

QUEST CAPITAL MARKETS LIMITED

(Formerly known as BNK Capital Markets Limited)

CIN: L34202WB1986PLC040542

Regd. Office: Duncan House, 31, Netaji Subhas Road, Kolkata – 700 001

Tel No: (033) 6625 1000/1500; Telefax: (033) 22306844;

E-mail: secretarial.qcml@rpsg.in; website: www.qcml.in

Date: 11.06.2024

Dept. of Corporate Services

BSE Limited

P. J. Towers, Dalal Street

Mumbai - 400 001

Security Code: **500069**

Dear Sir,

Sub:- Regulations 30 and 34 – Electronic copy of the Notice of the 38th Annual General Meeting and Annual Report of the Company for the financial year 2023-2024

Pursuant to Regulations 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), please find enclosed herewith the electronic copy of the Notice of the 38th Annual General Meeting (AGM) and the Annual Report of the Company for the financial year ended 31st March, 2024 including the Audited Financial Statements for the financial year ended 31st March, 2024 (“Annual Report”) which is being sent only through electronic mode to the Members of the Company whose email addresses are registered with the Company/ Company’s Registrar and Share Transfer Agent / Depository Participant(s).

The Notice of the 38th AGM and the Annual Report are also being uploaded on the website of the Company at www.qcml.in and enclosed herewith. We request you to take the afore-mentioned information in record and oblige.

Thanking you,

Yours faithfully,

For Quest Capital Markets Limited

Bhawna Agarwal

Company Secretary & Compliance Officer

M. No.- A42296

Encl: Notice and Annual Report 2023-24 of Quest Capital Markets limited



**RP - Sanjiv Goenka
Group**

Growing Legacies

38th ANNUAL GENERAL MEETING

QUEST CAPITAL MARKETS LIMITED

Annual Report 2023-24

CORPORATE INFORMATION

Board of Directors

Mr. Sunil Bhandari

(Chairman, Non-Executive Director)

Mr. Harish Toshniwal

(Non-Executive Director)

Mr. Sunil Kumar Sanganeria

(Non-Executive Director)

Ms. Rusha Mitra

(Non-Executive Independent Director)

Mr. Trivikram Khaitan

(Non-Executive Independent Director)

Mr. K N Mahesh Kumar (upto 14th May, 2024)

(Non-Executive Independent Director)

Mr. Tarun Goyal (w.e.f., 21st May, 2024)

(Non-Executive Independent Director)

Company Secretary & Compliance Officer

Ms. Bhawna Agarwal

Chief Financial Officer

Mr. Satish Kumar Sharma

Statutory Auditors

Santosh Choudhary & Associates

Chartered Accountants

Secretarial Auditors

MKB & Associates

Company Secretaries

Solicitors

Khaitan & Co.

Registered & Corporate Office

Duncan House,

31, Netaji Subhas Road,

Kolkata- 700 001

Ph. No.: (033) 6625 1000/1500

Email: secretarial.qcml@rpsg.in

Website: www.qcml.in

Registrar & Share Transfer Agents

C.B. Management Services Pvt. Ltd.

CIN: U740140WB1994PTCPTC062951

P-22, Bondel Road, Kolkata- 700 019

Ph. No.: (033) 4011 6700

Fax No. (033) 4011 6739

Email: ranarc@cbmsl.co

Website: www.cbmsl.com

Bankers

ICICI Bank Ltd.

HDFC Bank Ltd.

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Notice

NOTICE is hereby given that the **38th Annual General Meeting ('AGM')** of the Members of Quest Capital Markets Limited ('Company') will be held on Tuesday, 9th July, 2024 at 11:00 A.M. (IST) through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM') to transact the following businesses:

Ordinary Business:

Item No. 1

To consider and adopt Audited Financial Statements of the Company for the financial year ended on March 31, 2024 and the Reports of the Board of Directors and Auditors thereon;

To consider and if thought fit, to pass, with or without modification(s) the following resolutions as **Ordinary Resolution:**

"RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended March 31, 2024 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

Item No. 2

To declare a final dividend of Rs. 2.50/- per equity share for the financial year ended March 31, 2024.

To consider and if thought fit, to pass, with or without modification(s) the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT the Final dividend of Rs. 2.50/- per equity share be and is hereby declared for the financial year ended March 31, 2024."

Item No. 3

Appointment of Mr. Sunil Bhandari who retires by rotation as a director

Explanation: In accordance with the provision of the Companies Act, 2013, Mr. Sunil Bhandari (00052161), Non-Executive, Non-Independent Director, whose office of directorship is liable to retire at the ensuing AGM, being eligible, seeks reappointment as a director.

Based on the performance evaluation and the recommendation of the Nomination and Remuneration Committee, the Board recommends his reappointment as a director.

To consider and if thought fit, to pass, with or without modification(s) the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, Mr. Sunil Bhandari (DIN: 00052161) who retires by rotation at this meeting, be and is hereby re-appointed as a Director of the Company."

Item no 4

To appoint M/s V. Singhi & Associates as Statutory Auditor of the Company and fix their remuneration and in this regard to consider and if, thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

Explanation: Consequent to resignation of M/s. Santosh Choudhary & Associates as Statutory Auditors of the Company, the Board on the recommendation of Audit Committee, recommends to the shareholders of the Company appointment of M/s. V. Singhi & Associates as Statutory Auditors of the Company for a term of 3 (three) consecutive years.

To consider and if thought fit, to pass, with or without modification(s) the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to provisions of Section 139(8), and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, the appointment of M/s. V. Singhi & Associates, Chartered Accountants, Kolkata (Firm Registration No. 311017E) as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. Santosh Choudhary & Associates, Chartered Accountants, Kolkata (Firm Registration No 323720E) to hold office up to the conclusion of this AGM be and is hereby approved / ratified.

RESOLVED FURTHER THAT pursuant to provisions of Section 139, 141, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, RBI Circular dated 27th April, 2021, consent of the members be and is hereby accorded to the appointment of M/s. V. Singhi & Associates, Chartered Accountants, Kolkata (Firm Registration No. 311017E be and are hereby appointed as Statutory Auditors of the Company for a term of 3 (three) continuous years from the conclusion of this 38th AGM till the conclusion of the 41st AGM of the Company to be held in the year 2027, at such remuneration plus applicable taxes, and out of pocket expenses as may be determined by the Audit Committee of the Board of Directors in consultation with the Auditors of the Company."

Notice

Special Business:

Item No. 5

Appointment of Mr. Tarun Goyal as an Independent Director of the Company

To consider and if thought fit, to pass, with or without modification(s) the following resolution as a **Special Resolution**:-

"RESOLVED THAT Mr. Tarun Goyal who was appointed as an Additional Director of the Company with effect from 21st May, 2024 by the Board of Directors and holds office up to the date of this AGM under the provisions of Section of 161(1) of the Companies Act, 2013 ('the Act') and Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member signifying its intention to propose the name of Mr. Tarun Goyal as a candidate for the office of director, be and is hereby appointed as Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Section 149, 150, 152, 160, and other applicable provisions, if any, of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014, the Companies (Amendment) Act, 2017 (including any statutory modification(s) or re-enactment thereof for the time being in force), relevant applicable regulation(s) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and pursuant to recommendations of the Nomination and Remuneration Committee and the Board, Mr. Tarun Goyal who has submitted a declaration of independence under Sec 149(6) of the Act and is eligible for appointment be and is hereby appointed as a Non-Executive Independent Director of the Company for a period of 5 (five) consecutive years with effect from 21st May, 2024, not liable to retire by rotation.

RESOLVED FURTHER THAT any of the Directors or the Company Secretary of the Company be and are hereby severally authorized to do all acts and take all such necessary steps as may be necessary, proper or expedient to give effect to this resolution, including submitting the requisite filings with the Registrar of Companies".

Registered Office:

Duncan House,
31, Netaji Subhas Road,
Kolkata- 700001

Dated: 21st May, 2024

By **Order of the Board of Directors**

Bhawna Agarwal
Company Secretary & Compliance Officer
(Membership No.- A42296)

Notes:

1. The Ministry of Corporate Affairs ("MCA") has vide its General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by "COVID-19", General Circular Nos. 20/2020 dated May 5, 2020, 10/2022 dated December 28, 2022 and subsequent circulars issued in this regard, the latest being 09/2023 dated September 25, 2023 in relation to "Clarification on holding of Annual General Meeting ("AGM") through Video Conferencing (VC) or Other Audio Visual Means (OAVM)", (collectively referred to as "MCA Circulars") permitted the holding of the AGM through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the AGM of the Company is being held through VC /OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
2. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence, the Proxy Form and Attendance Slip are not annexed hereto. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
3. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
4. Explanatory statement under section 102 of the provisions of the Companies Act, 2013 for the special business to be transacted at the AGM and pursuant to Regulations 36(5) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, relating to the appointment of auditors is annexed to this notice.

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5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.
7. In compliance with the MCA/ SEBI Circulars issued from time to time, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose e-mail address is registered with the Company/ Depository Participants. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website www.qcml.in, website of BSE Limited at www.bseindia.com and on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
8. Members holding shares in electronic form are, therefore, requested to submit their PAN to their DP. In case a holder of physical securities fails to furnish PAN and KYC details before October 1, 2023 or link their PAN with Aadhaar before June 30, 2023, in accordance with the SEBI circular dated March 16, 2023, RTA is obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents.
9. In compliance with Section 108 of the Act, read with the corresponding rules, Regulation 44 of the LODR Regulations and in terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020, the Company has provided a facility to its members to exercise their votes electronically through the electronic voting (e-voting) facility provided by the Central Depository Services (India) Limited. Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the 'Instructions for e-voting' section which forms part of this Notice.
10. The details required under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by The Institute of Company Secretaries of India, in respect of Director seeking appointment/ re- appointment at this AGM is being Annexed to this Notice.
11. The Register of Directors and Key Managerial Personnel and their Shareholding under Section 170 of the Act and Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Act will remain available for inspection through electronic mode during the AGM, for which purpose Members are required to send email to the Company at secretarial.qcml@rpsg.in.
12. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 3rd July, 2024 to Tuesday, 9th July, 2024 (both days inclusive) for the purpose of the AGM/payment of final dividend on equity shares for the year ended 31st March, 2024, if declared at the AGM as under:
13. To all Beneficial Owners in respect of shares held in electronic form as per the data to be made available by NSDL/CDSL as of the close of business hours on 2nd July, 2024. b) To all Members in respect of shares held in physical form after giving effect to valid share transmission and share transposition requests lodged with the Company/Registrar & Share Transfer Agent (RTA) as of the close of business hours on 2nd July, 2024
14. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2021/655 dated November 3, 2021 (subsequently amended by Circular Nos. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/CIR/2021/687 dated December 14, 2021, SEBI/HO/MIRSD/MIRSD-PoD-1/P/ CIR/2023/37 March 16, 2023 and SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 November 17, 2023) has mandated that with effect from April 1, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature. Members are requested to send the details of their bank accounts with addresses and MICR Codes of their banks to their Depository Participants (in case the shares held in dematerialised form) or to CB Management Services (P) Ltd., (in case of shares are held in physical form) at the earliest.
15. Members are reminded to send their dividend warrants, which have not been encashed, to the Company/Registrar & Share Transfer Agents, for revalidation. As per the provisions of Section 124(6) of the Companies Act, 2013, unclaimed dividends and corresponding equity shares are liable to be transferred to the Investor Education and Protection Fund of the Central Government after expiry of seven years from the date they become due for payment.

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16. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
17. **Other Instructions:**
- i) The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Tuesday, 2nd July, 2024
 - ii) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the Meeting.
 - iii) Pursuant to the provision of Section 108 of the Act read with rules thereof Mr. Tarun Goyal, a Practising Company Secretary (Membership No. 25255) has been appointed as the Scrutinizer to scrutinize the Remote e-Voting process and casting vote through the e-Voting system during the Meeting in a fair and transparent manner.
 - iv) The Scrutinizer shall after the conclusion of e-Voting at the 38th AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting system and shall make a consolidated Scrutinizer's Report.
 - v) The Results of voting will be declared within 48 hours from the conclusion of AGM. The declared results along with the Scrutinizer's Report will be available forthwith on the website of the Company and on the website of CDSL. Such results will also be displayed on the Notice Board at the Registered Office of the Company as well and shall be forwarded to, BSE Limited where the equity shares of the Company is listed. Members desiring to have any information relating to the accounts are requested to write to the Company at the e-mail ID: secretarial.qcml@rpsg.in latest by 27th June, 2024 by 4:00 P.M. (IST) so that the company can reply appropriately.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on 6th July, 2024 at 09:00 A.M. and ends on 8th July, 2024 at 05:00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 2nd July, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account

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maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<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 URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System My easi. After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-voting page of the e-Voting service provider for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from e-voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. 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 e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-voting" under e-Voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 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. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

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

Login type	Helpdesk details
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 022- 23058738 and 022-23058542-43.
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 toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Quest Capital Markets Limited> on which you choose to vote.

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- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; tarun25255@gmail.com; secretarial.qcml@rpsg.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

Instructions for shareholders attending the AGM through VC/OAVM & E-Voting during meeting are as under:

1. The procedure for attending meeting & e-voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 10 days prior to meeting i.e. 28th June, 2024 mentioning their name, demat account number/folio number, email id, mobile number at secretarial.qcml@rpsg.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at secretarial.qcml@rpsg.in. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

Notice

9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

Process for those shareholders whose email/mobile no. are not registered with the company/depositories

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/ RTA email id.
2. For Demat shareholders - Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

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

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

Registered Office:
Duncan House,
31, Netaji Subhas Road,
Kolkata- 700001
Dated: 21st May, 2024

By **Order of the Board of Directors**

Bhawna Agarwal
Company Secretary & Compliance Officer
(Membership No.- A42296)

Notice

Details of Director seeking Appointment

In terms of Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with clause 1.2.5 of Secretarial Standard 2 on General Meetings (SS-2).

Name of Directors	Mr. Sunil Bhandari	Mr. Tarun Goyal
DIN	00052161	03381792
Date of Birth/Age	22 nd August, 1960 / 63 years	28 th November, 1983/40 years
Brief Resume	Mr. Bhandari is a Chartered Accountant by profession and has vast experience in Corporate Accounting and Finance. He has wide exposure in corporate mergers, take overs and restructure accounting systems. In more than three decades of his tenure with the RP-Sanjiv Goenka Group, Mr. Bhandari has undertaken various roles in managerial and directorial capacities, including in the financial services sector. He has also produced two feature films, looked after a radio station and a TV channel, edited group magazines, and he is also a renowned poet.	Mr. Tarun Goyal is a Graduate in Commerce and Practicing Company Secretary having experience of more than 11 years in the field of Secretarial, Company law and other allied matters.
Date of First Appointment	23 rd August, 2021	21 st May, 2024
Terms and Conditions of Appointment / re-appointment	Proposed to be appointed as a Non-Executive Director, liable to retire by rotation every year.	Proposed to be appointed as an Independent Director for a first term of 5 consecutive years
Past Remuneration drawn from the Company	Nil	Nil
Remuneration sought to be paid	Sitting fees paid for attending the meetings of the Board of Directors and/ or Committees.	Sitting fees paid for attending the meetings of the Board of Directors and/ or Committees.
Shareholding in the Company	Nil	Nil
Relationship with the Other Directors, Manager and other Key Managerial Personnel of the Company	Nil	Nil
Number of Board Meetings attended during the FY 2022-23	7 out of 7 meetings held during the Financial Year 2023-24	NA
List of other Companies in which Directorship is held	Ace Applied Software Services Private Limited Dotex Merchandise Private Limited Grand Royale Enterprises Limited Kolkata Games and Sports Private Limited Lebnitze Real Estates Private Limited Rainbow Investments Limited Ritushree Vanijya Private Limited RPSG Resources Private Limited Soltly Commercial Private Limited	NIL

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE PROVISIONS OF THE COMPANIES ACT, 2013 FOR THE SPECIAL BUSINESS TO BE TRANSACTED AT THE AGM AND PURSUANT TO REGULATION 36(5) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, RELATING TO THE APPOINTMENT OF AUDITORS

Item no. 4

The Members at the 36th Annual General Meeting of the Company held on 8th July, 2022 had approved the re-appointment of M/s. Santosh Choudhary & Associates, Chartered Accountants, (Firm Registration No. 323720E), as Statutory Auditor of the Company to hold office from the conclusion of 36th AGM for a term of 5 (five) consecutive years till the conclusion of 41st AGM to be held in the

Notice

calendar year 2027. M/s. Santosh Choudhary & Associates has submitted their resignation vide their letter dated 20th April, 2024 citing unavoidable circumstance for their continuing as Statutory Auditor of the Company. There were no other material reasons for their resignation.

The Company has intimated the resignation of Statutory Auditors to the BSE Ltd. the on 20th April, 2024 under Regulation 30 (6) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, enclosing therewith copy of the resignation of the Statutory Auditors.

Considering this, the Audit Committee after evaluating and considering various factors such as experience, competency of the audit team, eligibility conditions of RBI circular dated 27th April, 2021, peer review certificate, independence of the Auditor etc., has recommended the appointment of M/s. V. Singhi & Associates, Chartered Accountants, Kolkata (Firm Registration No. 311017E) to the Board of Directors as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. Santosh Choudhary & Associates.

In compliance of the RBI circular dated 27th April, 2021, the Board of Directors also recommended the appointment of M/s. V. Singhi & Associates, as the Statutory Auditors, for the first term of 3 continuous year commencing from conclusion of this AGM till the conclusion of 41st AGM of the Company to be held in the year 2027, at a remuneration as may be mutually agreed between the Board of Directors and Statutory Auditors.

M/s. V. Singhi & Associates, Chartered Accountants have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 and RBI Ref.No.DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated 27th April, 2021. The Board recommends the **Ordinary Resolution** as set out at **Item no. 4** of the Notice for approval by the Members.

None of the Directors and Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the Resolution set out in item no. 4 of the Notice.

Item No. 5

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board, had approved the appointment of Mr. Tarun Goyal as an additional director in Independent category with effect from 21st May, 2024 for a term of 5 (five) years, subject to the approval of shareholders of the Company in this AGM. Brief profile of Mr. Tarun Goyal, detailing academic qualifications, skills and expertise is provided separately in this Notice. A copy of the letter of appointment for independent directors, setting out the terms and conditions of appointment, available on the website of the Company i.e. www.qcml.in.

The Company has received all the statutory disclosures/declarations including, (i) consent in writing to act as director in Form DIR-2 as per Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ("the Appointment Rules"), (ii) intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act. (iii) a declaration to the effect that he meets the criteria of independent as provided under Section 149(6) of the Companies Act, 2013 and is independent of the management. He does not hold any share in the Company, either in his individual capacity or on a beneficial basis for any other person. The Company has also received a notice proposing the candidature of Mr. Tarun Goyal for the office of director under Section 160 of the Act.

The Board based on the recommendation of the Nomination and Remuneration Committee considers that, given the professional background and experience, association of Mr. Tarun Goyal would benefit the Company and its shareholders. Accordingly, it is proposed to appoint Mr. Tarun Goyal as an Independent Director on the Board of Directors of the Company. In the opinion of the Board, Mr. Tarun Goyal fulfils the eligibility criteria specified under the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Fit and Proper Criteria prescribed by the RBI.

The Board therefore recommends appointment of Mr. Tarun Goyal as an Independent Director of the Company, by way of **Special resolution** as set out in item no. 5 of the notice, for approval of the shareholders.

None of the directors and/or key managerial personnel of the Company and/or their relatives, except Mr. Tarun Goyal and his relatives, are in any way concerned or interested (financially or otherwise), in the proposed Special Resolution, except to the extent of their shareholding in the Company, if any.

Registered Office:
Duncan House,
31, Netaji Subhas Road,
Kolkata- 700001
Dated: 21st May, 2024

By **Order of the Board of Directors**

Bhawna Agarwal
Company Secretary & Compliance Officer
(Membership No.- A42296)

Directors' Report

To
The Members,

Your Board of Directors ("Board") is pleased to present the **38th Annual Report** of **Quest Capital Markets Limited** (formerly known as BNK Capital Markets Limited) together with Audited Financial Statements and the Auditor's Report for the financial year ending 31st March 2024.

FINANCIAL HIGHLIGHTS

The financial performance of the Company is as follows:

(₹ in lakhs)

Particulars	Financial year 2023-24	Financial year 2022-23
Sales/Operating Revenue	2,645.79	3,210.35
Other Income	16.19	3.46
Total Income	2,661.98	3,213.81
Profit/(Loss) before Taxation and Exceptional Item	2,607.55	2,376.72
Tax Expenses	592.38	490.44
Net Profit/ (Loss) for the period	2,015.17	1,886.28
Other Comprehensive income	29,509.70	(15,951.04)
Total Comprehensive Income/ (Loss) for the period	31,524.87	(14,064.76)
Earnings per equity share:		
Basic	20.15	18.86
Diluted	20.15	18.86

RESERVES

The Company during the year under review has transferred ₹ 431.91 Lakhs to the Statutory Reserve maintained under Section 45 IC of the RBI Act, 1934.

DIVIDEND

Your directors are pleased to declared a final dividend of ₹ 2.50 per equity share (25% of face value) for the financial year 2023-24 and the dividend pay-out amounted to ₹ 250 lakhs representing 12.41% of profit after tax for the year. The Board has decided to plough back the remaining profit after tax for business activities during the Financial Year.

