |

31. Disclosure pursuant to Ind AS-12: Income Taxes

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|---------------------------|---------------------------|
| Income tax recognised in SOPL | | |
| Current income tax | | |
| In respect of current year | 144.18 | 188.36 |
| In respect of prior year | - | 0.34 |
| Deferred tax | | |
| In respect of current year | 61.58 | 17.15 |
| Income tax expense reported in SOPL | 205.76 | 205.85 |

Reconciliation of the total tax charge:

A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended 31st March, 2024 and 31st March, 2023 is as follows:

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|---------------------------|---------------------------|
| Accounting profit before tax | 1,276.14 | 794.37 |
| Statutory Income Tax Rate | 25.168% | 25.168% |
| Income Tax Based on Accounting Profit | 321.18 | 199.93 |
| Adjustment | | |
| Expenses Disallowed | 21.28 | 11.42 |
| Increase in Deferred Tax Liability/(Deferred Tax Assets) | 61.58 | 17.15 |
| Tax in respect of Earlier Years | - | 0.34 |
| Tax impact on Other Items | (198.28) | (22.99) |
| Total Tax Expense recognised in Statement of Profit and Loss | 205.76 | 205.85 |

Notes to Financial Statements as at and for the year ended 31st March, 2024

32. Disclosure pursuant to Ind AS 19 - Employee Benefits

Defined Contribution Plans

The employees of the Company are entitled to receive benefits under the Provident Fund and Employees State Insurance scheme in which both the employee and the Company contribute monthly at a stipulated rate. The Company has recognised an amount of ₹ 7.53 Lakhs (Previous year: ₹ 7.57 Lakhs) for the year ended 31st March, 2024 as an expense in the Statement of Profit and Loss.

Defined Benefit Plans

The Company provides for gratuity, a defined benefit plans (unfunded) covering all employees. Under the Gratuity plan, every employee is entitled to gratuity as laid down under the Payment of Gratuity Act, 1972. Gratuity is payable on death / retirement / termination and the benefit vests after 5 year of continuous service. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation, carried out by an independent actuary at each Balance Sheet date, using the Projected Unit Credit Method, which recognises each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Risk Management

The Defined Benefit Plans expose the Company to risk of actuarial deficit arising out of interest rate risk, salary inflation risk and demographic risk.

- Interest Rate Risk:** The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
- Salary Inflation Risk:** Higher than expected increase in salary will increase the defined benefit obligation.
- Demographic Risk:** This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of short career employee typically costs less per year as compared to long service employee.

Amounts recognised in the statement of profit and loss in respect of the defined benefit plans are as follows: (₹ in Lakhs)

| Particulars | Gratuity | |
|---|-------------------------------|-------------------------------|
| | Year ended 31st March 2024 | Year ended 31st March 2023 |
| Amounts recognised in Statement of Profit and Loss in respect of Defined Benefit Plans are as follows: | | |
| Current Service Cost | 2.75 | 2.76 |
| Net Interest Expense | 2.28 | 2.00 |
| Past Service Cost | | - |
| Components of Defined Benefit Costs recognised in Statement of Profit and Loss (A) | 5.03 | 4.76 |
| Remeasurement of (gain)/loss in Other Comprehensive Income: | | |
| Actuarial changes arising from changes in financial assumptions | 0.42 | (0.45) |
| Actuarial changes arising from changes in Experience adjustments | (2.94) | (1.67) |
| Components of Defined Benefit Costs recognised in Other Comprehensive Income (B) | (2.52) | (2.12) |
| Total (A+B) | 2.51 | 2.64 |



Notes to Financial Statements as at and for the year ended 31st March, 2024

Movement in the present value of the defined benefit obligation are as follows:

Gratuity

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|---------------------------|---------------------------|
| Change in the Defined Benefit Obligations | | |
| Present value of Defined Benefit Obligation at the beginning of the year | 30.81 | 28.17 |
| Expenses recognised in Statement of Profit and Loss: | | |
| Current Service Cost | 2.75 | 2.76 |
| Net Interest Expense | 2.28 | 2.00 |
| Direct Benefits Paid | - | - |
| Remeasurement (Gain)/Loss recognised in Other Comprehensive Income | (2.52) | (2.12) |
| Present value of Defined Benefit Obligation at the end of the year | 33.32 | 30.81 |

Calculation of Benefit Liability / (Asset):

Gratuity

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|----------------------------|---------------------------|---------------------------|
| Defined benefit obligation | 33.32 | 30.81 |
| Fair value of plan assets | - | - |
| Benefit Liability | 33.32 | 30.81 |

The principal assumptions used are as follows:

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|-----------------------------------|---|---------------------------|
| Discount rate (%) | 7.10 | 7.40 |
| Salary Escalation rate (%) | 6.00 | 6.00 |
| Withdrawal rates based on age (%) | Varying between 8% and 1% per annum depending upon the duration and age of the employees. | |
| Mortality Rate | Indian Assured Lives Mortality (2012-14) Ultimate | |

The estimate of future salary increase, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employee market.

Sensitivity Analysis

The Sensitivity Analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the Defined Benefit Obligation presented above.

Gratuity

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|-----------------------|---------------------------|---------------------------|
| Discount Rate + 1% | (1.29) | (1.39) |
| Discount Rate - 1% | 1.55 | 1.56 |
| Salary Escalation +1% | 1.55 | 1.72 |
| Salary Escalation -1% | (1.31) | (1.56) |

Notes to Financial Statements as at and for the year ended 31st March, 2024

Maturity Analysis of The Benefit Payments

a) Gratuity

(₹ in Lakhs)

| Expected payment for future years | As at 31st March, 2024 | As at 31st March, 2023 |
|-----------------------------------|---------------------------|---------------------------|
| Year 1 | 1.23 | 1.13 |
| Year 2 | 22.04 | 1.29 |
| Year 3 | - | 24.57 |
| Year 4 | - | 0.53 |
| Year 5 | - | 0.51 |
| Next 5 Years | 1.71 | 4.59 |

The weighted average duration of defined benefit obligation is 2.36 years (31st March, 2023: 3.77 years)

33. Lease Disclosure

In the capacity of Lessee

The Company has cancellable operating lease arrangements for office premises and therefore has not recognised a right-of-use asset and a lease liability with regard to these lease arrangements in accordance with Ind AS 116 'Leases'. Lease payments recognised in the Statement of Profit and Loss with respect to such arrangements aggregate to ₹ 4.92 Lakhs (Previous year: ₹ 4.82 Lakhs).

34. Maturity Analysis of Assets and Liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled:

(₹ in Lakhs)

| Assets | As at 31st March, 2024 | | | As at 31st March, 2023 | | |
|-------------------------------|------------------------|-----------------|-----------------|------------------------|-----------------|-----------------|
| | Within 12 Months | After 12 Months | Total | Within 12 Months | After 12 Months | Total |
| Assets | | | | | | |
| Financial Assets | | | | | | |
| Cash and Cash Equivalents | 36.98 | - | 36.98 | 21.27 | - | 21.27 |
| Bank Balance other than above | 18.81 | - | 18.81 | 18.79 | - | 18.79 |
| Receivables | 7.57 | - | 7.57 | 50.92 | - | 50.92 |
| Loans | - | - | - | 1,972.17 | - | 1,972.17 |
| Investments | 9,377.39 | 0.01 | 9,377.40 | 3,711.18 | 0.01 | 3,711.19 |
| Other Financial Assets | 1.60 | 0.73 | 2.33 | 1.60 | 0.33 | 1.93 |
| Non-Financial Assets | | | | | | |
| Current Tax Assets (net) | - | 3.70 | 3.70 | - | 6.34 | 6.34 |
| Deferred Tax Assets (net) | - | - | - | - | 29.56 | 29.56 |
| Investment Property | - | 11.81 | 11.81 | - | 12.06 | 12.06 |
| Property, Plant and Equipment | - | 17.34 | 17.34 | - | 19.25 | 19.25 |
| Other Non-Financial Assets | 8.63 | 5.73 | 14.36 | 18.33 | 43.22 | 61.55 |
| Total Assets | 9,450.98 | 39.32 | 9,490.30 | 5,794.26 | 110.77 | 5,905.03 |

**Notes to Financial Statements as at and for the year ended 31st March, 2024** (₹ in Lakhs)

| Liabilities | As at 31st March, 2024 | | | As at 31st March, 2023 | | |
|---|------------------------|-----------------|-----------------|------------------------|-----------------|-----------------|
| | Within 12 Months | After 12 Months | Total | Within 12 Months | After 12 Months | Total |
| Liabilities | | | | | | |
| Financial Liabilities | | | | | | |
| Derivatives financial instruments | 17.05 | - | 17.05 | 1.73 | - | 1.73 |
| 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 | - | - | - | - | - | - |
| Borrowings | 2,511.84 | - | 2,511.84 | 3.35 | - | 3.35 |
| Other Financial Liabilities | 62.17 | - | 62.17 | 61.82 | - | 61.82 |
| Non-Financial Liabilities | | | - | | | - |
| Current Tax Liabilities (net) | 9.72 | - | 9.72 | 62.11 | - | 62.11 |
| Provisions | 1.23 | 32.09 | 33.32 | 1.13 | 29.68 | 30.81 |
| Deferred Tax Liabilities | - | 32.65 | 32.65 | | | |
| Other Non-Financial Liabilities | 15.49 | - | 15.49 | 9.42 | - | 9.42 |
| Total Liabilities | 2,617.50 | 64.74 | 2,682.24 | 139.56 | 29.68 | 169.24 |
| Net | 6,833.48 | (25.42) | 6,808.06 | 5,654.70 | 81.09 | 5,735.79 |

35. Capital Management

The Company maintains an actively managed capital base to cover risks inherent in the business which includes issued equity capital, share premium and all other equity reserves attributable to equity holders of the Company.

The primary objectives of the Company's capital management is to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value. The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years except those incorporated on account of regulatory amendments. However, they are under constant review by the Board of Directors. The Company has complied with Paragraph 10 of Master direction - Reserve Bank of India (Non Banking Financial company -Scale Based Regulation) Direction, 2023.

36. Financial Instruments and Related Disclosures

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of Financial Asset, Financial Liability and Equity Instrument are disclosed in Note No. 1.14 to the financial statements.

