



# DECILLION FINANCE LIMITED

Regd. Off: "JAJODIA TOWER", 4TH FLOOR, ROOM NO. D-8, 3, BENTINCK STREET, KOLKATA - 700 001

PHONE : (0) 2248 5664, 2243 9601, E-MAIL : info@decillion.co.in WEBSITE : www.decillion.co.in

CIN : L65999WB1995PLC067887

Date: 01.09.2023

To,  
The Secretary,  
Listing Department  
BSE Limited  
P.J. Towers, Dalal Street,  
Mumbai - 400 001

To,  
The Secretary,  
Calcutta Stock Exchange Limited  
7, Lyons Range, Kolkata-700001

Scrip Code - 539190

Scrip Code - 013097

**Sub: Annual Report for the Financial Year 2022-23 and Notice of the 29<sup>th</sup> Annual General Meeting**

Dear Sir/ Madam,

We would like to inform you that 29<sup>th</sup> Annual General Meeting (AGM) of the Company will be held on Thursday, 28<sup>th</sup> September, 2023 at 12:00 Noon (IST) at "Oswal Chambers", Eitma, 5<sup>th</sup> Floor, 2, Church Lane, Kolkata - 700 001, West Bengal.

Pursuant to Regulation 30 and 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, please find enclosed herewith a copy of

- Notice of AGM including instructions for e-voting and
- Annual Report for the Financial Year 2022-23.

Aforesaid documents are also available on the website of the Company i.e., <https://www.decillion.co.in>

The remote e-voting period commences on 25<sup>th</sup> September, 2023 (9.00 A.M. IST) and ends on 27<sup>th</sup> September, 2023 (5.00 P.M. IST). During the period, members holding shares either in physical form or in dematerialized form, as on 21<sup>st</sup> September, 2023 i.e., cut-off date, may cast their vote electronically. Those members, who are attending the AGM at the venue and have not cast their vote on the Resolutions through remote e-voting, shall be eligible to vote at the AGM.

Thanking you,

Yours faithfully,  
**For Decillion Finance Limited**

**Shruti Poddar**  
**Company Secretary & Compliance Officer**

# Decillion Finance Limited

*Annual Report 2022-23*



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# COMPANY INFORMATION

## Basic Information

<b>CIN</b>	L65999WB1995PLC067887
<b>Name of the Company</b>	Decillion Finance Limited
<b>Registered Office Address</b>	3, Bentinck Street, 4 <sup>th</sup> Floor, Room No. D-8, Kolkata-700001
<b>Date of Incorporation</b>	27.01.1995
<b>Authorized Share Capital</b>	Rs. 3,75,00,000
<b>Paid Up Share Capital</b>	Rs. 3,50,00,000
<b>Website</b>	<a href="http://www.decillion.co.in">www.decillion.co.in</a>
<b>Email Id</b>	<a href="mailto:info@decillion.co.in">info@decillion.co.in</a>
<b>Banker</b>	ICICI Bank City Union Bank

# COMPANY INFORMATION

## Listing Information

ISIN	INE848N01017
BSE Scrip Code	539190
CSE Scrip Code	013097

## Board of Directors

Jitendra Kumar Goyal	Managing Director
Vidhu Bhushan Verma	Non-Executive Independent Director
Ritu Agarwal	Non-Executive Independent Director
Pooja Kalanouria	Non-Executive Independent Director

## Key Managerial Personnel

Rajesh Kumar Yadav	Chief Financial Officer
Shruti Poddar	Company Secretary
Jitendra Kumar Goyal	Managing Director

# COMPANY INFORMATION

## Committees of the Board

### Audit Committee

Ritu Agarwal	Chairman
Vidhu Bhushan Verma	Member
Pooja Kalanouria	Member
Jitendra Kumar Goyal	Member

### Nomination & Remuneration Committee

Ritu Agarwal	Chairman
Vidhu Bhushan Verma	Member
Pooja Kalanouria	Member

# COMPANY INFORMATION

## Committees of the Board

### Stakeholders Relationship Committee

Ritu Agarwal	Chairman
Vidhu Bhushan Verma	Member
Pooja Kalanouria	Member
Jitendra Kumar Goyal	Member

## Registrar & Share Transfer Agent

Name	M/s Niche Technologies Private Limited
Address	3A, Auckland Place, 7 <sup>th</sup> Floor, Room No. 7A & 7B, Kolkata-700017
Email Id	<a href="mailto:nichetechpl@nicetechpl.com">nichetechpl@nicetechpl.com</a>
Phone Number	(033) 2280 6616/6617/6618

# COMPANY INFORMATION

## Auditors

<u>Statutory Auditors</u>	<u>Secretarial Auditor</u>
M/s C. K. Chandak	Rajesh Ghorawat
Chartered Accountants	Practicing Company Secretary
Old 31 (New 10), P. L. Som Street, Near B. A. Mathwater Tank, Bhadrakali, Uttarpara, Hooghly- 712232	68, R. K. Chatterjee Road, Kasba, Bakultala, 3 <sup>rd</sup> Floor, Kolkata- 700042
<u>Internal Auditor</u>	
M/s Srimal Jain & Co.	
Chartered Accountants	
12A, Netaji Subhas Road, Ground Floor, Room No. 3, Kolkata-700001	



## BOARD'S REPORT

Dear Members,

Your Directors take pleasure in presenting the 29<sup>th</sup> (Twenty Nineth) Annual Report of the Company along with the Audited Financial Statements for the financial year ended as on 31<sup>st</sup> March, 2023.

### FINANCIAL PERFORMANCE

	(Rs. in Lakhs)	
Particulars	Year ended as on 31 <sup>st</sup> March, 2023	Year ended as on 31 <sup>st</sup> March, 2022
Total Income	91.18	81.49
Total Expenses	99.52	93.48
Profit or Loss before Exceptional Extraordinary items	(8.34)	(11.98)
<b>Profit or Loss before tax</b>	<b>(8.34)</b>	<b>(11.98)</b>
Less: Tax Expenses	2.17	5.64
<b>Profit or Loss after Tax</b>	<b>(6.17)</b>	<b>(17.63)</b>
Other Comprehensive Income	105.12	24.02
<b>Total Comprehensive Income</b>	<b>98.95</b>	<b>6.40</b>

### STATE OF COMPANY'S AFFAIRS

During the year under review, your company recorded a total income of Rs. 91.18 lakhs as compared to Rs. 81.49 lakhs in the previous financial Year. The loss for the same period stood at Rs. 6.17 lakhs which is less as compared to loss of Rs. 17.63 lakhs encountered in the previous financial year.

### CHANGE IN NATURE OF BUSINESS

There was no change in the nature of business of the company.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Company's business activity primarily falls within a single business segment i.e., Investment and Finance. The analysis on the performance of the industry, the Company, internal control systems, risk management are presented in the Management Discussion and Analysis Report is presented forming part of this report.

## **SHARE CAPITAL**

### **Equity Shares:**

The paid-up Equity Share Capital as on 31<sup>st</sup> March, 2023 was Rs. 3,50,00,000/-. There was no change in the Share Capital during the year under review.

### **Sweat Equity Shares:**

In terms of Sub-rule (13) of Rule 8 of The Companies (Share Capital and Debentures) Rules, 2014, the Company has not issued any Sweat Equity Shares.

### **Differential Voting Rights:**

In terms of Rule 4(4) of The Companies (Share Capital and Debenture Rules, 2014), the Company has not issued any share with Differential Voting Rights.

### **Employee Stock Options:**

In terms of Rule 12(9) of The Companies (Share Capital and Debenture Rules, 2014), the Company has not issued any Employee Stock Options.

## **DIVIDEND**

Your directors have not recommended any dividend for the year under review.

### **Transfer of unpaid & unclaimed Dividends & Shares to Investor Education and Protection Fund (IEPF)**

Pursuant to Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") there was no unclaimed/unpaid dividend, hence the company is not required to transfer any amount to Investor Education and Protection Fund.

## **RESERVES**

In view of losses incurred by the Company, your directors have not proposed to transfer any amount to Statutory Reserves.

## **MATERIAL CHANGES AND COMMITMENT**

There are no material changes or commitments that took place after the close of financial year till date which will have any material or significant impact on the financials of the Company.

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

Particulars as prescribed under Sub-Section 3(m) of Section 134 of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 regarding energy conservation and technology absorption is not applicable to the Company.

During the year under review, there was no inflow or outflow of foreign exchange.

## **RISK MANAGEMENT**

The Company has a risk management framework comprising risk governance structure and defined risk management process. The risk governance structure of the Company is a formal organization structure with defined roles and responsibilities for risk management. The risks existing in the internal and external environment are periodically identified and reviewed, based on which, the cost of treating risks is assessed and risk treatment plans are devised.

## **CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES**

The provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, is not applicable on the Company.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The Company being a Non-Banking Financial Company (NBFC), the provisions of Section 186 of the Companies Act, 2013 read with Rule 11 of the Companies (Meetings of Board and its Power), Rules, 2014 are not applicable.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

All transactions entered with Related Parties during the financial year were on an arm's length basis and were in ordinary course of business and the provision of Section 188 of the Companies Act, 2013 are not attracted. There are no materially significant related party transactions during the period under review made by the Company with Promoters, Directors or other designated person which may have a potential conflict with the interest of the Company at large. Thus, disclosure in Form AOC- 2 is not required. However, details of all related party transactions are given in Notes to Financial Statements.

## **BOARD OF DIRECTORS, COMMITTEES AND MANAGEMENT**

### **Composition:**

The composition of the Board of Directors and its Committees, viz., Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee are constituted in accordance with Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI (LODR) Regulations, 2015"], wherever

applicable. The details are provided in Corporate Governance Report which forms the part of the Annual Report.

#### Retirement by Rotation

Pursuant to Section 152 of the Companies Act, 2013, at least two-third of the total number of Directors (excluding independent directors) shall be liable to retire by rotation.

The Independent Directors hold office for a fixed term of not exceeding five years from the date of their appointment and are not liable to retire by rotation.

Accordingly, Mr. Jitendra Kumar Goyal (DIN: 00468744), Managing Director, liable to retire by rotation, retires from the Board this year and, being eligible, has offered himself for re-appointment.

The brief resume and other details relating to Mr. Jitendra Kumar Goyal who is proposed to be re-appointed, as required to be disclosed under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is incorporated in the annexure to the notice calling ensuing Annual General Meeting.

#### Re-appointment of Directors

The Board proposes to re-appoint Mr. Vidhu Bhushan Verma (DIN: 00555238), as the Non-Executive Independent Director of the Company for a second term of five consecutive years from the conclusion of ensuing Annual General Meeting till the conclusion of 34<sup>th</sup> Annual General Meeting, subject to approval of the Members.

The brief resume and other details relating to Mr. Vidhu Bhushan Verma who is proposed to be re-appointed, as required to be disclosed under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is incorporated in the annexure to the notice calling ensuing Annual General Meeting.

#### Meetings of the Board & Committees:

The details of Board and Committee Meetings held during the Financial Year ended on 31<sup>st</sup> March, 2023 and the attendance of the Directors are set out in the Corporate Governance Report which forms part of this report. The maximum time gap between any two Board Meetings was not more than 120 days as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 and Secretarial Standard on Meetings of the Board of Directors.

The details of meeting of Independent Directors are set out in the Corporate Governance Report which forms part of this report.

### Declaration by Independent Directors

The Company has received requisite declarations/ confirmations from all the Independent Directors confirming their independence as per provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board relies on their declaration of independence.

### Familiarisation Programme for Independent Directors

Pursuant to the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a programme for familiarising the Independent Directors, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. through various initiatives.

Further, at the time of appointment of an Independent Director, the company issues a formal letter of appointment outlining his/ her role, function, duties and responsibilities as a director. The details of programmes for familiarization for Independent Directors are available on the website of the Company [www.decillion.co.in](http://www.decillion.co.in).

### Annual Evaluation of Board's Performance

In compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors. The details are provided in Corporate Governance Report which forms the part of the Annual Report.

### Directors' Responsibility Statement:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, your Directors state that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit / loss of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **KEY MANAGERIAL PERSONNEL**

Ms. Ishu Maskara, Company Secretary cum Compliance Officer of the Company resigned w.e.f. 16<sup>th</sup> February, 2023.

Further, to fill her place Mrs. Shruti Poddar was appointed as Company Secretary cum Compliance Officer of the Company w.e.f. 30<sup>th</sup> May, 2023.

### **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has adopted a Vigil Mechanism/Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. It aims to provide an avenue for employees through this policy to raise their concerns on any violation of legal or regulatory requirements, suspicious fraud, misfeasance, misrepresentation of any financial statements and reports. It also provides for direct access to the Chairman of the Audit Committee. The Vigil Mechanism/Whistle Blower Policy is being made available on the Company's website [www.decillion.co.in](http://www.decillion.co.in).

### **NOMINATION AND REMUNERATION POLICY**

Pursuant to the provisions of Section 178 of the Companies Act, 2013, the Board, on the recommendation of the Nomination and Remuneration Committee, has framed a Nomination and Remuneration Policy for selection, appointment and remuneration of Directors and Key Managerial Personnel including criteria for determining qualifications, positive attributes and independence of Directors. The policy has been duly approved and adopted by the Board, pursuant to the recommendations of the Nomination and Remuneration Committee. The Remuneration Policy has been uploaded on the Company's website [www.decillion.co.in](http://www.decillion.co.in). Further the salient features of the policy are given in the Report of Corporate Governance forming part of this Annual Report.

### **ANNUAL RETURN**

The Annual Return of the Company as on 31<sup>st</sup> March, 2023 in Form MGT - 7 is in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014 and is available on the website of the Company at [www.decillion.co.in](http://www.decillion.co.in).

### **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any subsidiary, associate or joint venture. There was no Company which has become or ceased to be Company's Subsidiary, Joint Venture or Associate during the Financial Year 2022-23.

## **DEPOSITS**

During the year under review, your Company has neither accepted nor renewed any deposits from public within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

## **INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY**

The Company has laid down an adequate system of internal controls, policies and procedures for ensuring orderly and efficient conduct of the business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

The current system of internal financial control is aligned with the statutory requirements. Effectiveness of internal financial control is ensured through management reviews, controlled self-assessment and independent testing by the Internal Auditor.

## **AUDIT AND ALLIED MATTERS**

### *Statutory Auditor*

M/s. C.K. Chandak & Co., (FRN: 326844E) Chartered Accountants, was appointed as Statutory Auditors of the Company at the 24<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> September, 2018 for a term of 5 consecutive years to hold office from the conclusion of 24<sup>th</sup> Annual General Meeting till the conclusion of 29<sup>th</sup> Annual General Meeting to be held in the year 2023.

The tenure of the existing Statutory Auditors of the Company shall be expiring at the ensuing Annual General Meeting and as per Section 139(2) of the Companies Act, 2013, they are not eligible for re-appointment. Therefore, the Board on recommendation of Audit Committee proposed the appointment of M/s Ghosh & Basu LLP, (FRN E300013) Chartered Accountants as Statutory Auditors of the Company for a further period of five consecutive years, subject to approval of Members at ensuing Annual General Meeting.

The Statutory Auditors Report to the Members for the year ended 31<sup>st</sup> March, 2023 does not contain any qualification, reservation, adverse remark or disclaimer. Also there has been no instance of fraud reported by the statutory auditors for the period under review.

### *Internal Auditor*

As recommended by the Audit Committee, the Board of Directors had re-appointed M/s. Srimal Jain & Co., Chartered Accountants, as Internal Auditors of the Company for the Financial Year 2022-23 to conduct internal audit of the Company and their report on findings is submitted to the Audit Committee on periodic basis.

### Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had re-appointed Mr. Rajesh Ghorawat, Company Secretary in Practice, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the Financial Year 2022-23 in the prescribed Form MR-3 is appended as '**Annexure - A**' to this Board's Report.

### **COST RECORDS**

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

### **CORPORATE GOVERNANCE**

The Company adheres to follow the best corporate governance. As per Regulation 34 read with Schedule V (C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance along with a certificate received from the Statutory Auditors confirming compliance is annexed and forms part of the Annual Report.

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS**

There were no significant and material orders passed by the Regulators or Courts or Tribunals during the year under review impacting the going concern status and the operations of the Company in future.

### **RBI GUIDELINES FOR NON-BANKING FINANCIAL COMPANIES**

The Company has observed all the prudential norms prescribed by the Reserve Bank of India. The Schedule as required in terms of Paragraph 13 of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2015 is annexed herewith.

### **DISCLOSURE ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act') and Rules made thereunder, your Company have constituted Internal Complaints Committee for providing a redressal mechanism pertaining to sexual harassment of women employees at workplace.

During the year under review, no complaint was filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.



## **REMUNERATION RATIO TO DIRECTORS/KMP/EMPLOYEES**

The disclosures pertaining to remuneration and other details as required under Section 197 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as '**Annexure- B**' forming part of this report.

## **OTHER DISCLOSURES**

### *Secretarial Standards:*

The company has complied with the applicable provisions of Secretarial Standards SS-1 and SS-2 with respect to convening of Board Meetings and General Meetings during the period under review.

### *Proceeding pending under the Insolvency and Bankruptcy Code, 2016:*

No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

## **APPRECIATION & ACKNOWLEDGEMENT**

The Board of Directors place on record sincere gratitude and appreciation for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year. The Board conveys its appreciation for its customers, shareholders, suppliers as well as vendors, bankers, business associates, regulatory and government authorities for their continued support.

For and on behalf of the Board  
**Decillion Finance Limited**

Place: Kolkata

Date: 1<sup>st</sup> September, 2023

Sd/-  
Jitendra Kumar Goyal  
Managing Director  
(DIN: 00468744)

Sd/-  
Vidhu Bhushan Verma  
Director  
DIN: 00555238

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2023

*[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 of  
Decillion Finance Limited  
3, Bentinck Street  
4<sup>th</sup> Floor, Room No. D-8  
Kolkata – 700 001

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Decillion Finance Limited** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also based on the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2023 (“Audit Period”) 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.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2023 to the extent of Acts/provisions of the Acts 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 (“SCRA”) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not Applicable to the Company during the period under review);

- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable to the Company during the period under review);
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not Applicable to the Company during the period under review);
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not Applicable to the Company during the period under review); and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not Applicable to the Company during the period under review).

(vi) Other applicable laws generally applicable to the Industry/Company.

- a) Reserve Bank of India Directions, Guidelines and Circulars applicable to the Non-Banking Financial Companies (NBFC);

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

- a) Secretarial Standard-I and II issued by the Institute of Company Secretaries of India; and
- b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

*The Company had failed to file Shareholding Pattern in XBRL to CSE within the prescribed time of 21 days due to which CSE imposed fine. The Company had made a waiver application to CSE and the same is accepted and the fine was removed.*

In respect of other laws specifically applicable to the Company, I have relied on information/records produced by the Company during the course of my audit and the reporting is limited to that extent.

#### **I further report that**

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

Adequate notice is given to all directors to schedule the Board Meetings/committee 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. Majority decisions is carried through while dissenting members' views, if any, are captured and recorded as part of the minutes.

The Company has submitted the Compliance Certificate to Stock Exchanges with regard to maintenance of Structured Digital Database (SDD) pursuant to Regulations 3(5) and 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

**I 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.

**I further report that** during the audit period, no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.:

Sd/-

**Rajesh Ghorawat**

Practicing Company Secretary

FCS: 7226

COP: 20897

Date: 14<sup>th</sup> August, 2023

Place: Kolkata

ICSI Peer Review No: 1992/2022

UDIN: F007226E000799127

**Note:** *This Report is to be read with my letter of even date which is annexed as “Annexure I” and forms an integral part of this report.*

To  
The Members of  
Decillion Finance Limited  
3, Bentinck Street  
4<sup>th</sup> Floor, Room No. D-8  
Kolkata – 700 001

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, followed by me provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Sd/-**

**Rajesh Ghorawat**

Practicing Company Secretary

FCS: 7226

COP: 20897

ICSI Peer Review No: 1992/2022

UDIN: F007226E000799127

Date: 14<sup>th</sup> August, 2023

Place: Kolkata

**PARTICULARS OF EMPLOYEES**

The information required pursuant to section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given hereunder:

- i. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year are given hereunder:

<b>Name</b>	<b>Designation</b>	<b>Remuneration paid during FY 2022-23 (Rs.)</b>	<b>Ratio of remuneration to median remuneration of employees (Including Whole-time Directors)</b>
Mr. Jitendra Kumar Goyal	Managing Director	15,50,000	11.80

- ii. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year are given hereunder: Nil
- iii. The percentage of increase in the median remuneration of employees in the financial year: Nil.
- iv. The number of permanent employees on the role of company as on 31<sup>st</sup> March, 2023 is 3 nos., including Executive Directors.
- v. Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentage increase in salaries of employees other than managerial personnel during 2022-23	Nil
The percentage increase in the Managerial Remuneration	Nil

- vi. Affirmation that the remuneration is as per the remuneration policy of the company: The Board of Directors of the Company affirms that the remuneration is as per the Remuneration Policy of the Company.

For and on behalf of the Board  
**Decillion Finance Limited**

Place: Kolkata  
Date: 1<sup>st</sup> September, 2023

Sd/-  
**Jitendra Kumar Goyal**  
Managing Director  
(DIN: 00468744)

Sd/-  
**Vidhu Bhushan Verma**  
Director  
DIN: 00555238

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### INTRODUCTION

Management Discussion and Analysis mainly comprises of the statements which, inter-alia, involve predictions based on perceptions and may, therefore, be prone to uncertainties. It is the sum total of the Company's expectations, beliefs, estimates and projections which are forward looking within the meaning of applicable laws and regulations. The actual results could differ materially from those expressed herein specifically or impliedly.

### GLOBAL ECONOMY

Titled 'A Rocky Recovery', the IMF's World Economic Outlook – April 2023 reported that on the surface, the global economy appears poised for a gradual recovery from the devastation caused by the pandemic and, later, the conflict between Russia and Ukraine. The reopening of the Chinese economy has also contributed to the rebound and supply-chain disruptions have been unwinding, while the dislocations to energy and food markets caused by the war are receding. However, it also observed that below the surface turbulence is building, and the situation is quite fragile, as evidenced by the recent bout of banking instability.

At the same time, the report pointed out that the large scale and synchronised tightening of monetary policy by most central banks should start to bear fruit, with inflation moving back toward its targets.

The IMF (International Monetary Fund) forecast that global growth will bottom out at 2.8% in 2023 before rising modestly to 3.0% in 2024. It also expects global inflation to decrease, although more slowly than initially anticipated, from 8.7% in 2022 to 7.0% in 2023 and 4.9% in 2024.

The growth is expected to come from emerging market and developing economies, which are already powering ahead with growth rates that are nearer 4%. The advanced economies, especially the Euro area and the United Kingdom, are creating the drag with growth expected to fall to 0.7% and -0.4%, respectively, in 2023 before rebounding to 1.8% and 2.0% in the two regions in 2024.

The IMF cautioned that policymakers across the globe have a narrow path to walk to improve prospects and minimise risks. It suggested that fiscal policymakers should buttress monetary and financial policymakers' actions in getting inflation back to target while maintaining financial stability. Overall, it advised that governments should aim for a tight stance while providing targeted support to those struggling most with the cost-of-living crisis.

### INDIAN ECONOMY

Despite the distressed global economic landscape, the Indian economy is expected to grow at a robust 7% (in real terms) during the year ending March 2023, after posting a growth of 8.7% in FY 2021-22 according to the Economic Survey – 2023.

Some of the growth drivers were the credit growth to the MSME sector, which was remarkably high, at over 30.5% on average, during Jan-Nov 2022. The capex of the central government, which increased by 63.4% in the first eight months of FY 2022-23, was another growth driver of the Indian

economy. The optimistic growth forecasts also stem from a number of positives like the rebound of private consumption, which led to a boost in production activity.

While several advanced economies struggling with banking sector turmoil, bank failures, and contagion risks, the Indian banking and non-banking financial service sectors remained healthy, and financial markets evolved in an orderly manner, according to the Monetary Policy Committee (MPC) of the Reserve Bank of India (RBI).

#### Outlook

The Indian economy is expected to witness GDP growth of 6.0% to 6.8% in FY 2023-24, depending on the trajectory of economic and political developments globally, according to the Economic Survey 2023. The survey also projects a baseline GDP growth of 6.5% in real terms in FY 2023-24. The RBI projects headline inflation at 6.8% in FY 2022-23, which is outside its target range. A surge in the growth of exports in FY 2021-22 and the first half of FY 2022-23 resulted in acceleration in production.

Looking ahead, the RBI MPC expects that higher rabi production will improve the prospects for the agriculture sector and rural demand, while steady growth in contact-intensive services is likely to drive urban demand. If these impulses play out, the consumption story will continue to power growth. Moderating commodity prices are also providing tailwinds.