PERFORMANCE REVIEW

The Company has prepared the financial statement in accordance with the provisions of the Companies Act, 2013 and IND AS. The Company's revenue from operation decreased to ₹ 2,645.79 Lakhs from ₹ 3,210.35 Lakhs and other income increased to ₹ 16.19 Lakhs from ₹ 3.46 Lakhs. Profit after tax, marginally increased to ₹ 2,015.17 from ₹ 1,886.28 earned in the previous year. Increase in profit is attributable to increase in interest and dividend income.

CHANGE IN THE NATURE OF BUSINESS

During the year under review, there has been no change in the nature of business of the Company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments affecting the financial position of your Company occurred between the end of the financial year to which Financial Statements relate and the date of this report.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

During the financial year 2023-24, the Company has transferred the unclaimed dividends of ₹ 1,66,982 to Investor Education and Protection Fund ("IEPF") for the financial year 2015-16.

Further, 17,588 equity shares on which the dividends were unclaimed for seven consecutive years were transferred to IEPF during the financial year 2023-24 as per the requirements of IEPF Rules.

Directors' Report

The unpaid dividend amount for Financial Year 2016-17 and the corresponding unclaimed shares shall be transferred to Investor Education and Protection Fund (IEPF) before the cut-off date in the current year.

SHARE CAPITAL

During the Financial year, there has been no change in the issued, subscribed and paid-up capital of the Company.

Further the Company has not issued any bonus shares or equity shares with differential rights. The Company has also not carried out any buy back of its equity shares during the year under review.

PUBLIC DEPOSITS

The Company has not accepted any Public Deposits during the year. Hence, disclosure regarding details of deposits covered under Chapter V of the Companies Act, 2013 ("Act") are not required.

INTERNAL FINANCIAL CONTROL

The Board of Directors (Board) has devised systems, policies and procedures / frameworks, which are currently operational within the Company for ensuring the orderly and efficient conduct of its business, which includes adherence to Company's policies, safeguarding assets of the Company, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. The control system ensures that the Company's assets are safeguarded and protected.

The Audit Committee reviews the internal audit report received from Internal Auditor on quarterly basis and take necessary corrective measures in respect of audit findings and observations and institutionalise new procedures to strengthen controls.

RISK MANAGEMENT

The Board of Directors of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Board also takes steps to mitigate the risks identified by the business on a continuing basis. Your Board has not identified any risk which will threaten the existence of the Company. The Audit Committee has additional oversight in the area of financial risks and controls.

PERFORMANCE OF SUBSIDIARY COMPANY / ASSOCIATES / JOINT VENTURES

The Company does not have any subsidiary/associate/Joint Venture Company as on 31st March, 2024.

DIRECTORS & KEY MANAGERIAL PERSONNEL

During the year, there has been no change in the Board of Directors of the Company.

Ms. Bhawna Agarwal, a qualified company secretary and LLB having 8 years of post-qualification experience in corporate, secretarial matters, has been appointed as the Company Secretary and Compliance officer of the Company with effect from 19th May, 2023.

She also acts as the Secretary to the various committees of the Board and Investors Redressal Grievance Officer and Deputy Nodal Officer under IEPF Rules. She has also been assigned responsibility as designated Key Managerial Personnel for disclosure of material events to the Stock Exchange in accordance with policy on disclosure of materiality events.

Mr. K N Mahesh Kumar resigned as an independent director due to old age and pre-occupation and also confirmed that there are no other material reasons for his resignation with effect from 14th May, 2024.

The Board of Directors in its meeting held on 21st May, 2024 appointed Mr. Tarun Goyal, a qualified Company Secretary as an Independent Director who fulfils the criteria of independence as provided under the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 as amended and is independence of the management.

The Board recommends his appointment as Independent Director for the first term of five years for approval of shareholders at the ensuing general meeting.

PERFORMANCE EVALUATION OF BOARD

As per the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the Board has carried out the annual evaluation of its own performance, and of each of the Directors individually, including the independent

Directors' Report

directors, as well as the working of its committees based on the criteria and framework adopted by the Board on recommendation of Nomination & Remuneration Committee Meeting.

MEETINGS

The Board of Directors met 7 (seven) times i.e., 20th April, 2023, 19th May, 2023, 18th July, 2023, 10th August, 2023, 02nd November, 2023, 17th January, 2024 & 29th March, 2024 during this financial year. For details of meetings of the Board and other committee meetings, please refer to the Corporate Governance Report, which is a part of this report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 our Directors to the best of its knowledge and ability, confirm that:

- i) in the preparation of the Annual Accounts, the applicable accounting standards had been followed and there are no material departures;
- ii) they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) they have prepared the Annual Accounts on a 'Going Concern' basis;
- v) they have laid down internal financial controls in the Company that are adequate and were operating effectively; and
- vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

AUDITORS

i) Statutory Auditors and their report on Financial Statement

During the year M/s. Santosh Choudhary & Associates, Statutory Auditor of the Company resigned due to un-avoidable circumstances on 20th April, 2024 which was effective from the date of submission of Audited Financial Results for the financial year 2023-24. Accordingly, the Board has appointed M/s. V. Singhi & Associates, Chartered Accountants, as Statutory Auditor of the Company in its meeting held on 29th April, 2024 for 3 consecutive years to fill the casual vacancy caused by the resignation of existing auditor in accordance with applicable provisions of the Companies Act, 2013, RBI circular dated 27.04.2021 on Guidelines for appointment of statutory auditors of Banks and NBFCs. The Board has also recommended for their appointment as Statutory Auditor of the Company to the shareholders of the Company in the ensuing general meeting.

There were no qualification, reservation or adverse remark made by the Auditors in their Reports to the Financial Statement for the financial year ended 31st March, 2024, hence no explanation of the same is required in this report.

ii) Secretarial Auditor

During the year, the Company has re-appointed M/s. MKB & Associates, Practicing Company Secretaries holding a valid peer review certificate to conduct the secretarial audit for the Financial Year 2023-24.

According to the provisions of Section 204 of the Companies Act, 2013 read with Section 179(3)(k) read with Rule 8(4) of the Companies (Meeting of Board and its Powers) Rules, 2014, the Secretarial Audit Report submitted by M/s. MKB & Associates, Practicing Company Secretary is enclosed as a part of this report in **Annexure A**.

iii) Cost Records and Cost Audit

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act are not applicable for the business activities carried out by the Company.

Directors' Report

iv) Certificate on Corporate Governance

M/s. MKB & Associates, Practicing Company Secretary has issued a certificate of confirming compliance with the conditions of corporate governance as stipulated under the SEBI Listing Regulations for financial year 2023-24 is enclosed to the Board's report as **Annexure B**.

ANNUAL RETURN

In accordance with the provisions of Section 92(3) read with Section 134(3)(a) of the Act, Annual Return of the Company is hosted on website of the Company at <https://www.qcml.in>.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has committee towards its CSR responsibility in accordance with its CSR Policy. The constitution and other details of the CSR Committee are given in the Corporate Governance Report.

The Company is not required to contribute towards the CSR expenditure for the Financial year 2023-24 as it did not meet any of the eligibility requirements provided under section 135 (1) read with Section 135(5) provisions of the Companies Act, 2013 for the immediately preceding Financial year i.e. 2022-23. Therefore, the Annual Report on CSR activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is not required to be annexed to this report.

RELATED PARTY TRANSACTIONS

The Board of Directors of the Company has adopted a policy to regulate transactions between the Company and its related parties in compliance with the applicable provisions of Companies Act, 2013, and SEBI (LODR) Regulation, 2015. The disclosure of related party transactions is made as per Ind-AS-24 in the Notes to Financial Statements.

All related party transaction that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business.

During the year, the Board on the recommendation of Audit committee proposed for entering into a material related party transactions relating to subscription of 12,00,000 (Twelve Lakhs) warrants, each exercisable into, or exchangeable for, 1 (one) fully paid up equity share of the Company of face value of Re. 1/- each ("Warrants") at a price of Rs. 280/- (Rupees Two hundred and eighty only) each payable in cash ("Warrants Issue Price") for an amount aggregating upto Rs.33,60,00,000/- This transaction exceeds applicable materiality thresholds as per SEBI (LODR) Regulations, 2015 and as per its policy of related party transactions of the Company and therefore, approval of the shareholders was also sought in the EGM held on 25th April, 2024. Apart from the above, there are no materially significant related party transactions made by the Company with the Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large.

LOANS, GUARANTEES AND INVESTMENTS

Pursuant to Section 186 (11) (a) of the Act read with Rule 11 (2) of the Companies (Meetings of Board and its Powers) Rules, 2014, the loan made, guarantee given or security provided in the ordinary course of business by a Non-Banking Financial Company (NBFC) registered with Reserve Bank of India are exempted. However, the details of the loans given and Investments made by the Company are provided under Note 6 & 7 of the Financial Statements, respectively for the year ended March 31, 2024. There are no guarantees issued, or securities provided by the Company.

CODE OF CONDUCT

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Code has been placed on the Company's website at <https://www.qcml.in/policies.html>. The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

Directors' Report

BOARD POLICIES

The Company has formulated various policies as required under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 are uploaded on our Company's website as mentioned below: -

NAME OF THE POLICY	BRIEF DESCRIPTION	LINK
Whistle Blower/Vigil Mechanism Policy	The Company has adopted the policy as required under Section 177(9) & (10) of the Companies Act, 2013 & as per SEBI (LODR) Regulation, 2015	https://www.qcml.in/policies.html
Nomination & Remuneration Policy	The Company has adopted the policy as required under Section 178(3) of the Companies Act, 2013 & SEBI (LODR) Regulation, 2015	
Related Party Transactions Policy	The Company has adopted the policy as required under Section 188 of the Companies Act, 2013 & SEBI (LODR) Regulation, 2015, as amended	
Policy on disclosure of materiality of events	The Company has adopted the policy as required under SEBI (LODR) Regulations, 2015.	
Familiarization Programme for Independent Directors	The Company has adopted the policy pursuant to Part III of Schedule IV of the Companies Act, 2013 & SEBI (LODR) Regulation, 2015	
Policy on Corporate Social Responsibility	The Company has adopted the policy as required under Section 135 of the Companies Act, 2013.	

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading as amended from time to time with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code.

DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors have provided declarations that they meet the criteria of independence as laid down u/s 149(6) of the Companies Act, 2013 & Regulation 16(1)(b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. They have also complied with the code for independent directors prescribed in Schedule IV of the Companies Act, 2013. Further, the Independent Directors have confirmed that they have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your directors re-affirm their commitment to the Corporate Governance standards prescribed by Securities and Exchange Board of India codified as per the applicable regulations read with Schedule V of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 with Stock Exchanges. Corporate Governance Report, Management Discussion and Analysis Report as well as Corporate Governance compliance certificate provided by a practicing Company Secretary are set out in separate Annexure to this report.

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

The Company being in the service sector, conservation of energy and technology absorption as specified under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 has no significance for the Company.

There is no earning and outgo in foreign exchange during the period

AUDIT COMMITTEE

The Audit Committee of the Board has been constituted in terms of Listing Regulations and Section 177 of the Companies Act, 2013. The constitution and other details of the Audit Committee are given in the Corporate Governance Report.

Directors' Report

All recommendations of Audit Committee were accepted by your Board during the financial year 2023-24.

Details of other Committees, of the Board, their composition, terms of reference and attendance of members are provided in the Corporate Governance Report, which is annexed to this report.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company's policy on prevention of sexual harassment of women provides for the protection of women employees at the workplace and for prevention and redressal of such complaints. There were no complaints pending for the redressal at the beginning of the year and no complaints received during the financial year.

SIGNIFICANT AND MATERIAL ORDERS BY THE REGULATORS OR COURTS TRIBUNAL IMPACTING THE COMPANY'S GOING CONCERN STATUS & OPERATIONS IN FUTURE

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

PARTICULARS OF EMPLOYEES

There are no employees getting salary in excess of the limit as specified under the provisions of Section 134 of Companies' Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 throughout or part of the financial year under review. The Disclosure required under the provisions of Section 197 of the Act read with Rule 5(1) & Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this report as **Annexure C**.

RBI GUIDELINES

Your Company has complied with all the applicable regulations prescribed by the Reserve Bank of India from time to time. Additional disclosures required in terms of Master Directions – Reserve Bank of India (Non-Banking Financial Company- Scale Based Regulation) Directions, 2023 is annexed to Standalone Financial Statement.

COMPLIANCE OF THE PROVISIONS OF SECRETARIAL STANDARD

Your Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India.

LISTING OF EQUITY SHARES

The Equity Shares of the Company is listed with BSE Limited. During the year, the Company has got voluntary delisted from The Calcutta Stock Exchange Limited with effect from 13th March, 2024.

ACKNOWLEDGEMENT

Your directors take this opportunity to express their grateful appreciation for the co-operation and guidance received from the Regulators, Central & State Govts., Bankers as well as the Shareholders during the year. Your directors also wish to place on record their appreciation dedicated service rendered by all the employees of the Company.

For and on behalf of the Board
Quest Capital Markets Limited

Dated: 21st May, 2024
Place: Kolkata

Mr. Sunil Bhandari
DIN: 00052161

Mr. Harish Toshniwal
DIN: 00060722

Directors' Report

[Annexure - A](#)

**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 Managerial Personnel) Rules, 2014]

To
The Members
QUEST CAPITAL MARKETS LIMITED
(Formerly known as BNK Capital Markets Limited)
Duncan House, 31, Netaji Subash Road
Kolkata - 700001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **QUEST CAPITAL MARKETS 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.

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and Regulations.

Based on our verification of the 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, and considering the relaxations granted by Ministry of Corporate Affairs and Securities and Exchange Board of India, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024, to the extent applicable, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;
- iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;
- iv) The 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 Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (not applicable to the company during the audit period);
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (not applicable to the company during the audit period);
 - e) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021 (not applicable to the company during the audit period);
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

Directors' Report

- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (not applicable to the company during the audit period);
 - i) The Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- vi) Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing companies, the following laws/acts are also, inter alia, applicable to the Company:
- a) The Reserve Bank of India Act, 1934 (Chapter IIIB), Sec 45 IA;
 - b) Master Direction – Know Your Customer (KYC) Direction, 2016 on Know Your Customer (KYC) Guidelines – Anti Money Laundering Standards (AML) – Prevention of Money Laundering Act, 2002;
 - c) Master Circular dated July 01, 2015 on Fair Practices Code;
 - d) Master Direction- Non-Banking Financial Company- Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016;
 - e) Scale Based Regulatory Framework categorizing NBFCs, into various layers i.e. based on their size, activity, and perceived riskiness RBI notification dated 01.10.2021;
 - f) Other Circulars/ Directions/ Guidelines issued by RBI in relation to Non-Banking Financial Companies, from time to time.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

We further report that

- a) The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. There has been no change in the composition of the Board of Directors during the period under review.
- b) 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.
- c) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

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

We further report that the Company had no Company Secretary for the period 21.12.2022 to 18.05.2023.

We further report that the Company has got itself voluntary delisted from The Calcutta Stock Exchange Limited with effect from 13th March, 2024. The Equity shares of the Company continues to remain listed on BSE Limited.

This report is to be read with our letter of even date which is annexed as **Annexure – I** which forms an integral part of this report.

For **MKB & Associates**
Company Secretaries
Firm Reg No: P2010WB042700

Neha Somani
Partner

Date: 18.05.2024
Place: Kolkata
UDIN: A044522F000399681

Membership no. 44522
COP no. 17322
Peer Review Certificate No.: 1663/2022

Directors' Report

Annexure – I

To
The Members
QUEST CAPITAL MARKETS LIMITED
(Formerly known as BNK Capital Markets Limited)
Duncan House, 31, Netaji Subash Road
Kolkata- 700001

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

1. It is management's responsibility to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records with same in letter and in spirit. Our responsibility is to express an opinion on those records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening events, etc.
5. 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 **MKB & Associates**
Company Secretaries
Firm Reg No: P2010WB042700

Neha Somani
Partner

Date: 18.05.2024
Place: Kolkata
UDIN: A044522F000399681

Membership no. 44522
COP no. 17322
Peer Review Certificate No.: 1663/2022

Directors' Report

[Annexure - B](#)

CERTIFICATE ON CORPORATE GOVERNANCE OF QUEST CAPITAL MARKETS LIMITED

To
The Members,
QUEST CAPITAL MARKETS LIMITED

We have examined the compliance of conditions of Corporate Governance by **QUEST CAPITAL MARKETS LIMITED** ("the Company") for the year ended on **31st March, 2024**, as stipulated in Chapter IV and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the Listing Regulations).

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clauses and/or Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our knowledge, information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

We state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **MKB & Associates**
Company Secretaries
Firm Reg. No.: P2010WB042700

Neha Somani
Partner

Date: 18.05.2024
Place: Kolkata
UDIN: A044522F000399701

Membership no. 44522
COP no. 17322
Peer Review Certificate No.:1663/2022

Directors' Report

[Annexure - C](#)

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

- 1) The ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year 2023-24 is not applicable as the Company pay only sitting fees for attending Board and committee meetings and no other remuneration is paid during the year.
- 2) During the year, there has been 21% increase in remuneration of Chief Financial Officer as compared to previous year.
- 3) During the financial year, there were only three employees on the roll which are holding therefore median remuneration of employees is not applicable.
- 4) There were 3 permanent employees on the rolls of the Company as on 31st March, 2024.
- 5) There was no employee other than key managerial personnel on the rolls of the Company as on 31st March, 2024.
- 6) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

For and on behalf of the Board
Quest Capital Markets Limited

Dated: 21st May, 2024
Place: Kolkata

Mr. Sunil Bhandari
DIN: 00052161

Mr. Harish Toshniwal
DIN: 00060722

Management Discussion & Analysis Report

Overview

Non-banking finance companies (NBFCs) play an important role in an economy like India, as they provide credit facilities to individuals, small and medium-sized enterprises (SMEs), and other entities that may not have access to traditional banking services. They often cater to niche segments or specific industries that banks may overlook. NBFCs contribute to financial inclusion by extending financial services to underserved and unbanked segments of the population. They often operate in rural and semi-urban areas where traditional banks may not have a strong presence. NBFCs facilitate trade finance activities such as bill discounting, factoring, and export financing. They provide financing solutions to businesses involved in domestic and international trade transactions. NBFCs are leveraging their superior understanding of regional dynamics and customized products and services to expedite financial inclusion in India. Systemically Important NBFCs have demonstrated agility, innovation and frugality to provide formal financial services to millions of Indians.

NBFCs showed an immense growth in lending through digital mode with around 60% of loans riding on the digital payment initiative undertaken through UPI based online payments as the digital lending getting traction, RBI has issued guidelines for digital lending in September, 2, 2022 which was made applicable to 'existing customers availing fresh loans' and to 'new customers getting on boarded', from the date of this circular.

Over the years, India has emerged as one of the fastest-growing economies in the world and an attractive investment destination driven by economic reforms and a large consumption base.

We believe that NBFCs with superior capital adequacy, better margins, frugal cost management, prudent risk management and those incorporating above four key cornerstones in their business models will continue to deliver sustainable growth in the foreseeable future.

Opportunities and Threats

India's economy is rapidly growing, and there's an increasing demand for financial services across various sectors such as consumer finance, housing finance, vehicle finance microfinance, etc. Embracing technological advancements like digital lending, online loan processing, and mobile banking can help NBFCs reach a wider audience and streamline operations. NBFCs can focus on niche segments or specialized services that traditional banks might overlook. This could include areas like peer-to-peer lending, equipment financing, or financing for small and medium enterprises (SMEs). As large NBFCs tap new segments, co-lending and partnerships with the emerging and mid-sized NBFCs will gain traction and the regulatory environment is evolving to accommodate the growth of NBFCs, providing them with opportunities for expansion and diversification under a supportive framework.

While regulatory support can be an opportunity, it also poses a threat. Any changes in regulations or compliance requirements can significantly impact NBFC operations, especially if they are not adequately prepared and do not institutionalize a robust compliance framework. In the recent past, Regulatory actions for consistent non-compliance has significant impact on business of the Companies like Pay TM or Kotak Mahindra Bank.

NBFCs rely heavily on borrowing to fund their operations. Any disruptions in the credit markets or a loss of investor confidence can lead to liquidity crunches, making it difficult for them to meet their obligations. The financial services sector in India is highly competitive, with both traditional banks and new fintech startups vying for market share. NBFCs need to differentiate themselves and offer unique value propositions to stay ahead. With the increasing digitization of financial services, NBFCs are vulnerable to cyber threats such as data breaches, hacking, and fraud. Protecting customer data and maintaining cybersecurity infrastructure is crucial to safeguarding their operations and reputation.

Outlook

Non-Banking Financial Companies (NBFCs) are set to announce robust results on the back of strong credit, Upcycle, higher disbursements and higher collections.

NBFCs would maintain loan growth of around 17% year on year basis in the next fiscal year on back of higher demand for loan against property, housing loan, vehicle finance loan and personal loan. The existing on balance sheet liquidity would help in maintaining funding cost for certain quarters.

However, a rising interest Rate, regime would impact funding costs for incremental borrowing across capital market instruments

Management Discussion & Analysis Report

Business Segment Analysis

During the period under review, the Company's activities was majorly restricted to Capital Market, NBFC and related fields which specifically involve in trading and dealing in Securities and Mutual Funds.

Financial Results

The financial performance of the Company, for the year ended 31st March 2024 is summarized below:

Particulars	Year Ended 31st March 2024 (Rs. in Lakhs)	Year Ended 31st March 2023 (Rs. in Lakhs)
Profit Before Tax	2,607.55	2,376.72
Net Profit After Tax	2,015.17	1,886.28

Comment on current year's performance

Revenue	Total Revenues of the Company has decreased in comparison to previous year as the Company do not have any sale of its inventory related to shares and securities in the current year
Operating Expenses	Operating & Administrative expense have decreased considerably in comparison to previous year.
Operating Profit	Due to declines in operating expenses and increase in interest and dividend income, operating Profits increased during the year by 9.71% from previous year.
Finance cost	Finance cost has reduced to negligible during the year
Net Profit	Net profits of the Company during the year have increased in comparison to previous year due to higher dividend and interest income.