Notes to Financial Statements as at and for the year ended 31st March, 2024

A) Categories of Financial Instruments

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | | As at 31st March, 2023 | |
|---|---------------------------|-----------------|---------------------------|-----------------|
| | Carrying Value | Fair Value | Carrying Value | Fair Value |
| Financial Assets | | | | |
| a) Measured at Amortised Cost | | | | |
| i) Cash and Cash Equivalents | 36.98 | 36.98 | 21.27 | 21.27 |
| ii) Bank Balance other than (i) above | 18.81 | 18.81 | 18.79 | 18.79 |
| ii) Receivables | 7.57 | 7.57 | 50.92 | 50.92 |
| iv) Loans | - | - | 1,972.17 | 1,972.17 |
| v) Other Financial Assets | 2.33 | 2.33 | 1.93 | 1.93 |
| Subtotal | 65.69 | 65.69 | 2,065.08 | 2,065.08 |
| b) Measured at Fair value through Profit or Loss | | | | |
| i) Investments | 9,377.40 | 9,377.40 | 3,711.19 | 3,711.19 |
| Subtotal | 9,377.40 | 9,377.40 | 3,711.19 | 3,711.19 |
| Total Financial Assets | 9,443.09 | 9,443.09 | 5,776.27 | 5,776.27 |
| Financial Liabilities | | | | |
| a) Measured at Amortised cost | | | | |
| i) 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 | - | - | - | - |
| ii) Borrowings | 2,511.84 | 2,511.84 | 3.35 | 3.35 |
| iii) Other Financial Liabilities | 62.17 | 62.17 | 61.82 | 61.82 |
| Subtotal | 2,574.01 | 2,574.01 | 65.17 | 65.17 |
| b) Measured at Fair value through Profit or Loss | | | | |
| i) Derivatives financial instruments | 17.05 | 17.05 | 1.73 | 1.73 |
| Subtotal | 17.05 | 17.05 | 1.73 | 1.73 |
| Total Financial Liabilities | 2,591.06 | 2,591.06 | 66.90 | 66.90 |

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables.

Loans measured at Amortised Cost

Loans having short term maturity (less than twelve months) are valued at carrying amounts, which are net of impairment and are considered reasonable approximation of their fair value. Loans having long term maturity (more than twelve months) are valued using a discounted cash flow model based on observable future cash flows based on term, discounted at the average lending rate of the Company.

Financial Assets (excluding loans) measured at Amortised Cost

Financial assets (excluding loans) generally have assets with short-term maturity (less than twelve months) as on balance sheet date and therefore, the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value.

Such instrument majorly include: Cash and Cash Equivalents, other bank balances, Receivables and other financial assets.



Notes to Financial Statements as at and for the year ended 31st March, 2024

Borrowing measured at Amortised Cost

The borrowings generally have liabilities with short-term maturity (less than twelve months) as on balance sheet date and therefore, the carrying amounts, are a reasonable approximation of their fair value.

Other Financial Liabilities measured at Amortised Cost

Other financial liabilities have liability with short-term maturity (less than twelve months) as on balance sheet date and therefore, the carrying amounts are a reasonable approximation of their fair value.

B) Fair Value Hierarchy

The following details provide an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Valuation techniques with observable inputs (Level 2): Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). It includes fair value of the financial instruments that are not traded in an active market and are determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the company specific estimated. If all significant inputs required to fair value an instrument are observable, then the instrument is included in level 2.

Valuation techniques with significant unobservable inputs (Level 3): If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for investment in unlisted equity instruments and investments in AIF carried at FVTPL included in level 3.

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | | | |
|--|------------------------|-----------------|-------------|-----------------|
| | Level 1 | Level 2 | Level 3 | Total |
| Financial Assets | | | | |
| Investments in Equity Instruments (Quoted) | 7,799.87 | - | - | 7,799.87 |
| Investments in Equity Instruments (Unquoted) | - | - | 0.01 | 0.01 |
| Investments in Mutual Funds | - | 1,107.04 | - | 1,107.04 |
| Investments in Alternative Investment Funds | - | 470.48 | - | 470.48 |
| Total | 7,799.87 | 1,577.52 | 0.01 | 9,377.40 |
| Financial Liabilities | | | | |
| Derivatives Financial Instruments | - | 17.05 | - | 17.05 |
| Total | - | 17.05 | - | 17.05 |

| Particulars | As at 31st March, 2023 | | | |
|--|------------------------|-----------------|-------------|-----------------|
| | Level 1 | Level 2 | Level 3 | Total |
| Financial Assets | | | | |
| Investments in Equity Instruments (Quoted) | 2,708.19 | - | - | 2,708.19 |
| Investments in Equity Instruments (Unquoted) | - | - | 0.01 | 0.01 |
| Investments in Mutual Funds | - | 1,001.26 | - | 1,001.26 |
| Investments in Alternative Investment Funds | - | - | - | - |
| Total | 2,708.19 | 1,001.26 | 0.01 | 3,709.46 |
| Financial Liabilities | | | | |
| Derivatives Financial Instruments | - | 1.73 | - | 1.73 |
| Total | - | 1.73 | - | 1.73 |

Notes to Financial Statements as at and for the year ended 31st March, 2024

Fair value of the Company's assets and liabilities that are measured at fair value on a recurring basis

(₹ in Lakhs)

| Particulars | Fair Value as at | | Fair Value Hierarchy | Valuation Technique and Key Inputs | Significant Unobservable Inputs |
|---|------------------------|------------------------|----------------------|------------------------------------|---------------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 | | | |
| Financial Assets | | | | | |
| Investments in Equity Instruments(Quoted) | 7,799.87 | 2,708.19 | Level 1 | Note (i) | Not Applicable |
| Investments in Mutual Funds | 1,107.04 | 1,001.26 | Level 2 | Note (ii) | Not Applicable |
| Investments in Alternative Investment Funds | 470.48 | - | Level 2 | Note (ii) | |
| Investments in Equity Instruments(Unquoted) | 0.01 | 0.01 | Level 3 | Note (iii) | Not Applicable |
| Financial Liabilities | | | | | |
| Derivatives Financial Instruments | 17.05 | 1.73 | Level 2 | Note (ii) | Not Applicable |

Valuation technique and Key inputs:

- (i) **Equity Instruments:** The listed equity instruments are actively traded on stock exchanges with readily available active prices on a regular basis. Such instruments are classified as Level 1. Unlisted equity instruments are classified as Level 3.
- (ii) **Investment in Mutual funds and Alternative investment funds:** Units held in the funds of Mutual funds and AIF are measured based on their net asset value (NAV), taking into account redemption and/or other restrictions. Such instruments are generally Level 2. NAV represents the price at which the issuer will issue further units of funds and the price at which the issuers will redeem such units from the investors.
- (iii) **Derivatives financial instruments:** Equity linked future and option contracts are measured on the basis of active market price of underlying equity instruments. Such instruments are classified as Level 2.

Sensitivity of fair value measurements to changes in unobservable market data

Since there are no assets and liabilities measured at fair value where significant unobservable inputs are used, hence the disclosure are not applicable.

37. Risk Management

Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is mainly exposed to market risk, liquidity risk and credit risk. It is also subject to various operating and business risks.

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

The Company has a robust Risk management framework to identify, evaluate business risk and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the competitive advantage. The framework has a different risk model which helps in identifying risk trends, exposure and potential impact analysis at a company level.

a. Market Risk

The Company's Financial Instruments are exposed to market changes as are summarised below:

(i) Foreign Currency Risk

The Company does not have any exposure to foreign currency. Hence, any fluctuations on account of foreign currency has not arisen.

(ii) Equity Price Risk

The Company is exposed to equity price risk arising from its investments in equity instruments. Equity price risk is related to the change in market reference price of the investment in equity securities.

(iii) Interest Rate Risk

The Company is not exposed to interest rate risk as it has borrowings at fixed rate of interest. There are no long term borrowings at floating interest rate which would affect the profitability of the Company due to fluctuation in interest rate.



Notes to Financial Statements as at and for the year ended 31st March, 2024

b. Liquidity Risk

Liquidity risk is the risk that the Company does not have sufficient financial resources to meet its obligations as they fall due, or will have to do so at an excessive cost. This risk arises from mismatches in the timing of cash flows which is inherent in all finance driven organisations and can be affected by a range of Company-specific and market-wide events.

Liquidity Risk Management (Based on Commercial Terms):

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | | | |
|---|------------------------|----------------|-------------|-----------------|
| | Less than 3 months | 3 to 12 months | > 12 months | Total |
| Financial Assets | | | | |
| i) Cash and Cash Equivalents | 36.98 | - | - | 36.98 |
| ii) Bank Balance other than above | 18.81 | - | - | 18.81 |
| iii) Receivables | 7.57 | - | - | 7.57 |
| iv) Loans | - | - | - | - |
| v) Investments | 9,377.39 | - | 0.01 | 9,377.40 |
| vi) Other Financial Assets | - | 1.60 | 0.73 | 2.33 |
| Total | 9,440.75 | 1.60 | 0.74 | 9,443.09 |
| Financial Liabilities | | | | |
| i) Derivative financial instruments | 17.05 | - | - | 17.05 |
| ii) 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 | - | - | - | - |
| iii) Borrowings | 2,511.84 | | - | 2,511.84 |
| iv) Other Financial Liabilities | 62.17 | | - | 62.17 |
| Total | 2,591.06 | - | - | 2,591.06 |

| Particulars | As at 31st March, 2023 | | | |
|-----------------------------------|------------------------|-----------------|-------------|-----------------|
| | Less than 3 months | 3 to 12 months | > 12 months | Total |
| Financial Assets | | | | |
| i) Cash and Cash Equivalents | 21.27 | - | - | 21.27 |
| ii) Bank Balance other than above | 18.79 | - | - | 18.79 |
| iii) Receivables | 50.92 | - | - | 50.92 |
| iv) Loans | - | 1,972.17 | - | 1,972.17 |
| v) Investments | 3,711.18 | - | 0.01 | 3,711.19 |
| vi) Other Financial Assets | - | 1.60 | 0.33 | 1.93 |
| Total | 3,802.16 | 1,973.77 | 0.34 | 5,776.27 |

Notes to Financial Statements as at and for the year ended 31st March, 2024 (₹ in Lakhs)

| Particulars | As at 31st March, 2023 | | | |
|---|------------------------|----------------|-------------|--------------|
| | Less than 3 months | 3 to 12 months | > 12 months | Total |
| Financial Liabilities | | | | |
| i) Derivative financial instruments | 1.73 | - | - | 1.73 |
| ii) 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 | - | - | - | - |
| iii) Borrowings | 3.35 | | - | 3.35 |
| iv) Other Financial Liabilities | 61.82 | | - | 61.82 |
| Total | 66.90 | - | - | 66.90 |

c. Credit Risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

d. Risk concentrations

The principal business of the Company is to provide financing in the form of loans to its clients. Credit Risk is the risk of default of the counterparty to repay its obligations in a timely manner resulting in financial loss. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has laid down the credit evaluation and approval process in compliance with regulatory guidelines.