Manufacturing and investment activity are expected to provide a strong thrust to growth, with the government's focus on capital expenditure and capacity utilisation reaching above its long-period average. The only concern is that despite the positive outlook, the global headwinds could impact the Indian economy through a drag from net external demand.

To monitor these positive and negative risks, the RBI assured that it will continue to balance financial conditions in line with the productive requirements of the economy, even as monetary policy moves decisively to withdraw accommodation. The MPC predicts real GDP growth of 6.5% for 2023-24, with the overall outlook remaining dynamic and fast-evolving.

### **INDIAN FINANCIAL SERVICES INDUSTRY**

The Indian financial services industry is a dynamic and evolving sector, poised for further growth and innovation. It is a vital component of the country's economy, providing a range of financial products and services to individuals and businesses alike. The sector has seen significant growth in recent years, expanding into segments that were previously underserved or overlooked in a bid to promote financial inclusion. The industry is diverse, with a mix of traditional players such as commercial banks, insurance companies, and NBFCs, along with newer entities such as payment banks and small finance banks. The sector is well-regulated by the RBI, which has also allowed fintech companies to enter the fray, bringing innovation and efficiency to the industry. The adoption of digital technology has been a game-changer, enabling organisations to enhance customer engagement and deliver services with speed and transparency.

According to IBEF, rising incomes in India are driving the demand for financial services across income brackets. Further, there are over 2,100 fintechs operating currently, positioning India to become one of the largest digital markets, aided by the rapid expansion of mobile and internet.



### NBFCs in India

The Non-Banking Financial Companies (NBFCs) sector plays a significant role in the Indian economy, providing credit to individuals, small and medium-sized enterprises, and rural areas, among others. NBFCs have emerged as a key segment in the financial sector, bridging the gap between banks and borrowers who are underserved or excluded from traditional banking services. In recent years, the sector has witnessed significant growth, fuelled by a rise in demand for credit and the emergence of new players. The sector's resilience and ability to innovate have been tested during times of economic turmoil, such as the COVID-19 pandemic.

As the economy has moved past the impact of the pandemic, the NBFCs sector is anticipated to experience a substantial growth in both FY2023 and FY2024, following the rebound of the economy. ICRA Ratings predicts that during these fiscal years, the sector will witness a loan growth of 10-12% and a rise in profitability by 50 basis points. The PCA framework implemented by RBI has created a level playing field for NBFCs with banks, thus enhancing corporate governance and leading to sustainable growth in the sector.

### **COMPANY'S OVERVIEW**

Decillion Finance Limited was founded in 1995 and is a registered Non-Banking Finance Company (NBFC) regulated by the Reserve Bank of India (RBI). The Company operates in the state of West Bengal and specialises in providing financial services.

### **OPPORTUNITIES & THREATS**

DFL constantly monitors the external environments and internal situation so that it is aware of the opportunities and threats that emerge. This enables the Company to tap into the positive prospects that come its way while overcoming or bypassing the challenge of threats.

#### Opportunities

- Diverse loan book presence to accelerate growth
- Efficient Business Model helps to minimise risk and operating cost
- Adequate capitalisation to support medium-term growth plans
- Operates in "B2B" business segment with huge growth potential

#### Threats

- Unpredictable policy changes by the Government
- Increasing competition from local and global players
- Higher exposure to semi-formal and informal sector customers

### **SEGMENT WISE PERFORMANCE REVIEW**

The Company has only one line of business, i.e., Financing and Investment Activities during the year under review, hence no segment wise information is required. The Company has no activity outside India. Therefore, there is no geographical segment.

## REGULATORY

The Reserve Bank of India (RBI) has been continually strengthening the supervisory framework from NBFC's in order to ensure sound and healthy functioning and avoid excessive risk taking. In furtherance of these objectives, RBI issued new guidelines during past years.

1. Know your customer guidance – Anti money laundering Standards
2. Guidance on classification, monitoring and reporting of frauds
3. Guidance on Securitisation of Standards Assets

## INTERNAL CONTROL SYSTEMS & ITS ADEQUACY

The Company has appointed M/s Srimal Jain & Co., Chartered Accountants, an outside agency as its Internal Auditors, who conduct internal audit for various activities. The Company has developed adequate internal control system commensurate to its size and business. Personnel of the Internal Auditor conduct periodic audits in all the areas to ensure that the Company's control mechanism is properly followed and all statutory requirements are duly complied with. The reports of Internal Auditors are submitted to the Audit Committee which further reviews the adequacy of Internal Control System.

## CAUTIONARY NOTE

The statements in this Management Discussion and Analysis describing the company's objectives, estimates, expectations may be "forward-looking statements" within the meaning of applicable security laws and regulations. Actual results could differ materially from those expressed or implied due to several factors which are beyond the control of the management. In accordance with the Code of Corporate Governance approved by the Securities and Exchange Board of India, Shareholders and readers are cautioned that in the case of data and information external to the company, no representation is made on its accuracy and comprehensiveness though the same are based on sources believed to be reliable. Utmost care has been taken to ensure that the opinions expressed by the management herein contain its perceptions on the material impacts on the company's operations but it is not exhaustive. The Company assumes no obligation to amend or update forward looking statements in future on the basis of new information, subsequent developments or otherwise.

**For and on behalf of the Board  
M/s Decillion Finance Limited**

**Sd/-  
Jitendra Kumar Goyal  
Managing Director  
(DIN: 00468744)**

**Sd/-  
Vidhu Bhushan Verma  
Director  
DIN: 00555238**

**Date: 1<sup>st</sup> September, 2023  
Place: Kolkata**

## CORPORATE GOVERNANCE REPORT

**Pursuant to Regulation 34 read with Schedule V(C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (as amended) a report on Corporate Governance is given below:**

### **1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last.

The Company believes in the Code of Governance so as to be a responsible corporate citizen and to serve the best interest of all the stakeholders viz, the employees, shareholders, customers, vendors and the society at large. The Company seeks to achieve this goal by being transparent in its business dealings, by disclosure of all relevant information in an easily understood manner, and by being fair to all stakeholders by ensuring that the Company's activities are managed by professionally competent and independent Board of Directors.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

### **2. BOARD OF DIRECTORS:**

The Company has a very balanced and diversified Board of Directors. The composition of the Board primarily takes care of the business needs and stakeholders' interest. The Non-Executive Directors including Independent Directors on the Board are well qualified, experienced and competent persons from the fields of finance & taxation, law, governance etc. They take active part at the Board and Committee Meetings by providing their valuable guidance and expert advice to the Board and the Management on various aspects of business policy direction, governance, compliance etc. and play a critical role in resolving strategic issues, which enhances the transparency and adds value in the decision-making process of the Board of Directors.

Your Company's Board comprises of the appropriate mix of Executive, Non-Executive and Independent Directors including two Women Independent Directors to maintain its independence. The Board consists of Four Directors out of which 1 is Executive Director and remaining 3 are Non-Executive Independent Directors.

<b>Category of Directors</b>	<b>No of Directors</b>
Executive Director (ED)	1
Independent Directors	3

None of the Directors on the Board is a member of more than ten Committees or Chairman of five Committees (committees being Audit Committee and Stakeholders Relationship Committee) across all the Indian Public Companies in which he/she is a director. Necessary disclosures regarding their committee positions have been made by all the Directors.

None of the Directors hold office in more than ten Public Companies. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies. All Directors are also in compliance with the limit on Directorships of listed companies as prescribed under Regulation 17A of the Listing Regulations. Certificates have also been obtained from the Independent Director confirming their position as Independent Director on the Board of the Company in accordance with Section 149 of the Companies Act, 2013 read with Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Based on the declarations received from the Independent Directors, the Board confirms that the Independent Directors fulfill the conditions specified in these regulations and that they are Independent of the Management.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and at the last Annual General Meeting (AGM) and the number of Directorships and Committee Chairmanships/Memberships held by them in other public limited companies as on 31<sup>st</sup> March, 2023 are given below.

Name of Director	Category	No. of Board Meetings Attended	Attendance at last AGM held on 29 <sup>th</sup> September, 2022	Directorship in other public companies	No. of Committee position held in other companies	
					Chairperson	Member
Mr. Jitendra Kumar Goyal (DIN: 00468744)	Executive Director (Managing Director)	5	Yes	3	2	3
Mr. Vidhu Bhushan Verma (DIN: 00555238)	Non-Executive Independent Director	5	Yes	2	3	1
Ms. Pooja Kalanouria (DIN: 09056683)	Non-Executive Independent Director	5	Yes	1	0	2
Ms. Ritu Agarwal (DIN: 08143534)	Non-Executive Independent Director	5	Yes	3	0	5

### **Meetings of the Board of Directors**

During the year under review, 5 (five) Meetings of the Board of Directors were held on 30<sup>th</sup> May, 2022, 13<sup>th</sup> August, 2022, 14<sup>th</sup> November, 2022, 6<sup>th</sup> February, 2023 and 3<sup>rd</sup> March, 2023 respectively. The gap between any two meetings does not exceed 120 days.

### **Directorships in Listed Entities as on 31<sup>st</sup> March, 2023**

The details of Directorship held in other listed entities as on 31<sup>st</sup> March, 2023 are as under:

Name of Director	Name of the listed entity	Category of Directorship
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Mr. Jitendra Kumar Goyal	Scintilla Commercial & Credit Limited	Managing Director
	Virat Leasing Limited	Non-Executive Director
	Kaushal Investments Ltd	Non-Executive Director
Mr. Vidhu Bhushan Verma	Scintilla Commercial & Credit Limited	Non-Executive Independent Director
	Kaushal Investments Ltd	Non-Executive Independent Director
Ms. Ritu Agarwal	Scintilla Commercial & Credit Limited	Non-Executive Independent Director
	Virat Leasing Limited	Non-Executive Independent Director
	Kaushal Investments Ltd	Non-Executive Independent Director
Ms. Pooja Kalanouria	Scintilla Commercial & Credit Limited	Non-Executive Independent Director

### **Shareholding of Directors**

Details of equity shares of the Company held by the Directors as on 31<sup>st</sup> March, 2023 are given below:

<b>Name</b>	<b>Category</b>	<b>Number of Shares</b>
Mr. Jitendra Kumar Goyal	Managing Director	70,100

### **Disclosures of Relationships between directors**

No Director is related to any other Director on the Board in terms of the definition of “Relative” given under the Companies Act, 2013.

### **Skills / Expertise / Competencies of the Board of Directors**

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

- **Knowledge of Financial Service Industry:** Understanding of the functioning of NBFC’s across the length and breadth of the country and its regulatory jurisdictions.
- **Strategy and Planning:** Appreciation of long-term trends, strategic choices, and experience in guiding and leading management teams to make decisions in uncertain environments.
- **Governance, Ethics and Regulatory Oversight:** Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long term effective stakeholder engagements, and driving corporate ethics and values.

- **Audit, Risk Management, Internal Control**: Experience in both internal and external audit of Companies / body corporate in financial services industry.

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board as above and whether the person is a proven leader in running a business that is relevant to the Company's business or is a proven academician in the field relevant to the Company's business.

### **Board Procedure**

The annual tentative calendar of the Board Meetings is circulated to the members of the Board, well in advance. The agenda is circulated well in advance to the Board members, along with comprehensive back-ground information on the items in the agenda to enable the Board members to take informed decisions. The agenda and related information are circulated in electronic form through their email or by hand delivery, which is easily accessible to the Board members. The information as required under Part A of Schedule II to the SEBI Listing Regulations is also made available to the Board, wherever applicable, for their consideration. The Company adheres to the Secretarial Standard-1 on the Board and Committee Meetings as prescribed by the Institute of Company Secretaries of India.

### **Code of Conduct for Board of Directors and Senior Management**

The Company has adopted a Code of Conduct for the Board of Directors and Senior Management (The Code). The Code has been communicated to the Directors and Senior Management. The Code has also been posted on the Company's website at [www.decillion.co.in](http://www.decillion.co.in). All Board of Directors and Senior Management have confirmed compliance with code for the year ended 31<sup>st</sup> March, 2023.

Apart from receiving remuneration, if any, that they are entitled to under the Act as Non-Executive Independent Directors and reimbursement of expenses incurred in the discharge of their duties, none of the Non-Executive Independent Directors has any other material pecuniary relationship or transactions with the Company, its Promoters or its Directors and its Senior Management.

The Senior Management of the Company have made disclosures to the Board confirming that there is no material financial and/or commercial transactions between them and the Company that could have potential conflict of interest with the Company at large.

### **Independent Directors and Separate Meeting of Independent Directors**

The Independent Directors of the Company have been appointed in terms of the requirements of the Act, the SEBI Listing Regulations and the Governance Guidelines for Board Effectiveness adopted by the Company. Formal letters of appointment have been issued to the Independent Directors and the terms and conditions of their appointment are disclosed on the Company's website at [www.decillion.co.in](http://www.decillion.co.in). The Company also has a structured Familiarization framework for the Independent Directors. It takes due steps for familiarizing the Independent Directors with the Company's procedures and practices, by providing them the necessary documents, reports

and internal policies. The familiarization programme for Independent Directors is given on the website at [www.decillion.co.in](http://www.decillion.co.in).

As stipulated by Regulation 25(3) of the SEBI Listing Regulations and Section 149(8) read with Clause VII of Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on 6<sup>th</sup> February, 2023 during the Financial Year, without the attendance of Non-Independent Director.

The following matters were considered at the meeting of the Independent Directors:

- a) Reviewed the performance of Non-Independent Directors and the Board as a whole;
- b) Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

### 3. AUDIT COMMITTEE:

Audit Committee acts in accordance with the terms and reference specified by the Board which includes the recommending on the appointment, re-appointment, terms of appointment, replacement or removal of the statutory auditor and the fixation of audit fees, review and monitor the auditor's performance and effectiveness of the audit process, financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, evaluation of internal financial control and risk management system, any subsequent modification of transaction of the Company's related party, monitoring the end use of the fund raised through public offers and related matters.

#### Composition

Name of the Director	Category	Designation
Ms. Ritu Agarwal	Non-Executive Independent Director	Chairman
Mr. Vidhu Bhushan Verma	Non-Executive Independent Director	Member
Ms. Pooja Kalanouria	Non-Executive Independent Director	Member
Mr. Jitendra Kumar Goyal	Executive Director	Member

Ms. Ishu Maskara, Company Secretary was the Compliance Officer of the Company and acts as secretary to Committee (resigned w.e.f. 16.02.2023).

There were 4 meetings of the Audit Committee held during the Financial Year ended 31<sup>st</sup> March, 2022 on 30<sup>th</sup> May, 2022, 13<sup>th</sup> August, 2022, 14<sup>th</sup> November, 2022 and 6<sup>th</sup> February, 2023 respectively.

S. No.	Name of the Director	Number of Audit Committee Meetings attended during the Financial Year ended 31 <sup>st</sup> March, 2023
1.	Ms. Ritu Agarwal	4
2.	Mr. Vidhu Bhushan Verma	4
3.	Ms. Pooja Kalanouria	4

4.	Mr. Jitendra Kumar Goyal	4
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The Internal Auditors and the representative of the Statutory Auditors also attended the Audit Committee Meetings. The Internal Audit Report is directly placed to the Board Committee.

The Chairman of Audit Committee was present at the Annual General Meeting held on 29<sup>th</sup> September, 2022. The minutes of Audit Committee Meetings are placed in the Board for noting.

### **Terms of Reference**

The terms of reference of the Audit Committee are in line with Regulation 18(3) read with Schedule II, Part - C of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013 are briefly described below:

- To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- To recommend the appointment, remuneration and terms of appointment of the Statutory Auditors, Cost Auditors and Internal Auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the Management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - b) Changes, if any, in accounting policies and practices and reasons for the same;
  - c) Major accounting entries involving estimates based on the exercise of judgment by Management;
  - d) Significant adjustments made in the financial statements arising out of audit findings;
  - e) Compliance with listing and other legal requirements relating to financial statements;
  - f) Disclosure of any related party transactions;
  - g) Modified opinion(s) in the draft audit report, if any.
- To review with management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take steps in the matter;
- To review and monitor the Auditor's independence and performance and effectiveness of the Audit Process;
- Approval or any subsequent modification of transactions of the Company with related parties;



- Scrutiny of Inter-corporate loans and Investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up thereon;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the whistle blower mechanism;
- Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- To review the utilization of loans and/ or advances from/ investment by the company to its subsidiary exceeding 100 crore or 10% of the asset size of the subsidiary, whichever is lower, including existing loans / advances / investments;
- To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.

### **Review of information by Audit Committee**

- To review the following:
  - a) management discussion and analysis of financial condition and results of operations;
  - b) statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - c) management letters / letters of internal control weaknesses issued by the statutory auditors;
  - d) internal audit reports relating to internal control weaknesses; and
  - e) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
  - f) statement of deviations:
    - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
    - annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

#### 4. NOMINATION & REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee has been constituted by the Board in compliance with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations.

##### Composition

Name of the Director	Category	Designation
Ms. Ritu Agarwal	Non-Executive Independent Director	Chairman
Mr. Vidhu Bhushan Verma	Non-Executive Independent Director	Member
Ms. Pooja Kalanouria	Non-Executive Independent Director	Member

Ms. Ishu Maskara, Company Secretary was the Compliance Officer of the Company and acts as secretary to Committee (resigned w.e.f. 16.02.2023).

Two Meetings of the Nomination and Remuneration Committee was held during the Financial Year ended 31<sup>st</sup> March, 2023 on 13<sup>th</sup> August, 2022 and 3<sup>rd</sup> March, 2023.

S/N	Name of the Director	Number of Nomination & Remuneration Committee Meetings attended during the Financial Year ended 31 <sup>st</sup> March, 2023
1.	Ms. Ritu Agarwal	2
2.	Mr. Vidhu Bhushan Verma	2
3.	Ms. Pooja Kalanouria	2

##### Terms of Reference

The terms of reference of the Nomination and Remuneration Committee include:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommended to the Board a policy, relating to the remuneration of the Directors, Key managerial Personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Identify person who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommended to the Board their appointment and removal and shall carry out evaluation of each director's performance;
- Devising a policy on Board diversity;
- Deciding whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

##### Performance Evaluation

Upon recommendation of Nomination and Remuneration Committee, the Board of Directors has laid down the process, format, attributes and criteria for performance evaluation of the Board of

the Company, its Committees and the individual Board members, including Independent Directors. On the basis of performance evaluation of Independent Directors, it is determined whether to extend or continue their term of appointment, whenever their respective term expires.

The Independent Directors at their separate meeting reviewed the performance of: Non-Independent Directors and the Board as a whole and the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

The performance evaluation process for the Financial Year 2022-23 has been completed.

### **Nomination and Remuneration Policy**

The Company has adopted a Nomination and Remuneration Policy for its Directors, Key Managerial Personnel and other employees. The Nomination & Remuneration Committee formulates and reviews Nomination and Remuneration Policy and also lays down the criteria for determining qualifications, positive attributes, Independence of Director and Board diversity. The Policy laid down the factors for determining remuneration of Non-Executive Directors, Key Managerial Personnel and other employees.

The Company does not have any Employee Stock Option Scheme. The Nomination and Remuneration policy may be referred to at the Company's official website at the web link [www.decillion.co.in](http://www.decillion.co.in).

#### ***A. Remuneration to Executive Directors:***

The Executive Directors are paid salary as per agreement, considered by Board & Committee. In addition, the Company provides with certain perquisites, allowances and benefits in accordance with terms of contract, if any. In the event that there is no breach of the terms of the agreement, if any, by the Executive Director, the Company exercise the discretion to terminate his/her services during the terms of agreement, without assigning any reason thereof, then and in that event, the Executive Director may be paid a compensation of a sum which shall not exceed the remuneration which he/she would have earned.

#### ***B. Remuneration to Non-Executive Independent Directors:***

The Non-Executive Independent Directors are not paid any sitting fees or commission for attending the meetings of the Board and/or Committee thereof with the discretion of Board. The Non-Executive Independent Directors, in their individual capacity, did not have any pecuniary relationship or transactions with the Company during the financial year 2022-23.

#### ***C. Remuneration to Key Managerial Personnel (KMP) and other Employees:***

The objective of the Policy is to have a compensation framework that will reward and retain talent. The remuneration will be such as to ensure the correlation of remuneration to performance is clear and meet appropriate performance benchmark. Remuneration to Key Managerial Personnel, Senior Management and other Employees will involve a balance between fixed and variable pay reflecting short- and long-term performance objectives of the employees in line with the working of the Company and its goal.

The Nomination & Remuneration Committee recommend the remuneration of KMP and other Employees.

**D. Remuneration paid or payable to Directors for the year ended 31<sup>st</sup> March, 2023 are as follows:**

*Executive Directors (EDs):*

Name of the Directors	Salary (Rs.)	Perquisites (Rs.)	Others (Rs.)	Total (Rs.)
Mr. Jitendra Kumar Goyal	15,50,000	-	-	

## 5. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee has been constituted by the Board in compliance with the requirements of Section 178(5) of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations.

### Composition

Name of the Director	Category	Designation
Ms. Ritu Agarwal	Non-Executive Independent Director	Chairman
Mr. Vidhu Bhushan Verma	Non-Executive Independent Director	Member
Ms. Pooja Kalanouria	Non-Executive Independent Director	Member
Mr. Jitendra Kumar Goyal	Executive Director	Member

Ms. Ishu Maskara, Company Secretary was the Compliance Officer of the Company and acts as secretary to Committee (resigned w.e.f. 16.02.2023).

One Meeting of the Stakeholders Relationship Committee was held during the Financial Year ended 31<sup>st</sup> March, 2023 on 6<sup>th</sup> February, 2023.

S.No.	Name of the Director	Number of Stakeholders Relationship Committee Meetings attended during the Financial Year ended 31 <sup>st</sup> March, 2023
1.	Ms. Ritu Agarwal	1
2.	Mr. Vidhu Bhushan Verma	1
3.	Ms. Pooja Kalanouria	1
4.	Mr. Jitendra Kumar Goyal	1

## Terms of Reference

The terms of reference and roles of the Stakeholders Relationship Committee as framed in line with provisions of SEBI Listing Regulations and Companies Act, 2013, are as under:

- To resolve the grievances of the security holders of the Company including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc.
- To review measures taken for effective exercise of voting rights by shareholders.
- To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- To review of various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company.

Normally all Complaints/ Queries are disposed of expeditiously. The Company had no complaints pending at the close of the Financial Year. The Committee considers and resolves the grievances of the Shareholders of the Company including complaints related to shares, non-receipts of balance sheet, non-receipts of declared dividend, if any, transfer/ transmission of shares/ debentures, Issue of duplicate Share Certificate, etc.

The Chairman of the Stakeholders Relationship Committee was present at the last AGM of the Company held on 29<sup>th</sup> September, 2021 to answer the queries of the security holders.

## **6. GENERAL BODY MEETINGS:**

### **a) Location and time where last three AGMs were held:**

The details of the last three Annual General Meetings (AGMs) of the Company held as under:

<b>Financial Year</b>	<b>Date and Time</b>	<b>Venue</b>	<b>No of Special Resolutions passed</b>
2021-2022	29 <sup>th</sup> September, 2022 at 12.00 noon	Oswal Chambers, EITMA, 5th Floor, 2, Church Lane, Kolkata - 700 001	2
2020-2021	29 <sup>th</sup> September, 2021 at 12.00 noon	“Compass”, Computer Association of Eastern India, 37, Shakespeare Sarani, S.B. Tower, 1st Floor, Kolkata - 700017, West Bengal	-
2019-2020	28 <sup>th</sup> December, 2020 at 1.00 p.m.	Oswal Chambers, EITMA, 5th Floor, 2, Church Lane, Kolkata - 700 001	1

### **b) Extraordinary General Meeting:**

No Extra-Ordinary General Meeting of the shareholders was held during the financial year 2022-23.

**c) Postal Ballot**

During the year, the Company has not passed any resolution through postal ballot. Further, there is no proposal to pass any Special Resolution through Postal Ballot. Special Resolutions by way of Postal Ballot, if required to be passed in the future, will be decided at the relevant time.

**7. MEANS OF COMMUNICATION:**

The quarterly / annual financial results are normally published in “Business Standard” (English) and “Duronto Varta” (Bengali). The financial results, shareholding pattern and other requirements under Regulation 17 to 27 and 46(2)(b) to (i) of SEBI Listing Regulations, wherever applicable, were uploaded on the websites of the BSE Limited at [www.bseindia.com](http://www.bseindia.com), the Calcutta Stock Exchange Limited at [www.cse-india.com](http://www.cse-india.com) and the Company at [www.decillion.co.in](http://www.decillion.co.in).