Calculation and Explanation of Major Ratios

Particulars	Standalone	
	31st March 2024	31st March 2023
Current Ratio (Total Current Assets/Current Liabilities) Reason for variance: Due to fixed deposit invested and short term debt mutual funds in Non- Current Investment	206.26	141.63
Operating Profit Margin (%) Operating profit/ Revenue from operations Reason for variance= Increase in dividend income and reduction in operating expenses	98.55%	74.03%
Net Profit Margin (%) Reason for variance= Increase in dividend income	76.17%	58.75
Capital to Risk weighted assets ration Reasons for variance : due to decrease in risks weighted assets	137.15%	104.91%

Note: Debt Equity Ratio and Interest Coverage ratio is not relevant as Company has zero debt as on 31st March, 2024.

Human Resources

We have believed that our people are our most important asset and our HR function always places a great emphasis on employee engagement, capability building, nurture talent, and focus on training and individual development. We have always been committed to create environment where all individuals are treated with respect and dignity and cultivating an atmosphere where individuals enjoy the right to work in professional environment to deliver their best results.

Management Discussion & Analysis Report

Internal Controls

The Company has a proper and adequate system of internal controls befitting its size to ensure that all its assets are safeguarded and protected against loss from unauthorized use and disposal and that all transactions are authorized and reported correctly.

The internal controls are supplemented by internal audits, reviewed by Audit Committee of Board of Directors. The internal control ensures that appropriate financial records are available for preparing financial statements and other data for showing a true and fair picture of the state of affairs of the Company.

For and on behalf of the Board
Quest Capital Markets Limited

Dated: 21st May, 2024
Place: Kolkata

Mr. Sunil Bhandari
DIN: 00052161

Mr. Harish Toshniwal
DIN: 00060722

Report on Corporate Governance

The report on Corporate Governance for the financial year ended on 31st March, 2024 as per the applicable provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is as under:

1. Company's Philosophy on Corporate Governance

The basic objective of the Corporate Governance policies adopted by your Company is to focus on good Corporate Governance – which is the pivotal driver of sustainable corporate growth and long term value creation for the shareholders, other stakeholders and society at large. Good corporate governance helps to build an environment of trust, transparency and accountability necessary for fostering long-term investment, financial stability and business integrity, thereby supporting stronger growth.

2. Board of Directors

Composition of Board

The Board of Directors is the apex body constituted by shareholders for overseeing the Company's overall functioning. The Board provides strategic direction and leadership and oversees the management policies and their effectiveness looking at long-term interests of shareholders and other stakeholders. The Board of Directors of your Company have an optimum combination of Non-Executive and Independent Directors who have an in-depth knowledge and experience of business, finance, law and corporate management, in addition to the expertise in their areas of specialisation. The Board of the Company comprise of six directors that include one woman directors as on 31st March, 2024. The Composition of the Board during the year is tabulated below:

Director	Director Since	Category	Number of Directorships in Boards (including Quest Capital Markets Ltd.)		No. of Chairmanship / Membership in other Board Committees (including Quest Capital Markets Ltd.)*		No. of Equity Shares and convertible instruments held in the NBFC
			Public	Private	Chairman	Member	
Mr. Sunil Bhandari DIN: 00052161	23.08.2021	Non- Executive Chairman	4	7	-	-	Nil
Mr. Harish Toshniwal DIN: 00060722	23.08.2021	Non-Executive Non-Independent	4	10	1	1	Nil
Mr. Sunil Kumar Sanganeria DIN: 03568648	23.08.2021	Non-Executive Non Independent	6	7	-	1	Nil
Ms. Rusha Mitra § DIN: 08402204	23.08.2021	Non-Executive Independent	10	-	3	6	Nil
Mr. Trivikram Khaitan DIN: 00043428	12.11.2021	Non-Executive Independent	5	2	-	1	Nil
Mr. K N Mahesh Kumar DIN:00176969	12.11.2021	Non-Executive Independent	4	2	-	2	Nil

*In accordance with Regulation 26 of SEBI Listing Regulations, Memberships/ Chairmanships of only Audit Committees and Stakeholders' Relationship Committees in all public limited companies have been considered.

§ Ms. Rusha Mitra holds position as directorship in following listed entities:

- Lux Industries Limited- Independent Director
- Harrisons Malayalam Limited- Independent Director
- Texmaco Rail & Engineering Limited- Independent Director
- PCBL Limited- Independent Director
- GKW Limited – Independent Director

*No other directors holds directorship in any other listed entity.

Report on Corporate Governance

Details of Change in Composition of the Board during the current and previous financial year:

Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter/ Nominee/ Independent)	Nature of Change (Resignation/Appointment)	Effective Date
F.Y. 2022-23				
	Nil	Nil	Nil	Nil
F.Y. 2023-24				
	Nil	Nil	Nil	Nil

Number of Board Meetings and Board Procedures

Your Company's Board met 7 (seven) times during the year and details of the meeting are highlighted below. Agenda papers along with explanatory statements were circulated to the Directors well in advance of the meeting. The Board has access to any information within your Company and every effort is made to ensure that the information is adequate and appropriate to enable the Board to take informed decisions on issues. Board of Directors of your Company plays the primary role as the trustees to safeguard and enhance stakeholders' value through its effective decisions and supervision.

The composition and attendance of the Members in the Board meetings held during the FY 2023-24 and the AGM held on 21st August, 2023 are as follows:

Name of Director	Board Meeting Dates								Held during the FY	Attended during the FY	AGM 21-08-2023
	20-04-2023	19-05-2023	18-07-2023	10-08-2023	02-11-2023	17-01-2024	29-03-2024				
Mr. Sunil Bhandari	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7	7	Yes	
Mr. Harish Toshniwal	Yes	No	Yes	Yes	Yes	Yes	Yes	7	6	Yes	
Mr. S K Sangneria	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7	7	Yes	
Mr. Trivikram Khaitan	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7	7	Yes	
Ms. Rusha Mitra	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7	7	Yes	
Mr. K N Mahesh Kumar	No	No	Yes	No	No	Yes	No	7	2	Yes	

- None of the present Directors are relative of each other.
- The familiarization program imparted to independent directors of the Company is available at the website of the Company.
- Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 and that they are independent of the management.
- None of the Directors on the Board holds directorships in more than 10 public companies and serves as Director or as Independent Director in more than 7 listed entities.

Skills, Expertise and Competencies

The Board has a right blend of dynamism with each of the Directors having several years of vast experience and knowledge in various diversified functions, viz., investment banking, Corporate banking, treasury, project finance, business strategies, banking and finance, competition law, legal and corporate affairs, industry, economic regulation and corporate law etc. The Board is suitably equipped to understand the ever changing business dynamics of NBFCs in which the Company operates and ensures that appropriate strategies are articulated benefitting the Company in the long run. The Independent Directors provide their inputs and guidance at the Meetings of the Board which have been of immense help to the Company in pursuing strategic goals. The skills, expertise and competencies of the Directors are given below:

Report on Corporate Governance

Name of Directors	Knowledge of the Sector	Accounting and Finance	Strategy development and Implementation	Corporate Governance, and regulatory compliance	Investment Banking & Portfolio Management	Legal & Corporate Affairs
Mr. Sunil Bhandari	✓	✓	✓	✓	✓	
Mr. Harish Toshniwal	✓	✓	✓	✓	✓	
Mr. Sunil Kumar Sanganerla	✓	✓	✓	✓	✓	
Ms. Rusha Mitra	✓		✓	✓		✓
Mr. Trivikram Khaitan	✓		✓	✓		✓
Mr. K. N. Mahesh Kumar	✓	✓	✓	✓		✓

Notes: These skills/competencies are broad-based, encompassing several areas of expertise/ experience. Each Director may possess varied combinations of skills/experience within the described set of parameters.

Independent Directors

The Company has complied with the definition of Independence as per section 149 read with the provisions of Schedule IV of the Companies Act, 2013 and applicable regulations of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. They also obtained declarations from all the Independent Directors pursuant to Section 149(7) of the Companies Act, 2013.

Whenever new Non-Executive and Independent Directors are included in the Board they are introduced to our Company's culture through appropriate orientation session and they are also introduced to our organization structure, our business, Board procedures, Board Policies, risks and management strategy. The Company has adopted a Familiarization Programme for Independent Directors which is uploaded on the Company's website at the following link: www.qcml.in/investor.html

The Independent Directors held a Meeting on 18th July, 2023 wherein they discussed the following in details:

- Evaluation of the performance of the Non-Independent Directors and Board as a whole.
- Evaluation of the quality, content, and timelines of flow of information between the Company Management and Board that is necessary for the Board to effectively and reasonably perform their duties.
- The evaluation of performance of each Independent Director was carried out by all the directors except the Independent Director evaluated. The review of the performance of non-independent directors, the Board as a whole, the Chairperson of the Company, quantity and timeliness of flow of information was carried out by independent directors of the Company. The Board also evaluated the performance of the Independent Directors, Non-Executive Directors including the performance of the Chairman as required by the Companies Act, 2013. Criteria for evaluation includes qualification, experience, age, participation, attendance, knowledge, quality of discussion, beneficial contribution, etc.

In the opinion of the Board, all the Independent Directors fulfill the conditions specifies in SEBI (LODR) Regulations, 2015 as amended and are independent of the Management. Certificate from Company Secretary in practice certifying that none of the Directors on the Board have been debarred or disqualified from being appointed or continuing as Director of the Company by SEBI/ Ministry of Corporate Affairs or any other statutory authority is annexed to this report.

Mr. K N Mahesh Kumar resigned as an Independent Director due to his old age and other pre-occupation and also confirmed that there are no other material reasons for his resignation with effect from 14th May, 2024.

The Board of Directors in its meeting held on 21st May, 2024 appointed Mr. Tarun Goyal, a qualified Company Secretary as an Independent Director who fulfils the criteria of independence as provided under the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 as amended and is independence of the management.

The Board recommends his appointment as Independent Director for the first term of five years for approval of shareholders at the ensuing annual general meeting.

Report on Corporate Governance

Particulars of change in Senior Management

Ms. Bhawna Agarwal, a qualified company secretary and LLB having 8 years of post-qualification experience in corporate, secretarial matters, has been appointed as the Company Secretary and Compliance officer of the Company with effect from 19th May, 2023.

3. Committees and Its Terms of Reference

The Board has constituted various sub-committees with specific terms of reference and scope in compliance with the provisions of the Act, SEBI Listing Regulations, and RBI Directions.

Audit Committee

The Audit Committee of the Board consisted of three Members out of which two are Non-Executive Independent Directors. All the Members of the Committee are financially literate and have accounting and financial management expertise. The Company Secretary of the Company acts as the Secretary to the Committee.

The Committee, inter alia, provides reassurance to the Board on the existence of an effective internal control system. It also oversees financial disclosures compliance with all relevant statutes, safeguarding of assets and adequacy of provisions for all liabilities and generally accepted accounting principles by the Company. The Committee is in compliance with the provisions of Companies Act, 2013 & Listing Regulations as amended from time to time. The Audit Committee also takes care of Whistle Blower Mechanism.

The terms of reference of the Audit Committee broadly are:

- Review and approval or subsequent modification of Related Party Transactions;
- Review of Financial Reporting systems;
- Reviewing the Quarterly, Half Yearly and Annual Financial Results;
- Discussing the annual financial statements and auditors report with Statutory Auditors before submission to the Board;
- Recommendation for appointment and remuneration of Auditors;
- Any other matter which may be required and assigned by the Board from time to time.

The Audit Committee is comprised of three members, all members including the Chairman of the Committee are non-executive.

The composition and attendance of the members at the Audit Committee meetings held during the F.Y. 2023-24 are as follows:

Sl. No.	Director	Member of Committee since	Position	Meetings held	Meetings Attended
1.	Ms. Rusha Mitra	23.08.2021	Chairperson (Independent)	6	6
2.	Mr. Sunil Kumar Sanganeria	23.08.2021	Member (Non-Executive)	6	6
3.	Mr. Trivikram Khaitan	24.01.2022	Member (Independent)	6	6

Vigil Mechanism

The Company has established a Vigil Mechanism/ Whistle Blower policy to enable Directors, Stakeholders, including individual employees and their representative bodies to report, in good faith, unethical, unlawful or improper practices, acts or activities. The said mechanism ensures that the whistle blowers are protected against victimization/ any adverse action and/ or discrimination as a result of such a reporting and provides a direct access to the Chairman of the Audit Committee in exceptional cases. The Company hereby affirms that none of its personnel have been denied access to the Audit Committee.

Report on Corporate Governance

Nomination & Remuneration Committee

The Company has a Nomination & Remuneration Committee at the Board level constituted in compliance with the provisions of Companies Act, 2013 & Listing Regulations as amended from time to time. The Nomination & Remuneration Committee is comprised of three members, all members including the Chairman of the Committee are non-executive. Company Secretary & Compliance Officer is the Convener to the Nomination & Remuneration Committee. The terms of reference of the Nomination & Remuneration Committee inter-alia include the following:

- It shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out the evaluation of every director's performance;
- It shall formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board remuneration policy for the directors, KMP and other employees;
- Devising a policy on board diversity;
- Any other matter which may be required and assigned by the Board from time to time.

The composition and attendance of the members at the Nomination & Remuneration Committee meetings held during the F.Y. 2023-24 are as follows:

Sl. No.	Director	Member of Committee since	Position	Meetings held	Meetings Attended
1.	Mr. Trivikram Khaitan	24.01.2022	Chairperson (Independent)	2	2
2.	Mr. Sunil Bhandari	23.08.2021	Member (Non-Executive)	2	2
3.	Ms. Rusha Mitra	23.08.2021	Member (Independent)	2	2

Stakeholders' Relationship Committee

The Company has Stakeholder's Relationship Committee under the Chairmanship of a Non- Executive Director to specifically look into shareholder issue including transmission, issue of duplicate certificates and redressing of shareholders complaints like non-receipt of Balance Sheet, non-receipt of dividend, IEPF related matters etc,. The Committee is in compliance with the provisions of Companies Act, 2013 & Listing Regulations as amended from time to time.

The terms of reference of the Stakeholders' Relationship Committee inter-alia include the following:

- Review and resolve the pending investors complaints, if any, relating to non-receipt of Balance Sheet, non-receipt of dividend, IEPF related matters etc;
- Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolve them;
- Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended from time to time;
- Any other matter which may be required and assigned by the Board from time to time.

Report on Corporate Governance

The composition and attendance of the members at the Stakeholders' Relationship Committee meeting held during the F.Y. 2023-24 are as follows:

Sl. No.	Director	Member of Committee since	Position	Meetings held	Meetings Attended
1.	Mr. Harish Toshniwal	23.08.2021	Chairman (Non-Executive)	1	1
2.	Mr. K N Mahesh Kumar	24.01.2022	Member (Independent)	1	0
3.	Ms. Rusha Mitra	23.08.2021	Member (Independent)	1	1

- M/s C. B. Management Services (P) Ltd., the Company's Registrar and Share Transfer Agent among others, expedites the process of transmission, issue of duplicate shares, dividend processing etc., under supervision of Company Secretary and Compliance Officer. Thereafter, the proposals are placed before the Stakeholder's Relationship Committee for approval/ratification.
- Ms. Bhawna Agarwal, Company Secretary of the Company is the Compliance Officer for complying with the requirements of SEBI Listing Regulations.

Corporate Social Responsibility Committee

The Committee is in compliance with the provisions of Companies Act, 2013 as amended from time to time. Company Secretary & Compliance Officer is the Convener to the Corporate Social Responsibility Committee.

The terms of reference of the Corporate Social Responsibility Committee inter-alia include the following:

- To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor process;
- Any other matter which may be required and assigned by the Board from time to time.

The composition and attendance of the members at the Corporate Social Responsibility Committee meeting held during the F.Y. 2023-24 are as follows:

Sl. No.	Director	Member of Committee since	Position	Meetings held	Meetings Attended
1.	Mr. Sunil Kumar Sangneria	23.08.2021	Chairman (Non-Executive)	1	1
2.	Mr. Trivikram Khaitan	24.01.2022	Member (Independent)	1	1
3.	Ms. Rusha Mitra	24.01.2022	Member (Independent)	1	0

Asset Liability Management Committee

Your Board has constituted an Asset Liability Management Committee to oversee the ALM position of the Company. The Asset Liability Management Committee is responsible for overseeing the liquidity position of the Company.

Brief terms of reference of Asset Liability Management Committee:

- Identifying, measuring, monitoring and controlling liquidity risk to clearly articulate a liquidity risk tolerance;
- To check and verify MIS should include maturity of Investments and loans, Return from Investments, Fund requirements, NPA position and loan recovery status;
- To ensure that prudential limits mentioned in the ALM Policy with regard to Structural Liquidity and Interest Rate Sensitivity is adhered to;
- To review certain critical ratios to monitor short-term liability to total assets; short-term liability to total advances, short-term liability to long term assets; short-term liabilities to total liabilities (less net worth); long-term assets to total assets and long term assets to total advances etc.

Report on Corporate Governance

The composition and attendance of the members at the Asset Liability Management Committee meetings held during the F.Y. 2023-24 are as follows:

Sl. No.	Director	Member of Committee since	Position	Meetings held	Meetings Attended
1.	Mr. Sunil Bhandari	23.08.2021	Member (Non-Executive)	2	2
2.	Mr. Harish Toshniwal	23.08.2021	Member (Non-Executive)	2	2
3.	Mr. Satish Kumar Sharma	24.01.2022	Member (CFO)	2	2

Risk Management Committee

The Board of Directors has constituted a Risk Management Committee with members of the Board in accordance with RBI guidelines/ Circulars issued in this regard. The terms of reference of the Risk Management Committee include a periodical review of the risk management policy, risk management plan, implementing and monitoring the risk management plan, and mitigation of the key risks.

The composition and attendance of the members at the Risk Management Committee meetings held during the F.Y. 2023-24 are as follows:

Sl. No.	Director	Member of Committee since	Position	Meetings held	Meetings Attended
1.	Mr. Sunil Bhandari	23.08.2021	Chairman (Non-Executive)	2	2
2.	Mr. Harish Toshniwal	23.08.2021	Member (Non-Executive)	2	2
3.	Mr. Trivikram Khaitan	24.01.2022	Member (Independent)	2	2

Investment Committee

Your Board has constituted an Investment Committee with members of the Board/ KMPs in accordance with RBI directions.

Brief terms of reference of Investment Committee is as under:

- To review and monitor return on investments made by the Company and ensure that the investments are in line with investment policy of the Company;
- To review the demand and call loan made by the Company to various parties;
- To check the NPA classification for loan given in the financial statements.

The composition and attendance of the members at the Investment Committee meetings held during the F.Y. 2023-24 are as follows:

Sl. No.	Director	Member of Committee since	Position	Meetings held	Meetings Attended
1.	Mr. Sunil Bhandari	10.11.2022	Member (Non-Executive)	2	2
2.	Mr. Harish Toshniwal	10.11.2022	Member (Non-Executive)	2	2
3.	Mr. Satish Kumar Sharma	10.11.2022	Member (CFO)	2	2

4. Remuneration to Directors

Director	Designation	Remuneration paid during 2023-24 (All figures in Rupees)		
		Sitting fees for Board & Committee Meetings	Remuneration*	Total
Mr. Sunil Bhandari	Chairman	45,000	-	45,000
Mr. Harish Toshniwal	Director	35,000	-	35,000
Mr. Sunil Kumar Sanganageria	Director	65,000	-	65,000
Ms. Rusha Mitra	Director	75,000	-	75,000
Mr. Trivikram Khaitan	Director	75,000	-	75,000
Mr. K N Mahesh Kumar	Director	10,000	-	10,000

Non-Executive Directors are only paid sitting fees of ₹ 5,000/ per meeting of the Board and Committee thereof. Apart from sitting fees, no other remuneration is being paid to them.

Report on Corporate Governance

Shares held by Non- Executive Directors as on 31st March, 2024

No Non- Executive Directors was holding any shares of the Company as on 31st March, 2024

5. General Body Meetings

I. Details of Annual General Meetings

A. Location and time of last 3 (three) AGMs

Year	Location	Date	Time
2022-23	Duncan House, 31 N S Road, Kolkata through video conferencing. (Ministry of Corporate Affairs vide its General Circular No. 10/2022 dated December 28, 2022 issued by the Ministry of Corporate Affairs (MCA) and Circular SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 issued by SEBI (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through Video Conferencing [VC] or other Audio Visual means [OAVM])	21 st August, 2023	11.30 P.M.
2021-22	Duncan House, 31 N S Road, Kolkata through video conferencing. (Ministry of Corporate Affairs vide its General Circular No. 20/2020 clarifies to the Company that they can held AGM through Video Conferencing [VC] or other Audio Visual means [OAVM])	08 th July, 2022	12.00 P.M.
2020-21	Duncan House, 31 N S Road, Kolkata through video conferencing. (Ministry of Corporate Affairs vide its General Circular No. 20/2020 clarifies to the Company that they can held AGM through Video Conferencing [VC] or other Audio Visual means [OAVM])	17 th Dec, 2021	04:00 P.M.