The Company uses the Expected Credit Loss (ECL) Methodology to assess the impairment on financial assets.

In case of loan assets, The Probability of Default (PD) and Loss Given Default (LGD) is derived based on historical data on an unsegmented portfolio basis due to limitation of counts in past. The combination of the PD and LGD is applied on the Exposure at Default to compute the ECL, which is further adjusted for forward looking information, if any.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

Analysis of risk concentration

(₹ in Lakhs)

| Particulars | As at | Corporate | Others | Total |
|---------------------------|-------------------------|-----------|--------|----------|
| Financial Assets | 31st March, 2024 | - | - | - |
| Loans (Net of Impairment) | 31st March, 2023 | 1,526.13 | 446.04 | 1,972.17 |

38. Disclosure pursuant to Indian Accounting Standard 24 - "Related Party Disclosures"

(i) Entity having significant influence over the Company:

Ashika Global Securities Pvt. Ltd. (AGSPL)

(ii) Entities controlled by AGSPL:

Ashika Stock Broking Ltd.

Ashika Commodities and Derivatives Pvt. Ltd.

**Notes to Financial Statements as at and for the year ended 31st March, 2024****(iii) Key Management Personnel (KMP):**

| Name | Designation |
|--|---|
| Pawan Jain | Executive Chairman & Whole time Director |
| Daulat Jain | Managing Director & Chief Executive Officer |
| Amit Jain (w.e.f. 04/10/2021) | Non-Executive Director |
| Gaurav Jain | Chief Financial Officer |
| Anju Mundhra | Company Secretary |
| Sagar Jain (Completion of Tenure w.e.f 31/03/2024) | Independent Director |
| Suparna Sengupta (completion of tenure w.e.f 13/02/2024) | Independent Director |
| Sonu Jain | Independent Director |
| Ajay Pratapray Shanghavi (Appointed w.e.f 01/09/2023) | Independent Director |
| Tapan Sodani (Appointed w.e.f 01/09/2023) | Independent Director |

(iv) Enterprises controlled or jointly controlled of KMP and / or close family members of KMP (with whom transactions have taken place during the year)

Ashika Global Finance Pvt. Ltd.

Puja Sales Promotion Pvt. Ltd.

Pawan Jain (HUF)

Ashika Capital Ltd.

Details of Related Party Transactions:

(₹ in Lakhs)

| Name of the related party and nature of relationship | Nature of Transactions** | For the year ended 31st March, 2024 | Balance Outstanding as at 31st March, 2024 | For the year ended 31st March, 2023 | Balance Outstanding as at 31st March, 2023 |
|--|--------------------------|-------------------------------------|--|-------------------------------------|--|
|--|--------------------------|-------------------------------------|--|-------------------------------------|--|

Entity having significant influence over the Company

| | | | | | |
|------------------------------------|---------------------------------|----------|---|----------|--------|
| Ashika Global Securities Pvt. Ltd. | Loan Taken | - | - | 200.00 | - |
| | Repayment of Loan Taken | - | - | 200.00 | - |
| | Interest Expenses on Loan Taken | - | - | 0.29 | - |
| | Loan Given | 4,375.00 | - | 7,730.00 | 675.00 |
| | Repayment of Loan Given | 5,050.00 | - | 7,055.00 | - |
| | Interest Income on Loan Given | 16.04 | - | 64.46 | - |

Entities controlled by AGSPL

| | | | | | |
|---------------------------|-------------------------------|----------|---|-----------|---|
| Ashika Stock Broking Ltd. | Loan Given | 4,825.00 | - | 10,475.00 | - |
| | Repayment of Loan Given | 4,825.00 | - | 10,475.00 | - |
| | Brokerage | 50.70 | - | 23.69 | - |
| | Interest Income on Loan Given | 11.53 | - | 81.21 | - |
| | Interest Paid on Cash Margin | 33.72 | - | - | - |
| | Demat Charges | - | - | 0.05 | - |

Key Management Personnel (KMP)

| | | | | | |
|--------------|---------------|--------|------|--------|-------|
| Pawan Jain | Remuneration | 169.11 | 9.08 | 169.11 | 10.59 |
| Daulat Jain | Remuneration | 13.00 | 0.80 | 13.00 | 0.81 |
| Gaurav Jain | Remuneration | 23.66 | 2.46 | 21.00 | 2.40 |
| Anju Mundhra | Remuneration | 34.45 | 2.61 | 28.00 | 2.50 |
| | Advance Given | - | - | - | 2.95 |

Notes to Financial Statements as at and for the year ended 31st March, 2024

(₹ in Lakhs)

| Name of the related party and nature of relationship | Nature of Transactions** | For the year ended 31st March, 2024 | Balance Outstanding as at 31st March, 2024 | For the year ended 31st March, 2023 | Balance Outstanding as at 31st March, 2023 |
|--|--------------------------|-------------------------------------|--|-------------------------------------|--|
| Sagar Jain | Sitting Fees | 1.35 | - | 1.40 | - |
| Suparna Sengupta | Sitting Fees | 0.90 | - | 1.15 | - |
| Sonu Jain | Sitting Fees | 1.15 | - | 1.40 | - |
| Ajay Pratapray Shanghavi | Sitting Fees | 0.40 | - | - | - |
| Tapan Sodani | Sitting Fees | 0.40 | - | - | - |

Enterprises controlled or jointly controlled or under significant influence of KMP and / or close family members of KMP (with whom transactions have taken place during the year)

| | | | | | |
|---------------------------------|--|----------|------|----------|--------|
| Ashika Global Finance Pvt. Ltd. | Loan Taken | - | - | 150.00 | - |
| | Repayment of Loan Taken | - | - | 1,125.00 | - |
| | Interest Expense on Loan Taken | - | - | 3.25 | - |
| | Loan Given | 4,200.00 | - | 4,980.00 | - |
| | Repayment of Loan Given | 4,200.00 | - | 4,980.00 | - |
| | Interest Income on Loan Given | 18.15 | - | 27.68 | - |
| Ashika Capital Ltd. | Loan Given | 1,010.00 | - | 1,675.00 | 875.00 |
| | Repayment of Loan Given | 1,885.00 | - | 800.00 | - |
| | Interest Income on Loan Given | 28.22 | - | 8.94 | - |
| Ivory Consultants Pvt Ltd. | Loan Given | - | - | 1,070.00 | - |
| | Repayment of Loan Given | - | - | 1,070.00 | - |
| | Interest Income on Loan Given | - | - | 5.69 | - |
| Puja Sales Promotion Pvt. Ltd. | Security Deposit Given for Leased Premises | - | 0.60 | - | 0.60 |
| | Rent Expense for Leased Premises | 1.20 | - | 1.20 | - |
| Pawan Jain (HUF) | Security Deposit Given for Leased Premises | - | 1.00 | - | 1.00 |
| | Office Maintenance Expense for Leased Premises | 3.72 | - | 3.62 | - |
| | Rent Expense for Leased Premises | 3.72 | - | 3.62 | - |

** Expenses incurred for business purpose which are reimbursed by the Company has not been considered above.

38.1 Compensation to KMPs:

(₹ in Lakhs)

| Particulars | Year ended 31st March 2024 | Year ended 31st March 2023 |
|-----------------------------------|----------------------------|----------------------------|
| Short-term employee benefits | 244.43 | 235.06 |
| Other long-term employee benefits | - | - |
| Post-employment benefits | 2.33 | 2.35 |

38.2 All loan taken and given during the period is unsecured.

38.3 The nature of the consideration to be provided in settlement is in cash.

**Notes to Financial Statements as at and for the year ended 31st March, 2024****38.4 Provisions for doubtful debts related to the amount of outstanding balances :**

(₹ in Lakhs)

| Name of related party | For the year ended 31st March, 2024 | Balance Outstanding as at 31st March, 2024 | For the year ended 31st March, 2023 | Balance Outstanding as at 31st March, 2023 |
|------------------------------------|-------------------------------------|--|-------------------------------------|--|
| Ashika Capital Ltd. | - | - | 13.48 | 13.48 |
| Ashika Global Securities Pvt. Ltd. | - | - | 10.40 | 10.40 |

38.5 Related party transactions were made on terms equivalent to those that prevail in arm's length transactions.**39. Financial Ratios**

(₹ in Lakhs)

| Particulars | Year ended 31st March 2024 | Year ended 31st March 2023 |
|--|----------------------------|----------------------------|
| (a) Capital to risk-weighted assets ratio (CRAR) | NA | NA |
| (b) Tier I CRAR | NA | NA |
| (c) Tier II CRAR | NA | NA |
| (d) Liquidity Coverage Ratio | NA | NA |

Note: Since the company is a NBFC classified under "Base Layer" in terms of Master Directions-Reverse Bank of India(Non Banking Financial Companies-Scale Based Regulations) Directions,2023 these ratios are not applicable. Hence, the same is not being disclosed.

40. Title deeds of Immovable Properties not held in name of the Company.

| Relevant line item in the Balance Sheet | Description of item of property | Gross carrying value (Amt in lakhs) | Title deeds held in the name of | Whether title deed holder is promoter, director or relative of promoter/ director or employee of promoter/ director | Property held since which date | Reason for not being held in the name of the Company |
|---|---------------------------------|-------------------------------------|---------------------------------|---|--------------------------------|--|
| Investment property | Residential flat | 13.26 | Queens Park Estates Pvt. Ltd. | No | 04-10-2006 | Conveyance pending |

41. There is no proceedings been initiated or pending against the Company for holding any benami property under the Benami Transactions(Prohibition) Act, 1988 (45 of 1988)and the Rules made thereunder during the year ended 31st March, 2024 and 31st March,2023.

42. The Company does not have any transaction with companies struck off U/s 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

43. As at 31st March, 2024 and as at 31st March, 2023, there are no loans or advances in the nature of loans granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.