The full Annual Report was made available on the website of the Company and also disseminated to the stock exchanges where shares of the Company are listed. The electronic copies of the annual report and the notice convening the 28<sup>th</sup> AGM were sent to all the members whose e-mail addresses were registered with the Company or their respective Depository Participants (DP) and also via physical mode whose e-mail addresses were not registered with the Company/ Depository Participants.

**8. GENERAL SHAREHOLDER INFORMATION:**

- i. The particulars of the Annual General Meeting for the year ended 31<sup>st</sup> March, 2023 is as under:

<b>Date of 29<sup>th</sup> Annual General Meeting</b>	<b>Venue</b>	<b>Time</b>
28 <sup>th</sup> September, 2023	Oswal Chambers, EITMA, 5th Floor, 2 <sup>nd</sup> Church Lane, Kolkata - 700 001	12.00 noon

- ii. **Financial Calendar:** Our tentative calendar for declaration of results for the financial year 2023-24 are given below:

<b>Financial Calendar</b>	<b>Period</b>	<b>Declaration of Unaudited Results</b>
1 <sup>st</sup> Quarter	1 <sup>st</sup> April to 30 <sup>th</sup> June	On or before 14 <sup>th</sup> August, 2023
2 <sup>nd</sup> Quarter	1 <sup>st</sup> July to 30 <sup>th</sup> September	On or before 14 <sup>th</sup> November, 2023
3 <sup>rd</sup> Quarter	1 <sup>st</sup> October to 31 <sup>st</sup> December	On or before 14 <sup>th</sup> February, 2024
Audited Financial Results	1 <sup>st</sup> January to 31 <sup>st</sup> March	On or before 30 <sup>th</sup> May, 2024

- iii. The Company's financial year begins on 1<sup>st</sup> April and ends on 31<sup>st</sup> March of the following year.
- iv. **Dates of Book Closure:** As mentioned in the Notice of this AGM.
- v. **Dividend Payment Date:** Not Applicable.
- vi. **Listing on Stock Exchange:** The Company's Shares are currently listed and traded on the following Stock Exchanges

Name of the Stock Exchange	Address	Stock Code / Symbol
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Kala Ghoda, Fort, Mumbai-400001	ISIN - INE848N01017, Scrip Code - 539190
The Calcutta Stock Exchange Limited	7, Lyons Range, Dalhousie, Kolkata-700001, West Bengal	Scrip Code: 013097

Listing Fees as applicable have been paid.

vii. **Market Price Data:**

Monthly High and Low price of shares traded at BSE Ltd during the Financial Year 2022-2023 are as:

Period	Monthly Low (Rs.)	Monthly High (Rs.)
Apr'2022	22.50	22.50
May'2022	21.40	21.40
Jun'2022	22.45	22.45
Jul'2022	22.45	22.45
Aug'2022	21.50	22.45
Sep'2022	-	-
Oct'2022	21.85	22.55
Nov'2022	18.05	25.60
Dec'2022	26.85	55.15
Jan'2023	55.05	95.10
Feb'2023	50.25	73.20
Mar'2023	36.45	49.25

- viii. **Suspension of Securities of the Company from Stock Exchange:** The Securities of the Company are not suspended from trading on the stock exchanges.

- ix. **Registrars and Share Transfer Agents:** All matters pertaining to Share Transfers / Transmissions are being handled by Niche Technologies Private Limited, the Registrars and Share Transfer Agents.

**Address:** 3A, Auckland Place, 7th Floor, Room No. 7A & 7B, Kolkata-700 017

**Tel. No.:** 033) 2280 6616/6617/6618

**Fax No.:** (033) 2280 6619

**E-Mail:** nichetechpl@nichetechpl.com

- x. **Share Transfer System:** The Company has in place a proper and adequate share transfer system. The Company formed a Committee known as “Stakeholders Relationship Committee” to process share transfer request as delegated by the Board of Directors of the Company. M/s. Niche Technologies Private Limited, the Registrar and Share Transfer Agent of the Company was appointed to ensure that the share transfer system is maintained in physical as well as electronic form.
- xi. **Dematerialization of Shareholding and Liquidity:** 34,07,500 i.e.,97.36% of the Paid-Up Share Capital had been dematerialized, as at 31<sup>st</sup> March, 2023.

A reconciliation of share capital, audited by Practicing Company Secretary (PCS) is submitted to the Stock Exchanges on a quarterly basis in terms of regulation 76 of SEBI (Depositories and Participants) Regulations, 2018.

- xii. **Address for Correspondence:**

**Decillion Finance Limited**

**Registered Office Address:** 3, Bentinck Street, 4th Floor, Room No. D-8, Kolkata-700001

**Email:** info@decillion.co.in

**Website:** www.decillion.co.in

- xiii. **Distribution of Shareholding:**

The shareholding distribution of equity shares as on 31<sup>st</sup> March, 2023 is given below:

No of shares (Range)	No of shareholders	No of Equity shares held	Percentage of holding
1-500	1942	108784	3.11
501-1000	66	49614	1.42
1001-5000	50	98168	2.80
5001-10000	13	85402	2.44
10001-50000	5	102249	2.92
50001-100000	8	593100	16.95
100001 and Above	11	2462683	70.36
<b>Total</b>	<b>2095</b>	<b>35,00,000</b>	<b>100.00</b>

**Categories of Shareholders as on 31<sup>st</sup> March, 2023:**



Category	No of Shares held	% of shareholdings
Promoters' Holding	14,34,200	40.98
Non-Promoters' Holding	20,65,800	59.02
<b>Total</b>	<b>35,00,000</b>	<b>100.00</b>

## 9. DISCLOSURES:

- a. a. There are no materially significant related party transactions during the period under review made by the Company with Promoters, Directors or other designated person which may have a potential conflict with the interest of the Company at large. The Company has the Related Party Transaction Policy which has been hosted on the website of the Company at [www.decillion.co.in](http://www.decillion.co.in). There is no transaction of a material nature with any related party, which was in conflict with the interest of the Company. In any case, disclosures regarding the transactions with related parties are given in the notes to the accounts of Financial Statements.
- b. The Company has complied with the requirements of regulatory authorities on capital market and no penalties / strictures have been imposed against it in the last three years.
- c. The Company has adopted Vigil Mechanism/Whistle Blower policy and affirms that no personal has been denied access to the Audit Committee. This policy has been posted on the website of the Company.
- d. The Company has complied with all mandatory requirements under the applicable provisions of SEBI Listing Regulations.
- e. The Company has adopted Policy for determining 'material' subsidiaries which has been placed in the website of the Company [www.decillion.co.in](http://www.decillion.co.in).
- f. The Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) during the financial year 2022-23.
- g. The Company has received a certificate from a Company Secretary in Practice certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.
- h. The Board had accepted all recommendation of mandatory committees during the financial year 2022-23.
- i. Details of total fees for all services, paid by the Company to the Statutory Auditors have been provided under Notes to the Financial Statement forming part of this Annual Report.
- j. **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**
  - number of complaints filed during the financial year - NIL
  - number of complaints disposed of during the financial year - N.A.
  - number of complaints pending as on end of the financial year - NIL
- k. The loans / advances are provided to firms/ Companies in which the directors of the Company are interested and the same has been disclosed in the Notes to Financial Statements.
- l. The financial statements have been prepared in accordance with the applicable Accounting Standards and relevant provisions of the Companies Act, 2013 and related rules, as amended from time to time.

- m. There has been no instance of non-compliance of any requirement of Corporate Governance Report and the Company has fully complied with the applicable requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of Sub-Regulation 2 of Regulation 46 of the Listing Regulations as on 31<sup>st</sup> March, 2023.
- n. **Disclosure on discretionary requirements as specified in Part E of Schedule II of the Listing Regulations:**
- **Shareholders' Rights**  
The Company's Financial Results are uploaded on its website [www.decillion.co.in](http://www.decillion.co.in). Hence, Financial Results are not sent to the Shareholders. However, the Company furnishes the Financial Results on receipt of request from the shareholders.
  - **Modified opinion in Audit Report**  
The Statutory Auditors have provided an unmodified opinion in their Audit Reports on the financials the Company for the year ended 31<sup>st</sup> March, 2023.
  - **Reporting of Internal Auditor**  
Internal Audit Report are directly to the Board.

#### 10. CODE OF CONDUCT:

The Board of Directors has laid down a Code of Conduct for all Board members and all employees in management grade of the Company. The Code of Conduct is posted on the website of the Company. All Board members and senior management personnel have confirmed compliance with the Code. Chief Executive Officer's (MD) certificate regarding compliance of the Code of Conduct by the Directors and Senior Management is appended to this Report.

#### 11. COMPLIANCE CERTIFICATE FROM THE AUDITORS:

The Company has obtained a certificate from Statutory Auditors of the Company, regarding the compliance with the provisions of Corporate Governance as required under the SEBI Listing Regulations. The same is annexed to this Report.

**For and on behalf of the Board  
Decillion Finance Limited**

Place: Kolkata  
Date: 1<sup>st</sup> September, 2023

Sd/-  
Jitendra Kumar Goyal  
Managing Director  
(DIN: 00468744)

Sd/-  
Vidhu Bhushan Verma  
Director  
DIN: 00555238

**CERTIFICATE REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR  
MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

I, Jitendra Kumar Goyal, Managing Director of **the Company**, hereby affirm and declare, to the best of my knowledge and belief and on behalf of the Board of Directors of the Company and Senior Management Personnel, that:

- The Board of Directors has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company;
- The Code of Conduct has been posted on the website of the Company;
- The Code of Conduct has been complied with.

**For and on behalf of the Board  
Decillion Finance Limited**

Sd/-  
**Jitendra Kumar Goyal**  
**Managing Director**  
**DIN: 00468744**

**Place: Kolkata**

**Date: 1<sup>st</sup> September, 2023**

**Certification by Managing Director and Chief Financial Officer**  
(Under Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015)

1. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
  - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b) 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.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit committee:
  - a) significant changes in internal control over financial reporting during the year, if any;
  - b) significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements; and
  - c) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For and on behalf of the Board**  
**Decillion Finance Limited**

Place: Kolkata  
Date: 1<sup>st</sup> September, 2023

Sd/-  
Jitendra Kumar Goyal  
Managing Director  
(DIN: 00468744)

Sd/-  
Rajesh Kumar Yadav  
CFO  
PAN: ACDPY0596Q

## INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members of  
**Decillion Finance Limited**

1. This certificate is issued in accordance with the terms of our engagement.
2. We, C. K. Chandak & Co, Chartered Accountants, the Statutory Auditors of Decillion Finance Limited ("the Company") have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31<sup>st</sup> March, 2023, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para-C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

### **Management's Responsibility**

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

### **Auditor's Responsibility**

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificate for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

## Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and Para -C and D of Schedule V of the Listing Regulations during the year ended 31<sup>st</sup> March, 2023.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

## Restriction on Use

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

**For C. K. Chandak & Co**  
**Chartered Accountants**  
**FRN: 326844E**

Sd/-

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**C. K. Chandak**  
**Proprietor**  
**Membership No.: 054297**

**UDIN: 23054297BGWLGB1489**

**Place: Kolkata**

**Date: 1<sup>st</sup> September, 2023**

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To  
The Members of  
**Decillion Finance Limited**  
3, Bentinck Street,  
4<sup>th</sup> Floor, Room No D-8,  
Kolkata-700001

I have examined the relevant registers, minutes, forms, returns and disclosures received from the Directors of **Decillion Finance Limited** (CIN L65999WB1995PLC067887) and having its Registered Office at 3, Bentinck Street, 4<sup>th</sup> Floor, Room No D-8, Kolkata - 700001 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V, Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of Directors	DIN	Date of Appointment in Company
1.	Mr. Jitendra Kumar Goyal	00468744	02/06/2003
2.	Mr. Vidhu Bhushan Verma	00555238	14/11/2017
3.	Ms. Ritu Agarwal	08143534	10/11/2020
4.	Ms. Pooja Kalanouria	09056683	12/02/2021

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion based on my 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.

**Place:** Kolkata  
**Date:** 14<sup>th</sup> August, 2023

**Sd/-**  
**Rajesh Ghorawat**  
Practicing Company Secretary  
FCS: 7226  
COP: 20897  
Peer Review No. 1992/2022  
**UDIN: F007226E000799149**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF DECILION FINANCE LIMITED**

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

##### **Opinion**

We have audited the financial statements of Decillion Finance Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year 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 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and total comprehensive income (comprising of Net loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

##### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“the 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 made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

##### **Description of Key Audit Matter**

**Provision for expected credit losses (ECL) on loans (refer note no 5.2(f), note no 10 and Note 33(2)(a) of the financial statements**



Sr. No.	Key Audit Matter	How the matter was addressed in our audit
1.	<p>Management estimates impairment provision using Expected Credit loss model for the loan assets. Measurement of loan impairment involves application of significant judgement by the management. The most significant judgements are:</p> <p>Timely identification and classification of the impaired loans. Determination of probability of defaults (PD) and estimation of loss given defaults (LGD) based on the premise that loans made by the company are unsecured and relevant factors</p> <p>The estimation of Expected Credit Loss (ECL) on financial instruments involve significant judgments and estimates. Following are points with increased level of audit focus:</p> <ul style="list-style-type: none"> <li>➤ Classification of assets to stage 1, 2 or 3 using criteria in accordance with Ind AS 109 which also include considering the impact of recent RBI's Covid-19 regulatory circulars.</li> <li>➤ Accounting interpretations, assumptions and data used to build the models;</li> <li>➤ Inputs and judgements used by the management at various assets stages considering the current uncertain economic environment with the range of possible effects unknown to the country arising out of the Covid-19 pandemic</li> <li>➤ The disclosures made in the financial statements for ECL especially in relation to judgements and estimates made by the management in determination of the ECL.</li> </ul> <p>Considering the significance of such allowances to the overall financial statements and degree of judgement and estimation involved in computation of expected credit losses, this area is considered as key audit matter.</p>	<ol style="list-style-type: none"> <li>1) In our audit approach we assessed the basis upon which the ECL model is build and discussed with the management of the Company in order to understand the mechanics of ECL deployed by the company to measure the loan impairment.</li> <li>2) We examined that Board does not have approved policy for computation of ECL, but have in place the internal guidelines for computation of ECL. These internal guidelines address procedures and controls for assessing and measuring the credit risk on its loan portfolio.</li> <li>3) We evaluated the operating effectiveness of controls across the process relevant to ECL including the judgments and estimates.</li> <li>4) We evaluated the nature of loan assets of the company and held discussions with the management and assessed that the company has only one class of loan i.e. unsecured loans repayable on demand and 12 month ECL is just the same as lifetime ECL, because the all the loans are repayable on demand, which is shorter than 12 months as a result life time of a loan is that short period required to transfer cash when demanded by the company.</li> <li>5) We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of March 31, 2023 by reconciling it with the balances as per loan balance register as on date.</li> <li>6) We tested assets on sample basis to verify that they were allocated to the appropriate stage.</li> <li>7) For samples of exposure, we tested the appropriateness of determining EAD, PD and LGD</li> <li>8) For forward looking assumptions used in ECL calculations, we held discussions with management, assessed the assumptions used to determine the probability weights assigned to the possible outcomes. During our examination we assessed that company estimates the PD based on historical observed default rates adjusted for forward looking estimates, based upon macro-economic developments occurring in the economy and market it operates in.</li> <li>9) We performed an overall assessment of the ECL provision including the management's assessment on Covid-19 impact to determine if they were reasonable considering the Company's portfolio, risk profile, credit risk management practices and the macro-economic environment.</li> <li>10) We assessed the adequacy and appropriateness of disclosures in compliance with accounting standards in relation to judgements used in estimation of ECL provisions.</li> </ol>

## **Information other than the Financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management's Discussion and Analysis, Board's Report including Annexure to Board's Report, Corporate Governance Report included in the Company's annual report, but does not include the financial statements and our auditor's 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 and those charged with governance for the Financial Statements**

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

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

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

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

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

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

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

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

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in

- (i) planning the scope of our audit work and in evaluating the results of our work; and
- (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

### **Report on Other Legal and Regulatory Requirements**

- 1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, applicable from 01<sup>st</sup> April, 2021, we give in the "**Annexure B**" a statement on the matters specified in paragraph 3 and 4 of the order, to the extent applicable.
- 2) As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of profit and loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of cash flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**”.
- g) 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) Amendment Rules, 2021, effective from 01<sup>st</sup> April 2021, in our opinion and to best of our information and according to the explanations given to us:
  - a) The Company did not have any significant pending litigations as at March 31, 2023, which may effect on its financial position in a substantial way
  - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses, during the year ended March 31, 2023.
  - c) During the year no amounts were required to be transferred, to the Investor Education and Protection Fund by the Company, so the question of delay in transferring such sums does not arise.
  - d) Omitted by the Companies (Audit and Auditors) Amendment Rules 2021, effective from 01<sup>st</sup> April, 2021**
  - e) (i) The Management has represented that, to the best of its knowledge and belief, as disclosed in Note 33(6)(14)(A) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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.
   
  
 (ii) The Management has represented, that, to the best of its knowledge and belief, as disclosed in Note 33(6)(14)(B) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.
   
  
 (iii) **Unmodified Opinion:**Based on the audit procedures performed 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) contain any material mis-statement.

f) No dividends were declared or paid during the year by the Company, hence compliance with Section 123 of the Companies Act, 2013 is not applicable

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

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

For and on behalf of

**C.K. Chandak & CO**

Chartered Accountants

Firm Registration Number: 326844E

Sd/-

**CA Chandra Kumar Chandak**

Proprietor

Membership Number: 054297

UDIN: 23054297BGWLBO9414

Place: Kolkata

Date: 30.05.2023

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

With reference to the Annexure A referred to *paragraph 2 (f) under* Report on Other Legal and Regulatory Requirements of the Independent Audit Report of even date to the members of the Company on the financial statements as on and for the year ended March 31, 2023, we report the following:

### **Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")**

We have audited the internal financial controls with reference to financial statements of **DECILLION FINANCE LIMITED** ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's Management and the Board of Directors of the Company are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential component of stated in the Guidance Note issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India 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 with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effective 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 with reference to financial statement.

#### **Meaning of Internal Financial Controls with reference to Financial Statements.**

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

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

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

### **Opinion**

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

For and on behalf of

#### **C.K. Chandak & CO**

Chartered Accountants

Firm Registration Number: 326844E

Sd/-

**CA Chandra Kumar Chandak**

Proprietor

Membership Number: 054297

UDIN: 23054297BGWLBO9414

Place: Kolkata

Date: 30.05.2023

## **Annexure - B to the Independent Auditors' Report**

**Referred to in paragraph 1 of the Independent Auditor's Report of even date to the members of Decillion Finance Limited Company on the financial statements as of and for the year ended March 31, 2023, we report the following:**

- i.** In respect of the Company's Property, plant and equipment:
- (a)** The Company does not have any property, plant and equipment. The Company does not have any intangible assets, hence reporting under clause (i) (a) of the Order is not applicable.
  - (b)** The Company does not have any property, plant and equipment and hence reporting under clause (i) (b) of the Order is not applicable
  - (c)** The Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i) (c) of the Order is not applicable.
  - (d)** The Company does not have any property, plant and equipment and hence reporting under clause (i) (d) of the Order is not applicable.
  - (e)** According to the information and explanations given to us and on the basis of our examination of the records of the Company and as stated in Note no 33 (1) to the standalone financial statements, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and rules made there under
- ii.**
- (a)** The Company is in the business of providing loans, making investments in shares and securities and does not have any physical inventories. Accordingly, reporting under clause (ii) (a) of the Order is not applicable.
  - (b)** In our opinion and according to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned working capital limits in excess of five crores, in aggregate, from banks or financial institutions on the basis of security of current assets, and hence reporting under clause (ii) (b) of the Order is not applicable.
- iii.**
- (a)** Since the Company's principal business is to give loans, the provisions of clause (iii) (a) of the Order are not applicable to it.
  - (b)** In our opinion and according to the information and explanations given to us, the investments made, and the terms and conditions of the grant of loans and advances in the nature of loans provided are, prima facie, not prejudicial to the Company's interest
  - (c)** In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the loans are repayable on demand and schedule of payment of interest has been stipulated and repayments or receipts are regular during the year
  - (d)** In our opinion and according to the information and explanations given to us, no amount is overdue in respect of loans and advances in the nature of loans.
  - (e)** Since the Company's principal business is to give loans, the provisions of clause (iii) (e) of the Order are not applicable to
  - (f)** In our opinion and according to the information and explanations given to us, the Company has granted loans or advances in the nature of loans to Related parties (as defined in Section 2(76) of the Act) which are repayable on demand. Required details in respect thereof are as follows:

<b>Particulars</b>	<b>All parties</b>	<b>Promoters</b>	<b>Related Parties</b>
Aggregate number of loans /advances			



in nature of loans			
Repayable on demand (A)	118,208.51	27,541.84	49,319.48
Agreement does not specify any terms or period of repayment (B)	Nil	Nil	Nil
Total (A) + (B)	<b>118,208.51</b>	<b>27,541.84</b>	<b>49,319.48</b>
Percentage of loans/advances in nature of loans to the total loans	<b>100%</b>	<b>23.30%</b>	<b>41.72%</b>

- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the applicable provisions of Sections 185 and 186 of the Act with respect to the loans given, and investments made. Further the Company has not given guarantees or provided security.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under and hence reporting under clause (v) of the Order is not applicable.
- vi. The maintenance of cost records has not been prescribed for the activities of the Company by the Central Government under Section 148(1) of the Companies Act, 2013.
- vii. a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including Income Tax, provident fund, employee state insurance Goods and Services Tax, and other statutory dues as may be applicable to it and the extent of the arrears of outstanding Statutory dues as on the last day of the financial year concerned were not for a period of more than six months from the date, they become payable.
- As informed, the provisions of provident fund, employee state insurance and Goods and Services Tax are currently not applicable to the Company
- b) In our opinion and according to the information and explanations given to us, there are no statutory dues which have not been deposited with the appropriate authority on account of any dispute.
- viii. In our opinion and according to the information and explanations give to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions recorded in the books of account which reflected income surrendered or disclosed during the year in the tax assessments under the Income Tax Act 1961.
- ix. (a) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender or financial institutions during the year. The Company does not have any borrowings from banks, or from Government.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.
- (c) The Company has neither taken any term loan during the year nor there are unutilized term loans at the beginning of the year; hence, reporting under clause (ix)(c) of the Order is not applicable.

- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have, prima facie, been used for long term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company does not have any joint ventures or associates or subsidiaries
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. The Company does not have any joint ventures or associates or subsidiaries
- x.** (a) In our opinion and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments or term loans and hence reporting under this clause of the Order is not applicable to the Company
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures during the year
- xi.** (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (b) There is no instance, during the year under consideration that necessitates reporting in Form ADT-4
- (c) There are no instances of whistle-blower complaints received during the year by the Company.
- xii.** In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, reporting under clause (xii) of the Order is not applicable to the Company.
- xiii.** In our opinion and according to the information and explanations given to us, the Company is in compliance with the provisions of Section 177 and Section 188 of the Companies Act, 2013 where applicable for all transactions with the related parties and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Accounting Standards.
- xiv.** (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business. The Company has engaged a firm of Chartered Accountants to carry out internal audit and who submit their report to the Audit Committee and to the Board of Directors
- (b) The reports of the internal auditors for the period under audit have been considered by us.
- xv.** In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them
- xvi.** (a) In our Opinion, the Company being a non-deposit taking non-systematically important Non-Banking Financial Company and is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and the Company has duly obtained the required registration.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined in the Regulations made by the Reserve Bank of India hence Para 3(xvi)(c) and Para 3(xvi)(d) of the Order is not applicable to the Company

- xvii. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the Statutory Auditors of the Company during the year.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx. The Provisions of Section 135 of the Companies Act, 2013 is not applicable to the Company, hence reporting under {Para 3(xx)(a)} and {Para 3(xx)(b)} of the Order is not applicable to the Company.
- xxi. The Company does not have any subsidiaries or associates or joint ventures, the accounts of which are to be consolidated and as such there are no consolidated financial statements. Hence reporting under {Para 3(xxi)} of the Order is not applicable to the Company.