B. Whether any special resolutions passed in the previous year three annual general meeting? **No**

C. Whether special resolution was put through postal ballot last year? **No**

6. Means of Communication

Sl. No.	Particulars	Status
1.	Quarterly Results:	
	Financial Results for Quarter ended June 30, 2023	19 th May, 2023
	Financial Results for Quarter ended September 30, 2023	02 nd November, 2023
	Financial Results for Quarter ended December 31, 2023	17 th January, 2024
	Audited Financial Results for Year ended March 31, 2024	29 th April, 2024
2.	Newspapers in which results are published	Published in specified newspapers: Financial Express (English), Duranta Barta (Bengali)
3.	Corporate website for display	www.qcml.in
4.	Any Official new release published in newspapers/ Presentation made to Institutional investors/ analysts	No

7. General Shareholder Information:

Sl. No.	Particulars	Status
i.	Annual General Meeting Day & Date: Time: Venue:	Tuesday, 09 th July, 2024 11.00 A.M. Video Conferencing/ other audio visual means
ii.	Financial Year	1 st April, 2023 to 31 st March, 2024
iii.	Dividend payment date	Within 30 days of declaration of Dividend in AGM
iv.	Date of Book Closure	03 rd July 2024 to 9 th July, 2024 (Both days inclusive)

Report on Corporate Governance

Sl. No.	Particulars	Status
v.	Stock Exchange where securities are listed Annual Listing Fee to BSE Ltd.	BSE Ltd. (Address: Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai 400 023) During the year, the Company has got voluntary delisted from the Calcutta Stock Exchange Limited with effect from 13 th March, 2024. Paid listing fees to BSE Ltd. for the FY- 2024-25 on 19 th April, 2024
vi.	Stock Code & ISIN	500069 & INE418C01012
vii.	Registrar & Transfer Agent	C B Management Services (P) Ltd., P-22, Bondel Road, Kolkata: 700 019 Tel No.: (033) 2280-6692/93, 4011-6700; Fax No.: (033) 2287-0263 E-mail: rta@cbmsl.com

Share Transfer System

Stakeholders' Relationship Committee has been constituted to approve the transmission of shares, issue of duplicate share certificates and allied matters. The shareholders are free to hold the Company's shares either in physical form or in dematerialized form. However, with effect from April 01, 2019, the shareholders are not allowed to transfer any shares in the physical form and hence, the dematerialisation of the shares is mandatory for transfer of shares. Thus, the Company encourages the holding of shares in dematerialized form. The shares held in dematerialized form can be transferred through the depositories without the Company's involvement. Pursuant to Regulation 40 (9) of the SEBI Listing Regulations, the Company obtains certificates from a Company Secretary in Practice on a half-yearly basis to the effect that all the transmission/ split / consolidation/ transposition requests are completed within the statutory stipulated period. A copy of the said certificate is submitted to both the Stock Exchanges, where the shares of the Company are listed.

Investor Services

Complaints received during the year are as given below:

Nature of Complaints	2023-24		2022-23	
	Received	Cleared*	Received	Cleared
Relating to Transfer, Transmission etc., Dividend, Interest, Redemption etc., Change of Address, Demat - Remat and Others Received from SEBI, Stock Exchanges and Other Statutory Authorities	1	Nil	Nil	Nil
	Nil	Nil	Nil	Nil
Total	1	Nil	Nil	Nil

*There was one complaint which was pending as on 31st March, 2024 and the same was disposed on 10th April, 2024.

The Company endeavours to settle all shareholder complaints in the minimum possible time.

Distribution of Shareholding as on 31st March 2024

Range (no of Shares)	FY 2023-24				FY 2022-23			
	No. of share holders	% of share holders	No of Shares	% of Total share	No. of share holders	% of share holders	No of Shares	% of Total share
1 - 500	2106	87.93	2,13,085	2.13	2445	87.1	2,49,912.0	2.5
501-1000	125	5.22	95,577	0.96	180	6.41	1,32,182.0	1.32
1001-2000	55	2.30	81,087	0.81	69	2.46	99,882.0	1
2001-3000	25	1.04	63,006	0.63	28	1	71,808.0	0.72
3001-4000	26	1.09	86,687	0.87	29	1.03	95,218.0	0.95
4001-5000	9	0.38	41,917	0.42	6	0.21	27,810.0	0.28
5001-10000	23	0.96	1,82,917	1.83	24	0.86	1,84,749.0	1.85
10001 & above	26	1.09	92,35,724	92.36	26	0.93	91,38,439.0	91.38
Total	2395	100	1,00,00,000	100.00	2807	100	1,00,00,000.0	100

Report on Corporate Governance

Categories of Shareholding as on 31st March 2024

Sl. No.	Category	2023-24		2022-23	
		No. of share held	% of share holding	No. of share held	% of share holding
1	Promoter	75,00,000	75.00	75,00,000	75.00
2	Director & Promoter			-	-
3	Directors Relative			-	-
4	Mutual Fund			-	-
5	F.I.I/ FPI	3,16,866	3.17	1,00,000	1.00
6	Financial Institution			-	-
7	N.R.I	7,044	0.07	21,294	0.21
8	Other Bodies Corp.	5,42,497	5.42	4,99,991	5
9	Bank			-	-
10	Resident Individual	11,12,617	11.13	16,24,397	16.24
11	Clearing Members			-	-
12	HUF	3,83,829	3.84	1,50,128	1.5
13	IEPF	1,21,278	1.21	1,03,690	1.04
14	LLP	15,869	0.16	500	0.01
	TOTAL	1,00,00,000	100.00	1,00,00,000	100.00

Dematerialization of shares & liquidity

Over 99.07% of equity shares have been dematerialized as on 31st March, 2024, trading in equity shares of your Company on BSE Limited (Security Code: 500069). To facilitate the investors in having easy access to demat system, the Company has signed agreements with both the depositories viz. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

Credit Rating

Company is not required to obtain credit rating from the Credit Rating Agency during the financial Year 2023-24.

Details on use of public fund obtained in the last three years: N.A

Fresh Issue of Capital

During the year under review, your Company has not raised any fresh capital.

Investors Correspondence

Registered Office

Duncan House, 31 Netaji Subhas Road,
Kolkata: 700 001
Tel: (033) 66251000
Fax: (033) 22306844
E-mail: secretarial.qcml@rpsg.in

Registrar and Share Transfer Agents

C.B. Management Services (P) Ltd.
P-22, Bondel Road, Kolkata: 700 019
Tel No.: (033) 2280-6692/93,
4011-6700, Fax No.: (033) 22470263
E-mail : rta@cbmsl.com

Per Share Data

Particulars	2023-24	2022-23
EPS (Rs.)	20.15	18.86
EPS Growth (%)	6.84	(14.27)
Book Value per share (Rs.)	986.42	673.67
Share price as an end of financial year	321.65	224.25

Report on Corporate Governance

Transfer of Unclaimed Dividend to Investor Education and Protection Fund (IEPF)

The due date on which unclaimed dividends lying in the unpaid dividend accounts of the Company would be credited to the IEPF, are stated in the table below. Investors are requested to claim their dividends before these dates.

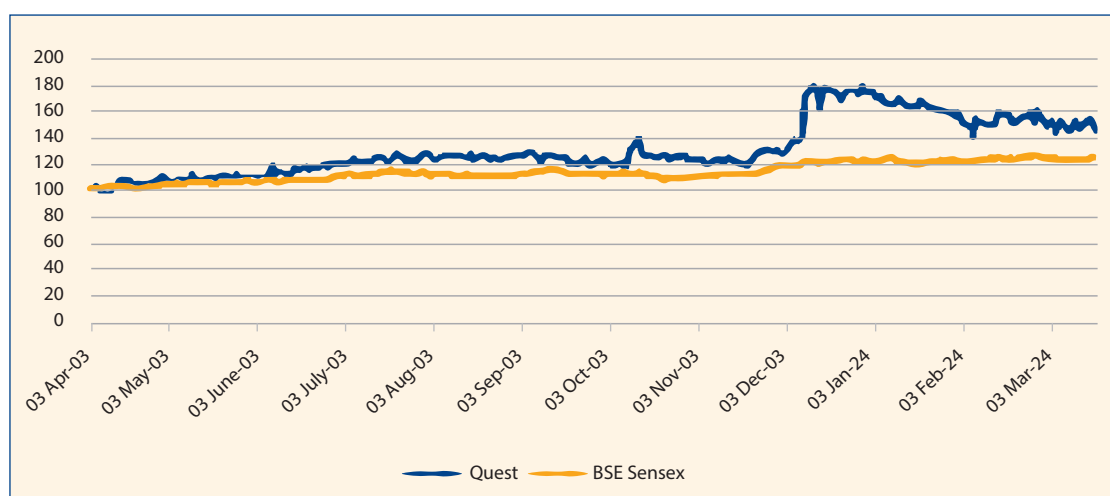
Financial Year	Date of Declaration	30 days expire from the date of declaration	Transfer to unpaid dividend unpaid/ unclaimed dividend account	7 Years expire from the date of transfer to unpaid/unclaimed dividend account	Amount lying unpaid/ unclaimed as on 31st March 2024 (₹)
2016-17	26.08.2017	25.09.2017	26.09.2017	25.09.2024	3,04,245.00
2017-18	01.09.2018	30.09.2018	01.10.2018	30.09.2025	1,79,121.00
2018-19	17.08.2019	15.09.2019	16.09.2019	15.09.2026	1,43,108.00
2019-20	05.03.2020	03.04.2020	04.04.2020	03.04.2027	3,31,547.50
2020-21	17.12.2021	16.01.2022	17.01.2022	16.01.2029	1,98,842.50
2021-22	08.07.2022	07.08.2022	08.08.2022	07.08.2029	1,84,212.00
2022-23	21.08.2023	20.09.2023	21.10.2023	21.10.2030	1,87,806.00

In terms of the shares issued by the Company in physical form, the certificates of which are lying unclaimed, the Company shall take necessary steps to enable shareholders to claim the unclaimed share/ dividends. These Shares transferred into one folio in the name of "Unclaimed Suspense Account" and thereafter to Investor Education and Protection Fund- MCA.

8. (a) Market Price (High & Low) at BSE (Security Code: 500069) during each month of the financial year 2023-24

Month	High (₹)	Low (₹)
April, 2023	243.80	220.00
May, 2023	250.00	230.00
June, 2023	271.95	239.00
July, 2023	289.00	247.00
August, 2023	299.00	262.40
September, 2023	298.00	264.00
October, 2023	330.00	251.10
November, 2023	309.90	260.00
December, 2023	438.95	280.00
January, 2024	409.00	345.00
February, 2024	392.00	295.00
March, 2024	373.00	296.00

(b) Performance of the Quest Capital Stock in comparison to Broad based BSE Sensex



Report on Corporate Governance

9. Remuneration to Auditors

The details of total fees paid to M/s Santosh Chaudhary & Associates, Chartered Accountants, Statutory Auditors and all entities in the network firm/ network entity of which the statutory auditor is a part, during the FY 2023-24 for all the services rendered by them is given below:

Particulars	Amount in lakhs
Statutory audit fees (Including Limited Review)	0.70
Other services	0.15
Tax audit fees	0.10
Total	0.95

10. Demat IEPF- Unclaimed Account-Detail of shares lying in IEPF- Unclaimed Shares is given below:

Sr. No.		High (₹)	Low (₹)
1	Aggregate number of shareholders and the outstanding shares in the IEPF account lying at the beginning of the year (a)	352	1,03,960
2	Number of shareholders who approached listed entity for the transfer of shares from IEPF account during the year (b)	-	-
3	Number of shareholders to whom shares were transferred from IEPF account during the year (c)	23	17,588
4	Aggregate number of shareholder and the outstanding shares in the IEPF account lying at the end of the year (d) = (a) - (b) + (c)	375	1,21,278

The voting rights of the shares lying in the IEPF -unclaimed suspense account shall remain frozen till the rightful owner of such shares claim the shares.

11. Internal Control & Risk Management

The Company has an effective system of internal control and corporate risk management and mitigation, commensurate with the size of the Company and ensures operational efficiency, accuracy in financial reporting and compliance of applicable laws and regulations. The system is also reviewed from time to time.

12. Management Discussions and Analysis Report

As a part of the disclosure related to Management, in addition to the Director's Report, Management Discussion and Analysis Report forms part of the Annual Report to the shareholders as per specification of SEBI.

13. Disclosure regarding Director's Appointment

Details of Disclosure regarding director's re-appointment, their brief resume and experience is provided as note to the notice of Annual General Meeting.

14. Material Contracts / Transactions concerning Director's Interest

During the year, the Board on the recommendation of Audit committee proposed for entering into a material related party transactions relating to subscription of 12,00,000 (Twelve Lakhs warrants, each exercisable into, or exchangeable for, 1 (one) fully paid up equity share of the Company of face value of Re. 1/- each ("Warrants") at a price of Rs. 280/- (Rupees Two hundred and eighty only) each payable in cash ("Warrants Issue Price") for an amount aggregating upto Rs.33,60,00,000/- This transaction exceeds applicable materiality thresholds as per SEBI (LODR) Regulations, 2015 and as per its policy of related party transactions of the Company and therefore approval of the shareholders was also sought in the EGM held on 25th April, 2024.

Apart from the above, there are no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, Key Managerial Personnel or their relatives or other designated persons which may have a potential conflict with the interest of the Company at large.

15. Codes for Prevention of Insider Trading

In accordance with the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015 the Board of Directors of the Company have formulated and adopted a Code of Practices and Procedure for Fair Disclosures of Unpublished Price Sensitive Information & Code of Conduct to Regulate, Monitor and Report Trading by Insiders for its employees and other connected persons towards the compliance of the Regulations.

Report on Corporate Governance

16. Other Disclosures:

- (a) The Board of Directors of the Company has adopted a policy to regulate transaction between the Company and its related parties in compliance with the applicable provisions of the Companies Act, 2013, SEBI (LODR) Regulations, 2015. The disclosure of related party transactions as made as per AS-8 in the Notes to the Financial Statement. However, in terms of Section 188 (1) of the Companies Act, 2013 read with rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014, the Board feels that there are no more transactions which are material in nature and have potential conflict with interests of listed entity at large.
- (b) The Company has no penalties, structures imposed by stock exchange(s) or the board or Reserve Bank of India or any statutory authority or Regulators, on any matter related to capital markets during the last three years.
- (c) The Company has adopted the Whistle Blower/Vigil Mechanism Policy as required under Section 177(9)&(10) of the Companies Act, 2013 & Regulation 4 (2)(d)(iv) & 34 (3) read with Para 10 of Part C of Schedule V of the SEBI Listing Regulations and no person has been denied access to the Audit Committee.
- (d) The Company has complied with the requirement of the Companies Act, 2013 including compliance with respect to accounting and secretarial standards and mandatory requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended.
- (e) The Company has adopted the non- discretionary requirement in respect of moving to regime of unmodified opinion, reporting of internal auditor to audit committee and separate posts of Chairperson and the Chief Executive Officer.
- (f) During the year there was no breach of covenant of loan availed.
- (g) The Company has made provisions for NPA on standard assets equivalent to 0.4% of the outstanding as per RBI Master Directions (NBFC Scale Based Regulations) Directions 2023 applicable for Middle Layer. There is no diversion in Asset Classification and NPA provisioning as the Company do not have any NPA(s) during the financial year.

The Company has no commodity price risks and commodity hedging activities.

DECLARATION IN RESPECT OF CODE OF CONDUCT

In accordance with Regulation 26(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, I hereby confirm and declare that, all the Directors and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company laid down for them, for the financial year ended on 31st March, 2024.

For **Quest Capital Markets Limited**

Place: Kolkata
Date: 21st May, 2024

Arun Kumar Mukherjee
Chief Executive Officer

Report on Corporate Governance

CHIEF EXECUTIVE OFFICER AND CFO CERTIFICATION

We, Arun Kumar Mukherjee, Chief Executive Officer and Satish Kumar Sharma, Chief Financial Officer of the Company responsible for the finance function hereby certify that:

- a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2024 and to the best of our knowledge and belief:
 - I) These Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - II) These Statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2024 are fraudulent, illegal or violate the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control system of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d)
 - i) There has not been any significant change in internal control over financial reporting during the year under reference.
 - ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements.
 - iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place: Kolkata
Date: 29th April, 2024

Arun Kumar Mukherjee
Chief Executive Officer

Satish Kumar Sharma
Chief Financial Officer

Report on Corporate Governance

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

Quest Capital Markets Limited

(Formerly known as BNK Capital Markets Limited)

Duncan House, 31, Netaji Subhash Road,

Kolkata- 700001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Quest Capital Markets Limited (CIN: L34202WB1986PLC040542) having its Registered office at Duncan House, 31, Netaji Subhas Road, Kolkata - 700 001 (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 and 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 and its officers, we certify that following are the Directors on the Board of the Company as on 31st March 2024:

Sl. No.	DIN	Name	Designation	Date of Appointment
1	00043428	Mr. Trivikram Khaitan	Independent Director	12.11.2021
2	00052161	Mr. Sunil Bhandari	Non-Executive Director	23.08.2021
3	00060722	Mr. Harish Toshniwal	Non-Executive Director	23.08.2021
4	00176969	Mr. Kedarisetty Naga Mahesh Kumar	Independent Director	12.11.2021
5	03568648	Mr. Sunil Kumar Sanganageria	Non-Executive Director	23.08.2021
6	08402204	Ms. Rusha Mitra	Independent Director	23.08.2021

We further certify that none of the aforesaid Directors on the Board of the Company for the financial year ended 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.

Ensuring the eligibility 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 **MKB & Associates**
Company Secretaries
Firm Reg. No.: P2010WB042700

Neha Somani
Partner

Membership no. 44522
COP no. 17322

Peer Review Certificate No.: 1663/2022

Date: 18.05.2024

Place: Kolkata

UDIN: A044522F000399690

FINANCIAL SECTION

Independent Auditors' Report

To,
The Members of
Quest Capital Markets Limited
(Formerly BNK Capital Markets Limited)
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Quest Capital Markets Limited ("the Company"), which comprise the Balance Sheet as at **31st March 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 financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the 'financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31st March, 2024**, its Profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the 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 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 financial statements under the provisions of the Act and the Rules issued 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 financial statements

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information included in the Annual report, but does not include the financial statements and auditors' report thereon.

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

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

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

Independent Auditors' Report

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure "A"**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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.

Independent Auditors' Report

- (c) The Balance Sheet, the Statement of Profit and Loss including Statement of 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 financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder.
- (e) On the basis of the written representations received from the directors as on **31st March, 2024** and taken on record by the Board of Directors, none of the directors is disqualified as on **31st March, 2024** from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting with reference to these financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, no managerial remuneration is paid to its directors during the year by the Company
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. There are no pending litigations on the financial position in the Company's financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. The Company has made no delay in transferring amounts which were required to be transferred to the Investor Education and Protection Fund during the year.
 - iv.
 - (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v.
 - a) The final dividend as proposed for the previous year which has been declared and paid during the year is in accordance with Section 123 of the Act, as applicable.
 - b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
 - vi. Based on our examination which included test checks, the Company has used 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 the same has been operated throughout the year for all the transactions recorded in the software. Further during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

Independent Auditors' Report

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

(i) According to the information and explanations given to us and on the basis of such checks as we considered appropriate was carried out by us during the course of the audit of the Company, our report on the matters specified under the Para 3(A) and 3(C) of Non - Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 is as follows:

i) The Company is engaged in the business of Non- Banking Financial Institution as defined in section 45-IA of the RBI Act. It has obtained Certificate of Registration (CoR) from Reserve Bank of India and the Certificate No. is B.05.02574 dated 9th December, 2004 (being original date of registration).

ii) The Financial asset/income pattern of the Company as on **31st March, 2024** is as follows:

% of Financial Assets to Total Assets:97.12%

% of Financial Income to Total Income:97.95%

In view of the above ratios, the Company is entitled to continue to hold Certificate of Registration issued by the Reserve Bank of India as on 31st March, 2024.

iii) The Company is meeting the required net owned fund requirement as laid down in Master Direction -Non-Banking Financial Company - Systemically Important Non-Deposit Taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

iv) The Board of Directors of the Company has passed a resolution at its meeting held on 20th April, 2023 for not accepting any public deposit.

v) The Company has not accepted any public deposit during the year.

vi) The Company has complied with the prudential norms relating to income recognition, accounting standards, assets classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 and Master Direction-Reserve Bank of India (Non-Banking Financial Company -Scale Based Regulation) Directions, 2023.

vii) The Company is a Systemically Important Non-Deposit taking NBFC as defined in Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016:

(a) The capital adequacy ratio as disclosed in the return submitted to the Reserve Bank of India in form DNBS 03, has been correctly arrived at and such ratio is in compliance with the minimum CRAR prescribed by the Reserve Bank of India;

(b) The Company has furnished to the Reserve Bank of India the annual/quarterly statement of capital funds, risk assets/exposures and risk asset ratio (DNBS 03) within the stipulated period.

viii) The Company has not been classified as NBFC Micro Finance Institution (MFI) as defined in the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

For, **Santosh Choudhary & Associates**

Chartered Accountants

Firm's Registration. No. : 323720E

CA. Bijay Khawala

Partner

Membership No. 061158

UDIN: 24061158BKFRHH5363

Place: Kolkata

Date: 29th April, 2024

Annexure – “A” To The Independent Auditor’s Report

Referred to in Paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date, we report that:

- i. In respect of the Company’s Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (B) The Company is not in possession of intangible assets at any time during the year.
 - (b) The Property, Plant and Equipment have been physically verified by the Management during the year which, in our opinion, is reasonable, having regard to the size of the company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The Company did not have any immovable property at any time during the year, hence reporting under clause 3(i)(c) of the Order is not applicable to the Company.
 - (d) The Company has not revalued any of its Property, Plant and Equipment during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- ii.
 - (a) The inventories consist of securities which are in dematerialised form have been verified during the year at reasonable intervals by the management from demat statement. As informed, no material discrepancies were noticed on such verification.
 - (b) The Company has not been sanctioned any working capital at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- iii.
 - (a) During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Hence, reporting under clause 3(iii)(a) of the Order is not applicable to the Company . .
 - (b) According to the information and explanations provided to us, the investments made during the year by the Company are not prejudicial to the interest of the Company. The Company has not provided guarantees or security and has not granted loans and advances in the nature of loans to companies firms, Limited Liability Partnerships or any other parties during the year.
 - (c) In respect of loans and advances in the nature of loans given by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally regular.
 - (d) As per the information and explanations provided to us, there is no amount which is overdue at the Balance Sheet date in respect of loans and advances.
 - (e) As per the information and explanations provided to us, there are no loans or advances falling due during the year which were renewed or extended or settled by fresh loans given to the same parties.
 - (f) The company has not granted any loan or advances in the nature of loans which are repayable on demand or without specifying any terms or period of repayments.
- iv. In our opinion, and according to the information and explanations given to us, in respect of loans and investments, the provisions of Section 185 and 186 of the Companies Act have been complied with. The Company has not provided guarantees and security during the year.
- v. According to the information and explanations provided to us, the Company has not accepted any deposit nor accepted any amounts which are deemed to be deposits during the year within the meaning of Sections 73 to 76 of the Act and the Rules framed thereunder. Hence, reporting under clause 3(v) of the Order is not applicable to the Company.