44. The Company has duly registered it's charges or satisfaction of charges with the Registrar of Companies (ROC).

45. There are no transactions not recorded in the books of accounts during the year ended 31st March, 2024 and 31st March,2023 that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act,1961.

There are no previously unrecorded income and related assets to be recorded in the books of account during the year ended 31st March, 2024 and 31st March, 2023.

46. The Company is not declared as wilful defaulter by any bank or financial Institution or other lender during the year ended 31st March, 2024 and 31st March, 2023.

47. Utilisation of Borrowed Funds and Share Premium

(A) During the year ended and as at 31st March, 2024 and 31st March, 2023, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall :

Notes to Financial Statements as at and for the year ended 31st March, 2024

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (B) During the year ended and as at 31st March, 2024 and 31st March, 2023, 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.
- 48.** The Company has not traded or invested in any Crypto Currency or Virtual Currency during the year during the year ended 31st March, 2024 and 31st March, 2023.
- 49.** Information as required in terms of Master Direction - Reserve Bank of India(Non Banking Financial Company-Scale Based regulation) Directions,2023 is furnished vide Annexure - I attached herewith. These disclosures are prepared under Ind AS issued by MCA unless otherwise stated.
- 50.** The Company's operating segments is established in the manner consistent with the components of the company that are evaluated regularly by the Chief Operating Decision Maker as defined in Ind AS 108, "Operating Segments". The business of the Company falls within a single operating reportable segment viz., 'Financial services' and hence, there are no separate reporting segments as per Ind AS 108, "Operating Segments".
- 51.** There is no Loan receivable as on March 31, 2024, Hence, Disclosure,"A comparison between provisions required under Income Recognition, Asset Classification and Provisioning ('IRACP') and impairment allowances made under Ind AS 109", as per paragraph 10 of Master Direction - Reserve Bank of India(Non Banking Financial Company-Scale Based Regulation) Directions,2023 is not being disclosed.
- 52.** The Company does not have any subsidiary as at 31st March, 2024 and 31st March, 2023 and accordingly clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable.
- 53.** Figures pertaining to previous year have been rearranged/ regrouped, wherever necessary, to make them comparable with those of current year.

SIGNATURE TO NOTES 1 TO 53

As per our report of even date attached.

For **DMKH & Co.**

Chartered Accountants

ICAI Firm Registration No. 0116886W

For and on behalf of the Board of Directors

Manish Kankani

Partner

Membership No. 158020

Pawan Jain

Executive Chairman

(DIN: 00038076)

Place: Kolkata

Daulat Jain

Managing Director & Chief Executive Officer

(DIN: 00040088)

Place: Kolkata

Place: Kolkata

Date: May 13, 2024

Anju Mundhra

Company Secretary

(F6686)

Place: Kolkata

Gaurav Jain

Chief Financial Officer

Place: Kolkata

**Notes to Financial Statements as at and for the year ended 31st March, 2024**

Annexure - I to Notes to Financial Statements (refer Note No. 48)

Disclosure of details pursuant to Paragraph 27 of Master Directions-Reserve Bank of India (Non Banking Financial Company-Scale Based Regulation) Directions, 2023

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | | As at 31st March, 2023 | |
|--|---------------------------|-------------------|---------------------------|-------------------|
| | Amount outstanding | Amount overdue | Amount outstanding | Amount overdue |
| Liabilities Side: | | | | |
| (1) Loans and advances availed by the non-banking financial company inclusive of Interest accrued thereon but not paid: | | | | |
| (a) Debentures: Secured | - | - | - | - |
| Unsecured (other than falling within the meaning of public deposits) | - | - | - | - |
| (b) Deferred Credits | - | - | - | - |
| (c) Term Loans | - | - | - | - |
| (d) Inter-corporate loans and borrowing | 2,511.84 | - | 3.35 | - |
| (e) Commercial Paper | - | - | - | - |
| (f) Public Deposits | - | - | - | - |
| (g) Other Loans | - | - | - | - |
| (2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid): | | | | |
| (a) In the form of Unsecured debentures | - | - | - | - |
| (b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security | - | - | - | - |
| (c) Other public deposits | - | - | - | - |

| Particulars | As at 31st March, 2024 | | As at 31st March, 2023 | |
|--|---------------------------|--------------------|---------------------------|--------------------|
| | Amount outstanding | Amount outstanding | Amount outstanding | Amount outstanding |
| (3) Break-up of Loans and Advance including bills receivables [other than those included in (4) below] | | | | |
| (a) Secured | - | - | 453.02 | - |
| (b) Unsecured | - | - | 1,550.00 | - |
| *Items appearing under Note No. 5 of the audited financials statements, have been considered for the purpose of disclosure | | | | |
| (4) Break-up of Leased Assets and stock on hire and other assets counting towards asset financing activities | | | | |
| (i) Lease assets including lease rentals under sundry debtors: | | | | |
| (a) Financial Lease | - | - | - | - |
| (b) Operating Lease | - | - | - | - |
| (ii) Stock on hire including hire charges under sundry debtors: | | | | |
| (a) Assets on hire | - | - | - | - |
| (b) Repossessed Assets | - | - | - | - |
| (iii) Other loans counting towards asset financing activities | | | | |
| (a) Loans where assets have been repossessed | - | - | - | - |
| (b) Loans other than (a) above | - | - | - | - |

Notes to Financial Statements as at and for the year ended 31st March, 2024

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|---------------------------|---------------------------|
| | Amount outstanding | Amount outstanding |
| (5) Break-up of Investments[§] | | |
| Current Investments | | |
| 1. Quoted: | | |
| (i) Shares: (a) Equity | 7,799.87 | 2,709.92 |
| (b) Preference | - | - |
| (ii) Debentures and Bonds | - | - |
| (iii) Units of Mutual Funds | - | - |
| (iv) Government Securities | - | - |
| (v) Others | - | - |
| 2. Unquoted: | | |
| (i) Shares: (a) Equity | - | - |
| (b) Preference | - | - |
| (ii) Debentures and Bonds | - | - |
| (iii) Units of Mutual Funds | 1,107.04 | 1,001 |
| (iv) Government Securities | - | - |
| (v) in AIF | 470.48 | - |
| (vi) Others | - | - |
| Long Term Investments: | | |
| 1. Quoted : | | |
| (i) Shares: (a) Equity | - | - |
| (b) Preference | - | - |
| (ii) Debentures and Bonds | - | - |
| (iii) Units of Mutual Funds | - | - |
| (iv) Government Securities | - | - |
| (v) Others | - | - |
| 2. Unquoted: | | |
| (i) Shares: (a) Equity | 0.01 | 0.01 |
| (b) Preference | - | - |
| (ii) Debentures and Bonds | - | - |
| (iii) Units of Mutual Funds | - | - |
| (iv) Government Securities | - | - |
| (v) Others | - | - |

[§]The Company has not disclosed the breakup of investment into Long term Investment and Current Investment as the classification is not required under Ind AS issued by MCA.

**Notes to Financial Statements as at and for the year ended 31st March, 2024****(6) Borrower group-wise classification of assets financed as in (3) and (4) above**

(₹ in Lakhs)

| Category | As at 31st March, 2024 Amount net of provisions* | | | As at 31st March, 2023 Amount net of provisions* | | |
|---------------------------------|---|-----------|----------|---|-----------------|-----------------|
| | Secured | Unsecured | Total | Secured | Unsecured | Total |
| 1. Related Parties ** | | | | | | |
| (a) Subsidiaries | - | - | - | - | - | - |
| (b) Companies in the Same Group | - | - | - | - | 1,526.13 | 1,526.13 |
| (c) Other Related Parties | - | - | - | - | - | - |
| 2. Other than Related Parties | - | - | - | 446.04 | - | 446.04 |
| Total | - | - | - | 446.04 | 1,526.13 | 1,972.17 |

* Please see note 1 below

** As per Ind AS issued by MCA. (Please see note 2 below)

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)

(₹ in Lakhs)

| Category | As at 31st March, 2024 Amount net of provisions | | As at 31st March, 2023 Amount net of provisions | |
|---------------------------------|--|-----------------------------------|--|-----------------------------------|
| | Market Value/ Break up or fair value or NAV | Book Value (Net of Provisions) | Market Value/ Break up or fair value or NAV | Book Value (Net of Provisions) |
| 1. Related Parties ** | | | | |
| (a) Subsidiaries | - | - | - | - |
| (b) Companies in the Same Group | - | - | - | - |
| (c) Other Related Parties | - | - | - | - |
| 2. Other than Related Parties | 9,377.40 | 9,377.40 | 3,711.19 | 3,711.19 |
| Total | 9,377.40 | 9,377.40 | 3,711.19 | 3,711.19 |

*** As per Ind AS issued by MCA. (Please see note 2 below)

(8) Other Information

(₹ in Lakhs)

| Particulars | As at 31st March, 2024 Amount | As at 31st March, 2023 Amount |
|---|----------------------------------|----------------------------------|
| (i) Gross Non-Performing Assets [§] | | |
| (a) (a) Related Parties | - | - |
| (b) Other than Related Parties | - | - |
| (ii) Net Non-Performing Assets [§] | | |
| (a) Related Parties | - | - |
| (b) Other than Related Parties | - | - |
| (iii) Assets acquired in Satisfaction of Debt | - | - |

[§]NPA accounts refer to stage 3 assets. Stage 3 Assets includes financial assets that have objective evidence of impairment at the reporting date as defined under Ind AS. 150 Days Past Due is considered as default for classifying a financial instrument as credit impaired.

Notes:

1. Provisioning Norms shall be applicable as prescribed in Ind AS issued by MCA.
2. All Indian Accounting Standards issued by MCA are applicable including for valuation of investments.