For and on behalf of  
**C.K. Chandak & Co.**  
Chartered Accountants  
Firm Registration Number: 326844E

Sd/-  
**CA Chandra Kumar Chandak**  
Proprietor  
Membership Number: 054297

UDIN: 23054297BGWLBO9414

Place: Kolkata  
Date: 30.05.2023

**DECILLION FINANCE LIMITED**

**BALANCE SHEET as at 31st March, 2023**

(Rs in '000)

Particulars	Note No.	As at 31st March 2023		As at 31st March 2022	
<b>I. ASSETS</b>					
<b>(1) Financial Assets</b>					
(a) Cash and cash equivalents	8	866.80		900.13	
(b) Receivables	9				
(i) Trade receivables		6,300.00		-	
(c) Loans	10	1,12,298.08		92,251.60	
(d) Investments	11	9,275.11		25,280.19	
(e) Other financial assets	12	200.00	1,28,939.99	200.00	1,18,631.92
<b>(2) Non-Financial Assets</b>					
(a) Current tax assets (net)	13	1,102.79		1,316.36	
(b) Deferred tax assets (net)	14	1,596.63		1,324.56	
(d) Other non- financial assets	15	81.87	2,781.29	172.48	2,813.40
<b>Total Assets</b>			<b>1,31,721.28</b>		<b>1,21,445.32</b>
<b>II. LIABILITES AND EQUITY</b>					
<b>Liabilities</b>					
<b>(1) Financial Liabilities</b>					
Payables	16				
(a) Trade payables					
(i) total outstanding dues of micro enterprises and small enterprises		-		-	
(i) total outstanding dues of creditors other than micro enterprises and small enterprises		-		-	
(b) Borrowings (other than debt securities)	17	7,700.75		7,226.47	
(c) Other financial liabilities	18	120.58	7,821.33	78.10	7,304.57
<b>(2) Non-Financial Liabilities</b>					
(a) Other non-financial liabilities	19	105.18	105.18	240.76	240.76
<b>Total Liabilities</b>			<b>7,926.51</b>		<b>7,545.33</b>
<b>(3) Equity</b>					
(a) Equity share capital	20	35,000.00		35,000.00	
(b) Other equity	21	88,794.77		78,899.99	
<b>Total Equity</b>			<b>1,23,794.77</b>		<b>1,13,899.99</b>
<b>Total Liabilities and Equity</b>			<b>1,31,721.28</b>		<b>1,21,445.32</b>
<b>The accompanying notes 1 to 34 forms an integral part of the Financial Statements</b>					

As per our report of even date attached

For and on behalf of the Board of Directors

For **C.K. Chandak & CO**  
Chartered Accountants  
Firm Registration No: 326844E

Sd/-  
Shruti Poddar  
Company Secretary

Sd  
Rajesh Kumar Yadav  
Chief Financial Officer

Sd/-  
CA Chandra Kumar Chandak  
Proprietor  
Membership No- 054297  
UDIN: 23054297BGWLB09414

Sd/-  
Jitendra Kumar Goyal  
Managing Director

Sd/-  
Vidhu Bhushan Verma  
Director

Place of Signature : Kolkata  
Date : 30.05.2023

**DECILLION FINANCE LIMITED**

**STATEMENT OF PROFIT AND LOSS for the years ended 31st March 2023**

**(Rs in '000)**

Particulars	Note No	Year ended 31st March 2023	Year ended 31st March 2022
<b>Revenue from operations</b>			
i) Interest income	22	9,061.19	8,096.05
ii) Dividend	23	0.15	23.85
iii) Net gain on fair value change	24	-	-
<b>I Total Revenue from operations</b>		<b>9,061.34</b>	<b>8,119.90</b>
II Other Income	25	56.57	29.33
<b>III Total Income(I+II)</b>		<b>9,117.91</b>	<b>8,149.23</b>
<b>Expenses:</b>			
i) Finance cost	26	529.05	251.63
ii) Net loss on fair value change	24	5,343.12	5,208.08
iii) Impairment of financial instruments	27	1,055.08	900.94
iv) Employee benefit expense	28	1,900.15	2,113.82
v) Other expenses	29	1,124.11	873.19
<b>IV Total Expenses</b>		<b>9,951.51</b>	<b>9,347.67</b>
<b>V Profit before exceptional items and tax (III - IV)</b>		<b>-833.60</b>	<b>-1,198.44</b>
VI Exceptional Items			-
<b>VII Profit/(Loss) before tax (V + VI)</b>		<b>-833.60</b>	<b>-1,198.44</b>
<b>VIII Tax expense :</b>	30		
(1) Current tax		48.85	791.19
(2) Deferred tax		-265.56	-226.88
(3) Tax adjustment for earlier years			
<b>Total tax expense</b>		<b>-216.71</b>	<b>564.31</b>
<b>IX Profit/(Loss) for the period from continuing operations (VII - VIII)</b>		<b>-616.89</b>	<b>-1,762.75</b>
<b>X Profit/(Loss) for the year</b>		<b>-616.89</b>	<b>-1,762.75</b>
<b>XI Other Comprehensive Income / (Loss)</b>	31		
(A) (i) Items that will not be reclassified to profit or loss		10,505.16	2,068.58
(ii) Income tax relating to items that will not be recycled to profit or loss		-6.50	-333.79
(B) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be recycled to profit or loss		-	-
<b>Total other Comprehensive Income / (Loss) (A)+(B)</b>		<b>10,511.66</b>	<b>2,402.36</b>
<b>XII Total Comprehensive Income/(Loss) for the year (X + XI)</b>		<b>9,894.78</b>	<b>639.61</b>
<i>( Comprising of profit/(loss) and other comprehensive income/(loss) for the year)</i>			
<b>XIII Earnings per equity share ( Nominal value per share Rs 10 /-)</b>			
Basic and diluted ( Refer Note no 32 (4) )		<b>(0.18)</b>	<b>(0.50)</b>
<b>Number of shares used in computing earnings per share</b>			
Basic and diluted ( Refer Note no 32 (4) )		3,500	3,500

**The accompanying notes 1 to 34 forms an integral part of the Financial Statements**

As per our report of even date attached

For and on behalf of the Board of Directors

For **C.K. Chandak & CO**  
Chartered Accountants  
Firm Registration No: 326844E

Sd/-  
**Shruti Poddar**  
Company Secretary

Sd  
**Rajesh Kumar Yadav**  
Chief Financial Officer

Sd/-  
**CA Chandra Kumar Chandak**  
Proprietor  
Membership No- 054297  
UDIN: 23054297BGWLBO9414

Sd/-  
**Idra Kumar Goyal**  
Managing Director

Sd/-  
**Vidhu Bhushan Verma**  
Director

Place of Signature : Kolkata  
Date : 30.05.2023

**CASH FLOW STATEMENT for the year ended 31st March 2023**
**(Rs in '000)**

Particulars	Year ended 31st March 2023		Year ended 31st March 2022	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit before exceptional items and tax		(833.60)		(1,198.44)
<i>Adjustments to reconcile profit before exceptional items and tax to net cash flow provided by operating activities</i>				
Finance costs	529.05		251.63	
Interest on TDS/Income tax refund	(56.57)		(29.33)	
Other miscellaneous income	0.00		-	
Expected credit loss /(Reversal) of Expected credit loss	1,055.08		900.94	
		1,527.56		1,123.25
<b>Operating profit/loss before working capital changes</b>		<b>693.96</b>		<b>-75.20</b>
<i>Adjustments to reconcile operating profit to cash flow provided by changes in working capital</i>				
Decrease/(increase) in trade and other receivables	(6,300.00)		2,659.72	
Decrease/ (Increase) in loans	-21,101.56		-18,018.87	
Decrease/ (Increase) in investments	26,510.25		198.09	
(Increase) /Decrease in other financial Assets	-		10,039.68	
Decrease / (Increase) in other non-financial assets	304.18		-528.57	
(Decrease)/ Increase in other non-financial liabilities	(135.59)		218.26	
(Decrease)/Increase in other financial liabilities	42.48		-	
		(680.24)		-5,431.68
<b>Cash generated from operations</b>		<b>13.72</b>		<b>-5,506.88</b>
Tax Expense		48.85		791.19
Exceptional items		-		-
<b>Net cash generated from operating activities</b>	<b>A</b>	<b>(35.13)</b>		<b>(6,298.07)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Interest on IT Refunds	56.57		29.33	
Other miscellaneous income	0.00		-	
<b>Net cash used in investing activities</b>	<b>B</b>	<b>56.57</b>		<b>29.33</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Borrowings (other than debt instruments)	474.28		7,226.47	
Interest Expense	(529.05)		(251.63)	
<b>Net cash (used in) financing activities</b>	<b>C</b>	<b>(54.77)</b>		<b>6,974.84</b>
<b>Net decrease/ Increase in cash and cash equivalents (A+B+C)</b>		<b>-33.33</b>		<b>706.09</b>
<b>Opening cash and cash equivalents</b>		<b>900.13</b>		<b>194.04</b>
<b>Closing cash and cash equivalents for the purpose of Cash Flow Statement</b>		<b>866.80</b>		<b>900.13</b>

*The accompanying notes 1 to 34 are an integral part of the financial statements*

**Notes:**

1) The above Cash Flow Statement has been prepared under the " Indirect Method " as set out in the Indian Accounting Standard (Ind AS)-7 on Statement of Cash Flows

2) Cash and cash equivalents do not include any amount which is not available to the Company for its use

3) Cash and cash equivalents as at the Balance Sheet date consists of:

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Balances with banks</b>		
On current accounts	752.14	601.58
Cash on hand	114.66	298.55
Closing cash and cash equivalents (Refer Note 8)	866.80	900.13
<b>Add : Deposits with banks ( with more than 12 months maturity) and interest accrued there upon.</b>	-	-
<b>Closing cash and cash equivalents for the purpose of cash flow statement</b>	<b>866.80</b>	<b>900.13</b>

As per our report of even date attached

For C.K. Chandak & CO  
Chartered Accountants  
Firm Registration No: 326844E

For and on behalf of the Board of Directors

Sd/-  
Shruti Poddar  
Company Secretary

Sd  
Rajesh Kumar Yadav  
Chief Financial Officer

Sd/-  
CA Chandra Kumar Chandak  
Proprietor  
Membership No- 054297  
UDIN: 23054297BGWLB09414

Sd/-  
Jitendra Kumar Goyal  
Managing Director

Sd/-  
Vidhu Bhusan Verma  
Director

Place of Signature : Kolkata  
Date : 30.05.2023

## Statement of changes in Equity for the year ended 31st March 2023

### (a). Equity Share capital:

For the year ended 31st March, 2023

(Rs in '000)

Balance as at 1st April, 2022	Changes in equity share capital due to prior period errors	Restated balance at the beginning of current reporting period	Changes in equity share capital during the year	Balance as at 31st March, 2023
35,000.00		-	-	35,000.00

For the year ended 31st March, 2023

Balance as at 1st April, 2021	Changes in equity share capital due to prior period errors	Restated balance at the beginning of current reporting period	Changes in equity share capital during the year	Balance as at 31st March, 2022
35,000.00		-	-	35,000.00

### (b). Other equity :

	Reserves and Surplus				Other Comprehensive Income	Total other equity
	Capital reserve	Securities premium	Retained Earnings	Statutory reserve		
Balance as at 1st April, 2022	8,294.00	66,000.00	2,749.92	1,856.07	-	78,899.99
Changes in accounting policy or prior period errors						
Restated balance at the beginning of the period						
Changes in equity during the year ended 31st March, 2023						
Profit for the year			-616.89			-616.89
Transfer to statutory reserve						
Transfer to /from capital reserve						
Other Comprehensive income/loss for the year					10,511.66	10,511.66
Transfer from/to other Comprehensive income/retained earnings			10,511.66		-10,511.66	-
Balance as at 31st March, 2023	8,294.00	66,000.00	12,644.70	1,856.07	-	88,794.77

**(b).Other equity : ( Cont)**

	Reserves and Surplus				Other Comprehensive Income	Total other equity
	Capital reserve	Securities premium	Retained Earnings	Statutory reserve		
Balance as at 1st April, 2021	8,294.00	66,000.00	2,110.32	1,856.07	-	78,260.38
Changes in accounting policy or prior period errors						
Restated balance at the beginning of the period						
Changes in equity during the year ended 31st March, 2022						
Profit for the year			-1,762.75			-1,762.75
Transfer to statutory reserve			-	-		-
Trnasfer to/from capital reserve						
Other Comprehensive income/loss for the year					2,402.36	2,402.36
Transfer from/to other Comprehensive income/retained earnings			2,402.36		-2,402.36	-
Balance as at 31st March, 2022	8,294.00	66,000.00	2,749.92	1,856.07	-	78,899.99

The accompanying notes 1 to 34 are an integral part of the financial statements

As per our report of even date attached

For and on behalf of the Board of Directors

For C.K. Chandak & CO

Chartered Accountants

Firm Registration No: 326844E

Sd/-  
Shruti Poddar  
Company Secretary

Sd  
Rajesh Kumar Yadav  
Chief Financial Officer

Sd/-  
CA Chandra Kumar Chandak  
Proprietor

Membership No- 054297  
UDIN: 23054297BGWLBO9414

Sd/-  
Jitendra Kumar Goyal  
Managing Director

Sd/-  
Vidhu Bhushan Verma  
Director

Place of Signature : Kolkata

Date : 30.05.2023



# DECILLION FINANCE LIMITED

## Notes forming part of the Financial Statements

### Note No : 1 Corporate Information

**DECILLION FINANCE LIMITED ( "the Company")** is a public limited company incorporated and domiciled in India. The registered office of the Company is situated at 3, Bentinck Street, 4th Floor Room No-D8, Kolkata- 700 001, West Bengal, India. The Company's shares are listed on the BSE Ltd (The Bombay Stock Exchange)

The Company is a Non-Deposit taking Systematically not important Non-Banking Financial Company and is Registered under Section 45-IA of the Reserve Bank of India Act, 1934. The Company is engaged in the business of making investments in shares and Securities, extending loans and advances and other financial services activities, except insurance and pension, funding activities, n.e.c

The financial statements for the year ended 31st March, 2023 were approved for issuance by the Board of Directors of the Company in their meeting held on May 30, 2023 and is subject to the adoption and approval by the shareholders in the ensuing 29th Annual General Meeting

### Note No. : 2 Basis of preparation

The accompanying financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended 31 March 2019, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP).

#### Historical cost convention

The financial statements have been prepared on a historical cost basis, except for derivative financial instruments and other financial assets held for trading all of which have been measured at fair value.

#### Use of Estimates and Judgements

The preparation of financial statements requires the management to make judgements, accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Company are discussed in Note 7 - Significant Accounting

#### Judgements, Estimates and Assumptions.

The financial statements including notes thereon are presented in Indian Rupees ("Rupees" or "Rs."), which is the Company's functional and presentation currency. All amounts disclosed in the financial statements including notes thereon have been rounded off to the nearest thousands as per the requirement of Schedule III to the Act, unless stated otherwise.

### Note No. : 3 Presentation of Financial Statement

These financial statements have been prepared in accordance with Ind AS 1- Presentation of Financial Statements as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013. The financial statements of the Company are presented in order of liquidity and in accordance with Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 32(1)

Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

- i) The normal course of business
- ii) The event of default
- iii) The event of insolvency or bankruptcy of the company and/or its counterparties

## **Note No. : 4 Statement of Compliance**

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act to the extent applicable and applicable guidelines issued by the Securities and Exchange Board of India ('SEBI')

## **Note No. : 5 Significant Accounting Policies**

### **5.1 Revenue recognition**

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or a service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

### ***Revenue includes the following:***

#### **I) Interest Income**

Under Ind AS 109 interest income is recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets other than credit-impaired assets and financial assets classified as measured at FVTPL.

#### **The EIR in case of a financial asset is computed**

a. As the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

b. By considering all the contractual terms of the financial instrument in estimating the cash flows

c. Including all fees received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in the statement of profit and loss with the corresponding adjustment to the carrying amount of the assets.

Interest income on credit impaired assets is recognised by applying the effective interest rate to the net amortized cost (net of provision) of the financial asset.

#### **II) Dividend Income**

Dividend income is recognised on the date 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 dividend can be reliably measured. In case of interim dividend, on the date of declaration by the Board of Directors; whereas in case of final dividend, on the date of approval by the shareholders.

#### **III) Net Gain/(Loss) on Fair Value Changes**

Any differences between the fair values of financial assets (including investments, derivatives and stock in trade) classified as fair value through the profit or loss ("FVTPL") held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the statement of profit and loss. Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL is recognised in net gain / loss on fair value changes.

However, net gain / loss on derecognition of financial instruments classified as amortized cost is presented separately under the respective head in the statement of profit and loss. Income from investments in Equity / Preference which are included within FVTOCI Category (Fair value through Other Comprehensive income) are recognised in OCI (Other comprehensive income ) except the dividend on such investments which are recognised in Statement of Profit and Loss

#### **IV) Other Income**

In respect of the other heads of income it is accounted to the extent it is probable that the economic benefits will flow and the revenue can be reliably measured, regardless of when payment is made

### **5.2 Financial Instruments**

#### **(i) Initial measurement of financial instruments**

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments, as described in subsequent notes

Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from, this amount. Trade receivables are measured at the transaction price. When the fair value of financial instruments at initial recognition differs from the transaction price, the company accounts for the Day 1 profit or loss, as described below.

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the company recognizes the difference between the transaction price and fair value in net gain/(loss) on fair value changes.

#### **(ii) Classification of financial instruments**

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

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

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

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The business model is assessed on the basis of aggregated portfolios based on observable factors.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account.

The Company also assesses the contractual terms of financial assets on the basis of its contractual cash flow characteristics that are solely for the payments of principal and interest on the principal amount outstanding.

'Principal' is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount). In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

#### **iii) Financial Assets and Liabilities**

These financial assets comprise bank balances, loans, trade receivables and other financial assets.

Financial Assets with contractual terms that give rise to cash flows on specified dates and represent solely payments of principal and interest (SPPI) on the principal amount outstanding and are held within a business model whose objective is achieved by holding to collect contractual cash flows are measured at amortized cost.

These financial assets are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortized cost. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or a financial liability.

## **(b) Financial assets measured at fair value through other comprehensive income**

### **Debt instruments**

Investments in debt instruments are measured at fair value through other comprehensive income where they have:

- a) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and
- b) are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income (a separate component of equity).

Impairment losses or reversals, interest revenue are recognised in statement of profit and loss.

Upon disposal, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the statement of profit and loss.

As at the reporting date the Company does not have any financial instruments measured at fair value through other comprehensive income.

### **Equity instruments**

Investment in equity instruments are generally accounted for as at fair value through the statement of profit and loss account unless an irrevocable election has been made by management to account for at fair value through other comprehensive income such classification is determined on an instrument-by-instrument basis. Amounts presented in other comprehensive income for equity instruments are not subsequently transferred to statement of profit and loss. Dividends on such investments are recognised in statement of profit and loss.

## **(c) Items at fair value through profit or loss**

The financial assets are classified as FVTPL if these do not meet the criteria for classifying at amortized cost or FVOCI.

Items at fair value through profit or loss comprise:

- Investments (including equity shares) and stock in trade held for trading;
- Items specifically designated as fair value through profit or loss on initial recognition; and
- Debt instruments with contractual terms that do not represent solely payments of principal and interest.
- Derivative transactions

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the statement of profit and loss as incurred.

Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

### **Financial instruments held for trading**

A financial instrument is classified as held for trading if it is acquired or incurred principally for selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking, or it is a derivative not designated in a qualifying hedge relationship.

Trading derivatives and trading securities are classified as held for trading and recognised at fair value.

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

## **(e) Derivatives**

The Company enters into derivative transactions being equity derivative transactions in the nature of Futures and Options in Equity Stock/ Index for trading purposes. Derivatives are recorded at fair value and carried as assets when their fair value is positive and as liabilities when their fair value is negative. The notional amount and fair value of such derivatives are disclosed separately. Changes in the fair value of derivatives are included in net gain on fair value changes.

## **(f) Impairment of financial assets**

### Overview of the ECL principles

The Company recognises loss allowances (provisions) for expected credit losses on its financial assets that are measured at amortised costs or at transaction cost which may approximate fair value. However at the reporting date, the company does not have any exposure to non-fund exposures. The Company applies a three-stage approach to measuring expected credit losses (ECLs) for the following categories of financial assets that are not measured at fair value through profit or loss:

- debt instruments measured at amortised cost
- loan commitments; and
- financial guarantee contracts

**However at the reporting date, the company does not have any loan commitments and financial guarantee contracts.**

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

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company's loan portfolio comprises of only class, i.e Unsecured loans repayable on demand both to corporates and Individuals

### **Stage 1**

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Company classifies all standard advances and advances upto 30 days default from the date of demand of loan under this category. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2. The company has only one class of loan portfolio i.e. unsecured loans repayable on demand

### **Stage 2**

All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. 31 days to 90 days past due from the date of demand is considered as significant increase in credit risk.

### **Stage 3**

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount 90 days past due from the date of demand is considered as default for classifying a financial instrument as credit impaired.

Since the company has only one class of loan i.e unsecured loans repayable on demand, 12 month expected credit loss will be just the same as lifetime expected credit loss, because the loan is repayable on demand which is shorter than 12 months as a result lifetime of a loan is that short period required to transfer cash when demanded by the company.

### **Credit-impaired financial assets**

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

### **The mechanics of ECL**

Ind AS requires the company to calculate ECL based on probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to the Company in accordance with the contract and the cashflows that the company expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

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

**Exposure at default (EAD)** - The exposure at default is an estimate of the exposure at a future default date.

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

Since all the loans given by the company are repayable on demand, in this specific of on-demand repayable loan there are two options

- 1) The borrower is able to pay immediately (if demanded) or
- 2) The borrower is not able to pay immediately

Hence the company examines whether the borrower has sufficient liquid assets to repay the loan immediately.

If the borrower has sufficient liquid assets (cash and cash equivalents) to repay the outstanding loan including interest accrued therein, then ECL is close to zero, because probability of default is zero

However, the probability of loss (PD) is not zero, if the company assess that the borrower has no sufficient liquid assets to repay the loan when demanded and accordingly the Company estimates the PD based on historical observed default rates adjusted for forward looking estimates, based upon macro-economic developments occurring in the economy and market it operates in and the relationship between key economic trends like GDP, benchmark rates set by the Reserve Bank of India, inflation and most importantly the competitive advantage and disadvantage the company has in comparison to its peer group(s).

Since the company's loan portfolio mainly comprises of unsecured loans (repayable on demand), Loss given default (LGD) is always close to 100%. While the internal estimates of PD, LGD rates by the Company may not be always reflective of such relationships as temporary overlays (as mentioned in above para(s) ), if any, are embedded in the methodology to reflect such macro economic trends reasonably.

#### **Trade Receivables**

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk.

An impairment analysis is performed at each balance sheet date on an individual basis for major clients.

In addition, number of minor receivables are grouped into homogenous groups and assessed for impairment collectively

Based on Company's past history and the model under which it works, where it obtains most of the revenues on cut off dates or on settlement date, the Company does not provide for loss allowances during the reporting period

#### **(i) Write-offs**

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

#### **(ii) Fair value measurements**

Fair value is a market-based measurement, not an entity-specific measurement. Under Ind AS, fair valuation of financial instruments is guided by Ind AS 113 "Fair Value Measurement." For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement in both cases is the same to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions (i.e. an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability).

Three widely used valuation techniques specified in the said Ind AS are the market approach, the cost approach and the income approach which have been dealt with separately in the said Ind AS. Each of the valuation techniques stated as above proceeds on different fundamental assumptions, which have greater or lesser relevance, and at times there is no relevance of a particular methodology to a given situation. Thus, the methods to be adopted for a particular purpose must be judiciously chosen. The application of any particular method of valuation depends on the company being evaluated, the nature of industry in which it operates, the company's intrinsic strengths and the purpose for which the valuation is made.

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each balance sheet date.

**The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:**

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

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

**Level 3 financial instruments** - Those that include one or more unobservable input that is significant to the measurement as whole. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. No such instances of transfers between levels of the fair value hierarchy were recorded during the reported period. Further In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in statement of profit and loss when the inputs become observable, or when the instrument is derecognised.

### **5.3 Expenses**

#### **(i) Finance costs**

Finance costs represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

Since the borrowings are for short duration and repayable on demand, hence EIR approximates the contractual interest cost. All other expenses are recognised as incurred

#### **(ii) Employee Benefits**

##### **a) Short-term employee benefits**

Short-term employee benefits in respect of salaries and wages, including non-monetary benefits if any are recognised as expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

##### **b) Defined contribution plans**

The Company does not have any obligation towards defined contribution plans

##### **c) Defined benefit plans**

The Company does not have any obligation towards defined benefit plans

#### **(iii) Income Tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Current and deferred tax is recognized in Statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity respectively.

##### **a) Current tax**

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities using the tax rates and tax laws that are enacted or substantively enacted by the reporting date and applicable for the period. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously

#### **b) Deferred tax**

Deferred tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and Laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss.

Deferred tax assets are recognized for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that 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 tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

Unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities are realised simultaneously.