Annexure – “A” to the Independent Auditor’s Report

- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause 3(vi) of the Order is not applicable to the Company.
- vii. According to the information and explanations provided to us, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
- There were no dues of Goods and Services tax, Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues as on the last day of the financial year concerned which have not been deposited on account of any dispute.
- viii. According to the information and explanations provided to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) The Company has not taken any loans or borrowings from any lender. Hence, reporting under clause 3(ix) of the Order is not applicable to the Company.
- x. (a) According to the information and explanations provided to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations provided to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) According to the information and explanations provided to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the year.
- (b) No report under sub section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations provided to us, there were no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company and accordingly reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations provided to us, the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable and the details of related party transactions have been disclosed in the notes to the financial statements as required by the applicable Indian Accounting Standards.
- xiv. (a) According to the information and explanations provided to us, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit. in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors.
- xvi. (a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and has obtained Certificate of Registration (CoR) from Reserve Bank of India and the Certificate No. is B.05.02574 dated 9th December, 2004 (being original date of registration).
- (b) The Company has conducted the non-banking financial activities with a valid Certificate of Registration (‘CoR’) from the RBI as per the RBI Act. The Company has not conducted any housing finance activities and is not required to obtain CoR for such activities from the RBI.

Annexure – “A” to the Independent Auditor’s Report

- (c) The Company is not a Core Investment Company (CIC) as defined in the Regulations made by the Reserve Bank of India.
 - (d) According to the information and explanations provided to us, the Group has four Core Investment Companies (CICs) as part of the Group.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements 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 causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- xx. The clause relating to Corporate Social Responsibility (CSR) is not applicable to the company. Hence reporting under paragraph 3(xx) of the Order is not applicable to the Company.
- xxi. On the basis of our examination of the records of the Company and according to the information and explanations given to us, the company does not have any subsidiary or associate or joint venture company. Hence reporting under paragraph 3(xxi) of the Order is not applicable to the Company.

For, **Santosh Choudhary & Associates**
Chartered Accountants
Firm’s Registration. No. : 323720E

CA. Bijay Khowala
Partner

Place: Kolkata
Date: 29th April, 2024

Membership No. 061158
UDIN: 24061158BKFRHH5363

Annexure – “B” to the Independent Auditor’s Report

Referred to in paragraph 2(f) under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date on Financial Statements

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Quest Capital Markets Limited (“the Company”) as of **31st March, 2024** in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting with reference to these financial statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may

Annexure – “B” to the Independent Auditor’s Report

occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial with reference to these financial statements reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at **31st March, 2024**, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For, **Santosh Choudhary & Associates**
Chartered Accountants
Firm’s Registration. No. : 323720E

CA. Bijay Khowala
Partner

Membership No. 061158
UDIN: 24061158BKFRHH5363

Place: Kolkata
Date: 29th April, 2024

Balance Sheet as at 31st March, 2024

(Amount in ₹ lakhs)

Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
ASSETS			
(I) Financial Assets			
(a) Cash and Cash Equivalents	3	39.42	92.51
(b) Bank Balance other than Cash and Cash Equivalents	4	2,930.05	331.57
(c) Receivables	5		
(I) Trade Receivables		-	5.04
(d) Loans	6	4,260.00	6,312.00
(e) Investments	7	96,322.78	63,044.17
(f) Other Financial Assets	8	16.88	15.29
		1,03,569.13	69,800.58
(II) Non-Financial Assets			
(a) Inventories	9	10.00	10.00
(b) Current Tax Assets (Net)	10	-	7.06
(c) Property, Plant and Equipment	11	0.04	0.11
		10.04	17.17
Total Assets		1,03,579.17	69,817.75
LIABILITIES AND EQUITY			
LIABILITIES			
(I) Financial Liabilities			
(a) Payables			
(I) Trade Payables	12		
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises		5.06	11.43
(b) Other Financial Liabilities	13	15.29	15.91
		20.35	27.34
(II) Non-Financial Liabilities			
(a) Current Tax Liabilities (Net)	14	1.00	-
(b) Provisions	15	18.48	25.78
(c) Deferred Tax Liabilities (Net)	16	4,896.81	2,397.27
(d) Other Non-Financial Liabilities	17	0.37	0.07
		4,916.66	2,423.12
(III) Equity			
(a) Equity Share Capital	18	1,000.00	1,000.00
(b) Other Equity	19	97,642.16	66,367.29
		98,642.16	67,367.29
Total Liabilities and Equity		1,03,579.17	69,817.75

The accompanying notes forms integral part of the Financial Statements

1- 54

As per our report of even date

For **Santosh Choudhary & Associates**
Chartered Accountants
Firm Reg. No. 323720E
(CA Bijay Khowala)
Partner
Membership No. 061158

For and on behalf of the Board of Directors of
Quest Capital Markets Limited

Sunil Bhandari
Chairman & Director
DIN:00052161
Satish Kumar Sharma
Chief Financial Officer

Sunil Kumar Sangneria
Director
DIN-03568648
Bhawna Agarwal
Company Secretary
M No. A42296
Arun Kumar Mukherjee
Chief Executive Officer

Place : Kolkata
Dated: 29th April, 2024

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

(Amount in ₹ lakhs)

Particulars	Note No.	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Revenue from Operations			
(i) Interest Income	20	556.18	393.47
(ii) Dividend Income	21	2,083.56	1,998.91
(iii) Net gain on fair value changes	22	6.05	-
(iv) Sale of Shares & Securities	23	-	783.29
(v) Sale of Services	24	-	34.68
(I) Total Revenue from Operations		2,645.79	3,210.35
(II) Other Income	25	16.19	3.46
(III) Total Income (I + II)		2,661.98	3,213.81
Expenses			
(i) Finance Costs	26	0.04	0.15
(ii) Net loss on fair value changes	22	-	0.18
(iii) Changes in Inventories of finished goods, stock-in-trade and work-in-progress		-	752.89
(iv) Employee Benefits Expenses	27	23.47	16.97
(v) Depreciation, amortization and impairment	28	0.07	0.19
(vi) Listing and delisting fees		6.75	3.40
(vii) Other Expenses	29	24.10	63.31
(IV) Total Expenses		54.43	837.09
(V) Profit before tax (III - IV)		2,607.55	2,376.72
(VI) Tax Expense:	34.1		
(i) Current Tax		591.00	477.00
(ii) Deferred Tax		1.13	(0.02)
(iii) Tax Adjustments for earlier Years		0.25	13.46
		592.38	490.44
(VII) Profit for the period (V - VI)		2,015.17	1,886.28
(VIII) Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
- Changes in fair valuation of investments		32,008.18	(17,542.80)
- Remeasurement profit/(loss) on defined benefits plans		(0.07)	0.83
(ii) Income Tax relating to items that will not be reclassified to profit or loss	34.3	(2,498.41)	1,590.93
Total Other Comprehensive Income (i + ii)		29,509.70	(15,951.04)
(IX) Total Comprehensive Income for the period (VII + VIII)		31,524.87	(14,064.76)
(X) Earnings per equity share	31		
- Basic (₹)		20.15	18.86
- Diluted (₹)		20.15	18.86

The accompanying notes forms integral part of the Financial Statements

1- 54

As per our report of even date

For **Santosh Choudhary & Associates**
Chartered Accountants
Firm Reg. No. 323720E
(CA Bijay Khawala)
Partner
Membership No. 061158

For and on behalf of the Board of Directors of
Quest Capital Markets Limited

Sunil Bhandari
Chairman & Director
DIN:00052161
Satish Kumar Sharma
Chief Financial Officer

Sunil Kumar Sangneria
Director
DIN-03568648
Bhawna Agarwal
Company Secretary
M No. A42296
Arun Kumar Mukherjee
Chief Executive Officer

Place : Kolkata
Dated: 29th April, 2024

Statement Of Cash Flows for the year ended 31st March, 2024

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	2,607.55	2,376.72
Add : Depreciation and amortisation expenses	0.07	0.19
Finance cost	0.04	0.15
Net gain/(loss) on Fair Valuation of Debt Mutual Funds	0.11	0.18
	2,607.66	2,377.24
Less: Interest Income on Fixed Deposit	38.28	20.72
Dividend Income from Investments	2,083.56	1,992.42
Contingent provision on Standard Assets	8.21	3.46
Net gain/(loss) on Fair Valuation of Debt Mutual Funds	6.05	-
	2,136.10	2,016.60
Operating Profit before Working Capital changes	471.56	360.64
(Increase)/ Decrease in loans and advances and other assets	2,050.41	871.66
(Increase)/ Decrease in inventory	-	752.90
(Increase)/ Decrease in trade receivables	5.04	1.51
Increase/ (Decrease) in Trade Payables	(6.37)	(18.91)
Increase/ (Decrease) Liabilities/ Provisions	0.52	(2.96)
	2,049.60	1,604.20
Cash generated from Operations	2,521.16	1,964.84
Direct Taxes paid (Net)	(583.19)	(478.32)
Net cash flow from Operating activities	1,937.97	1,486.52
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Non Current Investments	(630.00)	(5,114.99)
Purchase of Current Investments	(1,030.00)	-
Sale/redemption of Investments	395.59	0.33
Interest income on Fixed Deposits	38.28	20.72
Dividend received	2,083.56	1,992.42
Investment in Fixed Deposit	(2,598.49)	1,859.74
	(1,741.06)	(1,241.78)
Net Cash flow from Investing activities	(1,741.06)	(1,241.78)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(250.00)	(250.00)
Finance cost	-	(0.07)
	(250.00)	(250.07)
Net cash flow from Financing activities	(250.00)	(250.07)
Cash and Cash equivalents (A+B+C)	(53.09)	(5.33)
Cash and Cash equivalents as at 1st April	92.51	97.84
Cash and Cash equivalents as at 31st March	39.42	92.51

The accompanying notes forms integral part of the Financial Statements 1- 54

Note :

- The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows' as notified under Companies Act, 2013.

Statement Of Cash Flows for the year ended 31st March, 2024

(Amount in ₹ lakhs)

2. Cash and Cash Equivalents as at the Balance Sheet date consists of:

Particulars	As on 31st March, 2024	As on 31st March, 2023
Balances with banks:		
- In current accounts	39.42	42.26
- In Deposit with bank (Original Maturity less than 3 months)	-	50.06
Cash on hand	-	0.19
Total	39.42	92.51

As per our report of even date

For **Santosh Choudhary & Associates**
Chartered Accountants
Firm Reg. No. 323720E
(CA Bijay Khawala)
Partner
Membership No. 061158

Place : Kolkata
Dated: 29th April, 2024

For and on behalf of the Board of Directors of
Quest Capital Markets Limited

Sunil Bhandari Chairman & Director DIN:00052161	Sunil Kumar Sanganeria Director DIN-03568648
Satish Kumar Sharma Chief Financial Officer	Bhawna Agarwal Company Secretary M No. A42296
	Arun Kumar Mukherjee Chief Executive Officer

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

(Amount in ₹ lakhs)

(i) Equity Share Capital

Particulars	Number of shares	Amount in Rs. Lakhs
Balance as at March 31, 2022	1,00,00,000	1,000.00
Changes during the year	-	-
Balance as at March 31, 2023	1,00,00,000	1,000.00
Changes during the year	-	-
Balance as at March 31, 2024	1,00,00,000	1,000.00

(ii) Other Equity

As at March 31, 2024

Particulars	Reserves & Surplus					Total
	Retained Earnings	Securities Premium	Special Reserve (in terms of Section 45IC of Reserve Bank of India Act, 1934)	General Reserve	Other Comprehensive Income	
Balance as at March 31, 2023	4,554.43	1,230.00	2,390.01	5,393.71	52,799.14	66,367.29
Profit for the year	2,015.17	-	-	-	-	2,015.17
Other Comprehensive Income for the year	(0.05)	-	-	-	29,509.75	29,509.70
Transfer from other comprehensive income to retained earnings	142.54	-	-	-	(142.54)	-
Transferred from Retained earnings to Special Reserve	(431.91)	-	431.91	-	-	-
Final Dividend for the year 2022-23	(250.00)	-	-	-	-	(250.00)
Balance as at March 31, 2024	6,030.18	1,230.00	2,821.92	5,393.71	82,166.35	97,642.16

As at March 31, 2023

Particulars	Reserves & Surplus					Total
	Retained Earnings	Securities Premium	Special Reserve (in terms of Section 45IC of Reserve Bank of India Act, 1934)	General Reserve	Other Comprehensive Income	
Balance as at March 31, 2022	3,594.82	1,230.00	2,012.72	5,093.71	68,750.80	80,682.05
Profit for the year	1,886.28	-	-	-	-	1,886.28
Other Comprehensive Income for the year	0.62	-	-	-	(15,951.66)	(15,951.04)
Transferred from Retained earnings to Special Reserve	(377.29)	-	377.29	-	-	-
Final Dividend for the year 2021-22	(250.00)	-	-	-	-	(250.00)
Transferred from Retained earnings to General Reserve	(300.00)	-	-	300.00	-	-
Balance as at March 31, 2023	4,554.43	1,230.00	2,390.01	5,393.71	52,799.14	66,367.29

Refer Note no. 19 for nature and purpose of reserves.

The accompanying notes forms integral part of the Financial Statements 1- 54

As per our report of even date

For **Santosh Choudhary & Associates**
Chartered Accountants
Firm Reg. No. 323720E
(CA Bijay Khawala)
Partner
Membership No. 061158

For and on behalf of the Board of Directors of
Quest Capital Markets Limited

Sunil Bhandari
Chairman & Director
DIN:00052161
Satish Kumar Sharma
Chief Financial Officer

Sunil Kumar Sanganeria
Director
DIN-03568648
Bhawna Agarwal
Company Secretary
M No. A42296
Arun Kumar Mukherjee
Chief Executive Officer

Place : Kolkata
Dated: 29th April, 2024

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

1 Background information

Quest Capital Markets Limited CIN:L34202WB1986PLC040542 is a public limited Company domiciled in India and incorporated under the Companies Act, 1956. Quest Capital Markets Limited is registered under the Reserve Bank of India Act, 1934 as a Non-Banking Financial Company and is primarily engaged in investment activities. Its shares are listed on the BSE Limited.

1.1 Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

1.2 Basis of Preparation of Financial Statements

The financial statements have been prepared on accrual basis under the historical cost convention except for certain financial instruments measured at fair value at the end of each reporting period as explained in accounting policies below.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lacs, except for information pertaining to EPS and number of shares.

1.3 Use of estimates

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management of the Company to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures including disclosures of contingent assets and contingent liabilities as at the date of financial statements and the reported amounts of revenues and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of fair valuation of unquoted equity investments, impairment of financial instruments, impairment of property, plant and equipment, useful lives of property, plant and equipment, provisions and contingent liabilities and long term retirement benefits.

2 Material Accounting Policy Information

2.1 Revenue /Income recognition

- (a) Dividend income (including from FVOCI investments) is recognised when the Company's right to receive the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when the Shareholders or Board of Directors approve the dividend.
- (b) Interest Income: Under Ind AS 109 interest income is recorded using the Effective Interest Rate (EIR) method for all financial instruments measured at amortised cost, debt instrument measured at FVOCI and debt instruments designated at FVTPL. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR.
- (c) **Income from Sale of shares and Securities:** The Company recognises purchase and sale of securities at transaction price. Closing Inventory is fair valued and net changes is recognised in statement of profit and loss.
- (d) **Net Gain/(Loss) on Fair value Changes:** The Company recognises net gain/(loss) measured at fair value measured at fair value through profit or loss in the Statement of profit or loss.
- (e) **Other Income:** The Company recognises other income on accrual basis when it becomes due.

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

- (f) (i) **Revenue from contracts with customers:** Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade and other discounts, rebates and amounts collected on behalf of third parties.

Where the Company is the principal in the transaction, the sales are recorded at their gross values. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing component, non-cash considerations and consideration payable to the customer (if any). Any amounts received for which the Company does not provide any distinct goods or services are considered as a reduction of purchase cost. However, Goods and Service Tax (GST) is not received by the Company on its own account. Rather, it is collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company regardless of when the payment is being made and specific criteria have been met for each of the Company's activities as described below.

- (ii) **Sale of services:** Revenue from rendering of services is recognised when the outcome of a transaction can be estimated reliably and when the Company satisfies its performance obligation."

2.2 Property, Plant and Equipment and Intangible Assets

- (a) Property, plant and equipment and intangible assets are stated at cost of acquisition less accumulated depreciation / amortisation. Cost includes all expenses incidental to the acquisition of the Property, plant and equipment and intangible assets and any attributable cost of bringing the asset to its working condition for its intended use.

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised.

(b) Capital work in progress and Capital advances

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of property, plant and equipment outstanding at each Balance Sheet date are disclosed in Non-Financial Assets.

(c) Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the written down value method to allocate their cost, net of their residual values on the basis of useful life prescribed in Schedule II to the Companies Act, 2013.

Property, plant and equipment's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

2.3 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Recognition and initial measurement

All financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at FVTPL) are added to the fair value of the financial assets on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at FVTPL are recognised immediately in profit or loss.

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

Classification and Subsequent measurement

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

- a) those to be measured subsequently at fair value either through other comprehensive income (FVOCI), or through profit or loss (FVTPL),
- b) those measured at amortised cost, and
- c) Equity Instruments measured at fair value through Other Comprehensive Income (FVOCI)

The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

Financial assets carried at amortised cost (AC):

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.

For investments in debt instruments, this depends on the business model in which the investment is held. The Company reclassifies the debt investments when and only when the business model for managing those assets changes.

Such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at fair value through other comprehensive income 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

For investments in equity instruments, this depends on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. Investment in Invit funds are measured through FVTOCI

Financial Assets included within the FVTOCI category are subsequently measured at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). On de-recognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to P&L.

Financial assets at fair value through profit or loss (FVTPL)

Financial asset which does not meet the criteria for categorization as at amortized cost or as FVTOCI is classified as at FVTPL. Financial assets at FVTPL are subsequently measured at fair value at the end of each reporting period. Any gains or losses arising on re-measurement are recognised in profit and loss statement.

Equity instruments

All investments in equity instruments (other than Investment in subsidiary and associate) are initially measured at fair value. The Company may, on initial recognition, elect to measure the same either at FVTOCI or FVTPL. Any change in Fair value on an equity instrument measured at FVTOCI are recognized in Other comprehensive income. Amounts recognized in OCI are not subsequently reclassified to the Statement of Profit and Loss. When the investment is disposed of, the cumulative gain or loss previously accumulated in FVTOCI is transferred from FVTOCI to Retained Earnings.

Investment in subsidiary and associate

Investment in subsidiary and associate are carried at cost less impairment cost, if any.

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

Investments in mutual and venture capital fund

Investments in mutual and venture capital funds are measured at fair value through profit or loss

De-recognition of financial assets

Financial assets are derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or the rights have expired or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

On de-recognition of a financial asset in its entirety, the difference between:

- the carrying amount (measured at the date of de-recognition) and
- the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on the following financial assets

- i) Financial assets at amortised cost,
- ii) Financial assets measured at fair value through Other Comprehensive income

The company follows the 'simplified approach' for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Historical loss experience used to determine the impairment loss allowance on the portfolio of trade receivables. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

For recognition of impairment loss on financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Financial Liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company 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. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Other Financial Liabilities

Financial liabilities represent a contractual obligation to deliver cash or another financial assets to another entity, or a contract that may or will be settled in the entity's own equity instruments.

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

Initial Recognition and Measurement:

All financial liabilities are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial liability except for financial liabilities classified as fair value through profit or loss.

Classification

The Company classifies all financial liabilities at amortised cost or fair value through profit or loss.

Subsequent measurement

Financial liabilities measured at amortised cost

Financial liability are subsequently measured at amortized cost using the EIR method. Any gains or losses arising on derecognition of liabilities are recognised in the Statement of Profit and Loss.

Financial liabilities at fair value through profit or loss

A financial liability is classified as at FVTPL if it is classified as held for trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

Derecognition of Financial liabilities

The Company derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where 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. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Reclassification of Financial assets

The company does not re-classify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances when the company changes its business model for managing such financial assets.

2.4 Measurement of fair values

The Company has established policies and procedures with respect to the measurement of fair values. All financial assets and financial liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level I: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level II: techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level III: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

All method of assessing fair value result in general approximation of fair value and such value may not be realised.