Notes to Financial Statements as at and for the year ended 31st March, 2024

Annexure - I to Notes to Financial Statements (refer Note No. 48)

Disclosure of details pursuant to Paragraph 27 of Master Directions-Reserve Bank of India (Non Banking Financial Company-Scale Based Regulation) Directions, 2023

1) Exposure to real estate sector: Nil

2) Exposure to capital market

(₹ in Lakhs)

| Particulars | Current Year | Previous Year |
|---|-----------------|-----------------|
| i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt | 7,799.88 | 2,709.93 |
| ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds | - | 453.02 |
| iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security | - | - |
| iv) All exposures to Alternative Investment Funds | | |
| i) Category-I | 20.00 | 0 |
| ii) Category-II | 33.68 | 0 |
| iii) Category-III | 416.80 | 0 |
| Total exposure to capital market | 8,270.36 | 3,162.95 |

3) Sectoral exposure

| Category | Current Year | | | Previous Year | | |
|---|---|----------------------|---|---|----------------------|---|
| | Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore) | Gross NPAs (₹ crore) | Percentage of Gross NPAs to total exposure in that sector | Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore) | Gross NPAs (₹ crore) | Percentage of Gross NPAs to total exposure in that sector |
| 1) Agriculture and Allied Activities | - | - | - | - | - | - |
| 2) Industry | - | - | - | - | - | - |
| 3) Services | | | | | | |
| i) Real-Estate Loans | - | - | - | - | - | - |
| ii) Non Banking Financial Companies | 0 | - | - | 675.00 | - | - |
| iii) All other services | 0 | - | - | 875.00 | - | - |
| Total of services | 0.00 | | | 1550.00 | | |
| 4) Personal Loans | | | | | | |
| i) Loan to Individuals against share, bonds | 0.00 | - | - | 453.02 | - | - |
| 5) Others | | | | | | |

4) Intra-group exposures

(₹ in Lakhs)

| Particulars | Current Year | Previous Year |
|---|--------------|---------------|
| i) Total amount of intra-group exposures | - | 1,550.00 |
| ii) Total amount of top 20 intra-group exposures | - | 1,550.00 |
| iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers | - | 77.38 |



Notes to Financial Statements as at and for the year ended 31st March, 2024

5) Unhedged foreign currency exposure

The company does not have foreign currency exposure.

Disclosure of details pursuant to Paragraph 27 of Master Directions-Reserve Bank of India (Non Banking Financial Company-Scale Based Regulation) Directions, 2023

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

| Particulars | Current Year | Previous Year |
|--|--------------|---------------|
| Complaints received by the NBFC from its customers | | |
| 1) Number of complaints pending at beginning of the year | Nil | Nil |
| 2) Number of complaints received during the year | Nil | Nil |
| 3) Number of complaints disposed during the year | Nil | Nil |
| 3.1) Of which, number of complaints rejected by the NBFC | Nil | Nil |
| 4) Number of complaints pending at the end of the year | Nil | Nil |
| 5) Maintainable complaints received by the NBFC from Office of Ombudsman | | |
| 5.1) Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman | Nil | Nil |
| 5.2) Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman | | |
| 5.3) Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC | | |
| 6) Number of Awards unimplemented within the stipulated time (other than those appealed) | | |

Disclosure of details pursuant to paragraph 40 of Master Directions-Reserve Bank of India (Non Banking Financial Company-Scale Based Regulation) Directions, 2023

Loan to Directors, Senior Officers, and Relatives of Directors

(₹ in Lakhs)

| Particulars | Current Year | Previous Year |
|--|--------------|---------------|
| Directors and their relatives | - | - |
| Entities associated with directors and their relatives | - | 1,550.00 |
| Senior Officers and their relatives | - | - |

Disclosure of details pursuant to Paragraph 27 of Master Directions-Reserve Bank of India (Non Banking Financial Company-Scale Based Regulation) Directions, 2023

Related Party Disclosure

(₹ in Lakhs)

| Related Party Items | Key Management Personnel | | | | | | | | Others | | | |
|------------------------|-----------------------------------|--|-----------------------------------|--|-----------------------------------|--|-----------------------------------|--|-----------------------------------|--|-----------------------------------|--|
| | Directors | | | | Other KMPs | | | | Current Year | | Previous Year | |
| | Current Year | | Previous Year | | Current Year | | Previous Year | | Current Year | | Previous Year | |
| | For the year ended March 31, 2024 | Balance Outstanding as at March 31, 2024 | For the year ended March 31, 2023 | Balance Outstanding as at March 31, 2023 | For the year ended March 31, 2024 | Balance Outstanding as at March 31, 2024 | For the year ended March 31, 2023 | Balance Outstanding as at March 31, 2023 | For the year ended March 31, 2024 | Balance Outstanding as at March 31, 2024 | For the year ended March 31, 2023 | Balance Outstanding as at March 31, 2023 |
| Borrowings | - | - | - | - | - | - | - | - | - | - | 350.00 | - |
| Loan Given | - | - | - | - | - | - | - | 14,410.00 | - | 25,930.00 | 1,550.00 | - |
| Advances | - | - | - | - | - | - | 2.95 | - | - | - | - | - |
| Interest Paid | - | - | - | - | - | - | - | 33.72 | - | 3.55 | - | - |
| Interest Received | - | - | - | - | - | - | - | 73.95 | - | 187.98 | - | - |
| Others | 186.31 | 9.88 | 186.06 | 11.40 | 58.12 | 5.07 | 49.00 | 4.90 | 8.65 | - | 32.18 | 1.60 |
| Total | 186.31 | 9.88 | 186.06 | 11.40 | 58.12 | 5.07 | 49.00 | 7.85 | 14,526.32 | - | 26,503.71 | 1,551.60 |



ASHIKA CREDIT CAPITAL LIMITED

CIN: L67120WB1994PLC062159

Trinity, 226/1, A.J.C Bose Road, 7th Floor, Kolkata-700020

Tel: (033) 40102500; Fax: (033) 40102543

Website: www.ashikagroup.com; Email: secretarial@ashikagroup.com

NOTICE CONVENING THIRTY-FIRST (31ST) ANNUAL GENERAL MEETING (AGM)

NOTICE is hereby given that the **Thirty-First (31st) Annual General Meeting (AGM)** of the members of **Ashika Credit Capital Limited** ("the Company") will be held on **Saturday, the 10th Day of August, 2024 at 11:30 A.M.** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Annual Financial Statements of the Company for the Financial Year ended 31st March, 2024 (Standalone) together with the Reports of the Auditors and the Board of Directors thereon.
2. To appoint a Director in place of Mr. Daulat Jain (DIN: 00040088), who retires by rotation, and being eligible, offers himself for re-appointment.

Explanation: Mr. Daulat Jain, who is liable to retire by rotation, being eligible, seeks re-appointment. This shall not constitute a break in the office of Mr. Daulat Jain as the Managing Director cum CEO in the Company. The Board recommends his re-appointment.

Therefore, the shareholders are requested to consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT Mr. Daulat Jain (DIN: 00040088), Managing Director & CEO, who retires by rotation at this Meeting and being eligible for re-appointment in accordance with the provisions of Section 152 of the Companies Act, 2013, be and is hereby re-appointed as a Director (Managing Director & CEO) of the Company."

3. **Appointment of Statutory Auditors of the Company in place of Retiring Statutory Auditors**

To consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions under Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force, as per the recommendation of the Audit Committee of the Company and subsequent approval of Board, consent of the Shareholders of the Company be and is hereby accorded to the appointment of M/s. DHC & Co. Chartered Accountants (Firm Registration No.: 103525W) having address at 42, Free Press House, 215, Nariman Point, Mumbai 400019, Maharashtra as the Statutory Auditors of the Company in place of retiring Statutory Auditors, M/s. DMKH & Co, Chartered Accountants (Firm Registration No 116886W), for a consecutive period of Three (3) Years, to hold office from the conclusion of this 31st Annual General Meeting ("AGM") to be held in the year 2024 till the conclusion of the 34th Annual General Meeting ("AGM") to be held in the year 2027, at a remuneration, as may be mutually agreed between the Board of Directors/Committee and the Statutory Auditors."

"RESOLVED FURTHER THAT any of the Directors, Chief Financial Officer, Company Secretary & Compliance Officer of the Company be and are hereby severally authorized to file necessary forms with ROC, Kolkata and do all such acts and execute and sign all documents, papers, forms etc as may be required to give effect to the said resolution and also do the necessary intimation to respective stock exchanges and other regulatory authorities."

SPECIAL BUSINESS:

4. **Appointment of Ms. Mina Agarwal (DIN - 06948015) as an Independent Director of the Company**

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules made thereunder and Regulation 17, Regulation 25 and all other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment thereof for the time being in force), the provisions of the Articles of Association of the Company and as per recommendation of the Nomination & Remuneration Committee of the Company and approval of Board at their respective meetings held earlier, consent of Shareholders of the Company be and is hereby accorded for appointment of Ms. Mina Agarwal (DIN - 06948015), as an Additional Director, being Non-Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a term of One (1) Year, i.e., from 1st October, 2024 to 30th September, 2025 (both dates inclusive), and who has submitted a declaration that she meets the criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and is eligible for appointment under the provisions of the Act, the Rules made thereunder and the Listing Regulations."

Notice

“RESOLVED FURTHER THAT any of the Directors or Company Secretary & Compliance Officer of the Company be and are hereby severally authorized to file necessary forms with ROC, Kolkata and do all such acts and execute and sign all documents, papers, forms etc as may be required to give effect to the said resolution and also do the necessary intimation to respective stock exchanges and other regulatory authorities.”

5. Re-Appointment of Mr. Tapan Sodani (DIN – 01921743) as an Independent Director of the Company

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), Companies (Appointment and Qualification of Directors) Rules, 2014 and of Regulation 17, 25 and other applicable provisions of SEBI (LODR) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the provisions of the Articles of Association of the Company and pursuant of recommendation of the Nomination & Remuneration Committee and approval of Board, Mr. Tapan Sodani (DIN: 01921743), who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act, as amended from time to time and who is eligible for re-appointment and for whom the Company has received notice under Section 160(1) of the Act, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for second term of 1 (One) Year effective from 1st September, 2024 to 31st August, 2025 (both dates inclusive).”

“RESOLVED FURTHER THAT any of the Directors or Company Secretary & Compliance Officer of the Company be and are hereby severally authorized to file necessary forms with ROC, Kolkata and to sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company and to do all such acts, deeds, matters and things and take such steps as may be necessary, expedient or desirable in this regard.”

By Order of the Board of Directors
for **ASHIKA CREDIT CAPITAL LIMITED**

(Anju Mundhra)

Company Secretary & Compliance Officer
Membership No: F6686

Date: 13.05.2024
Place: Kolkata

NOTES:

- The Ministry of Corporate Affairs (“MCA”) inter-alia vide its General Circular Nos. 14/ 2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, followed by General Circular Nos. 20/2020 dated May 5, 2020, and subsequent circulars issued in this regard, the latest being General Circular No. 09/2023 dated: 25th September, 2023 (collectively referred to as “MCA Circulars”) has permitted the holding of the Annual General Meeting through Video Conferencing (“VC”) or through other audio-visual means (“OAVM”), without the physical presence of the Members at a common venue.