#### **Goods and services tax / value added taxes paid on incurring expenses**

Since the Company is not required to get registered under Goods and Services Tax Act, (GST ACT), GST paid on expenses incurred are charged to statement of profit and loss

#### **5.4 Cash and Cash Equivalents**

Cash and cash equivalents in the Balance sheet comprise cash on hand, balance with banks on current accounts and short term, highly liquid investments (if any) with an original maturity of three months or less and which carry insignificant risk of changes in value. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes) For the purpose of the statement of cash flows, cash and cash equivalents are as defined above.

#### **5.5 Leases**

At the inception of the contract, the Company assesses whether a contract is, or contain, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company assesses whether:

- A)** The contract involves the use of an identified asset, this may be specified explicitly or implicitly.
- B)** The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use, and
- C)** The Company has right to direct the use of the asset.

With effect from April 1, 2019, new Ind AS 116 -Leases has come into effect replacing Ind AS 17 Ind AS 116 - Leases introduces a single, on- balance sheet laese accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. Lessor accounting remains similar to the current standard - i.e. lessors continue to classify leases as finance or operating leases However the company does not have any lease contracts as a lessee, hence there is no impact in the financial statements of the Company

#### **5.6 Provisions, contingent liabilities and contingent assets**

**a)** A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are not recognised for future operating

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the passage of time is recognized as finance costs. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation as at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.



When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to provision is presented in the Statement of Profit and Loss net of any reimbursement.

**b)** A contingent liability is not recognised in the financial statements, however, is disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote. If it becomes probable that an outflow of future economic benefits will be required for an item dealt with as a contingent liability, a provision is recognized in the financial statements of the period (except in the extremely rare circumstances where no reliable estimate can be made).

**c)** A contingent asset is not recognised in the financial statements, however, is disclosed, where an inflow of economic benefits is probable. When the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

**d)** Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

### **5.7 Earnings per Share**

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share

**a)** Basic earnings per share are computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares outstanding during the year (excluding other comprehensive income)

**b)** Diluted earnings per share are computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares. (excluding other comprehensive income)

### **5.8 Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousands as per the requirements

### **5.9 Exceptional Items**

The term exceptional items is neither defined in Ind AS nor in Schedule III. However, Ind AS 1 has reference to such items in paras 85,86,97 & 98. Accordingly when the items of income or expenses are material, the Company discloses its nature and amount separately. Following circumstances (as per para 98) gives circumstances that would give rise to the separate disclosure of items of income and expenses and includes:

- 1) Written down of inventories to net reliable value or of PPE to recoverable amount, as well as reversals of such write-downs
- 2) restructuring of the activities of an entity and reversals of any provisions for the costs of restructuring;
- 3) disposals of items of PPE
- 4) disposals of investments
- 5) discontinued operations
- 6) litigations settlements; and
- 7) other reversals of provisions

In case the company has more than one such item of income/expense of the above nature which is exceptional, then such items are disclosed on the face of the Statement of Profit and Loss. Details of the all individual items are disclosed in the notes However, the Company does not have any exceptional items to report during the current reporting period

### **5.10 Contingencies and events occurring after the Balance Sheet Date**

Events occurring after the date of the Balance Sheet, which provide further evidence of conditions that existed at the Balance Sheet date or that arose subsequently, are considered upto the date of approval of accounts by the Board of Directors, where material.

### **5.11 Dividends on Ordinary Shares**

The Company recognises a liability to make cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

## 5.12 Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 01 April, 2022, as below:

**Ind AS 16 – Property Plant and equipment (PPE)** - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after 01 April, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

**Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets** – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after 01 April, 2022, although early adoption is permitted. The Company has evaluated the amendment there is no impact on its financial statements.

## 5.15 The Code on Social Security, 2020 ('Code')

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholder's suggestions. However the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and record any related impact in the period the Code becomes effective.

# DECILLION FINANCE LIMITED

## Notes forming part of the Financial Statements

### 6. Segment Information

#### Primary Segment

The Company's primary business segments are reflected based on the principal business carried out i.e. Investments & Financing. All other activities of the Company revolve around the main business. The risk and returns of the business of the Company is not associated with geographical segmentation, hence there is no secondary segment reporting based on geographical segment. As such, there are no separate reportable segments as per the Indian Accounting Standard 108

### 7. Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Company's financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

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

#### 7.1 Business Model Assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance is measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

#### 7.2 Fair Value Measurement

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

#### 7.3 Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary. The impairment loss on loans and advances is disclosed in more detail in Note 5.2 (iii)(f) Overview of ECL principles.

#### **7.4 Contingent liabilities and Provisions other than Impairment on Loan Portfolio**

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration in the ordinary course of the Company's business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case.

Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

#### **7.5 Effective Interest Rate (EIR)**

The Company's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges). This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument

## Notes forming part of the Financial Statements

### Note No. : 8 Cash and cash equivalents

(Rs in '000)

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Balances with banks</b>		
On current accounts	752.14	601.58
Cash on hand	114.66	298.55
	<b>866.80</b>	<b>900.13</b>

### Note No. : 9 Receivables

#### (I) Trade receivables

(Rs in '000)

Particulars	As at 31st March 2023	As at 31st March 2022
Trade receivables considered good-secured	-	-
Trade receivables considered good-unsecured	6,300.00	-
Trade receivables which have significant increase in credit risk	-	-
Trade receivables credit-impaired	-	-
<b>Total</b>	<b>6,300.00</b>	<b>-</b>
Allowances for impairment loss	-	-
<b>Total</b>	<b>6,300.00</b>	<b>-</b>

Particulars	As at 31st March 2023	As at 31st March 2022
Out of the above Trade receivables		
<b>Trade receivables from Related parties</b>	<b>6,300.00</b>	<b>-</b>

No trade or other receivable are due by directors or other officers of the NBFC or any of them either severally or jointly with any person, or debts due by firms including LLP, private companies respectively in which any director is a partner, or a director or a member. Trade receivables are non-interest bearing and are generally on terms of 30 to 60 days. The Company does not felt necessary to provide for Expected credit loss on trade receivables, as historic credit loss over the preceding three to five years on the total balance of non-credit impaired trade receivables is close to Nil

#### Reconciliation of impairment allowance on trade receivables

Particulars	Amount
Impairment allowance measured as per simplified approach	
<b>Impairment allowance as on April 01, 2021</b>	
Add: Addition during the year	Nil
Less: Reduction during the year	Nil
<b>Impairment allowance as on March 31, 2022</b>	Nil
Add: Addition during the year	Nil
Less: Reduction during the year	Nil
<b>Impairment allowance as on March 31, 2023</b>	Nil

#### Additional disclosure pursuant to MCA Notification dated 24th March 2021

Particulars	Outstanding for following periods from due date of payment					Total
	less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>(i) Undisputed - Trade receivables - considered good</b>						
F.Y 2022-23	6,300.00	-	-	-	-	6,300.00
F.Y 2021-22	-	-	-	-	-	-
<b>(ii) Undisputed - Trade receivables having significant increase in credit risk</b>						
F.Y 2022-23	-	-	-	-	-	-
F.Y 2021-22	-	-	-	-	-	-
<b>(iii) Undisputed - Trade receivables - Credit impaired</b>						
F.Y 2022-23	-	-	-	-	-	-
F.Y 2021-22	-	-	-	-	-	-
<b>(iv) Disputed - Trade receivables - considered good</b>						
F.Y 2022-23	-	-	-	-	-	-
F.Y 2021-22	-	-	-	-	-	-
<b>(v) Disputed - Trade receivables having significant increase in credit risk</b>						
F.Y 2022-23	-	-	-	-	-	-
F.Y 2021-22	-	-	-	-	-	-
<b>(vi) Disputed - Trade receivables - Credit impaired</b>						
F.Y 2022-23	-	-	-	-	-	-
F.Y 2021-22	-	-	-	-	-	-
<b>Total</b>						
F.Y 2022-23	<b>6,300</b>	-	-	-	-	<b>6,300</b>
F.Y 2021-22	-	-	-	-	-	-

Notes forming part of the Financial Statements

Note No. : 10 Loans

(Rs in '000)

Particulars	As at March, 2023	As at March, 2022
	At amortised cost	At amortised cost
<b>(A)</b>		
i) Bills purchased and bills discounted	-	-
ii) Loans repayable on demand	1,18,208.51	97,106.95
iii) Term loans	-	-
iv) Leasing	-	-
v) Factoring	-	-
v) Others	-	-
<b>Total (A) Gross</b>	<b>1,18,208.51</b>	<b>97,106.95</b>
Less: Impairment loss allowance	5,910.43	4,855.35
<b>Total (A) Net</b>	<b>1,12,298.08</b>	<b>92,251.60</b>
<b>(B)</b>		
i) Secured by tangible assets	-	-
ii) Unsecured	1,18,208.51	97,106.95
<b>Total (B) Gross</b>	<b>1,18,208.51</b>	<b>97,106.95</b>
Less: Impairment loss allowance	5,910.43	4,855.35
<b>Total (B) Net</b>	<b>1,12,298.08</b>	<b>92,251.60</b>
<b>(C)</b>		
i) Public sector	-	-
ii) Others		
Retail	61,918.10	28,385.59
Corporates	56,290.41	68,721.36
<b>Total (C) Gross</b>	<b>1,18,208.51</b>	<b>97,106.95</b>
Less: Impairment loss allowance	5,910.43	4,855.35
<b>Total (C) Net</b>	<b>1,12,298.08</b>	<b>92,251.60</b>

Particulars	As at March, 2023	As at March, 2022
	At amortised cost	At amortised cost
<b>Out of the above loans</b>		
Loans to related parties	76,861.32	49,588.66

Type of borrowers	Amount Of Loan or Advance in the nature of loan Outstanding	Percentage to the Loans & Advances in the nature of Loans
Promoters	26,818.81	22.69%
Directors	723.03	0.61%
KMPs	-	-
Related Parties	49,319.48	41.72%

**Credit quality of assets**

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal policy and year end stage classification. The amount presented are gross of impairment allowances.

Company's internal guidelines on ECL allowances are set out in Note no 5.2 (f) and Note no. 34(1)

Particulars	As at March, 2023	As at March, 2022
<b>Stage wise break up of loans</b>		
Low credit risk (Stage 1)	1,18,208.51	97,106.95
Significant increase in credit risk (stage 2)	-	-
Credit impaired (Stage 3)	-	-
<b>Total</b>	<b>1,18,208.51</b>	<b>97,106.95</b>

An analysis of changes in the gross carrying amount as follows

Particulars	As at March, 2023				As at March, 2022			
	Stage 1 collective	Stage 2 collective	Stage 3 collective	Total	Stage 1 collective	Stage 2 collective	Stage 3 collective	Total
<b>Gross carrying amount opening balance</b>	97,106.95	-	-	97,106.95	79,088.07	-	-	79,088.07
New assets originated or purchased	71,518.64	-	-	71,518.64	47,046.58	-	-	47,046.58
Assets derecognised or repaid (excluding write offs)	-50,417.08	-	-	-50,417.08	-29,027.71	-	-	-29,027.71
Transfers to stage 1	-	-	-	-	-	-	-	-
Transfers to stage 2	-	-	-	-	-	-	-	-
Transfers to stage 3	-	-	-	-	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-
<b>Gross carrying amount closing balance</b>	<b>1,18,208.51</b>	-	-	<b>1,18,208.51</b>	<b>97,106.95</b>	-	-	<b>97,106.95</b>

Reconciliation of ECL Balance

Particulars	As at March, 2023				As at March, 2022			
	General approach				General approach			
	Stage 1 collective	Stage 2 collective	Stage 3 collective	Total	Stage 1 collective	Stage 2 collective	Stage 3 collective	Total
<b>ECL allowance - opening balance</b>	4,855.35	-	-	4,855.35	3,954.40	-	-	3,954.40
New assets originated or purchased	3,575.93	-	-	3,575.93	2,352.33	-	-	2,352.33
Assets derecognised or repaid (excluding write offs)	-2,520.85	-	-	-2,520.85	-1,451.39	-	-	-1,451.39
Transfers to stage 1	-	-	-	-	-	-	-	-
Transfers to stage 2	-	-	-	-	-	-	-	-
Transfers to stage 3	-	-	-	-	-	-	-	-
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery	-	-	-	-	-	-	-	-
Unwinding of discount	-	-	-	-	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-	-	-	-
Changes to models and inputs used for ECL calculations	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-
<b>ECL allowance - closing balance</b>	<b>5,910.43</b>	-	-	<b>5,910.43</b>	<b>4,855.35</b>	-	-	<b>4,855.35</b>

Particulars	Amount In Rs	
	As at March, 2023	As at March, 2022
<b>Provision as per RBI Prudential Norms</b>		
Standard Asset	295.52	242.77
Sub-Standard Asset	-	-
Doubtful Asset	-	-
Loss Asset	-	-
<b>Total</b>	<b>295.52</b>	<b>242.77</b>

Notes

a) Asset classification is as per Reserve Bank of India guidelines and provisions is as per Expected Credit Loss methodology as per Ind AS which is higher than minimum required as per prudential norms

b) As the ECL provisions is higher than provision required under IRACP (Income Recognition, Assets classification & provisioning, there is no requirement to create Impairment allowance reserve.

Notes forming part of the Financial Statements

Note No. : 11 Investments

Particulars	As at March, 2023						As at March, 2022					
	At fair value			Sub-Total	Others	Total	At fair value			Sub-Total	Others	Total
	Amortised cost	Through Other Comprehensive Income	Designated at Fair Value through Profit or Loss				Amortised cost	Through Other Comprehensive Income	Designated at Fair Value through Profit or Loss			
1	2	3	4 = 2 + 3	5	6 = 1 + 5	1	2	3	4 = 2 + 3	5	6 = 1 + 5	
i) Mutual funds	-	-	-	-	-	-	-	-	-	-	-	
ii) Government securities	-	-	-	-	-	-	-	-	-	-	-	
iii) Debt securities (Quoted)	-	-	-	-	-	-	-	-	-	-	-	
iii) Equity instruments (quoted)	-	-	118.60	118.60	-	118.60	4,649.84	198.85	4,848.69	-	4,848.69	
iv) Equity instruments (unquoted)	-	8,556.51	600.00	9,156.51	-	9,156.51	13,631.50	6,800.00	20,431.50	-	20,431.50	
v) Subsidiaries (at cost)	-	-	-	-	-	-	-	-	-	-	-	
vi) Associates (at cost)	-	-	-	-	-	-	-	-	-	-	-	
vii) Others	-	-	-	-	-	-	-	-	-	-	-	
<b>Total (A) Gross</b>	-	<b>8,556.51</b>	<b>718.60</b>	<b>9,275.11</b>	-	<b>9,275.11</b>	-	<b>18,281.34</b>	<b>6,998.85</b>	<b>25,280.19</b>	-	<b>25,280.19</b>
i) Investments outside India	-	-	-	-	-	-	-	-	-	-	-	
ii) Investments in India	-	8,556.51	718.60	9,275.11	-	9,275.11	18,281.34	6,998.85	25,280.19	-	25,280.19	
<b>Total (B) Gross</b>	-	<b>8,556.51</b>	<b>718.60</b>	<b>9,275.11</b>	-	<b>9,275.11</b>	-	<b>18,281.34</b>	<b>6,998.85</b>	<b>25,280.19</b>	-	<b>25,280.19</b>
Less: Allowance for impairment loss (C)	-	-	-	-	-	-	-	-	-	-	-	
<b>Total - Net (D) = (A)-(C)</b>	-	<b>8,556.51</b>	<b>718.60</b>	<b>9,275.11</b>	-	<b>9,275.11</b>	-	<b>18,281.34</b>	<b>6,998.85</b>	<b>25,280.19</b>	-	<b>25,280.19</b>

As per Ind As 109, equity instruments measured at other than at cost and debt instruments measured at fair value through profit or loss do not require a separate evaluation of impairment amount. Hence, in such cases, the disclosure pertaining to impairment shall not be applicable

Investments at FVTOCI (Non-trade)

(Rs in '000)

Particulars	Face Value	Quantity	As at 31st March 2023	Quantity	As at 31st March 2022
<b>Equity (Quoted)</b>					
Hindusthan National Glass & Industries Ltd	10	-	-	1,36,000	4,649.84
<b>Total</b>					<b>4,649.84</b>
Aggregate Market value of Quoted shares					4,649.84

(Rs in '000)

Particulars	Face Value	Quantity	As at 31st March 2023	Quantity	As at 31st March 2022
<b>Equity (Unquoted) at FVTOCI (Non-trade)</b>					
Shreyans Stockinvest Pvt Ltd (Bonus)	10	-	-	15,180	0.00
ABM Finlease Pvt. Ltd. (Incl. 104625 bonus share)	10	4,625	0.01	1,08,125	350.00
MCC Investment & Leasing Co Ltd.	10	16,600	41.50	16,600	41.50
Zigma Commosales Private Limited	10	-	-	800	1,500.00
Prakash Estates Pvt. Ltd.	10	10,000	1,000.00	10,000	1,000.00
Mayborn Investment (P) Ltd.	10	13,250	1,325.00	20,750	2,075.00
<b>Total</b>			<b>2,366.51</b>		<b>4,966.50</b>
Aggregate Break-up value of Unquoted shares					

Further refer note no 5.2 (iii) for the basis of classification, measurement and recognition of FVTOCI investments

(Rs in '000)

Particulars	Face Value	Quantity	As at 31st March 2023	Quantity	As at 31st March 2022
<b>Other Equity instruments (Pref shares) (Unquoted) (Non-trade) at FVTOCI</b>					
Daffodil Dealtrade Pvt Ltd.	10	-	-	12,375	2,475.00
Fast Flow Commedeal Ltd.	100	25,000	2,500.00	25,000	2,500.00
Dignity Dealtrade Pvt Ltd	100	18,450	3,690.00	18,450	3,690.00
<b>Total</b>			<b>6,190.00</b>		<b>8,665.00</b>
Aggregate face value of unquoted preference shares					

(No of shares are in full figures)

Trade investments held as stock in trade and measured at FVTPL (Fair value through profit & loss)

Trade investments at FVTPL (Stock-in-trade) Quoted

(Rs in '000)

Particulars	Face Value	Quantity	As at 31st March 2023	Quantity	As at 31st March 2022
<b>Equity (Quoted)</b>					
Aditya Birla Capital Ltd	100	-	-	1,000	107.65
Nissan Copper Ltd.	10	16,786	0.00	16,786	0.00
McLEOD Russel (India) Ltd.	10	4,000	118.60	4,000	91.20
<b>Total</b>			<b>118.60</b>		<b>198.85</b>
Aggregate Market value of Quoted shares			118.60		198.85

Further refer note no 5.2 (iii) for the basis of classification, measurement and recognition of FVTPL investments

Trade investments at FVTPL (Stock-in-trade) Unquoted

(Rs in '000)

Particulars	Face Value	Quantity	As at 31st March 2023	Quantity	As at 31st March 2022
<b>Equity Unquoted</b>					
Ashok Vatika Agrofarms Pvt Ltd.	10	-	-	25,000	2,500.00
Mayborn Investment Pvt Ltd.	10	6,000	600.00	16,000	1,600.00
Ramjanki Electrocasting Pvt Ltd.	10	-	-	54,000	2,700.00
<b>Total</b>			<b>600.00</b>		<b>6,800.00</b>



Note No. : 12 Other financial assets

(Rs in '000)

Particulars	As at 31st March 2023	As at 31st March 2022
Security deposit for rent	200.00	200.00
	<b>200.00</b>	<b>200.00</b>

(a) Security deposit for rent is payable on demand, hence fair value approximates transaction value

Note No. : 13 Current tax assets (net)

(Rs in '000)

Particulars	As at 31st March 2023	As at 31st March 2022
Tax deducted at source	1,151.64	1,316.36
Less : Provision for Income Tax	48.85	-
	<b>1,102.79</b>	<b>1,316.36</b>

Note No. : 14 Deferred tax Assets/Liabilities (net)

Movement of deferred tax during the year(s)

As at 31st March 2023

(Rs in '000)

Particulars	Opening Balance	Recognised in Profit or loss	Reclassified from equity to profit or loss	Recognised in Other Comprehensive Income	Closing Balance
<b>Tax effect of items constituting deferred tax liabilities</b>					
Investment	-	-	-	-	-
	-69.54	-	-	-6.50	-76.04
	<b>-69.54</b>	<b>-</b>	<b>-</b>	<b>-6.50</b>	<b>-76.04</b>
<b>Tax effect of items constituting deferred tax assets</b>					
ECL	1,255.03	265.56	-	-	1,520.59
	<b>1,255.03</b>	<b>265.56</b>	<b>-</b>	<b>-</b>	<b>1,520.59</b>
<b>Net deferred tax ( Asset ) Liabilities/ (Income) Expense</b>	<b>-1,324.56</b>	<b>-265.56</b>	<b>-</b>	<b>-6.50</b>	<b>-1,596.63</b>

As at 31st March 2022

<b>Tax effect of items constituting deferred tax liabilities</b>					
Investment	-	-	-	-	-
	264.24	0.00	-	-333.79	-69.54
	<b>264.24</b>	<b>0.00</b>	<b>-</b>	<b>-333.79</b>	<b>-69.54</b>
<b>Tax effect of items constituting deferred tax assets</b>					
ECL	1,028.14	226.88	-	-	1,255.03
Investments	-	-	-	-	-
	<b>1,028.14</b>	<b>226.88</b>	<b>-</b>	<b>-</b>	<b>1,255.03</b>
<b>Net deferred tax ( Asset ) Liabilities/ (Income) Expense</b>	<b>-763.90</b>	<b>-226.88</b>	<b>-</b>	<b>-333.79</b>	<b>-1,324.56</b>

Note No. : 15 Other non-financial assets

(Rs in '000)

Particulars	As at 31st March 2023	As at 31st March 2022
TDS (Rectification pending)	81.87	81.87
Other advances	-	90.60
	<b>81.87</b>	<b>172.48</b>

## Notes forming part of the Financial Statements

### Note No. : 16 Trade Payables

(Rs in '000)

Particulars	As at 31st March 2023	As at 31st March 2022
(i) total outstanding dues of micro enterprises & small enterprises	-	-
(i) total outstanding dues of creditors other than micro enterprises & small enterprises	-	-

As per the requirements of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 with respect to trade payables, the Company has no outstanding towards it.

### Note No. : 17 Borrowings (other than debt securities)

(Rs in '000)

Particulars	As at 31st March 2023	As at 31st March 2022
Short term borrowings	7,700.75	7,226.47
	<b>7,700.75</b>	<b>7,226.47</b>

### Note No. : 18 Other financial liabilities

(Rs in '000)

Particulars	As at 31st March 2023	As at 31st March 2022
Liabilities for expenses	120.58	78.10
	<b>120.58</b>	<b>78.10</b>

### Note No. : 19 Other non- financial liabilities

(Rs in '000)

Particulars	As at 31st March 2023	As at 31st March 2022
TDS Payable	105.18	240.76
	<b>105.18</b>	<b>240.76</b>

**Note No. : 20 Equity Share capital**

(Rs in '000)

Particulars	As at 31st March 2023		As at 31st March 2022	
	No of Shares	Amount	No of Shares	Amount
<b>(a) Authorised</b> Equity shares of par value 10 /- each	3,750.00	37,500.00	3,750.00	37,500.00
<b>(b) Issued, subscribed and fully paid up</b> Equity shares of par value 10 /- each	3,500.00	35,000.00	3,500.00	35,000.00
		<b>35,000.00</b>		<b>35,000.00</b>

(Rs in '000)

Particulars	As at 31st March 2023		As at 31st March 2022	
	No of Shares	RS	No of Shares	RS
<b>At the beginning of the year</b>	3,500.00	35,000.00	3,500.00	35,000.00
<b>At the end of the year</b>	3,500.00	35,000.00	3,500.00	35,000.00

**Terms / rights / restrictions attached to equity shares**

(d) The Company has only one class of equity shares. The holders of equity shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share

(e) 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 dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(f) Shareholders holding more than 5 % of the equity shares in the Company**

Name of the shareholder	31st March 2023		31st March 2022	
	% of shares	No. of shares	% of shares	No. of shares
Sri Salasar Suppliers Pvt Ltd	3.00	1,04,933	9.11	3,19,000
Kudrat Holdings Pvt. Ltd.	12.34	4,32,000	12.34	4,32,000
Tubro Consultants & Enterprises Pvt. Ltd.	22.50	7,87,500	22.50	7,87,500

**(g) Disclosure of shareholding of promoters**

Name of the Promoter	31st March 2023			31st March 2022		
	No of shares held	% of holding	% change in year	No of shares held	% of holding	% change in year
Jitendra Kumar Goyal	70100	2	0	70100	2	0
Renu Goyal	70000	2	0	70000	2	0
Virendra Kumar Goyal	74500	2.13	0	74500	2.13	0

(h) There are no shares reserved for issue under options and contracts / commitments for the sale of shares/ disinvestments

(i) For the period of 5 years immediately preceding the date as at which the Balance Sheet is prepared

Name of the Shareholder	As at 31st March 2023	As at 31st March 2022
	No of Shares	No of Shares
(a) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	NIL	NIL
(b) Aggregate number and class of shares allotted as fully paid by way of bonus shares	NIL	NIL
(c) Aggregate number and class of shares bought back	NIL	NIL

(j) There were no securities issued having a term for conversion into equity / preference shares.