2.5 Foreign currency transactions and translation

The financial statements of the Company are presented in Indian rupees (Rs.), which is the functional currency of the Company and the presentation currency for the financial statements.

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

In preparing the financial statements, transactions in currencies other than the Company's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Exchange differences arising on the retranslation or settlement of monetary items are included in the statement of profit and loss for the period.

2.6 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, as they are considered an integral part of the Company's cash management.

2.7 Inventories

The Company makes trading in Equity Shares/Securities of companies listed over stock exchanges in India. Inventories of Equity Shares and securities are valued at fair value and the gain/ loss is recognised through the Statement of Profit and Loss.

2.8 Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transactions cost) and the redemption amount is recognized in the statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that sum or all of the facility will be drawn down. In this case, the fees is deferred until the drawn down occurs. To the extent there is no evidence that it is probable that sum or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in Statement of Profit and Loss as other gains/(losses).

2.9 Provision, Contingent Liabilities and Contingent Assets, legal or constructive

Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

Contingent Assets are not recognised but are disclosed when an inflow of economic benefits is probable.

2.10 Employee Benefits

(a) Short-term Employee Benefits

These are recognised at the undiscounted amount as expense for the year in which the related service is rendered.

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

(b) Post-employment Benefit Plans

Post retirement benefits like provident fund, superannuation, gratuity, leave and post retirement medical benefits are provided for as below :

(i) Defined Contribution Plans

Contributions under Defined Contribution Plans i.e. provident fund & superannuation fund are recognised in the Statement of Profit and Loss in the period in which the employee has rendered the service.

(ii) Defined Benefit Plans

For defined benefit retirement schemes the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each year end balance sheet date. Re-measurement gains and losses of the net defined benefit liability/(asset) are recognised immediately in other comprehensive income or in profit and loss account. The service cost and net interest on the net defined benefit liability/(asset) is recognised as an expense.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value of plan assets.

2.11 Impairment of non-financial assets

The carrying amounts of the Company's property, plant and equipment and intangible assets are reviewed at each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amounts are estimated in order to determine the extent of impairment loss, if any. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The impairment loss, if any, is recognised in the statement of profit and loss in the period in which impairment takes place.

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.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, however subject to the increased carrying amount not exceeding the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior accounting periods. A reversal of an impairment loss is recognised immediately in profit or loss.

2.12 Segment Reporting

(a) Identification of segment

The Company has identified that its operating segments are the primary segments. The Company's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit and offering different products and serving different markets.

(b) Allocation of common costs

Common allocable costs are inter-se allocated to segments based on the basis most relevant to the nature of the cost concerned. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, are included under the head unallocated expense / income.

2.13 Income Tax

Income tax expense comprises both current and deferred tax. Current and deferred taxes are recognised in the statement of profit and loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case the tax is also recognised in other comprehensive income or directly in equity.

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

Current income-tax is recognised at the amount expected to be paid to the tax authorities, using the tax rates and tax laws, enacted or substantially enacted as at the balance sheet date.

Taxable profit differs from net profit as reported in the Standalone statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred income tax assets and liabilities are recognised for temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements and is accounted for using the balance sheet liability method.

Deferred income tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

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

Deferred tax assets and liabilities are measured using tax rates and laws, enacted or substantially enacted as of the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as an income or expense in the period that includes the enactment or substantive enactment date.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and they are in the same taxable entity, or a Group of taxable entities where the tax losses of one entity are used to offset the taxable profits of another and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

Deferred tax asset arising from single transaction shall be recognised to the extent it is probable that taxable profit will be available against which the deductible temporary difference can be utilised and a deferred tax for all the deductible and taxable temporary differences associates with:

- (i) right-of-use assets and lease liabilities and
- (ii) decommissioning restoration and similar liabilities and the corresponding amounts recognised as part of cost of related assets.

2.14 Leases

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term is included in the lease term, if it is reasonably certain that the lessee would exercise the option. The Company reassesses the option when significant events or changes in circumstances occur that are within the control of the lessee. The Company has also taken exemption for leases which are of short term period.

2.15 Earnings Per Share

Basic earnings per share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares

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

considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares

2.16 Recent Pronouncements

New and revised standards adopted by the Company

Effective 1st April, 2023, the Company has adopted the amendments vide Companies (Indian Accounting Standards) Amendment Rules, 2023 notifying amendment to existing Indian Accounting Standards. These amendments to the extent relevant to the Company's operations include amendment to,

Ind AS 1 "Presentation of Financial Statements" which requires the entities to disclose their material accounting policies rather than their significant accounting policies,

Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" which has introduced a definition of 'accounting estimates' and include amendments to help entities distinguish changes in accounting policies from changes in accounting estimates.

Further, consequential amendments with respect to the concept of material accounting policies have also been made in Ind AS 107 "Financial Instruments: Disclosures" and Ind AS 34 "Interim Financial Reporting".

There are other amendments in various standards including Ind AS 101 "First-time Adoption of Indian Accounting Standards", Ind AS 103 "Business Combinations", Ind AS 109 "Financial Instruments", Ind AS 115 "Revenue from Contracts with Customers", Ind AS 12 "Income Taxes" which has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences and Ind AS 102 "Share-based Payment" which have not been listed herein above since these are either not material or relevant to the Company.

Standards issued but not yet effective:

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

2.17 Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III of the Act, unless otherwise stated.

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

(Amount in ₹ lakhs)

NOTE	3	Cash and Cash Equivalents			
Particulars			Ref Note No	As at March 31, 2024	As at March 31, 2023
Cash on hand				-	0.19
Balances with banks:					
In current accounts				39.42	42.26
In Deposit with bank (Original Maturity less than 3 months)				-	50.06
TOTAL				39.42	92.51

NOTE	4	Bank Balance other than Cash and Cash Equivalents			
Particulars			Ref Note No	As at March 31, 2024	As at March 31, 2023
Fixed Deposit with bank (Maturity more than 3 months)				2,913.11	314.73
Unpaid Dividend Account*				15.29	15.30
Fixed Deposits with Bank held as security or pledged money				1.65	1.54
TOTAL				2,930.05	331.57

* Earmarked for unpaid/ unclaimed dividend

NOTE	5	Receivables Trade Receivables			
Particulars			Ref Note No	As at March 31, 2024	As at March 31, 2023
Unsecured					
Receivables - Considered good			5.1	-	5.04
TOTAL				-	5.04

NOTE	5.1	Trade Receivables ageing schedule:	Outstanding for following periods from the due date					Total as on 31-3-2024
Particulars			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good			-	-	-	-	-	-

NOTE	5.1	Trade Receivables ageing schedule:	Outstanding for following periods from the due date					Total as on 31-3-2023
Particulars			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good			-	-	-	-	5.04	5.04

NOTE	6	Loans				
Particulars			As at March 31, 2024	% of total Loans	As at March 31, 2023	% of total Loans
Unsecured at amortised cost						
Others - Loan given to Body Corporates (Considered Good)						
Loans given to Body Corporates other than related parties			3,400.00	79.81%	5,400.00	85.55%
Loan given to related parties*			860.00	20.19%	912.00	14.45%
TOTAL			4,260.00	100.00%	6,312.00	100.00%

6.1 All the above loans are held in India and given to body corporates (Private Sector) at a interest rate which is not lower than market rate of interest.

* Not a related Party as per 2 (76) of Companies Act.

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

(Amount in ₹ lakhs)

NOTE	7	Investments						
		Particulars	Nominal Value/ Face Value	As at 31st March, 2024		Nominal Value/ Face Value	As at 31st March, 2023	
			Number/ Unit	Amount		Number/ Unit	Amount	
I.		Measured at fair value through other comprehensive income						
		Fully paid up unless specified						
i)		Quoted equity shares						
		Aban Offshore Ltd.	₹ 2	1,000	0.50	₹ 2	1,000	0.33
		Aditya Birla Capital Ltd.	₹ 10	5,000	8.77	₹ 10	5,000	7.68
		Adani Ports and Special Economic Zone Ltd.	₹ 2	100	1.34	₹ 2	100	0.63
		Adroit Infotech Ltd	₹ 10	66	0.01	₹ 10	66	0.01
		Axiscades Technologies Ltd.	₹ 5	4,000	22.13	₹ 5	4,000	10.70
		Balasore Alloys Ltd.	₹ 5	31,500	1.98	₹ 5	31,500	1.98
		BEML Limited	₹ 10	44	1.40	₹ 10	44	0.55
		BEML Land Assets Limited	₹ 10	44	0.10	₹ 10	44	0.00
		Bhansali Engineers Polymers Ltd.	₹ 1	1,000	1.34	₹ 1	1,000	0.98
		B J Duplex Boards Ltd.	₹ 1	1,000	-	₹ 1	1,000	-
		Bodal Chemicals Ltd.	₹ 2	1,000	0.73	₹ 2	1,000	0.58
		Bhoruka Alluminium Limited	₹ 10	25,000	-	₹ 10	25,000	-
		CESC Limited	₹ 1	2,90,25,140	35,309.08	₹ 1	2,90,25,140	19,345.26
		CFL Capital Financial Services Ltd.**	₹ 10	3,93,021	-	₹ 10	3,93,021	-
		CNI Research Ltd	₹ 1	5,000	0.20	₹ 1	5,000	0.09
		Coromandel Engineering Company Ltd.	₹ 10	1,000	0.55	₹ 10	1,000	0.29
		Dhani Services Limited (partly paid up)	₹ 2	2,343	-	₹ 2	2,343	-
		Dhani Services Limited	₹ 2	3,157	1.20	₹ 2	3,157	0.84
		Elgi Equipments Ltd.	₹ 1	100	0.60	₹ 1	100	0.44
		Emami Realty Ltd.	₹ 2	1,000	1.05	₹ 2	1,000	0.61
		EPL Ltd.	₹ 2	31	0.06	₹ 2	31	0.05
		Gujarat Mineral Development Corporation Ltd.	₹ 2	1,000	3.44	₹ 2	1,000	1.27
		G.V. Films Ltd.	₹ 1	2,500	0.02	₹ 1	2,500	0.01
		GVK Power & Infrastructure Ltd.	₹ 1	51,250	5.00	₹ 1	51,250	1.05
		Gujarat Fluorochemical Limited	₹ 1	33,500	1,037.61	₹ 1	33,500	1,011.77
		Hindustan Composites Ltd.	₹ 5	39,535	153.87	₹ 5	74,316	184.16
		Indian Oil Corporation Ltd.	₹ 10	2,199	3.69	₹ 10	2,199	1.71
		Indsil Hydro Power & Manganese Ltd.	₹ 10	3,333	1.47	₹ 10	3,333	1.05
		Intellect Design Arena Ltd.	₹ 5	450	4.94	₹ 5	450	1.85
		J L Morison (India) Ltd.	₹ 10	-	-	₹ 10	12,300	226.32
		Kanika Infrastructure & Power Ltd.	₹ 1	500	-	₹ 1	500	-
		The Karnataka Bank Limited	₹ 10	2,200	4.95	₹ 10	2,200	2.99
		Mardia Steel Ltd.*		-	-	₹ 10	600	-
		Mercator Ltd.	₹ 1	10,000	0.09	₹ 1	10,000	0.09
		Morganite Crucible (India) Ltd.	₹ 5	100	1.34	₹ 5	100	0.87

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

(Amount in ₹ lakhs)

NOTE	7	Investments						
		Particulars	Nominal Value/ Face Value	As at 31st March, 2024		Nominal Value/ Face Value	As at 31st March, 2023	
Number/ Unit	Amount			Number/ Unit	Amount			
		Nagarjuna Fertilizer and Chemicals Ltd.	₹ 1	1,540	0.14	₹ 1	1,540	0.14
		Nagarjuna Oil Refinery Ltd.*			-	₹ 1	1,400	-
		NHPC Ltd.	₹ 10	88,960	79.79	₹ 10	88,960	35.76
		Nihar Info Global Ltd.	₹ 10	25,000	1.70	₹ 10	25,000	1.64
		Nutraplus India Ltd.	₹ 5	10,000	0.21	₹ 5	10,000	0.21
		One Point One Solutions Ltd.	₹ 2	45,000	23.92	₹ 2	45,000	8.39
		Orchid Pharma Ltd.	₹ 10	1	0.01	₹ 10	1	0.00
		Origin Agrostar Ltd.**	₹ 10	3,600	-	₹ 10	3,600	-
		Padmini Technologies Ltd.	₹ 10	2,500	-	₹ 10	2,500	-
		PALCO Limited (Earlier Pennar Alluminium Company Ltd.)*			-	₹ 10	15,000	-
		PCBL Limited (Earlier Phillips Carbon Black Ltd.)	₹ 1	73,38,000	19,643.82	₹ 1	73,38,000	8,519.42
		RPSG Ventures Ltd.	₹ 10	5,80,502	3,614.49	₹ 10	5,80,502	2,118.25
		Reliance Power Ltd.	₹ 10	3,270	0.92	₹ 10	3,270	0.33
		Sanghi Polysters Ltd.	₹ 10	4,700	-	₹ 10	4,700	-
		Saregama India Ltd.	₹ 1	92,42,200	32,102.78	₹ 1	92,42,200	30,605.55
		Sarveshwar Foods Limited	₹ 1	2,40,000	22.68	₹ 10	8,000	5.25
		Shoppers Stop Ltd.	₹ 5	1,000	7.55	₹ 5	1,000	6.49
		Steel Strips Infrastructures Ltd..	₹ 10	6,000	2.03	₹ 10	6,000	1.19
		Spencer's Retail Ltd.	₹ 5	17,41,508	1,589.99	₹ 5	17,41,508	902.10
		Tata Steel Ltd.	₹ 1	7,650	11.92	₹ 1	7,650	7.99
		Texmaco Infrastructure & Holdings Ltd.	₹ 1	5,000	4.75	₹ 1	5,000	2.47
		Valiant Communications Ltd.	₹ 10	10,000	36.52	₹ 10	10,000	13.91
		Kanel Industries Ltd.	₹ 10	1,100	-	₹ 10	1,100	-
		Welspun Enterprises Ltd.	₹ 10	1,500	4.56	₹ 10	1,500	1.88
		Digidrive Distributors Limited	₹ 10	18,48,440	717.19			
					94,432.43			63,035.11
ii)		Unquoted Equity Shares						
		Fermanite Nicco Services Ltd.*			-	₹ 10	10	-
		Gujarat Securities Ltd.	₹ 10	10,000	0.43	₹ 10	10,000	0.36
		National Stock Exchange of India Limited	₹ 1	20,000	845.24			
		Arihant Impex Ltd.*	₹ 10	20,000	-	₹ 10	20,000	-
		Bharat Pipes & Fittings Ltd*	₹ 10	500	-	₹ 10	500	-
		Halmark Drug & Chem Ltd.	₹ 10	5,000	-	₹ 10	5,000	-
		Jaybharat Fabric Mills Ltd.	₹ 10	10,000	-	₹ 10	10,000	-
		Mura Black India Ltd.	₹ 10	300	-	₹ 10	300	-
		Stiefelund Schuh (India) Ltd.	₹ 10	2,100	-	₹ 10	2,100	-
		Varun Global Ltd.	₹ 1	14,850	-	₹ 1	14,850	-
		Varun Resources Ltd.**	₹ 1	59,400	-	₹ 1	59,400	-
		Protchem Industries Ltd.	₹ 10	2,500	-	₹ 10	2,500	-

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

(Amount in ₹ lakhs)

NOTE	7	Investments						
		Particulars	Nominal Value/ Face Value	As at 31st March, 2024		Nominal Value/ Face Value	As at 31st March, 2023	
			Number/ Unit	Amount		Number/ Unit	Amount	
		Enkay Texofood Industries Ltd.*	₹ 10	2,000	-	₹ 10	2,000	-
		Enso Secutrack Ltd.**	₹ 10	4,000	-	₹ 10	4,000	-
					845.67			0.36
iii)		In other funds						
		IRB INVIT Fund	₹ 10	10,000	6.69	₹ 10	10,000	6.75
					6.69			6.75
ii		Measured at fair value through profit or loss						
		Fully paid up unless specified						
		In Mutual Funds						
		Unit Trust of India Master Share	₹ 10	5,000	2.49	₹ 10	5,000	1.95
		Nippon India Mutual Fund		17,524.309	1,035.50		-	-
					1,037.99			1.95
		TOTAL			96,322.78			63,044.17

- 7.1 The company has elected an irrevocable option to designate its investments in equity instruments through FVOCI, as the said investments are not held for trading and company continues to invest for long term and remain invested in leaders in sectors, which it believes to have potential to remain accretive over the long term.
- 7.2 *Investments written off during the year.**These Companies are under liquidation and since have been valued at Rs. Nil.
- 7.3 During the current year, the Company has disposed off some off its Investments measured at FVOCI to acheive it business objective. The Fair value of Invesments at sold is Rs. 395.50 lacs and cumulative gain on sale of investments is Rs. 149.11 lacs.
- 7.4 Unquoted Investments includes investments which were subsequently delisted.
- 7.5 The company has passed a resolution in its Board meeting dated 29th March 2024 (which is subject to approval of shareholders) for investment of Rs. 3360 lakhs in equity shares of a listed company.
- 7.6 All the above Investments are held in India.

NOTE	8	Other Financial Assets		
Particulars	Ref Note No	As at March 31, 2024	As at March 31, 2023	
Unsecured				
Interest receivable on Loan		16.36	15.29	
Refundable Advances		0.52	-	
TOTAL		16.88	15.29	

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

(Amount in ₹ lakhs)

NOTE	9	Inventories						
		Particulars	Nominal Value/ Face Value	As at March 31, 2024		Nominal Value/ Face Value	As at March 31, 2023	
			Number/ Unit	Amount		Number/ Unit	Amount	
		Measured at fair value through profit or loss						
		Fully paid up unless specified						
		(i) Quoted equity shares						
		Ess Dee Aluminium Ltd.	₹ 10	1,000	-	₹ 10	1,000	-
					-			-
		(ii) In Quoted Bonds						
		Industrial Finance Corporation of India Ltd.	₹ 10,00,000	1	10.00	₹ 10,00,000	1	10.00
					10.00		1	10.00
		TOTAL			10.00			10.00

NOTE	10	Current Tax Assets (Net)		
Particulars	Ref Note No	As at March 31, 2024	As at March 31, 2023	
Advance Tax including Tax deducted at Source (Net of Provisions)		-	7.06	
TOTAL		-	7.06	

NOTE	11	Property, Plant And Equipment	
Particulars	Computer	Total	
As at 31 March, 2024			
GROSS BLOCK			
As at April 1, 2023	0.40	0.40	
Addition	-	-	
Disposal/Adjustments	-	-	
As at March 31, 2024	0.40	0.40	
ACCUMULATED DEPRECIATION			
As at April 1, 2023	0.29	0.29	
Depreciation for the year	0.07	0.07	
Disposal	-	-	
As at March 31, 2024	0.36	0.36	
Net Block as at March 31, 2024	0.04	0.04	

Particulars	Computer	Total
As at 31 March, 2023		
GROSS BLOCK		
As at April 1, 2022	0.40	0.40
Addition	-	-
Disposal/Adjustments	-	-
As at March 31, 2023	0.40	0.40
ACCUMULATED DEPRECIATION		
As at April 1, 2022	0.10	0.10
Depreciation for the year	0.19	0.19
Disposal	-	-
As at March 31, 2023	0.29	0.29
Net Block as at March 31, 2023	0.11	0.11

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

(Amount in ₹ lakhs)

NOTE	12	Trade Payables			
Particulars			Ref Note No	As at March 31, 2024	As at March 31, 2023
Unsecured					
- Dues of Micro, Small and Medium Enterprises				-	-
- Other than Micro, Small and Medium Enterprises			12.2	5.06	11.43
TOTAL				5.06	11.43

12.1 Trade payables are recognised at their original invoice amounts which represents their fair values on initial recognition. Trade payables are considered to be of short duration and are not discounted and the carrying values are assumed to approximate their fair values.