Further, towards this, the Securities and Exchange Board of India (“SEBI”), vide its Circular(s) dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023, October 6, 2023, and October 7, 2023 (“SEBI Circulars”) and other applicable circulars issued in this regard from time to time, has provided relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In compliance with the provisions of the Companies Act, 2013 (“the Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and MCA Circulars, the Annual General Meeting (“Meeting” or “AGM”) of the Company is being held through VC / OAVM without the physical presence of the members at a common venue. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.
- In terms of the MCA Circulars, physical attendance of Members has been dispensed with and, therefore, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 31st AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-Voting through Board Resolution/ Power of Attorney/ Authority Letter, etc., for participation in the 31st AGM through VC/ OAVM facility and e-Voting during the 31st AGM. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to goenkamohan@gmail.com with a copy marked to evoting@nsdl.co.in. Since the 31st AGM is being held through VC/ OAVM facility, the Route Map is not annexed in this Notice.
- The Explanatory Statement pursuant to Section 102 of the Act in respect of the businesses under Item Nos. 3, 4 and 5 set out above and the relevant details of the Director seeking appointment/ re-appointment at this AGM as required under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India (“Secretarial Standards”) are annexed hereto. Requisite declarations have been received from the Director seeking appointment/re-appointment.

Notice

4. Institutional /Corporate shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to goenkamohan@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
5. Attendance of the Members participating in the 31st AGM through VC/ OAVM facility using their login credentials shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. Pursuant to the provisions of Section 91 of Companies Act, 2013 and rules thereon, read with Regulation 42(5) of the Listing Regulations, the Register of Members and the Share Transfer Books of the Company will remain closed from **Saturday, the 3rd Day of August, 2024 to Saturday, the 10th Day of August, 2024 (both days inclusive)**.
7. Pursuant to Sections 101 and 136 of the Act read with the Rules framed thereunder and in compliance with the aforesaid MCA Circulars and SEBI Circulars, the Notice of the AGM is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. Members may note that the Notice of the AGM and the Annual Report for the Financial Year 2023-2024 will also be available on the Company's website at www.ashikagroup.com, websites of the Stock Exchange where the company shares are listed viz., www.bseindia.com and on the website of NSDL at www.evoting.nsdl.com. The physical copy of the Notice along with Annual Report shall be made available to the Member(s) who may request for the same in writing to the Company.

Members not having their email IDs registered are requested to download a copy of the Notice and Annual Report available at the website of the Company at www.ashikagroup.com at the weblink https://ashikagroup.com/investor_relation_details.php?category=annual-reports-notice-of-agm

8. The Register of directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. **Saturday, the 10th Day of August, 2024**. Members seeking to inspect such documents can send an email to secretarial@ashikagroup.com. Further, Members seeking any information with respect to the afore-mentioned registers are requested to write to the Company till **5:00 P.M., i.e. Saturday, the 3rd Day of August, 2024** through e-mail on secretarial@ashikagroup.com. The same will be replied by the Company suitably.
9. As per the provisions of Section 72 of the Act and relevant SEBI Circulars, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in ISR-3 or SH-14 as the case may be. The said forms can be downloaded from our website at https://ashikagroup.com/simplified_norms.php and website of the Registrar and Transfer Agent ('RTA') at <https://www.mdpl.in/form>. Members are requested to submit the said details to their Depository Participants in case the shares are held by them in dematerialized form and to the Company's RTA in case the shares are held by them in physical form, quoting their folio number.
10. SEBI vide its Circular dated 3rd November, 2021 (subsequently amended by circulars dated 14th December, 2021, 16th March, 2023 and 17th November, 2023) mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or choice of Nomination or contact Details or Mobile Number or Bank Account Details or specimen signature updated, shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from 1st April, 2024.

Non – updation of KYC: Folios wherein any one of the cited details/documents, (i.e. PAN, Bank Details, Address with PIN code, Mobile Number, Bank Account details, Specimen Signature and Nomination) are not available on or after October 01, 2023, shall be frozen as per SEBI Circular. Further SEBI vide its Circular dated 17th November, 2023 has amended the relevant provision of freezing of folios, by referring frozen folios to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002 for cases where KYC details have not been provided by the shareholders. The investor service requests forms for updation of PAN, KYC Bank details and Nomination viz., Forms ISR-1, ISR-2, relevant Nomination Forms are available on our website https://ashikagroup.com/simplified_norms.php and the website of RTA at <https://www.mdpl.in/form>

In view of the above, we urge the shareholders to submit the Investor Service Request form along with the supporting documents at the earliest to their respective Depository Participants. In compliance with the above stated SEBI Circular, the Company has sent individual communication to its shareholders holding shares in the physical form requesting them to update their PAN, KYC details and Nomination etc along with supporting documents, RTA email and address and link of RTA and company. In respect of shareholders who hold shares in the dematerialized form and wish to update their PAN, KYC, Bank Details and Nomination are requested to contact their respective Depository Participants.

Notice

11. Pursuant to the MCA's Circular, the Company shall publish a newspaper advertisement urging its Members (who have not registered their email IDs) to register their email IDs at the earliest. However, Members who have still not registered their email IDs, are requested to do so at the earliest, in the following manner:
 - Members holding shares in physical mode and who have not registered / updated their e-mail address with the Company are requested to send the Company's RTA duly completed Forms ISR-1, ISR-2 and Choice of Nomination (<https://mdpl.in/form>) with signature of the holders attested by your banker along with a cancelled cheque leaf with your name, account no. and IFSC Code printed thereon. In case your name is not printed on the cheque leaf, you are requested to send additionally bank attested copy of your pass book / bank statement showing your name, account no and IFSC Code at Maheshwari Datamatics Pvt. Ltd., 23 R.N. Mukherjee Road, 5th Floor, Kolkata-700001. In case of any queries/ difficulties in registering the e-mail address, Members may write to secretarial@ashikagroup.com.
 - Members holding shares in dematerialised mode are requested to register /update their e-mail address with the relevant Depository Participant.
12. We urge Members to support our commitment to environmental protection by choosing to receive the Company's communication through e-mail. Members holding shares in dematerialised form, who have not registered their e-mail addresses are requested to register their e-mail addresses with their respective Depository Participants, and Members holding shares in physical form are requested to update their e-mail addresses with Company's R&T Agent in Form ISR-1 available at the website of the Company at https://ashikagroup.com/simplified_norms.php and is also available at the website of RTA at <https://www.mdpl.in/form> for receiving all communication, including Annual Reports, Notices, Circulars, etc. from the Company electronically.
13. SEBI has mandated submission of PAN by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to their Depository Participants. Members holding shares in physical form are requested to submit their PAN details to the Company's RTA.
14. In terms of Regulation 40(1) of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019. Members may please note that SEBI, vide its Circular dated January 25, 2022, has clarified that listed companies, with immediate effect, shall issue the securities only in demat mode while processing investor service requests pertaining to issuance of duplicate shares, exchange of shares, endorsement, sub-division/ consolidation of share certificates, etc. In view of this as also to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to demat mode. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available at the website of the Company at https://ashikagroup.com/simplified_norms.php and is also available at the website of RTA at <https://www.mdpl.in/form>
15. 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 at the AGM.
16. In terms of Sections 124 and 125 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), as amended from time to time, dividends which remain unpaid/ unclaimed over a period of 7 years will have to be transferred by the Company to Investor Education and Protection Fund Authority ('IEPF Authority') of the Central Government. The Members are requested to note that pursuant to the provisions of Section 124(6) of the Act, Listing Regulations and the IEPF Rules, all such shares in respect of which dividend has not been paid or claimed for seven consecutive years or more are also required to be transferred to IEPF Authority. In this regard the Company sends individual notices to the concerned Shareholders for whom the dividend remains unclaimed and unpaid with the Company.

Pursuant to the Provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded details of unpaid and unclaimed amounts lying with the Company as on 31st March, 2023 on the website of the Company www.ashikagroup.com and also filed details of the same with Ministry of Corporate Affairs.

Accordingly, all unpaid / unclaimed amounts in respect of dividends paid by the Company for the Financial Year 31st March, 2019 shall be transferred to the IEPF Authority. Shareholders are requested to encash the dividend before the due date of transfer i.e. 12th September, 2026.
17. Members are requested to quote their Folio numbers / DP Id and Client Id in all communication / correspondence with the Company or its RTA. All documents, transfers, dematerialization requests and other communications in relation thereto should be addressed directly to the Company's Registrar and Transfer Agent, Maheshwari Datamatics Pvt Ltd, at the address mentioned below:

MAHESHWARI DATAMATICS PVT LTD
Registrar and Share Transfer Agent
23, R.N. Mukherjee Road, 5th Floor
Kolkata - 700001

Notice

THE PROCESS AND MANNER FOR MEMBERS OPTING FOR VOTING THROUGH ELECTRONIC MEANS ARE AS UNDER:

18. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI Circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 in relation to “e-voting Facility Provided by Listed Entities”; the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. The facility of casting votes by a member using remote e-voting system before the Meeting as well as remote e-voting during the AGM will be provided by NSDL. The instructions for e-voting are given in Point No. 21 of this Notice.
19. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on **Saturday, the 3rd Day of August, 2024 ('cut-off date')** shall be entitled to vote in respect of the shares held, by availing the facility of remote e-voting prior to the AGM or remote e- voting during the AGM.
20. The remote e-voting period commences on **Wednesday, the 7th Day of August, 2024 (9.00.A.M. IST) and ends on Friday, the 9th Day of August, 2024 (5.00 P.M. IST)**. During this period, members of the Company, holding shares as on the cut-off date i.e **Saturday, the 3rd Day of August, 2024**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently or cast the vote again. The facility for voting through electronic voting system shall also be made available during the AGM. Members attending the AGM who have not cast their vote by remote e-voting and otherwise not barred from doing so, shall be eligible to cast their vote through e-voting during the AGM.
21. The details of the procedure and manner for remote e-voting /joining the 31st AGM, are explained herein below:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system




A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular 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.