(k) There are no calls unpaid in respect of Equity Shares issued by the Company

(l) There are no forfeited shares by the Company

**Note No. : 21 Other equity**

Particulars	As at 31st March 2023		As at 31st March 2022	
<b>Securities premium</b>				
<b>Balance as per last account</b>	66,000		66,000	
Add: During the year	-		-	
Less: Utilized during the year	-	66,000	-	66,000
<b>Capital reserve</b>				
<b>Balance as per last account</b>	8,294.00		8,294.00	
Add: During the year	-		-	
Less: Utilized during the year	-	8,294.00	-	8,294.00
<b>Statutory Reserve pursuant to Section 45-IC of the RBI Act, 1934</b>				
<b>Balance as per last account</b>	1,856.07		1,856.07	
Add: Transfer from Profit or loss	-	1,856.07	-	1,856.07
<b>Retained earnings</b>				
<b>Balance as per last account</b>	2,749.92		2,110.32	
Add : Net Profit for the Year	-616.89		-1,762.75	
Less; Transfer to Statutory reserve			-	
Add : Transfer from Other Comprehensive Income	10,511.66	12,644.70	2,402.36	2,749.92
<b>Other Comprehensive Income</b>				
<b>Balance as per last account</b>	-		-	
Add : Other Comprehensive Income for the Year	10,511.66		2,402.36	
Less : Transfer to retained earnings	-10,511.66	0.00	-2,402.36	-
		<b>88,794.77</b>		<b>78,899.99</b>

**Nature and purpose of Reserves**

**1) Securities Premium**

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

**2) Capital Reserve**

Capital reserve represents the amount received on reissue of forfeited shares and are not the free reserves and cannot be used to pay dividends to shareholders

**3) Statutory Reserve (Pursuant to Section 45-IC of the Reserve Bank of India Act, 1934 (RBI Act, 1934))**

Statutory reserve (Statutory Reserve pursuant to Section 45-IC of The RBI Act, 1934) defines that every non banking finance institution which is a Company shall create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year as disclosed in the statement of profit and loss before any dividend is declared.

Since for the current financial year the Company reported net loss, hence a sum of twenty percent as required by Section 45-IC of the RBI Act, 1934 has not been transferred to such reserve fund

**4) Retained earnings**

Retained earnings are the profits that the Company has earned till date, less any transfers to/from other comprehensive income, or other distributions paid to shareholders if any

**5) Other Comprehensive reserve**

Items of Other Comprehensive income represents the fair value changes (both realised/unrealised and net of income tax) in equity instruments irrevocably designated at FVTOCI as per the business model assessment of the Company and are not recycled to profit and loss

However the same can be transferred within equity as permitted by the Ind AS

## Notes forming part of the Financial Statements

### Revenue from operations

#### Note No. : 22 Interest Income

(Rs in '000)

Particulars	Year ended 31st March, 2023		Year ended 31st March, 2022	
<b>On financial assets measured at amortised cost</b>				
Interest on loans	9,061.19		8,096.05	
		9,061.19		8,096.05
		<b>9,061.19</b>		<b>8,096.05</b>

#### Note No. : 23 Dividend

(Rs in '000)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
<b>Dividend income</b>		
From investments in Shares & Securities	0.15	23.85
	<b>0.15</b>	<b>23.85</b>

#### Note No. : 24 Net Gain / (Loss) on Fair Value Changes

(Rs in '000)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
<b>Net gain / (loss) on financial instruments at fair value through Profit or loss</b>		
(i) On trading portfolio		
Investments	-5,343.12	-5,704.88
Derivatives		
a) Net gain/(loss) from trade in Future & options	-	-47.68
b) Fair value changes in other derivatives	-	544.48
<b>Total Net Gain / (Loss) on fair value changes</b>	<b>-5,343.12</b>	<b>-5,208.08</b>

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
<b>Fair value changes</b>		
(i) On trading portfolio		
Investments		
(a) Realised	-5,370.52	-5,708.03
(b) Unrealised	27.40	3.15
(ii) Derivatives		
(a) Realised	-	-47.68
(b) Unrealised	-	544.48
<b>Total Net Gain / (Loss) on fair value changes</b>	<b>-5,343.12</b>	<b>-5,208.08</b>

#### Note No. : 25 Other Income

(Rs in '000)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
<b>(a) Interest</b>		
Income tax refund	56.57	29.33
	56.57	29.33
<b>(b) Other interest</b>		
	<b>56.57</b>	<b>29.33</b>

#### Note No. : 26 Finance cost

(Rs in '000)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2023
Interest Expense on short term borrowings	529.05	251.63
	<b>529.05</b>	<b>251.63</b>

#### Note No. : 27 Impairment of financial assets (expected credit loss)

(Rs in '000)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2023
<b>On financial instruments measured at amortised cost</b>		
Loans (fund based)	1,055.08	900.94
Less: reversals (transferred to other income)	-	-
	<b>1,055.08</b>	<b>900.94</b>

**Note No. : 28 Employee benefit expense**
**(Rs in '000)**

Particulars	Year ended 31st March, 2023		Year ended 31st March, 2022	
Managing director's remuneration	1,500.00		1,550.00	
Salaries and bonus	335.32		516.94	
Staff welfare	64.83		46.88	
		<b>1,900.15</b>		<b>2,113.82</b>

**Note No. : 29 Other expenses**
**(Rs in '000)**

Particulars	Year ended 31st March, 2023		Year ended 31st March, 2022	
<b>Payments to auditor</b>				
As auditor for statutory audit	20.00		15.00	
Others	12.00	32.00	12.50	27.50
Internal audit fees		11.00		11.00
Accounting charges		20.00		20.00
Advertisement		17.41		22.67
Annual fees (CRB)		5.90		5.90
Bank charges		1.34		0.37
Conveyance		63.54		76.13
Demat charges		0.63		1.83
Depository Charges		33.04		34.22
Donation		-		15.00
Establishment charges		90.00		24.00
Stamp duty charges		0.20		
Filing fees		26.10		4.20
Listing fees		383.50		310.93
General Expenses		154.41		30.67
Securities transaction charges		-		9.88
Professional fees		199.56		146.50
Rent		-		60.00
Printing & Stationery		28.16		26.01
Postage & couriers		21.32		10.73
Registrar fees		26.55		26.55
Trade licence		2.15		2.15
Professional tax		2.50		2.50
Website maintenance		4.80		4.44
		<b>1,124.11</b>		<b>873.19</b>

**Note No. : 30 Tax expense**
**(Rs in '000)**

Particulars	Year ended 31st March, 2023		Year ended 31st March, 2022	
Current tax	48.85		-	
Taxation for earlier years	-		791.19	
Deferred tax (refer note no 15)	-265.56		-226.88	
		<b>-216.71</b>		<b>564.31</b>
		<b>-216.71</b>		<b>564.31</b>

**Reconciliation of total Income tax expense**
**(Rs in '000)**

Particulars	As at 31st March 2023
Profit before tax for Computation	-833.60
Add: Expected credit loss	1,055.08
Less: Unrealised gain (FVTPL)	27.40
Adjusted profit before tax for income tax	194.08
<b>Current tax as per books (effective rate 25.17%)</b>	<b>48.85</b>
<b>Realised gain on investments designated as OCI</b>	<b>24,572.00</b>
Long term capital gain (net of Rs 1 lac exemption)	10,405.16
Less: Long term capital loss of earlier (Set off)	-10,405.16
Capital gain	Nil
<b>Total current tax as given in books</b>	<b>48.85</b>
<b>Deferred tax (Note no 14)</b>	<b>-265.56</b>
<b>Total tax expense</b>	<b>-216.71</b>

**Note No. : 31 Other comprehensive income /(loss)****(Rs in '000)**

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
<b>Items that will not be reclassified to profit or loss</b>		
Fair value gain /(loss) of non-current Investments (Realised)	-3,289.84	1,818.34
Fair value gain /(loss) of non-current Investments (Unrealised)	13,795.00	250.24
<b>Less: Income tax relating to items that will not be reclassified to profit or loss</b>	-6.50	-333.79
	10,511.66	2,402.36
<b>Total other Comprehensive Income</b>	<b>10,511.66</b>	<b>2,402.36</b>

**Note No. : 32 Other disclosures****1) Contingent liabilities and commitments (to the extent not provided for)****a) Contingent liabilities :**

NIL

**b) Commitments :**

There are no capital commitments contracted by the Company during the period under review

**c) Other Statutory & Legal Matters**

There has been no significant and/ or material order(s) passed by any Regulators/Courts/Tribunals impacting the status of the Company

**2)**

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days from the date they become due. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

**3)****Disclosures as required by Indian Accounting Standard (Ind AS) 37:- Provisions, Contingent liabilities and Contingent assets****(i) Nature of provision****Provision for contingencies**

Provision for contingencies represent provision towards various claims made/anticipated in respect of duties and taxes and other litigation claims against the Company based on the Management's assessment

**(ii) Movement in provision:-**

Particulars	Duties & Taxes	Other Litigation Claims	Total
<b>Balance as at 1st April, 2022</b>		NIL	
Provided during the year			
Used during the year		NIL	
Reversed during the year			
<b>Balance as at 31st March, 2023</b>		NIL	
Non-current		NIL	
Current			
<b>Balance as at 1st April, 2021</b>		NIL	
Provided during the year			
Used during the year		NIL	
Reversed during the year			
<b>Balance as at 31st March, 2022</b>		NIL	
Non-current			
Current		NIL	

**Note No. : 32 Other disclosures ( Continued)****(4) Earnings per share - The numerators and denominators used to calculate Basic / Diluted earnings per share**

Particulars	2022-2023	2021-2022
<b>(a) Amount used as the numerator</b>		
Profit after Tax - (A)	-616.89	-1,762.75
<b>(b) Weighted average number of equity shares outstanding used as the denominator for computing Basic Earnings Per Share (B)</b>	3,500	3,500
<b>Add:</b> Weighted average number of dilutive potential equity shares	-	-
<b>(C) Weighted average number of equity shares outstanding used as the denominator for computing Basic Earnings Per Share (C)</b>	3500	3500
<b>(d) Nominal value of equity shares (Rs)</b>	10.00	10.00
<b>Basic earnings per share (A)/(B)</b>	<b>(0.18)</b>	<b>(0.50)</b>
<b>Diluted earnings per share (A)/(C)</b>	<b>(0.18)</b>	<b>(0.50)</b>

**Note No. : 32 Other disclosures ( Continued)****5) Segment Reporting :**

The Company's primary business segments are reflected based on the principal business carried out i.e. Investments & Financing. All other activities of the Company revolve around the main business. The risk and returns of the business of the Company is not associated with geographical segmentation, hence there is no secondary segment reporting based on geographical segment. As such, there are no separate reportable segments as per the Indian Accounting Standard 108

**Note No. : 32 Other disclosures ( Continued)****6) Related party disclosures :**

As per Indian Accounting Standards on related party disclosures (Ind AS 24), the names of the related parties of the company are as follows



**(a) Name of the related parties and description of relationship**

<b>(i) Subsidiary Company : (Control exists)</b>	<b>Not Applicable</b>
<b>(ii) Associate Company : ( Significant influence can be exercised)</b>	<b>Not Applicable</b>
<b>(iii) Directors and/or Key Mangerial personel ( KMP)</b>	1. Jitendra Kumar Goyal (Managing Director) 2. Rajesh Kumar Yadav (Chief Financial Officer) 3. Ishu Maskara (Company Secretary-Resigned w.e.f. 16.02.2023) 4. Shruti Poddar (Company Secretary-Appointed w.e.f. 30.05.2023)
<b>(iv) Other related parties (Close members of KMP)</b>	1. Sumit Goyal (Son of Managing Director) 2. Renu Goyal (Wife of Managing Director) 3. Varsha Jain (Daughter of Managing Director) 4. Virendra Kumar Goyal HUF (Karta is Brother of Managing Director) 5. G Jitendra HUF (Karta is a Managing Director) 6. Y.K. Goyal & Sons (Karta is a Managing Director)
<b>(V) Significant Influence entities</b>	1. Virat Leasing Limited 2. Fastflow Commodeal Limited 3. Goyal Toys LLP 4. Moti Finvest Private Limited 5. Rambhakta Enterprises LLP 6. VZ Vanijya LLP 7. Yashoyog Commercial LLP 8. Centuple Trading LLP 9. Centuple Commercial LLP 10. Goyal Commercial Private Limited 11. Littlestar Tracom LLP 12. Mayborn Investments Private Limited 13. Aurelian Commercial LLP 14. Ultra Dealers Private Limited 15. ABM Finlease Private Limited 16. Scintilla Commercial & Credit Limited 17. Spectrum Pestrogan Pvt Ltd 18. Tubro Consultants & Enterprises Private Limited 19. Vibgyor Commotrade Pvt Ltd 20. Dignity Dealtrade Pvt Ltd 21. Daffodil Dealtrade Pvt. Ltd 22. Kaushal Investments Ltd 23. Lifestyle Vanijya LLP 24. Zigma Commosales Private Limited 25. Horizon Agro Processing Private Limited 26. Anjaniputra Promoters Private Limited 27. Laxmidhan Properties Private Limited 28. Shreyans Stockinvest Pvt Ltd 29. Sumit Technisch & Engineering Pvt Ltd 30. Aurelian Trading LLP 31. Merit Commosales LLP 32. Twinkle Vintrade LLP 33. Daulat Vintrade LLP 34. Suncity Dealers LLP 35. Silverlake Tradelinks LLP 36. Success Dealers LLP 37. Icon Commotrade LLP 38. Skylight Vintrade LLP 39. Maruti Tie-Up LLP 40. Yashoyog Investments 41. Planet Dealtrade LLP 42. KVZ Enterprises 43. Laxmidhan Properties Private Limited 44. Balaji Enterprises

*\*\*(Significant influence will be influence or significant influence as the case may be )*

**(b) Transactions with related party**

Nature of the transaction/ Name of the related party	Subsidiary	Close Relatives to KMP	Significant influence	Key managerial personel (KMP)
ABM Finlease Private Limited-Loan Taken	-	-	10,00,000.00	-
ABM Finlease Private Limited-Loan Repaid	-	-	10,00,000.00	-
Centuple Commercial LLP-Loan Taken	-	-	1,10,000.00	-
Centuple Commercial LLP-Loan Repaid	-	-	1,25,000.00	-
Jitendra Kumar Goyal-Loan Taken	-	-	19,98,030.00	-
Jitendra Kumar Goyal-Loan Repaid	-	-	12,50,000.00	-
Kaushal Investments Ltd-Loan Taken	-	-	4,00,000.00	-
Kaushal Investments Ltd-Loan Repaid	-	-	4,00,000.00	-
Littlestar Tracom LLP-Loan Taken	-	-	7,50,000.00	-
Littlestar Tracom LLP-Loan Repaid	-	-	7,50,000.00	-
Ishu Maskara-Remuneration	-	-	-	1,31,250.00
Rajesh Kumar Yadav-Remuneration	-	-	-	1,20,000.00
Shreyans Stockinvest Pvt Ltd-Loan Taken	-	-	20,00,000.00	-
Shreyans Stockinvest Pvt Ltd-Loan Repaid	-	-	20,00,000.00	-
Ultra Dealers Private Limited-Loan Taken	-	-	60,00,000.00	-
Ultra Dealers Private Limited-Loan Repaid	-	-	60,00,000.00	-
Balaji Enterprises-Loan Given	-	-	25,30,000.00	-
Balaji Enterprises-Loan Repaid by Party	-	-	25,30,000.00	-
Centuple Trading LLP-Loan Given	-	-	31,80,000.00	-
Centuple Trading LLP-Loan Repaid by Party	-	-	31,80,000.00	-
Dignity Dealtrade Pvt Ltd-Loan Given	-	-	7,50,000.00	-
Dignity Dealtrade Pvt Ltd-Loan Repaid by Party	-	-	7,50,000.00	-
Goyal Commercial Private Limited-Loan Given	-	-	10,00,000.00	-
Goyal Commercial Private Limited-Loan Repaid by Party	-	-	10,00,000.00	-
Icon Commotrade LLP-Loan Given	-	-	27,00,000.00	-
Laxmidhan Properties Private Limited-Loan Given	-	-	3,50,000.00	-
Laxmidhan Properties Private Limited-Loan Repaid by Party	-	-	3,50,000.00	-
Mayborn Investments Private Limited-Loan Given	-	-	35,00,000.00	-
Mayborn Investments Private Limited-Loan Repaid by Party	-	-	35,00,000.00	-
Planet Dealtrade LLP-Loan Given	-	-	2,65,000.00	-
Planet Dealtrade LLP-Loan Repaid by Party	-	-	2,65,000.00	-
Shreyans Stockinvest Pvt Ltd-Loan Given	-	-	20,00,000.00	-
Shreyans Stockinvest Pvt Ltd-Loan Repaid by Party	-	-	20,00,000.00	-
Silverlake Tradelinks LLP-Loan Given	-	-	37,95,000.00	-
Silverlake Tradelinks LLP-Loan Repaid by Party	-	-	37,95,000.00	-
Ultra Dealers Private Limited-Loan Given	-	-	28,60,000.00	-
Ultra Dealers Private Limited-Loan Repaid by Party	-	-	28,60,000.00	-
Virat Leasing Limited-Loan Given	-	-	50,00,000.00	-
Virat Leasing Limited-Loan Repaid by Party	-	-	50,00,000.00	-
Yashoyog Investments-Loan Given	-	-	36,00,000.00	-
Balaji Enterprises-Loan Given	-	-	67,32,499.00	-
Balaji Enterprises-Loan Repaid by Party	-	-	32,499.00	-
Centuple Commercial LLP-Loan Given	-	-	28,12,230.00	-
Centuple Commercial LLP-Loan Repaid by Party	-	-	1,223.00	-
Centuple Trading LLP-Loan Given	-	-	25,45,616.00	-
Centuple Trading LLP-Loan Repaid by Party	-	-	5,45,616.00	-
Goyal Commercial Private Limited-Loan Taken	-	-	5,05,548.00	-
Goyal Commercial Private Limited-Loan Repaid by Party	-	-	5,05,548.00	-
Goyal Toys LLP-Loan Taken	-	-	8,05,319.00	-
Goyal Toys LLP-Loan Repaid by Party	-	-	21,18,945.00	-
Laxmidhan Properties Private Limited-Loan Taken	-	-	33,164.00	-
Laxmidhan Properties Private Limited-Loan Repaid by Party	-	-	6,15,289.00	-
Littlestar Tracom LLP-Loan Taken	-	-	3,03,107.00	-
Littlestar Tracom LLP-Loan Repaid by Party	-	-	3,03,107.00	-
Moti Finvest Private Limited-Loan Taken	-	-	71,23,777.00	-
Moti Finvest Private Limited-Loan Repaid by Party	-	-	2,27,94,592.00	-
Planet Dealtrade LLP-Loan Taken	-	-	27,60,603.00	-
Planet Dealtrade LLP-Loan Repaid by Party	-	-	1,060.00	-
Rambhakta Enterprises LLP-Loan Repaid by Party	-	-	5,936.00	-
Renu Goyal-Loan Taken	-	-	2,55,116.00	-
Renu Goyal-Loan Repaid by Party	-	-	5,116.00	-
Sumit Goyal-Loan taken	-	-	97,68,055.00	-
Sumit Goyal-Loan repaid by Party	-	-	3,80,292.00	-
Twinkle Vintrade LLP-Loan Taken	-	-	6,01,775.00	-

Twinkle Vintrade LLP-Loan repaid by Party	-	-	6,01,775.00	-
Varsha Goyal-Loan Taken	-	-	26,60,886.00	-
Varsha Goyal-Loan repaid by Party	-	-	10,886.00	-
Virendra Kumar Goyal-Loan Taken	-	-	2,05,68,808.00	-
Virendra Kumar Goyal-Loan repaid by Party	-	-	3,76,892.00	-
Virendra Kumar Goyal HUF-Loan Taken	-	-	10,68,974.00	-
Virendra Kumar Goyal HUF-Loan repaid by Party	-	-	22,53,697.00	-
VZ Vanijya LLP-Loan Taken	-	-	2,57,093.00	-
VZ Vanijya LLP-Loan repaid by Party	-	-	2,57,093.00	-
Yashoyog Commercial LLP-Loan Taken	-	-	7,19,106.00	-
Yashoyog Commercial LLP-Loan repaid by Party	-	-	7,19,106.00	-
Goyal Commercial Private Limited-Loan Given	-	-	2,02,071.00	-
Goyal Commercial Private Limited-Loan repaid by Party	-	-	2,02,071.00	-
Mayborn Investments Private Limited-Advance Received	-	-	50,000.00	-
Mayborn Investments Private Limited-Advance Repaid	-	-	50,000.00	-
Spectrum Pestrogan Pvt Ltd-Advance Received	-	-	209.00	-
Spectrum Pestrogan Pvt Ltd-Advance Repaid	-	-	209.00	-
Tubro Consultants & Enterprises Private Limited-Advance Received	-	-	3,58,965.00	-
Tubro Consultants & Enterprises Private Limited-Advance Repaid	-	-	3,58,965.00	-
VZ Vanijya LLP-Advance Received	-	-	709.00	-
VZ Vanijya LLP-Advance Repaid	-	-	709.00	-
Jitendra Kumar Goyal-Advance Given	-	-	-	34,399.00
Jitendra Kumar Goyal-Advance Repaid by Party	-	-	-	1,25,000.00
Spectrum Pestrogan Pvt Ltd-Advance Given	-	-	2,175.00	-
Spectrum Pestrogan Pvt Ltd-Advance Repaid by Party	-	-	2,175.00	-
ABM Finlease Private Limited-Investment Sold	-	-	1,03,50,000.00	-
Daffodil Dealtrade Pvt. Ltd-Investment Sold	-	-	24,75,000.00	-
Mayborn Investments Private Limited-Investment Sold	-	-	7,50,000.00	-
Shreyans Stockinvest Pvt Ltd-Investment Purchased	-	-	37,95,000.00	-
Shreyans Stockinvest Pvt Ltd-Investment Sold	-	-	37,95,000.00	-
Zigma Commosales Private Limited-Investment Purchased	-	-	15,00,000.00	-
Zigma Commosales Private Limited-Investment Sold	-	-	15,00,000.00	-

**(c) Details of Remuneration paid to Directors/ KMPs**

Year ended 31st March 2023			
Particulars	Ishu Maskara	Jitendra Kumar Goyal	Rajesh Kumar Yadav
Short-term employee benefits			
Salary	1,31,250	15,50,000	1,20,000
Commission	-	-	-
Perquisites	-	-	-
Post-employment benefits			
Contribution to Provident Fund, Gratuity and other Funds *	-	-	-
	-	-	-

\* The said amount does not includes amount in respect of gratuity and leave as the same are not ascertainable

**d) The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.**

**e) The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No expense has been recognised in current year and previous year for bad or doubtful debts in respect of the amounts owed by related parties.**

**f) The remuneration of directors is determined by the Nomination & Remuneration Committee having regard to the performance of individuals and market trends.**

Notes forming part of the Financial Statements

**Note No. : 33 Other disclosures (Continued)**

**1) Financial instruments - Accounting, Classification and Fair value measurements**

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments. The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 and Note 5 to the financial statements.