12.2 Trade Payables ageing schedule:

Particulars	Unbilled	Outstanding for following periods from the due date				Total as on 31-3-2024
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Others	1.78	0.15	2.89	0.24	-	5.06

Particulars	Unbilled	Outstanding for following periods from the due date				Total as on 31-3-2023
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Others	0.91	5.16	5.36	-	-	11.43

NOTE	13	Other Financial Liabilities			
Particulars			Ref Note No	As at March 31, 2024	As at March 31, 2023
Unsecured, at amortised cost					
Outstanding liabilities for expenses				0.00	0.01
Security Deposit				-	0.60
Unpaid Dividend				15.29	15.30
TOTAL				15.29	15.91

NOTE	14	Current Tax Liabilities (Net)			
Particulars			Ref Note No	As at March 31, 2024	As at March 31, 2023
Provision for Income Tax(net of taxes paid)				1.00	-
TOTAL				1.00	-

NOTE	15	Provisions			
Particulars			Ref Note No	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits			33	1.44	0.53
Contingent provision against standard asset*				17.04	25.25
TOTAL				18.48	25.78

* Created as per the directions of Reserve of Bank of India (RBI)

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

(Amount in ₹ lakhs)

NOTE	16	Deferred Tax Assets/(Liabilities)(Net)		
Particulars		Ref Note No	As at March 31, 2024	As at March 31, 2023
		16.1	0.42	0.21
		16.1	4,897.23	2,397.48
			(4,896.81)	(2,397.27)

16.1 The following is the analysis of Deferred Tax Liabilities /Assets presented in the Balance Sheet:

Particulars	Opening Balance April 1, 2023	(Charge)/ Credit in Profit and Loss	(Charge)/ Credit in Other Comprehensive Income	Closing Balance March 31, 2024
Deferred Tax Liabilities				
Difference in carrying value and tax base of investments measured at FVOCI	2,397.34	-	2,498.43	4,895.77
Difference in carrying value and tax base of investments measured at FVTPL	0.14	1.32	-	1.46
Total Deferred Tax Liabilities	2,397.48	1.32	2,498.43	4,897.23
Deferred Tax Assets				
Difference between tax base and book value of Property, plant and Equipment	0.08	(0.02)	-	0.06
Defined benefit plans	0.13	0.21	0.02	0.36
Total Deferred Tax Assets	0.21	0.19	0.02	0.42
Deferred Tax (Liabilities)/Asset (Net)	(2,397.27)	(1.13)	(2,498.41)	(4,896.81)

Particulars	Opening Balance April 1, 2022	(Charge)/Credit in Profit and Loss	(Charge)/ Credit in Other Comprehensive Income	Closing Balance March 31, 2023
Deferred Tax Liabilities				
Difference in carrying value and tax base of investments measured at FVOCI	3,988.48	-	(1,591.14)	2,397.34
Difference in carrying value and tax base of investments measured at FVTPL	0.15	(0.01)	-	0.14
Total Deferred Tax Liabilities	3,988.63	(0.01)	(1,591.14)	2,397.48
Deferred Tax Assets				
Difference between tax base and book value of Property, plant and Equipment	0.11	(0.03)	-	0.08
Defined benefit plans	0.30	0.04	(0.21)	0.13
Total Deferred Tax Assets	0.41	0.01	(0.21)	0.21
Deferred Tax (Liabilities)/Asset (Net)	(3,988.22)	0.02	1,590.93	(2,397.27)

NOTE	17	Other Non Financial Liabilities		
Particulars		Ref Note No	As at March 31, 2024	As at March 31, 2023
			0.37	0.07
			0.37	0.07

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

(Amount in ₹ lakhs)

NOTE	18	Equity Share Capital		
Particulars			As at March 31, 2024	As at March 31, 2023
Authorised Shares				
Equity Shares of ₹ 10/- each 1,25,00,000 (March 31, 2023:1,25,00,000) equity shares			1,250.00	1,250.00
			1,250.00	1,250.00
Issued, Subscribed & Fully Paid Up Shares				
"Equity Shares of ₹ 10/- each 1,00,00,000 (March 31, 2023: 1,00,00,000) equity shares"			1,000.00	1,000.00
TOTAL			1,000.00	1,000.00

18.1 The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity is entitled to one vote per share. The Company may declare and pay dividends. The dividend, if any proposed by the Board of Directors of the Company is subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all Preferential amounts in proportion to the number of equity shares held by them.

18.2 Reconciliation of the number of equity shares outstanding:

Particulars	Ref Note No	For the year ended March 31, 2024	For the year ended March 31, 2023
Number of shares at the beginning		1,00,00,000	1,00,00,000
Add: Changes during the year		-	-
Number of shares at the end		1,00,00,000	1,00,00,000

18.3 Details in respect of shares in the company held up by each shareholder holding more than 5% shares:

Name of the Shareholders	Number of Shares Held as at 31-03-2024	Number of Shares Held as at 31-03-2023
Lebnitze Real Estates Private Limited		
- No of shares held:	71,25,000	71,25,000
- Percentage of shares held:	71.25%	71.25%

18.4 Details in respect of shares in the company held up by Promoters

Name of the Shareholders	Number of Shares Held as at 31-03-2024	Number of Shares Held as at 31-03-2023	% Change during the year	% Change during the Previous year
Lebnitze Real Estates Private Limited (Holding Company)				
- No of shares held:	71,25,000	71,25,000		
- Percentage of shares held/change:	71.25%	71.25%	-	-
Spotboy Tracom Private Limited(Associate of Holding Company)				
- No of shares held:	3,75,000	3,75,000		
- Percentage of shares held/change:	3.75%	3.75%	-	-

18.5 There is no shares reserved for issue under options and contracts/commitments for the sale of shares/disinvest- ments.

18.6 For the period of five years immediately preceding the date as at which the Balance Sheet is prepared, the Company has not allotted any shares without payment being received.

18.7 There is no securities which are convertible into Equity/Preference shares.

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

(Amount in ₹ lakhs)

18.8 There is no calls which are being unpaid.

18.9 There is no forfeited shares.

NOTE	19	Other Equity	Reserves and Surplus				Other Comprehensive Income	Total
			Particulars	Retained Earnings	Securities premium	Special Reserve (u/s 45-IC of RBI Act, 1934)		
		Balance as in April 1, 2022	3,594.82	1,230.00	2,012.72	5,093.71	68,750.80	80,682.05
		Profit for the year	1,886.28	-	-	-	-	1,886.28
		Other Comprehensive Income for the year	0.62	-	-	-	(15,951.66)	(15,951.04)
		Total Comprehensive Income	1,886.90	-	-	-	(15,951.66)	(14,064.76)
		Final Dividend for the year 2021-22	(250.00)	-	-	-	-	(250.00)
		Transfer from retained earnings	(677.29)	-	377.29	300.00	-	-
		Balance as at March 31, 2023	4,554.43	1,230.00	2,390.01	5,393.71	52,799.14	66,367.29
		Profit for the year	2,015.17	-	-	-	-	2,015.17
		Other Comprehensive Income for the year	(0.05)	-	-	-	29,509.75	29,509.70
		Total Comprehensive Income	2,015.12	-	-	-	29,509.75	31,524.87
		Final Dividend for the year 2022-23	(250.00)	-	-	-	-	(250.00)
		Transfer of gain on sale of FVOCI equity instrument	142.54	-	-	-	(142.54)	-
		Transfer from retained earnings	(431.91)	-	431.91	-	-	-
		Balance as at March 31, 2024	6,030.18	1,230.00	2,821.92	5,393.71	82,166.35	97,642.16

19.1 Securities Premium

Securities Premium Reserve represents the amount received in excess of par value of securities and is available for utilisation as specified under Section 52 of Companies Act, 2013.

19.2 Special Reserve (u/s 45-IC of RBI Act, 1934)

Statutory Reserve represents the reserve created pursuant to the Reserve Bank of India Act, 1934 (the "RBI Act") and related regulations applicable to those companies. Under the RBI Act, a non-banking finance company is required to transfer an amount not less than 20% of its net profit to a reserve fund before declaring any dividend. Appropriation from this reserve fund is permitted only for the purposes specified by the RBI.

19.3 Retained Earnings

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

19.4 General Reserve

The General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income. Items included in the General reserve will not be reclassified subsequently to the statement of profit and loss.

19.5 Other Comprehensive Income (OCI)

Other Comprehensive Income(OCI) represents Cumulative Fair Value Gain/(Loss) on Investments measured at Fair value through Other Comprehensive Income (FVOCI).

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

(Amount in ₹ lakhs)

NOTE	20	Interest Income		
Particulars			For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on Financial Assets measured at amortised cost:				
- Loans			516.25	371.24
- Fixed Deposit			38.28	20.72
Interest on Financial Assets measured at fair value through Other comprehensive income(OCI):				
- Investments			0.68	0.54
Interest on Financial Assets measured at fair value through profit or loss:				
- Investments			0.97	0.97
TOTAL			556.18	393.47

NOTE	21	Dividend Income		
Particulars			For the year ended March 31, 2024	For the year ended March 31, 2023
Dividend Income*			2,083.56	1,998.91
TOTAL			2,083.56	1,998.91

*Out of Dividend received from Investments Measured at Fair value through other comprehensive income (FVOCI) is ₹ 2083.50 Lacs (31st March 2023 is ₹ 1992.42 Lacs). Dividend received from Investments measured through profit and loss is ₹ 0.06 lacs (31st March 2023 ₹ 6.49 lacs).

NOTE	22	Dividend Income		
Particulars			For the year ended March 31, 2024	For the year ended March 31, 2023
Mutual and other Funds			6.05	(0.18)
TOTAL			6.05	(0.18)

22.1 Fair value changes:

- Realised			-	-
- Unrealised			6.05	(0.18)
TOTAL			6.05	(0.18)

NOTE	23	Sale of Shares and Securities		
Particulars			For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of shares and securities			-	783.29
TOTAL			-	783.29

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

(Amount in ₹ lakhs)

NOTE	24	Sale of Services		
Particulars			For the year ended March 31, 2024	For the year ended March 31, 2023
		Revenue from contracts with customers		
		Income from other Services	-	34.68
		TOTAL	-	34.68
		India	-	34.68
		Outside India	-	-

NOTE	25	Other Income		
Particulars			For the year ended March 31, 2024	For the year ended March 31, 2023
		Other receipts*	7.98	-
		Contingent provision against Standard Assets written back	8.21	3.46
		TOTAL	16.19	3.46

*Includes Liability no longer required written back and other miscellaneous receipt

NOTE	26	Finance Costs		
Particulars			For the year ended March 31, 2024	For the year ended March 31, 2023
		Other interest expense	0.04	0.15
		TOTAL	0.04	0.15

NOTE	27	Employee Benefits Expenses		
Particulars			For the year ended March 31, 2024	For the year ended March 31, 2023
		Salaries, Wages and Bonus, etc.	22.71	16.47
		Contribution to Provident Funds	0.73	0.49
		Staff Welfare expenses*	0.03	0.00
		TOTAL	23.47	16.97

**Amount is below the rounding off norms adopted by the company.

NOTE	28	Depreciation, Amortization and Impairment		
Particulars			For the year ended March 31, 2024	For the year ended March 31, 2023
			Ref Note No	
		Depreciation on Property, Plant and Equipment	11	0.07
		TOTAL		0.07

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

(Amount in ₹ lakhs)

NOTE	29	Other Expenses		
Particulars		Ref Note No	For the year ended March 31, 2024	For the year ended March 31, 2023
Auditors fees and expenses				
Audit Fees			0.30	0.30
Other matters			0.55	0.60
Tax Audit Fees			0.10	0.10
Rent, taxes and energy costs			6.29	9.94
Legal and Professional Fees			4.43	3.01
Website Maintenance Charges			0.16	0.16
Communication costs			0.07	0.02
Manpower and subcontractor Expenses			-	26.63
Printing & Stationery			0.44	0.45
Advertisement and publicity			0.34	0.27
Sitting fees paid to Directors			3.05	2.00
Bad debt/Assets written off			5.07	-
Corporate Social Responsibility (CSR) Expenses		29.1	-	12.80
Conveyance and Travelling Expenses			0.09	1.11
Filing Fees			0.23	0.06
Other Expenditures			2.98	5.86
TOTAL			24.10	63.31

29.1 Details of Corporate Social Responsibility (CSR) expenditure

Particulars	Ref Note No	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Gross amount required to be spent by the Company during the year		-	12.79
(b) Amount spent during the year or to be spent			
i) Construction / acquisition of any asset		-	-
ii) On purposes other than (i) above *		-	12.80
(c) Amount unspent		-	-
(d) Shortfall at the end of the year		-	-
(e) Provision for made for CSR expenditure			
Opening provision for CSR expenditure		-	4.00
Created during the year		-	-
Paid during the year		-	4.00
Closing provision for CSR expenditure*		-	-

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

(Amount in ₹ lakhs)

NOTE	30	Segment Information as per Ind AS 108		
Particulars			As at and for the year ended 31st March 2024	As at and for the year ended 31st March 2023
SEGMENT REVENUE				
(a)		Finance & Investments	2,645.79	3,175.67
(b)		Other Services	-	34.68
Total Income from operations			2,645.79	3,210.35
SEGMENT RESULTS				
(a)		Finance & Investments	2,604.69	2,396.74
(b)		Other Services	-	4.55
(c)		Other/ Unallocated	2.90	3.46
Total			2,607.59	2,404.75
Less - (i) Finance cost			0.04	0.15
(ii) Other Unallocable expenditure			-	27.88
Profit before tax			2,607.55	2,376.72
Depreciation on Property, Plant and Equipment			0.07	0.19
SEGMENT ASSETS				
(a)		Finance & Investments	1,03,505.93	69,731.69
(b)		Other Services	-	21.26
(c)		Other/ Unallocated	73.24	64.80
TOTAL SEGMENT ASSETS			1,03,579.17	69,817.75
SEGMENT LIABILITIES				
(a)		Finance & Investments	4,915.29	2,423.05
(b)		Other Services	-	11.08
(c)		Other/ Unallocated	21.72	16.33
TOTAL SEGMENT LIABILITIES			4,937.01	2,450.46

All the segment revenue, assets, liabilities are earned and held in India only.

NOTE	31	Calculation of Earnings Per Share is as follows:		
Particulars			As at and for the year ended 31st March 2024	As at and for the year ended 31st March 2023
(a)		Net profit for basic and diluted earnings per share as per Statement of Profit and Loss	2,015.17	1,886.28
Net profit for basic and diluted earnings per share			2,015.17	1,886.28
SEGMENT RESULTS				
(b)		Weighted average number of equity shares for calculation of basic and diluted earnings per share (Face value ₹ 10/- per share)		
Number of equity shares outstanding as on 31st March			1,00,00,000	1,00,00,000
Number of equity shares considered in calculating basic and diluted EPS			1,00,00,000	1,00,00,000
(c)		Earnings per share (EPS) of Equity Share of ₹ 10 each:		
i)		Basic (₹)	20.15	18.86
ii)		Diluted (₹)	20.15	18.86

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

(Amount in ₹ lakhs)

32 Related party disclosure as identified by the management in accordance with the Indian Accounting Standard (Ind AS) 24 on Related Party Disclosures are as follows:

A) Names of related parties and description of relationship

i) Name of Parent, Subsidiary & Associate	Nature of Relationship	Country of Incorporation	% holding 31-3-2024	% holding 31-3-2023
Lebnitze Real Estates Private Limited	Parent Company	India	71.25%	71.25%

ii) Name of Other related Parties with whom transaction have taken place during the year

Name	Nature of Relationship
PCBL Limited	Entity under common control
Saregama India Limited	Entity under common control
CESC Limited	Entity under common control
RPG Industries Private Limited	Entity under common control
Spotboy Tracom Private Limited	Entity under common control
Alipore Towers Private Limited	Entity under common control
Kutub Properties (P) Limited	Entity under common control
Sarala Real Estate Limited	Entity under common control

iii) Key Management Personnel (KMP) and their close relatives

Name of Person	
Mr. Sunil Bhandari	Director
Mr. Harish Toshniwal	Director
Mr. Sunil Kumar Sanganeria	Director
Ms. Rusha Mitra	Independent Director
Mr. Trivikram Khaitan	Independent Director
Mr. K N Mahesh Kumar	Independent Director
Mr. Satish Kumar Sharma	Chief Financial Officer
Ms. Bhawna Agarwal	Company Secretary (appointed w.e.f 19th May 2023)
Mr. Arun Kumar Mukherjee	Chief Executive Officer
Ms. Nitika Rathi	Company Secretary (resigned w.e.f 20/12/2022)

B) Related Party Transactions

Particulars	For the year Ended	Parent Company	Other Related Parties	KMP and close relatives (excluding Directors)	Directors and close relatives
I. TRANSACTIONS DURING THE YEAR:					
Dividend received	2023-24	-	2,079.41	-	-
	2022-23	-	1,986.99	-	-
Dividend Paid	2023-24	178.13	9.38		
	2022-23	178.13	9.38		
Remuneration paid to KMP	2023-24	-	-	21.47	
	2022-23	-	-	15.88	
Post employee benefits expenses	2023-24	-	-	0.80	
	2022-23	-	-	0.28	

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

(Amount in ₹ lakhs)

Particulars	For the year Ended	Parent Company	Other Related Parties	KMP and close relatives (excluding Directors)	Directors and close relatives
Sitting Fees Paid to Directors	2023-24	-	-	-	3.05
	2022-23	-	-	-	2.00
Rent expense	2023-24	-	2.40	-	-
	2022-23	-	2.40	-	-
Interest Income	2023-24	-	73.05	-	-
	2022-23	-	68.84	-	-
Loan Given	2023-24	-	-	-	-
	2022-23	-	352.00	-	-
Loan refund	2023-24	-	52.00	-	-
	2022-23	-	318.00	-	-
Reimbursement of Expenses*	2023-24	-	1.67	0.10	-
	2022-23	-	1.28	0.23	0.00
II. OUTSTANDING BALANCES:	As at				
Loan Given including interest receivable	2023-24	-	876.36	-	-
	2022-23	-	927.29	-	-
Post Employment Benefits	2023-24	-	-	1.44	-
	2022-23	-	-	0.51	-
Reimbursement of expenses payable	2023-24	-	0.57	-	-
	2022-23	-	0.36	-	-

Closing balances of Investments and Share Capital of subsidiaries, associates and other related parties are shown in the respective schedules of the financial statement.

*Amount is below the rounding off norms adopted by the company

C) Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and in ordinary course of business.

33. Employee Benefits

The disclosures required under Indian Accounting Standard 19 on "Employee Benefits" are given below:

a) Defined Contribution Plan:

The contribution made to various statutory funds is recognised as expense and included in Note 27 "Employee benefits expenses" under 'Contribution to provident and other funds' in Statement of Profit and Loss

b) Defined Benefit Plans

The employees' gratuity scheme is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

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

(Amount in ₹ lakhs)

Based on actuarial valuation report of the actuary, disclosures with respect to leave encashment and gratuity liability ascertained based on actuarial valuation carried out at the end of the year are as follows:

	Leave Encashment		Gratuity	
	2023-24	2022-23	2023-24	2022-23
i) Change in the fair value of the defined benefit obligation:				
Liability at the beginning of the year	0.33	0.21	0.20	0.97
Interest Cost	0.02	0.01	0.01	0.07
Current Service Cost	0.44	0.19	0.26	0.10
Benefits paid	-	(0.14)	-	(0.11)
Actuarial losses (gains) arising from change in financial assumptions	0.03	(0.02)	0.02	(0.01)
Actuarial losses (gains) arising from experience adjustments	0.07	0.09	0.05	(0.82)
Liability at the end of the year	0.89	0.33	0.54	0.20
ii) Amount Recognized in Balance Sheet				
Liability at the end of the year	0.89	0.33	0.54	0.20
	0.89	0.33	0.54	0.20
Current - Amount due within one year	0.03	0.01	0.01	0.00
Non-current - Amount due after one year	0.87	0.32	0.53	0.20
iii) Components of Defined Benefit Cost				
Current Service Cost	0.44	0.19	0.26	0.10
Interest Cost	0.02	0.01	0.01	0.07
Net Actuarial (gain) / loss on remeasurement recognised in Profit and Loss	0.11	0.07	-	-
Net Actuarial (gain) / loss on remeasurement recognised in OCI	-	-	0.07	(0.83)
Total Defined Benefit Cost recognised in Profit and Loss and OCI	0.56	0.27	0.34	(0.66)
iv) Balance Sheet Reconciliation				
Opening Net Liability	0.33	0.21	0.20	0.97
Expenses as above	0.56	0.27	0.34	(0.66)
Benefits paid	-	(0.14)	-	(0.11)
Amount Recognized in Balance Sheet	0.89	0.33	0.54	0.20

	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
Principal Actuarial assumptions as at the Balance Sheet date				
Discount Rate	7.10%	7.40%	7.10%	7.40%
Salary Escalation Rate	6.00%	6.00%	6.00%	6.00%
Attribution Rates	5% to 1%	5% to 1%	5% to 1%	5% to 1%
Mortality Rate	Indian Assured Lives Mortality (2012-2014) Ult.		Indian Assured Lives Mortality (2012-2014) Ult.	
Retirement Age	58 Years	58 Years	58 Years	58 Years

Notes:

- i) Assumptions relating to future salary increases, attrition & interest rate for discount have been considered based on relevant economic factors such as inflation, market growth & other factors applicable to the period over which the obligation is expected to be settled.

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

(Amount in ₹ lakhs)

Sensitivity analysis:

	Leave Encashment		Gratuity	
	Change in Assumption	Effect in Leave Obligation	Change in Assumption	Effect in Leave Obligation
For the year ended 31st March, 2023				
Discount Rate	+1%	0.29	+1%	0.18
	-1%	0.37	-1%	0.22
Salary Growth Rate	+1%	0.37	+1%	0.22
	-1%	0.29	-1%	0.18
Withdrawal Rate	+1%	0.33	+1%	0.20
	-1%	0.32	-1%	0.20
For the year ended 31st March, 2024				
Discount Rate	+1%	0.79	+1%	0.48
	-1%	1.01	-1%	0.61
Salary Growth Rate	+1%	1.01	+1%	0.61
	-1%	0.79	-1%	0.48
Withdrawal Rate	+1%	0.90	+1%	0.55
	-1%	0.88	-1%	0.54

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit.