Login method for Individual shareholders holding securities in demat mode is given below:

| Type of shareholders | Login Method |
|--|---|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

Notice

| | |
|--|--|
| | <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div> |
| <p>Individual Shareholders holding securities in demat mode with CDSL</p> | <ol style="list-style-type: none"> 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 users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 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, so that the user can visit the e-Voting service providers’ website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a 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) 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. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL 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. NSDL and CDSL

| Login type | Helpdesk details |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33 |

Notice

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|--|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****. |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc. Members can also use the OTP(One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Notice

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Process for those shareholders whose email ids are not registered with the depositories/Company/RTA for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide 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 sending an email to Company's mail id at secretarial@ashikagroup.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to secretarial@ashikagroup.com.

If you are Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

GENERAL INFORMATION FOR SHAREHOLDERS

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
2. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager at evoting@nsdl.co.in

The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-Voting.

3. Only those Members/ Members, who will be present in the AGM through VC/OAVM facility and have not cast 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 in the AGM.
4. The Members can opt for only one mode of remote e-voting i.e. either prior to the AGM or during the AGM. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
5. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
6. Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice of AGM and holding shares as on the **cut-off date i.e Saturday, the 3rd Day of August, 2024**, may cast their votes electronically through remote e-voting by obtaining the login ID and password by sending a request at evoting@nsdl.co.in or mdpldc@yahoo.com. However, if he/she is already registered with NSDL for remote e-voting then he/she can use their existing user ID and password for casting their vote. If he/she forgets his/her password, he/she can reset the password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or by calling on 022 - 4886 7000 and 022 - 2499 7000. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a

Notice

Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned in the Notice of the AGM under Step 1: "Access to NSDL e-Voting system" (above).

7. Mr. Mohan Ram Goenka, Practising Company Secretary (CP No. 2551), Partner at M/s. M.R. & Associates, Practising Company Secretaries, has been appointed by the Board of Directors of the Company as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner, and he has communicated his willingness to be appointed.
8. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, scrutinise the votes cast at the meeting and votes cast through remote e-voting and make, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, and submit the same to the Chairman or a person authorised by him in writing, who shall countersign the same.
9. In accordance with Regulation 44(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the results will be declared within two working days of conclusion of AGM, in the prescribed format along with the report of the Scrutinizer and the same shall be placed on the website of the company www.ashikagroup.com and on the website of NSDL <http://www.evoting.nsdl.com> immediately after the declaration of result. The results shall also be forwarded to the exchanges, where the shares of the company are listed. The results shall also be displayed on the notice board at the registered office of the company.

Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. **Saturday, the 10th Day of August, 2024**, subject to receipt of the requisite number of votes in favour of the Resolutions.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be able to attend the AGM through VC/OAVM or view the live webcast of AGM provided by NSDL at <http://www.evoting.nsdl.com>, members may access by following the steps mentioned above for **Access to NSDL E-voting System**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further, Members can also use the OTP based login for logging into the e-voting system of NSDL.
2. **The Members can join the AGM through 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 for 1,000 members on first come first served basis. The large shareholders (i.e. 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. can attend the AGM without any restriction on account of first-come-first-served principle.
3. Members are requested to join the Meeting through Laptops for better experience and members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connected 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 glitches.

PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT AND REGISTRATION AS SPEAKER AT THE AGM

4. For ease of participation by the members and keeping in view smooth conduct of the proceedings at the AGM, the members who have questions may send their questions in advance mentioning their name, demat account number/folio number, e-mail id, mobile number at secretarial@ashikagroup.com. The questions received till **5:00. P.M., Saturday the 3rd Day of August, 2024** will be considered and replied by the company suitably.

Members willing to express their views or ask questions during the AGM are required to register themselves as speakers by sending their requests from **Wednesday the 31st day of July, 2024 (9:00 A.M. IST) till Saturday the 3rd Day of August, 2024 (5:00 P.M. IST)** at secretarial@ashikagroup.com from their registered e-mail addresses mentioning their names, folio numbers / demat account numbers, PAN details and mobile numbers. Only those Members who have registered themselves as speakers will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of questions, time allotted and number of speakers depending on the availability of time for the AGM.

By Order of the Board of Directors
for **ASHIKA CREDIT CAPITAL LIMITED**

(Anju Mundhra)

Company Secretary & Compliance Officer
Membership No: F6686

Date: 13.05.2024
Place: Kolkata

Notice

EXPLANATORY STATEMENT

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('Act'), given hereunder sets out all material facts relating to Ordinary Business mentioned at Item No. 3 and Special Businesses mentioned at Item Nos. 4 & 5 of the accompanying Notice dated 13th May, 2024

ITEM NO. 3: APPOINTMENT OF STATUTORY AUDITORS OF THE COMPANY IN PLACE OF RETIRING STATUTORY AUDITORS

Though not mandatory, this statement is provided for reference.

M/s. DMKH & Co, Chartered Accountants (Firm Registration No. 116886W) were appointed as the Statutory Auditors of the Company for a consecutive period of 3 (Three) Years at the 28th Annual General Meeting of the Company held in the year 2021 till the conclusion of 31st Annual General Meeting to be held in the year 2024. The term of office of M/s. DMKH & Co, as Statutory Auditors of the Company concludes from the close of this Annual General Meeting. Hence, they retire as the Statutory Auditors of the company at the conclusion of the 31st Annual General Meeting.

Accordingly, as per the requirements of the Act and based on the recommendations of the Audit Committee, the board of directors of the company has in its meeting held on 13th May, 2024 proposed to appoint M/s. DHC & Co., Chartered Accountants (Firm Registration No.: 103525W), having address at 42, Free Press House, 215, Nariman Point, Mumbai 400019, Maharashtra as the Statutory Auditors of the company for a period of three years commencing from the conclusion of this 31st AGM till the conclusion of the 34th AGM to be held in the year 2027.

The aforesaid Statutory Auditors, have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of Section 139(1), Section 141(1), 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

None of the Directors/Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at item No. 3 of the notice and accordingly the Board recommends the appointment of M/s. DHC & Co., Chartered Accountants as set out at Item No. 3 of this Notice for approval by the Members as **ORDINARY RESOLUTION**.

ITEM NO. 4: APPOINTMENT OF MS. MINA AGARWAL (DIN – 06948015) AS AN INDEPENDENT DIRECTOR OF THE COMPANY

Pursuant to Section 161 of the Companies Act, 2013 read with Articles of Association of the Company, Board of Directors at their meeting held on 13th May, 2024, on recommendation of the Nomination and Remuneration Committee, recommended for the approval of the Members, the appointment of Ms. Mina Agarwal (DIN – 06948015) as an Additional Director in the capacity of Independent Director of the Company, for a term of One (1) Year with effect from 1st October, 2024 to 30th September, 2025 (both dates inclusive).

Ms. Mina pursuant to Section 152 of the Companies Act, 2013 ('the Act'), has given her consent to act as a Director of the Company, and requisite Notice, pursuant to Section 160 of the Act, proposing her appointment as a Director of the Company has been received. Declaration has also been received from Ms. Mina that she meets the criteria of independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). She has also confirmed that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge her duties as an Independent Director without any external influence. Further, she is neither disqualified from being appointed as a Director in terms of Section 164(2) of the Act, nor debarred from holding the Office of director by virtue of any SEBI order or any other such authority and has successfully registered himself in the Independent Director's data bank maintained by Indian Institute of Corporate Affairs and is exempted from appearing in the Online Proficiency Self-Assessment Test.

Her brief resume is provided below:

Ms. Mina Agarwal is a Practicing Chartered Accountant for the past 23 years. She has varied experience in all areas of Statutory Audit, Internal Audit, Tax Audit, Taxation (Direct and Indirect) and Company Law Compliances. She has been actively involved in Preparation of Financial Statements, Annual Reports, Consolidated Financial Statements, Cash Flow Statements, and Disclosures & Notes to Account. Her expertise includes IND AS compliances and Overseas Direct Investment (ODI) Compliances in India as per FEMA Rules & Regulations. She is presently holding directorship in 3 Companies out of which 2 are Listed Companies.

Ms. Mina possesses appropriate skills, experience, knowledge and capabilities required for the role of an Independent Director of the Company. She also possesses appropriate skills, expertise and competencies in the context of the Company's businesses. In the opinion of the Board, Ms. Agarwal is a person of possesses relevant expertise and experience and fulfills the conditions specified in the Act and the Listing Regulations for appointment as an Independent Director and she is independent of the management. She will be eligible for sitting fees for attending the meetings of the Board & its Committees.

The requisite details and information pursuant to Regulation 36(3) of the Listing Regulations, the Act and Secretarial Standards-2 issued by the Institute of Company Secretaries of India (ICSI), is provided as **Annexure A** to this Notice. Given her versatile experience and expertise, Board considers it desirable and in the interest of the Company to have Ms. Mina Agarwal on the Board of the Company and accordingly the Board recommends her appointment as an Independent Director as set out at Item No. 4 of this Notice for approval by the Members as a **SPECIAL RESOLUTION**.

The terms and conditions of appointment of Independent Director shall be open for inspection by the members at the Registered Office between 11.00 A.M. and 1:00 PM on any working day of the Company.

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None of the Directors or Key Managerial Personnel or their respective relatives except Ms Mina Agarwal, to whom the resolution relates to, is concerned or interested, financially or otherwise in the resolution set out in Notice. Ms Mina Agarwal does not hold any Equity Shares in the Company as on date of this Notice.

ITEM NO. 5: RE-APPOINTMENT OF MR. TAPAN SODANI (DIN – 01921743) AS AN INDEPENDENT DIRECTOR OF THE COMPANY

The Members of the Company, at the 30th Annual General Meeting of the Company, held on 16th September, 2023, considered, and approved the appointment of Mr. Tapan Sodani (DIN: 01921743) as an Independent Director, not liable to retire by rotation, for a term of 1 (One) Year effective from 1st September, 2023 to 31st August, 2024.

The Nomination and Remuneration Committee (NRC) of the Board of the Company, at its meeting held on 13th May, 2024, has unanimously recommended to the Board, the re-appointment of Mr. Tapan Sodani as an Independent Director for second term of 1 (One) Year commencing from 1st September, 2024 to 31st August, 2025 (both days inclusive). The NRC, while recommending the re-appointment of Mr. Tapan Sodani, considered various factors, viz., his knowledge & experience, his specific skills helping the Board and the Company in attaining its objectives, his participation in the Board/ Committee deliberations, time devoted by him, specialized skills and expertise and his independent judgment in the opinion of the entire Board.