**A) Financial instruments by category**

As at 31st March, 2023

(Rs in '000)

Particulars	Note No	Amortised Cost	FVTOCI	FVTPL	Cost	Total Carrying Value
<b>1) Financial assets</b>						
Cash and cash equivalents	8	866.80	-	-	-	866.80
Trade receivables	9	6,300.00	-	-	-	6,300.00
Loans	10	1,12,298.08	-	-	-	1,12,298.08
Investments	11	-	8,556.51	718.60	-	9,275.11
Other financial assets	12	200.00	-	-	-	200.00
<b>TOTAL</b>		<b>1,19,664.88</b>	<b>8,556.51</b>	<b>718.60</b>	-	<b>1,28,939.99</b>
<b>2) Financial Liabilities</b>						
Borrowings	17	7,700.75	-	-	-	7,700.75
Other financial liabilities	18	120.58	-	-	-	120.58
<b>TOTAL</b>		<b>7,821.33</b>	-	-	-	<b>7,821.33</b>

As at 31st March, 2022

(Rs in '000)

Particulars	Note No	Amortised Cost	FVTOCI	FVTPL	Cost	Total Carrying Value
<b>1) Financial assets</b>						
Cash and cash equivalents	8	900.13	-	-	-	900.13
Trade receivables	9	-	-	-	-	-
Loans	10	92,251.60	-	-	-	92,251.60
Investments	11	-	18,281.34	6,998.85	-	25,280.19
Other financial assets	12	200.00	-	-	-	200
<b>TOTAL</b>		<b>93,352</b>	<b>18,281</b>	<b>6,999</b>	-	<b>1,18,632</b>
<b>2) Financial Liabilities</b>						
Borrowings	17	7,226.47	-	-	-	7,226.47
Other financial liabilities	18	78.10	-	-	-	78.10
<b>TOTAL</b>		<b>7,304.57</b>	-	-	-	<b>7,304.57</b>

**B. Fair value hierarchy**

(1) The fair value of the financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale

(2) The Company uses the following fair value hierarchy for determining and disclosing the fair value of financial instrument:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares

**Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3:** Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This level of hierarchy includes Company's investment in equity shares which are unquoted or for which quoted prices are not available at the reporting dates Carrying value of investments in unquoted shares approximates cost at which they are purchased

(i) Financial assets measured at fair value on a recurring basis as at 31st March, 2023:

(Rs in '000)

Particulars	Level 1	Level 2	Level 3	Total
<b>1) Financial assets</b>				
(i) Investments in Equity Instruments At FVTOCI	-	-	8,556.51	8,556.51
(ii) Investments in Equity Instruments At FVTPL	118.60	-	600.00	718.60
<b>Total</b>	-	-	<b>9,156.51</b>	<b>9,275.11</b>

**(ii) Financial assets measured at fair value on a recurring basis as at 31st March, 2022:****(Rs in '000)**

<b>Particulars</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>1) Financial assets</b>				
(i) Investments in Equity Instruments				
At FVTOCI	4,649.84	-	13,631.50	18,281.34
(ii) Investments in Equity Instruments				
At FVTPL	198.85	-	6,800.00	6,998.85
<b>Total</b>	<b>4,848.69</b>	<b>-</b>	<b>20,431.50</b>	<b>25,280.19</b>

There have been no transfer between Level 1 and Level 3 for the years ended 31st March 2023 and 31st March 2022

**The following methods and assumptions were used to estimate the fair values****Financial instruments measured at fair value**

(i) Investments carried at fair value are generally based on market price quotations. However in cases where quoted prices are not available than different valuation technique are used by the management for different investments.

Certain investments in equity instruments are not held for trading. Instead, they are held for long term strategic purposes, hence

The Company has chosen to designate these investments in equity instruments at FVOCI since, it provides a more meaningful presentation.

Further investments which are held for trading and company considers them as stock in trade are designated through FVTPL

Level 1 investments are valued at the quoted closing price on stock exchange. Investments included in Level 3 of the fair value hierarchy have been valued using the cost approach to arrive at their fair value.

Cost of unquoted equity instruments have been considered as an appropriate estimate of fair value because of wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

As at 31st March, 2023 and, 31st March, 2022 the company did not hold any financial assets or financial liabilities which could have been categorized as Level 2

**Financial instruments not measured at fair value**

(ii) Financial assets not measured at fair value include cash and cash equivalents, trade receivables, loans and other financial assets.

These are financial assets whose carrying amounts approximate fair value, due to their short term nature.

Additionally, financial liabilities such as trade payables and other financial liabilities are not measured at FVTPL whose carrying amounts approximate fair value, because of their short-term nature.

(iii) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

## Notes forming part of the Financial Statements

### Note No. : 33 Risk Management

#### 2) Financial risk management

Risk is an integral part of the Company's business and sound risk management is critical to success. The Company's primary business are reflected based on the principal business carried out i.e. loans and investments (and all other activities of the company revolve around the main business), hence the company is exposed to risks that are particular to its lending and the environment within which it operates and primarily includes credit risk, liquidity risk and market risk. Since the company is Systematically non-important and non-deposit taking NBFC, and also in terms of Sub -Regulation (5) of Regulation 21 of SEBI (Listing Obligation and Disclosure Requirement), Regulations 2015 as amended, the Company is not required to have Risk Management Committee, but as a prudence the Board of Directors of the Company oversees the overall risk management approach, risk management strategies, procedures and principles. The senior management provides assurance that the Company's financial risks are identified, measured and managed in accordance with the Company's internal guidelines and risk objectives

#### a) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss to the Company. The Company's main income generating activity inter-alia is lending to customers and therefore credit risk is a principal risk. Credit risk mainly arises from loans and advances which are in entirety payable on demand. The credit risk management guideline of the company seeks to have following controls and key metrics that allows credit risks to be identified, assessed, monitored and reported in a timely and efficient manner in compliance with regulatory requirements.

- > Standardise the process of identifying new risks and having in place appropriate controls for these risks
- > Maintain an appropriate credit administration and loan review system
- > Establish metrics for portfolio monitoring
- > Minimize losses due to defaults or untimely payments by borrowers and implementing appropriate risk mitigation techniques.

In order to mitigate the impact of credit risk in the future profitability, the company makes reserves basis the Expected Credit Loss (ECL) Model for the outstanding loans including interest accrued but not due and interest overdue therein at balance sheet date. Asset classification is as per Reserve Bank of India guidelines and provisions is as per Expected Credit Loss Methodology as per Ind AS, which ever is higher than the minimum required as per prudential norms.

The below discussion describes the Company's approach for assessing impairment as stated in the significant accounting policies.

#### The mechanics of ECL

Ind AS requires the company to calculate ECL based on probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to the Company in accordance with the contract and the cashflows that the company expects to receive. The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

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

**Exposure at default (EAD)** - The exposure at default is an estimate of the exposure at a future default date. The outstanding balance (including the interest accrued but not due and interest overdue) at the reporting date is considered EAD by the Company. Since all the loans given by the company are repayable on demand, in this specific of on-demand repayable loan there are two options

- 1) The borrower is able to pay immediately (if demanded) or
- 2) The borrower is not able to pay immediately

Hence the company examines whether the borrower has sufficient liquid assets to repay the loan immediately. If the borrower has sufficient liquid assets (cash and cash equivalents) to repay the outstanding loan including interest accrued therein, then ECL is close to zero, because probability of default is zero The Company considers a financial instrument defaulted and therefore Stage 3 (credit impaired) for ECL. Calculations in all cases when

As a part of the qualitative assessment of whether a customer is in default, the company also considers a variety of instances that may indicate unlikeliness to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Considering that the PD determined above factors in amount at default, there is no separate requirement to estimate EAD.

However, the probability of loss (PD) is not zero, if the company assess that the borrower has no sufficient liquid assets to repay the loan when demanded and accordingly the Company estimates the PD based on historical observed default rates adjusted for forward looking estimates, based upon macro-economic developments occurring in the economy and market it operates in and the relationship between key economic trends like GDP, benchmark rates set by the Reserve Bank of India, inflation and most importantly the competitive advantage and disadvantage the company has in comparison to its peer group(s).

Based upon the above facts, the Company has assessed the following PD Percentage as at 31st March, 2023, while PD percentages for 31st March 2022 and on the date of transition remain same at 5%

## Category

### Loans: Unsecured and repayable on demand

Stage 1: All Standard loans in the above category upto 30 days past due (DPD) are considered as Stage 1 assets for computation of ECL

Stage 2: Exposure under Stage 2 include under-performing loans having 31 to 90 days past due (DPD) for computation of ECL

Stage 3: Exposure under Stage 2 include non-performing loans with overdue more than 90 days past due (DPD).

Based upon historical data the Company assigns PD to Stage 1 and Stage 2 and applies it to the EAD to compute the ECL.

For Stage 3 assets PD is considered as 100%

Pools	31st March, 2023		
	Stage 1	Stage 2	Stage 3
Unsecured loans, repayable on demand	5%	5%	100%

Pools	31st March, 2022		
	Stage 1	Stage 2	Stage 3
Unsecured loans, repayable on demand	5%	5%	100%

**Loss given default (LGD)** - The loss given default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. Since the company's loan portfolio mainly comprises of unsecured loans (repayable on demand), Loss given default (LGD) is always close to 100%.

Pools	3/31/2023	3/31/2022
Unsecured loans, repayable on demand	100%	100%

Probability of default is consistent as mentioned above and LGD are always near to 100% since the loans are unsecured.

**Further refer note no 10 which provides information about exposure to credit risk and ECL on loan**

### Trade receivables

Trade receivables are non-interest bearing and do not involve significant financing cost, further all the receivables are of short term in nature, hence transaction value approximates fair value for trade receivables. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. An impairment analysis is performed at each balance sheet date on an individual basis for major clients. In addition, number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. However there were no outstanding towards trade receivables during the current reporting period.

### b) Liquidity Risk

Liquidity risk is the risk that the entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The entity's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to entity's reputation. Prudent liquidity risk management requires sufficient cash and marketable securities and availability of funds through adequate committed credit facilities to meet obligations when due and close out market positions. The Company has a view of maintaining liquidity with minimal risks while making investments. The Company invests its surplus funds in short term liquid assets. The Company monitors its cash and bank balances periodically in view of its short term obligations associated with its financial liabilities.

**Refer note 32 for analysis of maturities of financial assets and financial liabilities.**

### c) Market Risk

Market risk arises when movements in market factors (interest rates, credit spreads, equity prices etc.) impact the Company's income or market value of its portfolios. The Company, in its course of business, is exposed to market risk due to change in equity prices and interest rates. The objective of market risk management is to maintain an acceptable level of market risk exposure while aiming to maximizing returns

#### (i) Equity price

The Company's exposure to equity price risk arises primarily on account of investments in equity instruments (both short term and long term). The Company designates its investments in equity instruments based upon its business model. Investments which are held for trading are fair valued through profit and loss, whereas investments which are held for long term and strategic purpose are fair valued through Other comprehensive income. The Company's equity price risk is managed in accordance with the objective of the Company and as approved by the senior management of the Company

#### (ii) Interest Rate Risk

The Company is exposed to Interest rate risk if the fair value or future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. The Company's interest rate risk arises from interest bearing deposits with bank and loan given to customers. Such instrument exposes the Company to fair value interest rate risk. Management believes that the interest rate risk attached to these financial assets is not significant due to the nature of these financial assets.

#### **d) Operational And Business Risk**

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. when controls fails to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit

### **Note No. : 33 Risk Management**

#### **3) Capital Management**

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company. The Company determines the amount of capital required on the basis of recurring business plan coupled with long term and short term Strategic investments and expansion plans. The funding needs are met through equity, cash generated from operations, short term borrowings and through use of bank overdrafts if required For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity shareholders of the Company. The Company's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to shareholders and other stake holders The Company manages its capital structure and makes adjustments in light of changes in the financial condition and the requirement of the financial covenants if any. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders (buy back its shares) or issue new shares.



## Notes forming part of the Financial Statements

### Note No. : 33 MATURITY ANALYSIS

(4)

The table below shows an analysis of assets and liabilities analyzed according to when they are expected to be recovered or settled.

Particulars	As at 31 March, 2023		
	Total	Within 12 months	After 12 months
<b>I. Assets</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	866.80	866.80	-
Trade receivables	6,300.00	6,300.00	-
Loans	1,12,298.08	1,12,298.08	-
Investments	9,275.11	718.60	8,556.51
Other financial assets	200.00	-	200.00
	<b>1,28,939.99</b>	<b>1,20,183.48</b>	<b>8,756.51</b>
<b>Non-Financial Assets</b>			
Current tax assets (net)	1,102.79	1,102.79	-
Deferred tax assets (net)	1,596.63	-	1,596.63
Other non- financial assets	81.87	-	81.87
	<b>2,781.29</b>	<b>1,102.79</b>	<b>1,678.50</b>
<b>Total Assets</b>	<b>1,31,721.28</b>	<b>1,21,286.27</b>	<b>10,435.01</b>
<b>II. Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	7,700.75	7,700.75	-
Other financial liabilities	120.58	120.58	-
	<b>7,821.33</b>	<b>7,821.33</b>	<b>-</b>
<b>Non-Financial Liabilities</b>			
Other non-financial liabilities	105.18	105.18	-
	<b>105.18</b>	<b>105.18</b>	<b>-</b>
<b>Total Liabilities</b>	<b>7,927</b>	<b>7,927</b>	<b>-</b>
<b>Net Assets</b>	<b>1,23,794.78</b>	<b>1,13,359.76</b>	<b>10,435.01</b>

Particulars	As at 31 March, 2022		
	Total	Within 12 months	After 12 months
<b>I. Assets</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	900.13	900.13	-
Trade receivables	-	-	-
Loans	92,251.60	92,251.60	-
Investments	25,280.19	6,998.85	18,281.34
Other financial assets	200.00	-	200.00
	<b>1,18,631.92</b>	<b>1,00,150.58</b>	<b>18,481.34</b>
<b>Non-Financial Assets</b>			
Current tax assets (net)	1,316.36	1,316.36	-
Deferred tax assets (net)	1,324.56	-	1,324.56
Other non- financial assets	172.48	172.48	-
	<b>2,813.40</b>	<b>1,488.84</b>	<b>1,324.56</b>
<b>Total Assets</b>	<b>1,21,445.32</b>	<b>1,01,639.42</b>	<b>19,805.90</b>
<b>II. Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	7,226.47	7,226.47	-
Other financial liabilities	78.10	78.10	-
	<b>7,304.57</b>	<b>7,304.57</b>	<b>-</b>
<b>Non-Financial Liabilities</b>			
Other non-financial liabilities	240.76	240.76	-
	<b>240.76</b>	<b>240.76</b>	<b>-</b>
<b>Total Liabilities</b>	<b>7,545.33</b>	<b>7,545.33</b>	<b>-</b>
<b>Net Assets</b>	<b>1,13,899.99</b>	<b>94,094.09</b>	<b>19,805.90</b>

## Notes forming part of the Financial Statements

### Note No. : 33 (5) Disclosure Pursuant to Reserve Bank of India Circular Dated 13 March, 2020

Disclosure pursuant to Reserve Bank of India (RBI) Circular No.RBI/2019-20/170 DOR (NBFC).CC.PD

No.109/22.10.106/2019-20

Appendix based on above RBI Notification dated 13 March, 2020 on Implementation of Indian Accounting Standards (Ind AS)

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 Provisions and IRACP NORMS
(1)	(2)	(3)	(4)	(5) = (3) - (4)	(6)	(7) = (4) - (6)
<b>Performing Assets</b>						
Standard	Stage 1	1,18,208.51	5,910.43	1,12,298.08	295.52	5,614.90
	Stage 2	-	-	-	-	-
<b>Subtotal</b>		1,18,208.51	5,910.43	1,12,298.08	295.52	5,614.90
<b>Non-Performing Assets (NPA)</b>						
Sub-Standard	Stage 3	-	-	-	-	-
Doubtful upto 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
more than 3 years	Stage 3	-	-	-	-	-
Sub-total for doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for loss		-	-	-	-	-
Other items such as guarantees, loan commitments etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Sub-total	-	-	-	-	-
Total	Stage 1	1,18,208.51	5,910.43	1,12,298.08	295.52	5,614.90
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Total	1,18,208.51	5,910.43	1,12,298.08	295.52	5,614.90

(Rs in '000)

Particulars	Amount In Rs	
	As at March, 2023	As at March, 2022
Provision as per RBI Prudential Norms		
Standard Asset	295.52	242.77
Sub-Standard Asset	-	-
Doubtful Asset	-	-
Loss Asset	-	-
<b>Total</b>	<b>295.52</b>	<b>242.77</b>

a) Asset classification is as per Reserve Bank of India guidelines and provisions is as per Expected Credit Loss methodology as per Ind AS which is higher than minimum required as per prudential norms

b) As the ECL provisions is higher than provision required under IRACP (Income Recognition, Assets classification & provisioning, there is no requirement to create Impairment allowance reserve.

## **Note No 33 (6)**

### **Additional Regulatory Information**

**Amended Schedule III requires additional regulatory information to be provided in the financial statements.**

**These are as follows;**

#### **1) Title deeds of Immovable Property**

The Company does not have any immovable property during the year.

#### **2) Revaluation of Property, Plant and Equipment and Right -of- Use Assets**

The Company does not have any Property, Plant and Equipment during year

#### **3) Intangible Assets under development**

The Company does not have any intangible assets under development during the current and previous year reporting period

#### **4) Details of Benami Property held : Additional Disclosure**

The Company does not hold any Benami Property and hence there were no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 and the Rules made thereunder, hence no disclosure is required to be given as such.

#### **5) Capital Work in Progress**

The Company does not have any capital work in progress during the current and previous year reporting period

#### **6) Loans or advances to specified persons**

The Company has granted loans to related parties (as defined under the Companies Act, 2013) either severally or jointly with any other person, that are repayable on demand

**Refer Note 10 for further details.**

#### **7) Undisclosed Income**

The Company does not have any undisclosed Income which was not recorded in the books of accounts and which 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. Also the Company does not have previously unrecorded income and related assets which were required to be properly recorded in the books of accounts during the year

#### **8) Borrowings secured against current assets**

The Company does not have any borrowings from banks or financial institutions on the basis of security of current assets hence no disclosure is required as such

#### **9) Wilful Defaulter**

The Company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority or any lender as at the date of the balance sheet or on the date of approval of the financial statements.

#### **10) Relationship with Struck off Companies**

The Company does not have any transactions with Companies which are struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956, hence no disclosure is required as such

#### **11) Registration of Charges or Satisfaction with Registrar of Companies (ROC)**

There are no charges against the companies which are yet to be registered or satisfaction yet to be registered with ROC beyond the statutory period, hence no disclosures are required as such

#### **12) Compliance with number of layers of companies**

The Company does not have investment in any downstream companies for which it has to comply with the number of layers prescribed under Clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017, hence no disclosure is required as such

**13) Utilization of Borrowings**

The Company does not have any outstanding balances towards the borrowings from banks and financial institutions at the balance sheet date, hence no further disclosure is required as such

**14) Utilization of Borrowed Funds and Share Premium**

**(A)** The Company has not advanced or loaned or invested funds (either borrowed funds or Share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall;

a) Directly or indirectly lent or invest in other person(s) or entity(ies) identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) Or

b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

Hence no disclosure is required as such.

**(B)** The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Parties) with the understanding (whether recorded in writing or otherwise) that the company shall;

a) Directly or indirectly lend or invest in other person(s) or entity(ies) identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) Or

b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

Hence no disclosure is required as such.

**15) Details of Crypto Currency Or Virtual Currency**

The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year, hence disclosure requirements for the same is not applicable

**16) Corporate Social Responsibility Activities**

The Company is not required to comply with the provisions of Section 135 of the Companies Act, 2013

Notes forming part of the Financial Statements

34(1): Ratio Analysis & its element

Amount in thousands

Ratio	Numerator	Denominator	Current Year	Previous Year	% variance	Reason for variance
<b>Current ratio (in times)</b>	Current Assets	Current Liabilities	15.30	13.46	13.68%	NA
<b>Debt-equity ratio (in times)</b>	Total Debt	Shareholder's equity	0.062	0.063	0.00%	NA
<b>Debt service coverage ratio (in times)</b>	EBITDA	Debt service obligation	0.00	-0.01	-73.63%	higher interest cost and net loss
<b>Inventory turnover ratio (in times)</b>	Net Turnover	Average inventory	NA	NA	NA	NA
<b>Trade Receivables turnover ratio</b>	Net Credit sales	Average Trade Receivables				NA
<b>Trade payables turnover ratio</b>	Net credit purchase	Average trade payables	NA	NA	NA	NA
<b>Net capital turnover ratio</b>	Net Turnover	Average Working capital	0.08	0.09	-7.45%	NA
<b>Net profit ratio (%)</b>	Net Profit after tax	Net Turnover	-7%	-21.71%	-68.64%	decrease in net loss and
<b>Return on equity (%)</b>	Net Profit after tax- Preference Dividend (if any)	Average Shareholders Equity	-0.50%	-1.55%	-67.80%	decrease in net loss and
<b>Return on capital employed (%)</b>	EBIT	Capital employed	-0.23%	-0.78%	-70.37%	decrease in net loss and
<b>Return on investment (%)</b>	Net Profit after tax	Total average investment	-3.57%	-7.24%	-50.69%	decrease in net loss and

**Note No. : 34 (2) Fraud**

During the year there have been no such instances of fraud on the Company by the officers and employees, whether loan related misappropriations or cash embezzlements/ burglaries

**Note No. : 34 (3) Previous year figures**

Previous year figures have been regrouped/reclassified, where necessary, to conform current year's classification.

## **NOTICE OF TWENTY NINTH ANNUAL GENERAL MEETING OF THE COMPANY**

Notice is hereby given that the 29<sup>th</sup> Annual General Meeting (AGM) of the Members of M/s. Decillion Finance Limited ("the Company") will be held on Thursday, 28<sup>th</sup> September, 2023 at 12.00 noon (IST) at "Oswal Chambers", Eitma, 5<sup>th</sup> Floor, 2, Church Lane, Kolkata-700001 to transact the following business:

### **ORDINARY BUSINESS:**

#### **Item No. 1. Adoption of Audited Financial Statements:**

To receive, consider and adopt the Audited Financial Statements of the Company including Balance Sheet as at 31<sup>st</sup> March, 2023, the Statement of Profit and Loss and Cash Flow Statement for the year ended as on that date and the Reports of the Board of Directors and Auditors thereon.

#### **Item No. 2. Re-Appointment of a Director:**

To appoint a director in place of Mr. Jitendra Kumar Goyal (DIN: 00468744), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-election.

#### **Item No. 3. Appointment of M/s Ghosh & Basu LLP, Chartered Accountants (FRN: E300013) as Statutory Auditors of the Company for a period of five consecutive years:**

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

**"RESOLVED THAT** pursuant to the provisions of Section 139, 142 and any other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (the 'Rules'), including any statutory amendments or modifications or re-enactments thereof for the time being in force, and pursuant to recommendation made by the Audit Committee and the Board of Directors at their meeting held on 1<sup>st</sup> September, 2023, consent of the Members of the Company be and is hereby accorded for appointment of M/s. Ghosh & Basu LLP, Chartered Accountants, (Firm Registration No. E300013), as the Statutory Auditors of the Company for a period of five consecutive years from the conclusion of 29<sup>th</sup> Annual General Meeting of the Company until the conclusion of the 34<sup>th</sup> Annual General Meeting of the Company at such remuneration as the Board of Directors may fix in this behalf in consultation with the Audit Committee.

**RESOLVED FURTHER THAT** any Director and/or the Company Secretary of the Company be and are hereby severally authorized to take such steps, as may be required and further to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to the said resolution."

**SPECIAL BUSINESS:**

**Item No. 4. Re-Appointment of Mr. Vidhu Bhushan Verma (DIN: 00555238) as a Non-Executive Independent Director of the Company:**

To consider and if thought fit, to pass, the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as “the Act”), and the Rules made thereunder read with Schedule IV of the Companies Act, 2013, including any statutory modifications, re-enactments and amendments thereof, Securities and Exchange Board of India (LODR) Regulations 2015, applicable regulations, notifications and circulars of Reserve Bank of India and based on the performance evaluation, recommendation of Nomination and Remuneration Committee and approval of Board of Directors at their respective meetings held on 1<sup>st</sup> September, 2023, Mr. Vidhu Bhushan Verma (DIN: 00555238), who has submitted a declaration that he meets the criteria of independence as provided under Section 149(6) of the Act and Rules framed thereunder and Regulation 16 of the Securities and Exchange Board of India (LODR) Regulations 2015 and who is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the office of director, be and is hereby re-appointed as the Non Executive Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years and who shall hold office from the conclusion of this AGM till the conclusion of 34<sup>th</sup> AGM.”

**RESOLVED FURTHER THAT** any Director and/or the Company Secretary of the Company be and are hereby severally authorized to take such steps, as may be required, for obtaining necessary approvals, if any, and to settle all matters arising out of and incidental thereto and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to the said resolution.”

**Item No. 5. Appointment of Mrs. Priyanka Mohta as Non-Executive Director of the Company:**

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

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 (“the Act”), the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), and the Articles of Association of the Company, based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Mrs. Priyanka Mohta (DIN: 08853818), who was appointed, as an Additional Director (Non-Executive and Non-Independent) of the Company with effect from 1<sup>st</sup> September, 2023, and in respect of whom the Company has received a notice in

writing from a member under Section 160 of the Act, proposing her candidature for the office of Director of the Company, be and is hereby appointed as a Non-Executive Director of the Company, liable to retire by rotation.

**RESOLVED FURTHER THAT** any Director and/or the Company Secretary of the Company be and are hereby severally authorized to take such steps, as may be required, for obtaining necessary approvals, if any, and to settle all matters arising out of and incidental thereto and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to the said resolution.”