Estimate of expected benefit payments in future years

Particulars	Leave	Gratuity
Year 1	0.03	0.01
Year 2	0.03	0.02
Year 3	0.03	0.02
Year 4	0.03	0.02
Year 5	0.03	0.02
Year 6 to 10 year	0.03	0.04

NOTE 34 Tax Expense - Current Tax

Particulars	Ref Note No	For the year ended March 31, 2024	For the year ended March 31, 2023
Provision for Current Tax			
In respect of the Current year		591.00	477.00
In respect of the Earlier year		0.25	13.46
TOTAL		591.25	490.46

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

(Amount in ₹ lakhs)

34.1 Components of Tax Expense:

Particulars	Ref Note No	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax			
In respect of the current year		591.00	477.00
In respect of the earlier year		0.25	13.46
Total Current tax expense recognised in the current year		591.25	490.46
Deferred tax			
In respect of the current year		1.13	(0.02)
Total Deferred tax expense recognised in the current year		1.13	(0.02)
Total Tax expense recognised in the current year		592.38	490.44

34.2 Reconciliation of Income tax expense for the year with accounting profit is as follows:

Taxable Income 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. Details in this respect are as follows:

Particulars	Ref Note No	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit before tax		2,607.55	2,376.72
Statutory Tax Rate		25.17%	25.17%
Income tax expense calculated at applicable rate		656.32	598.22
Effect of items that are not deductible for computing taxable profit		0.16	4.52
Effect of items that are deductible for computing taxable profit		(64.99)	(126.86)
Others*		0.89	14.56
Income tax expense recognised in profit and loss		592.38	490.44
Effective Tax rate		22.72%	20.64%

34.3 Income tax recognised in other comprehensive income

Particulars	Ref Note No	For the year ended March 31, 2024	For the year ended March 31, 2023
Deferred tax			
Arising on income and expenses recognised in other comprehensive income:			
- Changes in fair valuation of investments		2,498.43	(1,591.14)
- Remeasurement profit/(loss) on defined benefits plans		(0.02)	0.21
Total income tax recognised in other comprehensive income		2,498.41	(1,590.93)
Deferred tax is calculated @ applicable tax rate for Long Term capital Gain			
Bifurcation of the income tax recognised in other comprehensive income into:-			
Items that will not be reclassified to profit or loss		2,498.41	(1,590.93)
Items that may be reclassified to profit or loss		-	-

35 DISCLOSURES ON FINANCIAL INSTRUMENTS

(a) Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

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

(Amount in ₹ lakhs)

Categories of Financial Instruments

Particulars	As at March 31, 2024							
	Carrying Amount	Amortised Cost	FVTPL	FVOCI	FAIR VALUE HIERARCHY			
					LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Financial Assets								
Cash and cash equivalents	39.42	39.42	-	-	-	-	-	-
Bank Balance other than Cash and Cash Equivalents	2,930.05	2,930.05	-	-	-	-	-	-
Trade Receivables	-	-	-	-	-	-	-	-
Loans	4,260.00	4,260.00	-	-	-	-	-	-
Investments								
- in mutual funds	1,037.99	-	1,037.99		2.49	-	1,035.50	1,037.99
- in equity shares (quoted)	94,432.43	-	-	94,432.43	94,432.43	-	-	94,432.43
- in equity shares (unquoted)	845.67	-	-	845.67	-	845.24	0.43	845.67
- in other funds	6.69	-	-	6.69	6.69	-	-	6.69
Other Financial Assets	16.88	16.88						
	1,03,569.13	7,246.35	1,037.99	95,284.79	94,441.61	845.24	1,035.93	96,322.78
Financial Liabilities								
Trade Payables	5.06	5.06	-	-	-	-	-	-
Other Financial Liabilities	15.29	15.29	-	-	-	-	-	-
	20.35	20.35	-	-	-	-	-	-

Particulars	As at March 31, 2023							
	Carrying Amount	Amortised Cost	FVTPL	FVOCI	FAIR VALUE HIERARCHY			
					LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Financial Assets								
Cash and cash equivalents	92.51	92.51	-	-	-	-	-	-
Bank Balance other than Cash and Cash Equivalent	331.57	331.57	-	-	-	-	-	-
Trade Receivables	5.04	5.04	-	-	-	-	-	-
Loans	6,312.00	6,312.00	-	-	-	-	-	-
Investments								
- in equity mutual funds	1.95	-	1.95	-	1.95	-	-	1.95
- in equity shares (quoted)	63,035.11	-	-	63,035.11	63,035.11	-	-	63,035.11
- in equity shares (unquoted)	0.36	-	-	0.36	-	-	0.36	0.36
- in other funds	6.75	-	-	6.75	6.75	-	-	6.75
Other Financial Assets	15.29	15.29						
	69,800.58	6,756.41	1.95	63,042.22	63,043.81	-	0.36	63,044.17
Financial Liabilities								
Trade Payables	11.43	11.43	-	-	-	-	-	-
Other Financial Liabilities	15.91	15.91	-	-	-	-	-	-
	27.34	27.34	-	-	-	-	-	-

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

(Amount in ₹ lakhs)

(b) Measurement of fair values

The following table provides 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:

Level I: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level II: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level III: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

- (i) The management assessed that fair value of cash and cash equivalents, trade receivables, trade payables, and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- (ii) Financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.
- (iii) The fair values of the equity investment which are quoted, are derived from quoted market prices in active markets. The Investments measured at fair value and falling under fair value hierarchy Level 3 are valued on the basis of valuation reports provided by external valuers with the exception of certain investments, where cost/net asset value has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost/net asset value represents the best estimate of fair values within that range.
- (iv) The fair value of the financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.
- (v) There have been no transfers between Level I, Level II and Level III for the years ended March 31, 2024 and March 31, 2023.
- (vi) Reconciliation of Level I and Level III fair value measurement is as below:

Particulars	As at March 31, 2024	As at March 31, 2023
Level I		
Balance at the beginning of the year	63,043.81	75,472.40
Additions during the year	-	5,114.99
Sales/ redeemed during the year	(395.60)	(0.33)
Fair Value changes during the year	31,793.40	(17,543.25)
Balance at the end of the year	94,441.61	63,043.81
Level II		
Balance at the beginning of the year	-	-
Additions during the year	630.00	-
Fair Value changes during the year	215.24	-
Balance at the end of the year	845.24	-
Level III		
Balance at the beginning of the year	0.36	0.04
Additions during the year	1,030.00	-
Sales/ write off during the year	-	-
Fair Value changes during the year	5.57	0.32
Balance at the end of the year	1,035.93	0.36

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

35 (c) FINANCIAL RISK MANAGEMENT

The Company's activities are exposed to variety of financial risks. The key financial risks includes market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors reviews and approves policies for managing these risks. The risks are governed by appropriate policies and procedures and accordingly financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

CREDIT RISK

Credit risk is the risk of financial loss to the company if a counter-party fails to meet its contractual obligations.

Trade receivables

Credit risk with respect to trade receivables is limited, since the trade receivables amount is immaterial.

Cash and cash equivalents

The company holds cash and cash equivalents of Rs. 39.42 lacs at 31 March 2024 (31 March 2023: Rs. 92.51 lacs). The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

MARKET RISK

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as equity price, interest rates etc.) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. The Company is exposed to market risk primarily related to the market value of its investments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Exposure to interest rate risk :

Since the Company does not have any financial assets or financial liabilities bearing floating interest rates, any change in interest rates at the reporting date would not have any significant impact on the financial statements of the Company.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company doesn't have exposure to the risk of changes in foreign exchange rates and hence is not subjected to such risk.

Price Risk

(a) Exposure

The Company is exposed to equity price risk arising from equity shares held by the Company and classified in the balance sheet either as fair value through OCI or fair value through profit or loss.

To manage its price risk arising from investment in equity securities, the Company diversifies its portfolio.

The majority of the Company's equity investments are listed on the BSE or the National Stock Exchange (NSE) in India.

(b) Sensitivity analysis - Equity price risk

The table below summarises the impact of increase/decrease of the market price of the listed instruments on the Company's equity and profit for the period. The analysis is based on the assumption that market price had increased by 2% or decreased by 2%.

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

(Amount in ₹ lakhs)

Particulars	Impact on Profit or loss		Impact on other components of equity	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Market Price increases by 2%	-	-	1,888.65	1,260.70
Market Price decreases by 2%	-	-	(1,888.65)	(1,260.70)

35 (c) Financial Risk Management

LIQUIDITY RISK

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non derivative financial liabilities

Maturity Analysis of Financial Liabilities

As at March 31, 2024

(Amount in ₹ lakhs)

Particulars	Carrying Amount	Non Derivative financial liabilities			Total
		Less than one year	Between one to five years	More than five years	
Contractual cash flows					
Trade and other payables	5.06	5.06	-	-	5.06
Other Financial Liabilities	15.29	15.29	-	-	15.29

As at March 31, 2023

Particulars	Carrying Amount	Non Derivative financial liabilities			Total
		Less than one year	Between one to five years	More than five years	
Contractual cash flows					
Trade and other payables	11.43	11.43	-	-	11.43
Other Financial Liabilities	15.91	15.91	-	-	15.91

36 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.

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
(I) Financial Assets						
(a) Cash and Cash Equivalents	39.42	-	39.42	92.51	-	92.51
(b) Bank Balance other than Cash and Cash Equivalents	2,930.05	-	2,930.05	331.57	-	331.57
(c) Receivables						
(I) Trade Receivables	-	-	-	5.04	-	5.04
(d) Loans	4,260.00	-	4,260.00	6,312.00		6,312.00
(e) Investments	1,035.50	95,287.28	96,322.78		63,044.17	63,044.17
(f) Other Financial Assets	16.88	-	16.88	15.29		15.29
	8,281.85	95,287.28	1,03,569.13	6,756.41	63,044.17	69,800.58

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

(Amount in ₹ lakhs)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
(II) Non Financial Assets						
(a) Inventories	10.00	-	10.00	10.00	-	10.00
(b) Current Tax Assets (Net)	-	-	-	7.06	-	7.06
(c) Property, Plant and Equipment	-	0.04	0.04	-	0.11	0.11
	10.00	0.04	10.04	17.06	0.11	17.17
Total Assets	8,291.85	95,287.32	1,03,579.17	6,773.47	63,044.28	69,817.75

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
LIABILITIES AND EQUITY						
(I) Financial Liabilities						
(a) Payables						
(I) Trade Payables						
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises	5.06	-	5.06	11.43	-	11.43
(b) Other Financial Liabilities	15.29	-	15.29	15.91	-	15.91
	20.35	-	20.35	27.34	-	27.34
(II) Non Financial Liabilities						
(a) Current Tax Liabilities (Net)	1.00	-	1.00			
(b) Provisions	18.44	0.04	18.48	25.77	0.01	25.78
(c) Deferred Tax Liabilities (Net)	-	4,896.81	4,896.81	-	2,397.27	2,397.27
(d) Other Non Financial Liabilities	0.37	-	0.37	0.07	-	0.07
	19.81	4,896.85	4,916.66	25.84	2,397.28	2,423.12
(III) Equity						
(a) Equity Share Capital	-	1,000.00	1,000.00		1,000.00	1,000.00
(b) Other Equity	-	97,642.16	97,642.16		66,367.29	66,367.29
	-	98,642.16	98,642.16	-	67,367.29	67,367.29
Total Liabilities and Equity	40.16	1,03,539.01	1,03,579.17	53.18	69,764.57	69,817.75

37 CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholder value. The Company's objective when managing capital is to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stakeholders. The Company is focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without where the risk profile of the Company.

Particulars	31st March, 2024	31st March, 2023
Borrowings	-	-
Less: Cash and cash equivalents (upto borrowings)	-	-
Net Debt	-	-
Equity	98,642.16	67,367.29
Total Capital (Equity+ Net Debt)	98,642.16	67,367.29

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

(Amount in ₹ lakhs)

- 38** The Company is registered as non-banking financial company with Reserve Bank of India vide Certificate No. B.05.02574 dated 09-12-2004. The Board of Directors at their meeting held on 20-04-2023 has passed a resolution not to accept any public deposit and the Company has not accepted public deposits during the year ended 31.03.2024.
- 39** The Company has complied with the Prudential norms and other provisions as applicable to it in terms of Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023.
- 40** Disclosure as required by Para 5 of Reserve Bank of India Circular No. RBI 2008-09/116 DNBS (PD) CC.No.125/03.05.002/2008-09 and RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23

(A) CRAR

Items	31st March, 2024	31st March, 2023
(i) CRAR (%)	137.15	104.91
(ii) CRAR - Tier I Capital (%)	136.94	104.60
(iv) CRAR - Tier II Capital (%)	0.21	0.31

(B) Exposurers

B.1 Exposure to Real Estate Sector

Category	31st March, 2024	31st March, 2023
a) (i) Residential Mortgages:-		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented:	-	-
(ii) Commercial Real Estate:-		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi family residential buildings, multi-tenanted commercial premises, industrial or warehouses, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.		
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures:-		
(a) Residential	-	-
(b) Commercial Real Estate	-	-
b) Indirect Exposure		
Fund based and non-fund bases exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-

B.2 Exposure to Capital Market

Particulars	31st March 2024	31st March 2023
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;	95,280.59	63,037.42
INVIT Fund	6.69	6.75

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

(Amount in ₹ lakhs)

B.3 Sectoral Exposure

Particulars	31st March 2024			31st March 2023		
	Total Expousre	Gross NPAs	% of Gross NPAs to total exposure in that sector	Total Expousre	Gross NPAs	% of Gross NPAs to total exposure in that sector
Loan given to other NBFCs	3,400.00	-	-	5,400.00	-	-
Services						
Loan to Body Corporates	860.00	-	-	912.00	-	-
	4,260.00			6,312.00		

B.4 Intra-Group Exposures

The Company's exposure (Loan given) to Group Company's are as follows:

Particulars	31st March, 2024	31st March, 2023
Total amount of Intra-group Exposures	860.00	912.00
Total amount of top 20 Intra-group Exposures	860.00	912.00
Percentage of intra-group exposures to total exposure of the NBFC on borrowers/ customers	20.19%	14.45%

B.5 Unhedged Foreign Currency Exposures

The Company's exposure to unhedged foreign currency exposure is Rs. Nil (31st March 2023 Rs. Nil)

B.6 Related party disclosure

Refer Note 32 for Related Party disclosure. The disclosure requirement as per Reserve Bank of India for related party transaction has been considered and given on Note 32 of these Financial Statement.

B.7 The Company has not received any complaints from its customer/borrower during the year as well as in the previous year.

40 (C) Assets and Liability Management

Maturity pattern of certain items of Assets & Liabilities

31st March 2024

	1 day to 30/31 days (one month)	Over one month to two months	Over two months to three months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Borrowings from Bank	-	-	-	-	-	-	-	-	-
Market Borrowings	-	-	-	-	-	-	-	-	-
Assets									
Advances	-	-	-	-	4,260.00	-	-	-	4,260.00
Investments	-	1,035.50	-	-	-	9.18	-	95,278.10	96,322.78

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

(Amount in ₹ lakhs)

31st March 2023

	1 day to 30/31 days (one month)	Over one month to two months	Over two months to three months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Borrowings from Bank	-	-	-	-	-	-	-	-	-
Market Borrowings	-	-	-	-	-	-	-	-	-
Assets									
Advances	-	-	-	-	6,312.00	-	-	-	6,312.00
Investments	-	-	-	-	-	8.70	-	63,035.47	63,044.17

41 The following disclosure is required pursuant to RBI circular dated March 13, 2020 - Circular No. RBI/2019-20/170 DOR (NBFC).

Asset classification as per RBI Norms	Asset Classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provision required as per IRACP Norms	Difference Between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets Standard	Stage 1	4,260.00	-	-	17.04	(17.04)

42 Analytical Ratios

	Ratio	Numerator	Denominator	31-03-2024	31-03-2023	% Variance	Reason
a)	Capital to risk weighted assets ratio(CRAR)	Tier I and Tier II Capital	Risk weighted assets	137.15%	104.91%	30.74%	The increase in CRAR is due to decrease in risk weighted assets i.e loan given to coprorates has been decreased and fixed deposits with banks has been increased.
b)	Tier I CRAR	Tier I Capital	Risk weighted assets	136.94%	104.60%	30.91%	The increase in CRAR is due to decrease in risk weighted assets i.e loan given to coprorates has been decreased and fixed deposits with banks has been increased.
c)	Tier II CRAR	Tier II Capital	Risk weighted assets	0.21%	0.31%	-30.71%	Decrease in this ratio is due to decrease in Contingent provision against standard asset as loan given in current year has been decreased.
d)	Liquidity Coverage ratio (in times)	High Liquid Asset	Expected net inflow/ outflow in next 30 days	6.31	5.29	19.42%	

43 Dividend paid on equity shares

Particulars	For the year ended 31-03-2024	For the year ended 31-03-2023
Final Dividend for the year ended 31st March 2023 & 31st March 2022, ₹ 2.50 per Equity Share	250.00	250.00
	250.00	250.00

44 The dividend declared by the Company is based on profits available for distribution as reported in the financial statements of the Company. On 29th April, 2024 the Board of Directors of the Company have proposed a dividend of ₹ 2.50 per equity share of ₹ 10 each in respect of the year ended March 31, 2024 subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in a cash outflow of ₹ 250 Lakhs.

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

(Amount in ₹ lakhs)

45 The Company is not having any dues (including interest) to Micro, Small and Medium Enterprises as on the reporting date.

46 Relationship with Struck off

₹ In Lakh

Name of struck off company	Nature of transactios with struck off company	Balance outstanding/ Reversed	Relationship with struck off company
Arihant Impex Ltd	Investment in securities	0.45	Nil
Fermanite Nicco Services Ltd*	Investment in securities	0.00	Nil
Pennar Alluminium Company Limited	Investment in securities	0.32	Nil

*Amount is below the rounding off norms adopted by the company

47 The Company has voluntarily delisted from The Calcutta Stock Exchange Limited vide letter dated 12th March 2024 and with effect from 13th March 2024.

48 The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

49 The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

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

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- 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 to or on behalf of the Ultimate Beneficiaries

51 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:

- 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 to or on behalf of the Ultimate Beneficiaries

52 The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

53 The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

54 Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

As per our report of even date

For **Santosh Choudhary & Associates**

Chartered Accountants

Firm Reg. No. 323720E

(CA Bijay Khowala)

Partner

Membership No. 061158

For and on behalf of the Board of Directors of
Quest Capital Markets Limited

Sunil Bhandari

Chairman & Director

DIN:00052161

Satish Kumar Sharma

Chief Financial Officer

Sunil Kumar Sanganeria

Director

DIN-03568648

Bhawna Agarwal

Company Secretary

M No. A42296

Arun Kumar Mukherjee

Chief Executive Officer

Place : Kolkata

Dated: 29th April, 2024

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

(Amount in ₹ lakhs)

Schedule to the Balance Sheet as at 31st March, 2024 of QUEST CAPITAL MARKETS LIMITED, a non deposit taking Non- Banking Financial Company.

(As required by Master Direction-Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) Directions 2023)

Particulars	Amount outstanding	Amount overdue
LIABILITIES SIDE :		
1) Loans and Advances availed by the NBFCs inclusive of interest accrued thereon but not paid :		
(a) Debenture : Secured	-	-
Unsecured	-	-
(Other than falling within the meaning of public deposits*)		
(b) Deferred Credits	-	-
(c) Term Loans	-	-
(d) Inter-Corporate Loans and Borrowing	-	-
(e) Commercial Paper	-	-
(f) Public Deposits*	-	-
(g) Other Loans (specify nature)	-	-
*Please see Note 1 below.		
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	-	-
*Please see Note 1 below.		
Assets Sides:		Amount outstanding
3) Break-up of Loans and Advance including Bills Receivable [other than those included in (4) below] :		
(a) Secured	-	
(b) Unsecured		4,260.00
4) Break-up of Leased Assets and stock on hire and other assets counting towards AFC activity.		
(i) Lease assets including Lease Rental 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) Hypothecation Loans counting towards EL/HP activities :		
(a) Loans where assets have been repossessed		-
(b) Loans other than (a) above		-

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

(Amount in ₹ lakhs)

Particulars	Amount outstanding
5) Break up of Investments :	
Current Investments	
1. Quoted :	
(I) Shares : (a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of Mutual Funds	-
(iv) Governments Securities	-
(v) Others (please specify)	-
2. Unquoted :	
(I) Shares : (a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of Mutual Funds	1,035.50
(iv) Governments Securities	-
(v) Others (please specify)	-

6) Borrower group-wise classification assets financed as in (3) and (4) above :

Please see Note 2

Category	Amount Net of Provision		
	Secured	Unsecured	Total
1. Related parties **			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	860.00	860.00
(c) Other related parties	-	-	-
2. Other than related parties	-	3,400.00	3,400.00
Total	-	4,260.00	4,260.00

7) Investor group-wise classification of all investments (current and long term)

in shares and securities (both quoted and unquoted) :

Category	Market Value/Break up Value or Fair Value or NAV	Book Value Net of Provision
1. Related parties **		
(a) Subsidiaries	-	-
(b) Companies in the same group	92,977.36	92,977.36
(c) Other related parties	-	-
2. Other than related parties	3,345.42	3,345.42
Total	96,322.78	96,322.78

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

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

8) Other information

Category	Amount (₹ in lakhs)
(i) Gross Non-Performing Assets :	
(a) Related parties	-
(b) Other than related parties	-
(c) Other related parties	
(ii) Net Non-Performing Assets :	
(a) Related parties	-
(b) Other than related parties	-
(iii) Assets acquired in satisfaction of debts	-

Notes :

- As defined in paragraphs 5.1.26 of the Directions.
- Provisioning norms shall be applicable as prescribed in these directions.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term (amortised cost in the case of Ind As) or current (at fair value in the case of Ind As) in column (5) above.

For and on behalf of the Board of Directors of
Quest Capital Markets Limited

Sunil Bhandari
Chairman & Director
DIN:00052161

Satish Kumar Sharma
Chief Financial Officer

Sunil Kumar Sangneria
Director
DIN-03568648

Bhawna Agarwal
Company Secretary
M No. A42296

Arun Kumar Mukherjee
Chief Executive Officer

Place : Kolkata
Dated: 29th April, 2024



QUEST CAPITAL MARKETS LIMITED

(Formerly known as BNK Capital Markets Limited)

CIN: L34202WB1986PLC040542

Regd. Office: Duncan House, 31, Netaji Subhas Road, Kolkata – 700 001

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