Based on the recommendation made by the NRC as above, the Board of Directors, in its meeting held on 13th May, 2024 has unanimously reappointed Mr. Tapan Sodani, for second term of 1 (One) Year commencing from 1st September, 2024 to 31st August, 2025 (both days inclusive), not liable to retire by rotation. Apart from sitting fee paid for attending Board and committee meeting, Mr Sodani is not paid any other remuneration.

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013 (“Act”) from a Member proposing the candidature of Mr. Tapan Sodani for re-appointment as an Independent Director of the Company. Mr. Tapan Sodani has given his consent to be re-appointed and also the confirmation that he is not disqualified to act as Director in terms of Section 164 of the Act. Besides, he has also provided a confirmation under Section 149(7) of the Act that he meets the criteria of independence as prescribed, both, under Section 149(6) of the Act read with relevant Rules and under Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and he is independent of the management.

Mr. Tapan Sodani has also confirmed that he has not been debarred from holding office of a director by virtue of any Order passed by SEBI or any other such authority. Further, Mr. Tapan Sodani has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company.

In the opinion of the Board, Mr. Tapan Sodani fulfils the conditions for appointment of Independent Director as specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is independent of the Management of the Company

The brief profile and specific areas of expertise of Mr. Tapan Sodani is as under:

Mr. Tapan Sodani, FCA is having a rich experience of more than 30 years in the fields of Sustainable Corporate Commercial Policy Designing, Accounting, functional systems development, fiscal management and financial Reporting, Developing strong MIS and implementation of financial and operational controls, Managing Corporate Administration & Commercial Activities, Project Cost Preparation- Analysis & Monitoring, Balance Sheet Analysis and Reporting of Analysis Synopsis, Accounting, financial & tax management and so on. He is currently associated as Proprietor of M/s. Sodani Tapan, Chartered Accountants. He has been associated and worked for prestigious Corporates like SREI Group (approx 25 years), Kothari Group of Hospitals and others, in respectable positions.

The requisite details and information pursuant to Regulation 36(3) of the Listing Regulations, the Act and Secretarial Standards-2 issued by the Institute of Company Secretaries of India (ICSI), is provided as **Annexure A** to this Notice. Given his skill set, knowledge and expertise, Board considers it desirable and in the interest of the Company to have Mr. Tapan Sodani on the Board of the Company and accordingly the Board recommends his appointment as an Independent Director as set out at Item No. 5 of this Notice for approval by the Members as a **SPECIAL RESOLUTION**.

The terms and conditions of appointment of Independent Director shall be open for inspection by the members at the Registered Office between 11.00 A.M. and 1:00 PM on any working day of the Company.

None of the Directors or Key Managerial Personnel or their respective relatives except Mr. Tapan Sodani, to whom the resolution relates to, is concerned or interested, financially or otherwise in the resolution set out in Notice. Mr. Tapan Sodani does not hold any Equity Shares in the Company as on date of this Notice.

By Order of the Board of Directors
for **ASHIKA CREDIT CAPITAL LIMITED**

(Anju Mundhra)

Company Secretary & Compliance Officer
Membership No: F6686

Date: 13.05.2024
Place: Kolkata

Notice

ANNEXURE A to the Notice of Annual General Meeting

DETAILS OF THE DIRECTOR SEEKING RE-APPOINTMENT AT THE THIRTY-FIRST ANNUAL GENERAL MEETING IN PURSUANCE OF REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) 2015 AND SECRETARIAL STANDARDS-2 ISSUED BY ICSI

| Name | Mr. Daulat Jain | Ms. Mina Agarwal | Mr. Tapan Sodani |
|---------------|---|--|---|
| DIN | 00040088 | 06948015 | 01921743 |
| Date of Birth | 13 th July, 1972 | 12 th February, 1975 | 28 th December, 1960 |
| Qualification | B.Com (Hons), FCA | B.Com (Hons), CA | B.Com (Hons), FCA |
| Brief Profile | <p>Mr. Daulat Jain the Fellow Member of the Institute of Chartered Accountants of India and co-founder of Ashika Group. A leader from the beginning, he has promoted ethics and Corporate Governance, as the core strengths of the company.</p> <p>His visionary thinking and business acumen has led Ashika to spread wings and establish an unparalleled distribution network with a strong franchise support. His experience spanning more than 28 years across a wide array of subjects in the field of Corporate Finance (Inter Corporate Deposits, Short Term Financing, Bill Discounting, Loan Syndication, Arranging Working Capital Finance), Investments (Securities Trading & Bought Out Deals), Taxation, Audit and Corporate Laws has helped the company to achieve its objectives. His expertise and in-depth analysis of the business has been a cornerstone for the Group to aim for newer heights.</p> | <p>Ms. Mina Agarwal is a Practicing Chartered Accountant for the past 23 years. She has varied experience in all areas of Statutory Audit, Internal Audit, Tax Audit, Taxation (Direct and Indirect) and Company Law Compliances. She has been actively involved in Preparation of Financial Statements, Annual Reports, Consolidated Financial Statements, Cash Flow Statements, and Disclosures & Notes to Account. Her expertise includes IND AS compliances and Overseas Direct Investment (ODI) Compliances in India as per FEMA Rules & Regulations.</p> | <p>Mr. Tapan Sodani is a qualified Chartered Accountant having a rich experience of more than 30 years in the fields of Sustainable Corporate Commercial Policy Designing, Accounting as well as functional systems development, fiscal management and financial Reporting, Developing strong MIS and implementation of financial and operational controls, Managing Corporate Administration & Commercial Activities, Project Cost Preparation & Analysis & Monitoring, Balance Sheet Analysis and Reporting of Analysis Synopsis, Accounting, financial & tax management and so on. He is currently Associated as Proprietor of M/s. Sodani Tapan, Chartered Accountant. He has been associated and worked for prestigious Corporate like SREI Group (approx 25 years), Kothari Group of Hospitals and others, in respectable positions. His major strength lies in taking up challenging Assignments, delegating the job with Team & Leading the team to get the job done and Owning the accountability and responsibility</p> |
| Experience | More than 28 years | More than 23 Years | More than 30 years |

Notice

| Name | Mr. Daulat Jain | Ms. Mina Agarwal | Mr. Tapan Sodani |
|---|--|--|--|
| Expertise in specific functional Area | Corporate Finance (ICD, Short Term Financing, Bill Discounting, Loan Syndication, Arranging Working Capital Finance), Investments (Securities Trading & Bought Out Deals), Taxation, Audit and Corporate Laws, Broking and commodity activities. | Statutory Audit, Internal Audit, Tax Audit, Taxation (Direct and Indirect) and Company Law Compliances; preparation of Financial Statements, Annual Reports, Consolidated Financial Statements, Cash Flow Statements, and Disclosures & Notes to Account; IND AS compliances and Overseas Direct Investment (ODI) Compliances in India as per FEMA Rules & Regulations | Sustainable Corporate Commercial Policy Designing, Accounting as well as functional systems development, fiscal management and financial Reporting, Developing strong MIS and implementation of financial and operational controls, Managing Corporate Administration & Commercial Activities, Project Cost Preparation & Analysis & Monitoring, Balance Sheet Analysis and Reporting of Analysis Synopsis, Accounting, financial & tax management, Working Capital Management, Investment Management, Cash Flow Management and so on. |
| Remuneration Last drawn (including sitting fee, if any) as per last audited Balance sheet as on 31 st March 2024 | Rs. 13.00 Lacs, No sitting fee was paid | N.A., She is entitled to sitting fees, for attending board and committee meeting . | Other than sitting fees, no other remuneration is being paid. Sitting fees paid during Financial Year ended 31 st March, 2024- Rs, 40,000/- |
| Terms and conditions of appointment | Re-appointment as a Managing Director & CEO, under Section 152(6) of Companies Act 2013 | Ms Mina Agarwal is appointed for a term of 1 (One) Year commencing from 1 st October, 2024 till 30 th September, 2025 (both days inclusive) and is not liable to retirement by rotation. | Mr. Tapan Sodani is re-appointed for second term of 1 (One) Year commencing from 1 st September, 2024 till 31 st August, 2025 (both days inclusive) and is not liable to retirement by rotation. |
| Date of first appointment on the Board | 08/03/1994, thereafter resigned on 01/05/2013 and once again joined board w.e.f. 14/01/2016. He was further appointed as MD w.e.f 14/11/2016. | 01/10/2024 | 01/09/2023 |
| Relationship with other Directors / KMP | Mr. Daulat Jain is the brother of Mr. Pawan Jain, Executive Chairman | Nil | Nil |

Notice

| Name | Mr. Daulat Jain | Ms. Mina Agarwal | Mr. Tapan Sodani |
|---|--|--|------------------|
| Directorship held in other Companies | <ul style="list-style-type: none"> ❖ Ashika Capital Ltd ❖ Ashika Global Finance Pvt Ltd ❖ Ashika Properties Pvt Ltd ❖ Ashika Entercon Pvt Ltd ❖ Ashika Global Family Office Services Pvt Ltd ❖ Ashika Logistics Pvt Ltd ❖ Ashika Business Pvt Ltd ❖ Ashika Stock Broking Ltd ❖ Ashika Global Securities Pvt Ltd ❖ Puja Sales Promotion Pvt Ltd ❖ Ashika Stock Broking IFSC Pvt Ltd ❖ Ashika Commodities and Derivatives Pvt Ltd ❖ Dhara Dealers Pvt Ltd | <ul style="list-style-type: none"> ❖ Technical Associates Infrapower Limited ❖ AI Champdany Industries Limited | Nil |
| Membership / Chairmanship of the Committee of the Board of Directors of other Companies in which he/she is a Director (excluding Ashika Credit Capital Ltd) | Member - CSR Committee- Ashika Stock Broking Ltd | Chairperson- Stakeholders' Relationship Committee- AI Champdany Industries Limited Member- Audit Committee and Nomination & Remuneration Committee- AI Champdany Industries Limited Member-Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee and Risk Management Committee - Technical Associates Infrapower Limited | Nil |
| Number of listed entities from which the Director has resigned in the past three years | Nil | 1(One) (Super Forgings & Steels Limited-resigned w.e.f. 16 th September, 2023) | Nil |
| Number of Equity Shares held in the Company as on 31 st March, 2024 | 450,000 Equity shares | Nil | Nil |



Registered office

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