**Item No. 6. To approve existing as well as proposed material related party transactions:**

To consider and if thought fit, to pass, the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s), re-enactment(s), amendment(s), clarification(s) or substitution(s) thereof for the time being in force), the Company’s policy on Materiality and dealing with Related Party Transaction(s), provisions of the Memorandum and Articles of Association of the Company and recommendations of the Audit Committee and the Board, consent of the Members of the Company be and is hereby accorded for entering into related party transactions and/ or carrying out and/ or continuing with contracts/ arrangements/ transactions (whether individual transaction or transactions taken together or series of transactions or otherwise) with the related parties as mentioned in explanatory statement, from the date of ensuing Annual General Meeting (“AGM”) up to the date of the next AGM for a period not exceeding fifteen months.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts/arrangements/ transactions, settle all questions, difficulties or doubts that may arise in this regard, as they may in their sole and absolute discretion deem fit, file requisite forms with the regulatory authorities and to do all such acts, deeds, matters and things as may be considered necessary and appropriate and to delegate all or any of its powers herein conferred to any authorized person(s) to give effect to this resolution.”

**For Decillion Finance Limited**

**Sd/-  
Shruti Poddar  
Company Secretary**

**Place: Kolkata**

**Date: 1<sup>st</sup> September, 2023**



## NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“MEETING” OR “AGM”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing the proxy should, however, be submitted at the corporate office of the company not less than forty-eight hours before the commencement of the meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (‘the Act’) relating to the Special Business to be transacted at the AGM is annexed hereto.
3. Additional information, pursuant to Regulation 36(3) and 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (‘SEBI Listing Regulations’) and Secretarial Standard - 2 on General Meetings, issued by The Institute of Company Secretaries of India, in respect of Director retiring by rotation seeking re-appointment at this Annual General Meeting is furnished as an Annexure to the Notice.
4. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP - ID and Client - ID/ Folio No.
5. Corporate Shareholders (i.e., other than Individuals/HUF, NRI, etc.) intending to attend AGM through their Authorised Representatives are requested to send a scanned copy (PDF/JPG Format) of their respective Board or Governing Body Resolution/Authorization, etc. authorizing its representative to attend the AGM on its behalf and to vote through poll or remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to [rgadvisory18@gmail.com](mailto:rgadvisory18@gmail.com) with a copy marked to the company’s email address i.e., [info@decillion.co.in](mailto:info@decillion.co.in).
6. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act and other relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, during business hours up to the date of the meeting.

8. The Company has appointed **M/s. Niche Technologies Pvt. Ltd.**, as its Registrars and Share Transfer Agents for rendering the entire range of services to the Shareholders of the Company. Accordingly, all documents, change of address intimation and other communication in relation thereto with respect to shares in electronic form should be addressed to the Registrars directly quoting Folio No., full name, and name of the Company as Decillion Finance Limited.
9. Members holding shares in electronic form are requested to intimate immediately any change in their address to their Depository participants with whom they are maintaining their demat accounts.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts.
11. Notice of the AGM along with attendance slip and proxy form is being sent to all the members whose name appears in the Register of Members as on **25<sup>th</sup> August, 2023** at the e-mail ids registered with the Company/ Depository Participant(s). For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. The Members may note that the Notice of AGM will also be available on the Company's website [www.decillion.co.in](http://www.decillion.co.in), website of the BSE Limited at [www.bseindia.com](http://www.bseindia.com), website of the Calcutta Stock Exchange Limited at [www.cse-india.com](http://www.cse-india.com) and on the website of National Securities Depository Limited ("NSDL") at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
12. To support the "Green Initiative", Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/their Depository Participants, in respect of shares held in electronic mode, respectively.
13. The Chairman shall, at the meeting, at the end of discussion on the resolution on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of Polling Paper for all the members.
14. The Board of Directors of the Company has appointed Mr. Rajesh Ghorawat, Practicing Company Secretary as a Scrutinizer, for conducting poll during the Annual General Meeting and to oversee voting process.
15. The Voting Results declared along with the Scrutinizer's Report shall be placed on the website of the Company at [www.decillion.co.in](http://www.decillion.co.in) and on the website of National Securities Depository Limited at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the declaration of Result by the Chairman or any person authorized by him in writing.

16. The route map showing directions to reach the venue of the Annual General Meeting is annexed.
17. The Register of Members and Share Transfer Books of the Company will be closed from Friday, 22<sup>nd</sup> September, 2023 to Thursday, 28<sup>th</sup> September, 2023 (both days inclusive) for the purpose of AGM of the Company.

**Voting Through Electronic Means:**

18. Pursuant to Section 108 of the Companies Act 2013 read with Rule 20 of the Companies (Management of Administration) Rules, 2014, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an arrangement with NSDL for facilitating voting through electronic means, as the authorized agency. The manner of voting remotely is provided in the instructions for e-voting section which forms part of this Notice.
19. A person whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on 21<sup>st</sup> September, 2023 being the cut-off date shall be entitled to avail the facility of remote e-voting or voting during the AGM. Persons who are not Members as on the cut-off date, but have received this notice, should treat receipt of this Notice for information purpose only.
20. The Members who have cast their vote by remote e-voting prior to AGM may also attend the AGM, but shall not be entitled to cast their vote again. During the voting period, Members can login to NSDL's e-voting platform any number of times till they have voted on the resolution. Once the vote on a resolution is casted by a Member, whether partially or otherwise, the Member shall not be allowed to change it subsequently or cast the vote again.
21. The Members whose names appear in the Register of Members / List of Beneficial Owners as on 21<sup>st</sup> September, 2023 are entitled to vote on resolutions set forth in the Notice. Eligible Members who have acquired shares after sending the Notice and holding shares as on the cut-off date may approach the Company for issuance of the User Id and Password for exercising their right to vote by electronic means.
22. The remote e-voting period begins on Monday, 25<sup>th</sup> September, 2023 at 9.00 A.M. (IST) and ends on Wednesday, 27<sup>th</sup> September, 2023 at 5.00 P.M. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. A person who is not a Member as on the cut-off date shall treat this notice for information purpose only.
23. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date 21<sup>st</sup> September, 2023. A person whose name is recorded in the Register of Members maintained by Registrar and

Share Transfer Agent or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date shall be entitled to avail the facility of e-voting.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER: -**

The remote e-voting period begins on Monday, 25<sup>th</sup> September, 2023 at 9.00 A.M. (IST) and ends on Wednesday, 27<sup>th</sup> September, 2023 at 5.00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e., 21<sup>st</sup> September, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 21<sup>st</sup> September, 2023.

**How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*




**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “ <b>Beneficial Owner</b> ” icon under “ <b>Login</b> ” which is available under ‘ <b>IDeAS</b> ’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “ <b>Access to e-Voting</b> ” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e., NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period If you are not registered for IDeAS e-Services, option

	<p>to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <ol style="list-style-type: none"> <li>2. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> 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 <b>e-Voting service provider i.e., NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>3. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p>    </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their 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 <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e., NSDL</b>. Click on NSDL to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> </ol>

	<p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e., <b>NSDL</b> where the e-Voting is in progress.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 022 4886 7000 or 022 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login"

which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e., IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e., Cast your vote electronically.*

4. Your User ID details are given below:

<b>Manner of holding shares i.e., Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e., a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for

NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, home page of e-Voting will open.

## **Step 2: Cast your vote electronically on NSDL e-Voting system.**

### **How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e., assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.



7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [rgadvisory18@gmail.com](mailto:rgadvisory18@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e., 21<sup>st</sup> September, 2023, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 022 4886 7000 or 022 2499 7000. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 21<sup>st</sup> September, 2023 may follow steps mentioned in the Notice of the AGM under Step 1 : "Access to NSDL e-Voting system" (Above).
3. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 022 4886 7000 or 022 2499 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager, NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [info@decillion.co.in](mailto:info@decillion.co.in).
2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [info@decillion.co.in](mailto:info@decillion.co.in). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e., **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively, shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**ANNEXURE TO THE NOTICE**

**Details of Directors seeking appointment / reappointment in Annual General Meeting in pursuance of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

<b>Name of Director</b>	<b>Jitendra Kumar Goyal</b>	<b>Vidhu Bhushan Verma</b>	<b>Priyanka Mohta</b>
Date of birth	03.11.1963	16.05.1962	28.10.1990
Nationality	Indian	Indian	Indian
Date of first appointment on the board	02.06.2003	14.11.2017	01.09.2023
Qualification	Commerce Graduate	Chartered Accountant	Company Secretary
Experience in functional area	He has more than 25 years of experience and versatile knowledge in the fields of Accountancy, Statutory Compliance and Auditing.	He has experience of more than two decades in Investment and Trading of shares of securities and also in the field of Finance and Accounting.	She has an experience of more than 2 years in the field of Finance. She also knows the compliance of Companies Act and SEBI LODR
Relationship with other Directors	NIL	NIL	NIL
Shareholding in the Company	YES (Number of Shares held is 70,100)	NIL	NIL
List of directorships held in other Listed Companies	3	2	0
Committee membership in other Listed Companies	7	6	0

## **Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("The Act")**

### **Item No. 3:**

The Board of Directors at their Meeting held on 1<sup>st</sup> September, 2023, were informed that the term of the existing Statutory Auditors i.e., M/s C.K. Chandak & Co., Chartered Accountants shall be expiring at the ensuing Annual General Meeting and as per Section 139(2) of the Companies Act, 2013, he is not eligible for re-appointment for second term of five years. Therefore, the Board on recommendation of Audit Committee had proposed the appointment of M/s. Ghosh & Basu LLP, Chartered Accountants, (Firm Registration No. E300013), as the Statutory Auditors of the Company for a period of five consecutive years.

M/s. Ghosh & Basu LLP, Chartered Accountants is managed by professionals and its head office is located in Kolkata. They offer a wide spectrum of services in the field of taxation, audit, finance and accountancy as well as other allied services. With years of rich experience and credibility to backup, they have always been able to meet the client's specific requirement. They have client centric approach and always believe in giving services to the satisfaction of the client. Therefore, considering the efficiency of the firm, the Board proposes to pay a remuneration amounting to Rs. 20,000/- per annum plus applicable taxes and out of pocket expenses with the authority to the Board/Audit Committee to alter or modify the terms of appointment including remuneration as mutually agreed between the Board and the Statutory Auditors from time to time.

Therefore, the Audit Committee and the Board recommends the appointment of M/s Ghosh & Basu LLP, Chartered Accountants, as the Statutory Auditors of the Company for a period of 5 (five) consecutive years from the conclusion of the ensuing Annual General Meeting up to conclusion of 34<sup>th</sup> Annual General Meeting of the Company.

None of the Directors and the Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 3.

The Board recommends the Ordinary Resolution set forth in Item No. 3 of the Notice for approval of the Members of the Company.

### **Item No. 4:**

Pursuant to the provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules 2014 and other applicable provisions (including any modification or enactment thereof), if any, of the Companies Act 2013 read with the Articles of Association of the Company, Mr. Vidhu Bhushan Verma (DIN: 00555238) was appointed as the Non-Executive Independent Director of the Company w.e.f. 14.11.2017 for a period of five consecutive years and his tenure is expiring at the ensuing Annual General Meeting.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature for re-appointment of Mr. Vidhu Bhushan Verma (DIN:

00555238), for the office of Director of the Company. The matter regarding re-appointment of Mr. Vidhu Bhushan Verma (DIN: 00555238), as Non-Executive Independent Director was placed before the Nomination & Remuneration Committee, which recommends his appointment as Non-Executive Independent Director for a second term of five consecutive years from the conclusion of this AGM till the conclusion of 34<sup>th</sup> AGM. The terms and conditions of appointment of Mr. Vidhu Bhushan Verma (DIN: 00555238), shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives is concerned or interested, financially or otherwise in the resolution of item no. 4.

Brief profile of Mr. Vidhu Bhushan Verma, nature of his expertise in functional areas and names of listed companies in which he holds directorship and membership/chairmanship of Board Committees, shareholding and relationships between directors as required under SEBI Listing Regulations, 2015 and the Secretarial Standard - 2 and other provisions of applicable laws are annexed to the Notice.

The Board commends the Special Resolution set out at Item No. 4 for the approval of the Members of the Company.

**Item No. 5:**

As recommended by the Nomination and Remuneration Committee, the Board of Directors has at their meeting held on 1<sup>st</sup> September, 2023, appointed Mrs. Priyanka Mohta as Additional Director (Non-Executive and Non-Independent) of the Company w.e.f. 1<sup>st</sup> September, 2023, liable to retire by rotation, subject to the approval of the Members.

As an Additional Director, Mrs. Priyanka Mohta holds office up to the date of the ensuing Annual General Meeting and is eligible to be appointed as a Non-Executive Director of the Company. In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), effective 1<sup>st</sup> January, 2022, a listed entity shall ensure that approval of shareholders for appointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier.

The Company has received a notice from a Member under Section 160 of the Act proposing her candidature for the office of Director of the Company. Mrs. Priyanka Mohta has consented to act as Director of the Company along with a declaration to the effect that she is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has not been debarred or disqualified from being appointed or continuing as a Director of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority. Further, Mrs. Priyanka Mohta is not related to any other Director or Key Managerial Personnel of the Company.

Considering her leadership skills, expertise in finance and compliances relating to Companies Act & SEBI LODR, the Board recommends the resolution, pertaining to the appointment of Mrs. Priyanka Mohta as Non-Executive Director, for approval by the Members of the Company by way of an Ordinary Resolution.

A brief profile of Mrs. Priyanka Mohta, in terms of Regulation 36(3) of the Listing Regulations and the Secretarial Standard on General Meetings (SS-2) issued by the ICSI, has been provided as an Annexure to this Notice.

Except Mrs. Priyanka Mohta, being the appointee and his relatives, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution set out at Item No. 5.

The Board accordingly recommends the Ordinary Resolution as set out in Item No. 5 of this Notice for your approval.

**Item No. 6:**

As per the provisions of Section 188 of the Companies Act, 2013 (the "Act"), transactions with related parties which are on an arm's length basis and in the ordinary course of business, are exempted from the obligation of obtaining prior approval of shareholders. However, such transactions, if material, require prior approval of shareholders, notwithstanding the fact that the same are at an arm's length basis and in the ordinary course of business, as per the requirements of the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per the amendments to clause (zc) of Regulation 2(1) read with the proviso to Regulation 23(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which was effective from 1<sup>st</sup> April, 2022, provides transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rs. 1,000 crore or 10% of the annual consolidated turnover as per the last audited financial statements of the listed entity, whichever is lower.

The Company is a Non-Banking Financial Company (NBFC), primarily engaged in the business of financing/investing, needs various corporate having presence in the state of West Bengal. Considering the nature of business and operations, the Company enters into various Related Party Transactions in the ordinary course of business and at arm's length price.

As per Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No SEBI/HO/CFD/CMD1/CIR/P/2022/40 dated 30<sup>th</sup> March, 2022, approval of the Members is sought for arrangements/ transactions/contracts undertaken whether by way of

continuation/ modification/ratification of earlier arrangements/ transactions/contracts and for transactions proposed to be entered into by the Company with Related Parties.

Further, the SEBI vide its circular bearing reference no. SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated April 08, 2022 has clarified and specified that the Shareholders' approval of omnibus RPTs approved in an Annual General Meeting ("AGM") shall be valid up to the date of the next AGM for a period not exceeding fifteen months. Therefore, the Company is required to obtain Shareholders' approval in every AGM.

The details required as under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22<sup>nd</sup> November, 2021 in connection with the Material Related Party Transactions is given below.

Details of Summary of information provided by the management to the Audit Committee:

Name of the Related Party and its relationship with the listed entity including nature of its concern or interest (financial or otherwise):

<b>Name of Companies/LLP/HUF/Individual</b>	<b>Nature of Interest</b>
Virat Leasing Limited	Entity influenced by the KMP
Fastflow Commodeal Limited	Enterprise influenced by KMP
Goyal Toys LLP	Entity influenced by the Director
Moti Finvest Private Limited	Entity influenced by the Director
Rambhakta Enterprises LLP	Entity influenced by the Director
Sumit Goyal	Son of KMP
Virendra Kumar Goyal	Brother of KMP
Virendra Kumar Goyal HUF	Karta is Brother of KMP
VZ Vanijya LLP	Entity influenced by the Director
Yashoyog Commercial LLP	Entity influenced by the Director
Centuple Trading LLP	Entity influenced by the Director
Centuple Commercial LLP	Entity influenced by the Director
Goyal Commercial Private Limited	Entity influenced by the Director
Littlestar Tracom LLP	Entity influenced by the Director
Mayborn Investments Private Limited	Entity influenced by the Director
Shruti Poddar	Company Secretary
Rajesh Kumar Yadav	Chief Financial Officer
Aurelian Commercial LLP	Entity influenced by the Director
Ultra Dealers Private Limited	Entity influenced by the Director
ABM Finlease Private Limited	Entity influenced by the Director
Scintilla Commercial & Credit Limited	Entity influenced by the Director
Varsha Jain	Daughter of KMP

Renu Goyal	Wife of KMP
Spectrum Pestrogan Pvt Ltd	Entity influenced by the Director
Tubro Consultants & Enterprises Private Limited	Entity influenced by the Director
Vibgyor Commotrade Pvt Ltd	Entity influenced by the Director
Dignity Dealtrade Pvt Ltd	Entity influenced by the Director
Daffodil Dealtrade Pvt. Ltd	Entity influenced by the Director
Kaushal Investments Ltd	Entity influenced by the Director
Lifestyle Vanijya LLP	Entity influenced by the Director
G Jitendra HUF	Karta is a KMP
Y.K. Goyal & Sons HUF	Karta is a KMP
Zigma Commosales Private Limited	Entity influenced by the Director
Horizon Agro Processing Private Limited	Entity influenced by the Director
Anjaniputra Promoters Private Limited	Entity influenced by the Director
Laxmidhan Properties Private Limited	Entity influenced by the Director
Shreyans Stockinvest Pvt Ltd	Entity influenced by the Director
Sumit Technisch & Engineering Pvt Ltd	Entity influenced by the Director
Aurelian Trading LLP	Entity influenced by the Director
Merit Commosales LLP	Entity influenced by the Director
Twinkle Vintrade LLP	Entity influenced by the Director
Daulat Vintrade LLP	Entity influenced by the Director
Suncity Dealers LLP	Entity influenced by the Director
Silverlake Tradelinks LLP	Entity influenced by the Director
Success Dealers LLP	Entity influenced by the Director
Icon Commotrade LLP	Entity influenced by the Director
Skylight Vintrade LLP	Entity influenced by the Director
Maruti Tie-Up LLP	Entity influenced by the Director
Planet Dealtrade LLP	Entity influenced by the Director
Yashoyog Investments	Entity influenced by the Director
KVZ Enterprises	Entity influenced by the Director
Balaji Enterprises	Entity influenced by the Director

Materiality Thresholds for Related Party Transactions:

<u>Nature of Transactions</u>	<u>Value of Transactions (Rs)</u>
Purchase/ sale of securities from/ to related parties	2,50,00,000/-
Granting of loan to each related party	2,50,00,000/-
Availing of loan from related parties	2,50,00,000/-
Remuneration paid to Key Managerial Personnel	25,00,000/-
Rent Paid	5,00,000/-
Expenses incurred/ re-imbursed for availment/ providing of services	10,00,000/-



In the event the Company becomes aware of any RPT that has not been approved or ratified under this Policy, the transaction shall be placed as promptly as practical before the Committee or Board or the Shareholders as may be required in accordance with this Policy for review and ratification.

The Committee or the Board or the Shareholders shall consider all relevant facts and circumstances respecting such transaction and shall evaluate all options available to the Company, including but not limited to ratification, revision, or termination of such transaction and the Company shall take such action as the Committee deems appropriate under the circumstances.

Material terms and particulars of the proposed transaction:

Material terms and conditions are based on the contracts which inter alia include the rates which are based on prevailing market price and commercial terms as on the date of entering into the contract. The particulars of the proposed transaction are mentioned above.

If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity:

Not applicable as the Company is Non-Banking Financial institution (NBFC) Company.

Details of the source of funds in connection with the proposed transaction:

Not Applicable

Details of financial indebtedness incurred:

Not Applicable

Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security:

Not Applicable

The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the related party transaction:

Not Applicable

Justification as to why the Related Party Transaction is in the interest of the listed entity:

The Company is a Non-Banking Financial Company (NBFC), primarily engaged in the business of financing/investing, needs various corporate having presence in the state of West Bengal. These are treated as related party transactions by virtue of law itself and there

is no discrimination made while the transactions entered with a related party and unrelated parties. Considering the nature of business and operations of the Company, transactions as mentioned above will help for meeting its business requirements and overall business performance of the Company.

A copy of the valuation or other external party report, if any such report has been relied upon:

Not Applicable

Any other information:

Nil

The Audit Committee and Board of Directors of the Company have approved the Related Party Transactions at their meetings held on 1<sup>st</sup> September, 2023 and have noted that such transactions may, in aggregate, cross the applicable materiality thresholds as mentioned above.

Your Board of Directors considered the same and recommends passing of the resolution contained in Item No. 4 of the accompanying Notice as a Special Resolution.

Other than those mentioned above, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution.

**For Decillion Finance Limited**

**Sd/-  
Shruti Poddar  
Company Secretary**

**Place: Kolkata**

**Date: 1<sup>st</sup> September, 2023**

**Attendance Slip**

*(Please fill in attendance slip and hand it over at the entrance of the meeting Hall.)*

I hereby record my presence at the 29<sup>th</sup> Annual General Meeting of the Company being held on Thursday, 28<sup>th</sup> September, 2023 at 12.00 noon at "Oswal Chambers", Eitma, 5<sup>th</sup> Floor, 2, Church Lane, Kolkata - 700 001 and at any adjournment thereof.

<b>DP-ID*</b>	
<b>No. of shares held</b>	<b>Client ID*</b>
<b>Member / Proxy Name</b> <i>(Please mention in block letters)</i>	<b>Member / Proxy Signature</b>

\* Applicable for Members holding Shares in electronic form.

**THIS SECTION IS INTENTIONALLY LEFT BLANK**

**FORM NO MGT-11 - PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s)			
Registered Address			
E-mail id			
Registered Folio No.			
DP-ID		Client ID	

I/We, being the member(s) holding \_\_\_\_\_ equity shares of Decillion Finance Limited hereby appoint:

Mr. \_\_\_\_\_ residing at \_\_\_\_\_ having email-id \_\_\_\_\_ as my/our proxy to vote for me/us on my/our behalf at the 29<sup>th</sup> Annual General Meeting of the Company scheduled to be held on Thursday, 28<sup>th</sup> September, 2023 at 12.00 noon at "Oswal Chambers", Eitma, 5<sup>th</sup> Floor, 2, Church Lane, Kolkata - 700 001 and any adjournment thereof, in respect of such resolutions as are indicated below:

Item No	Resolutions
1.	To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31 <sup>st</sup> March 2023.
2.	To appoint a director in place of Mr. Jitendra Kumar Goyal (DIN: 00468744), who retires by rotation and being eligible, offers himself for re-appointment.
3.	To appoint M/s Ghosh & Basu LLP, Chartered Accountants as the Statutory Auditors of the Company for a period of five consecutive years.
4.	To re-appoint Mr. Vidhu Bhushan Verma (DIN: 00555238) as Non-Executive Independent Director of the Company for a second term of five consecutive years.
5.	To appoint Mrs. Priyanka Mohta as Non-Executive Director of the Company.
5.	To approve existing as well as proposed material related party transactions.

Revenue Stamp of Re. 1/-
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Signature of Shareholder

Signature of proxy holder(s)

Date: \_\_\_\_\_, 2023

**Notes:**

- The Proxy form duly completed must be deposited at the corporate office of the Company not less than 48 hours before the commencement of the meeting.
- This form of proxy will be valid only if it is duly complete in all respects, properly stamped and submitted as per the applicable law. Incomplete form or form which remains unstamped or inadequately stamped or form upon which the stamps have not been cancelled will be treated as invalid.
- Undated proxy form will not be considered valid.
- If Company receives multiple proxies for the same holdings of a member, the proxy which is dated last will be considered valid; if they are not dated or bear the same date without specific mention of time, all such multiple proxies will be treated as invalid.
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes. When a member appoints a Proxy and both the member and Proxy attend the Meeting, the Proxy will stand automatically revoked.
- In the case of joint-holders, the signature of any one holder will be sufficient, but names of all the joint-holders should be stated.
- This form of proxy shall be signed by the appointer or his attorney duly authorized in writing, or if the appointer is a body registered, be under its seal or be signed by an officer or an attorney duly authorized by it.
- A proxy need not be a member of the Company and shall prove his identity at the time of attending the Meeting.

## Route Map

